

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
STATE OF IDAHO

In the Matter of:

MOSCOW TITLE, INC.,

License No. 5674

Docket No. 18-4338-23

**ORDER ADOPTING REPORT
OF EXCEPTION EXAMINATION
AS OF DECEMBER 31, 2022**

The Idaho Department of Insurance (“Department”), in accordance with Idaho Code §§ 41-219(1) and (5) and 41-2710(7), has examined the affairs, transactions, assets, tract indexes, abstract records, and other records of Moscow Title, Inc. (“Moscow Title”) for the period of January 1, 2018, through December 31, 2022. The Department’s verified Report of Examination (“Report”), reflecting the examiner’s findings, was then filed with the Department per Idaho Code § 41-227.

Having reviewed the Report and record, the Director enters this Order adopting the Report as filed. A copy of the Report is attached to this Order as Exhibit “A”.

FINDINGS OF FACT

1. Moscow Title is a title agency licensed by the Department to transact title insurance in Latah County, Idaho, under License No. 5674.
2. On or about August 30, 2023, the Department completed an examination of Moscow Title’s practices and procedures, per Idaho Code §§ 41-2710(7) and 41-219(1) and (5), to determine compliance with title 41, Idaho Code, and any related rules. The examiner’s findings are documented in the Report. In summary, the examiner found that Moscow Title violated the following Department rules and provides the following recommendations:

- On two (2) occasions, the Agent quoted and charged title insurance premiums that were less than the filed rate for such risk with the Department of Insurance. These actions are in violation of Idaho Code § 41-2708(3).

No later than thirty (30) days from the date of this Order, Moscow Title is required to submit to the Department, in writing, what proposed procedures will be implemented to ensure future title insurance premiums are compliant with Idaho Code § 41-2708(3).

- On four (4) occasions, the Agent charged escrow fees that were less than the filed rate for such escrow service with the Department of Insurance and/or providing a monetary credit to a different classification of customer. These actions are in violation of Idaho Code § 41-2708(3) and IDAPA 18.05.01.022.

No later than thirty (30) days from the date of this Order, Moscow Title is required to submit to the Department, in writing, what proposed procedures will be implemented to ensure that future escrow fees and credits with regard to different classification of customers are compliant with Idaho Code § 41-2708(3) and IDAPA 18.05.01.022.

No later than thirty (30) days from the date of this Order, Moscow Title is required to submit to the Department a copy of Stewart Title Guaranty Company's, its underwriter, most recent escrow audit report, their recommendations for corrective actions, if any, and if applicable, the Agent's proposed implementation plan for corrective actions and/or actions already taken.

3. Based on these findings, although administrative monetary penalties are appropriate for the violations identified, the examiner recommends that the penalties be deferred at this time with the understanding that the Department retains the right to impose and enforce the deferred penalties should there be a finding of future violations of these rules.

4. Per Idaho Code § 41-227(4), the Department examiner-in-charge filed the Report with the Department on September 13, 2023 and transmitted a copy to Moscow Title on September 14, 2023.

5. Per Idaho Code § 41-2710(7), Moscow Title had 28 days from the receipt of the Report to make a written submission or rebuttal with respect to matters in the Report.

6. On September 15, 2023, the Department received a Waiver from Moscow Title signed by Stephen R. Bush, President, and authorized signatory. A copy of the Waiver is attached hereto as

Exhibit "B". By executing the Waiver, Moscow Title consented to the Director's immediate entry of a final order adopting the Report without modification. Moscow Title also waived its rights to: (1) examine the Report for not more than 28 days; (2) make a written submission or rebuttal to the Report prior to entry of a final order; (3) request a hearing; and (4) seek reconsideration or appeal from the Director's final order.

CONCLUSIONS OF LAW

7. Idaho Code § 41-227(5) requires the Director to fully consider and review the Report, together with any written submissions or rebuttals and any relevant portions of the examiner's work papers and enter an order adopting the Report as filed or with modifications or corrections, rejecting the Report and reopening the examination, or calling for an investigatory hearing.

8. Moscow Title's actions are considered violations and administrative penalties are appropriate per Idaho Code §§ 41-2708(3), 41-117, 41-1016, 41-2710(4), and IDAPA 18.05.01.022. As noted above, while imposing a monetary penalty for the above violations would be appropriate, such penalty is deferred subject to the understanding that the Department retains the right to impose and enforce the deferred penalties should there be a finding of future violations of these rules.

9. Having fully considered the Report and record, the Director concludes that, regarding the matters examined, the Report's comments, findings, and recommendations are appropriate and should be incorporated herein as if set forth in full.

ORDER

NOW, THEREFORE, IT IS ORDERED:

1. The Report is adopted as filed;
2. Per Idaho Code §§ 41-227(5)(a); 41-227(8) and 41-2710(7), the adopted Report is a public record and shall not be subject to the exemptions from disclosure in chapter 1, title 74, Idaho

Code;

3. Per Idaho Code § 41-227(6)(a), within 30 days of the service date of this Order, Moscow Title must file, with the Department's chief examiner, affidavits executed by each of its directors or, if none, its principal officers, stating under oath that they have received a copy of the adopted Report and related orders.

4. No later than thirty (30) days from the date of this Order, Moscow Title is required to submit to the Department, in writing, what proposed procedures will be implemented to ensure that future escrow fees and credits with regard to different classification of customers are compliant with Idaho Code § 41-2708(3) and IDAPA 18.05.01.022.

5. No later than thirty (30) days from the date of this Order, Moscow Title is required to submit to the Department, a copy of Stewart Title Guaranty Company's, its underwriter, most recent escrow audit report, their recommendations for corrective actions, if any, and if applicable, the Agent's proposed implementation plan for corrective actions and/or actions already taken

6. No later than thirty (30) days from the date of this Order, Moscow Title is required to submit to the Department, in writing, what proposed procedures will be implemented to ensure future title insurance premiums are compliant with Idaho Code § 41-2708(3).

DATED AND EFFECTIVE this 19 day of October, 2023.

STATE OF IDAHO
DEPARTMENT OF INSURANCE


DEAN L. CAMERON
Director

NOTIFICATION OF RIGHTS

This is a final order of the agency. Any party may file a motion for reconsideration of this final order within 14 days of the service date of this order. The agency will dispose of the motion for reconsideration within 21 days of its receipt, or the motion will be considered denied by operation of law. *See* Idaho Code § 67-5246(4).

Any such motion for reconsideration shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may file a petition for judicial review in the district court of the county in which:

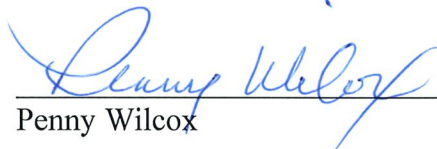
- i. A hearing was held;
- ii. The final agency action was taken;
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho; or
- iv. The real property or personal property that was the subject of the agency action is located.

A petition for judicial review must be filed within 28 days of: (a) the service date of this final order, (b) the service of an order denying motion for reconsideration, or (c) the failure within 21 days to grant or deny a motion for reconsideration, whichever is later. *See* Idaho Code § 67-5273. The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal. Idaho Code § 67-5274.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 20th day of October, 2023, I caused a true and correct copy of the foregoing ORDER ADOPTING REPORT OF EXCEPTION EXAMINATION AS OF DECEMBER 31, 2022, to be served upon the following parties by the designated means:

Stephen Bush, President Moscow Title, Inc. 127 South Washington St. Kenworthy Plaza, Suite 1 Moscow, ID 83843-2866	<input type="checkbox"/> First Class Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: <u>moscowtitle@moscow.com</u>
John Keenan Deputy Attorney General IDAHO DEPARTMENT OF INSURANCE 700 W. State Street, 3 rd Floor P.O. Box 83720 Boise, ID 83720-0043	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: <u>john.keenan@doi.idaho.gov</u>


Penny Wilcox



REPORT OF EXCEPTION EXAMINATION
For the Period January 1, 2018 through December 31, 2022

Of
MOSCOW TITLE, INC.
(a title agent corporation - license #5674 – Latah County)

As of
December 31, 2022

Equal Opportunity Employer

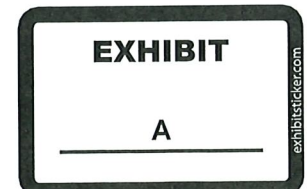


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Boise, Idaho
August 30, 2023

The Honorable Dean L. Cameron
Director of the Idaho Department of Insurance
700 West State Street
Boise, Idaho 83720

Sir:

Pursuant to your instructions and in conformity with Idaho Code §§ 41-219, 41-220, 41-2710(7), and 41-2713, an examination has been made of the administrative affairs, books, records, and financial condition of;

Moscow Title, Inc.
127 South Washington Street
Kenworthy Plaza, Suite #1
Moscow, Idaho 83843-2866
License #5674 – Latah County

Hereinafter referred to as “Agent”

The following Report of Exception Examination is respectfully submitted.

FOREWORD

This is an exception examination report of the practices and procedures of Moscow Title, Inc., an Idaho Title Agent licensed in Latah County. The examination was conducted remotely from the offices of the Idaho Department of Insurance (the "Department") located at 700 West State Street, 3rd Floor in Boise, Idaho.

In performing this examination, the examiner(s) reviewed a sample of the Agent's procedures, files, and documentation. Some noncompliant practices may not have been discovered during this examination. In addition, examiners may have documented practices and procedures that did not appear to be in the best interest of Idaho insurance consumers. However, failure to identify or criticize specific practices, products, or files does not constitute approval thereof by the Department.

It should be understood that examination comments are restricted to areas of concern and are not intended as commentary on the various favorable aspects of the Agent's operations. It should be further recognized that these comments should not be regarded as reflecting the integrity or capabilities of individuals at the Agent. As such, this report may not fully reflect the procedures and practices of the Agent.

This examination report cites Idaho Statute and administrative rules promulgated by the Department. Statute and rule citations are current unless otherwise noted.

The final examination report documents consist of the examiners' report, the Agent's response, and any administrative actions based on the findings of the Department. The goal of the examination team was to produce an examination report that reflects agreement in content with the Agent. The report indicates where agreement was or was not possible.

PURPOSE AND SCOPE OF EXAMINATION

The purpose of this examination is to determine compliance with applicable Idaho Statutes, and promulgated rules issued by the Department.

The period covered by this examination is January 1, 2018 through December 31, 2022. Specific areas examined include operations/management, claims, advertising and marketing, title file review and escrow fiduciary account and file review.

The authority of the Department to perform this examination includes, but is not limited to, Idaho Code § 41-2710(7), which grants authority to the Department to regular examinations of the tract indexes, abstract records, and any other records to ascertain compliance with title 41, Idaho Code, and related rules, of a title agent not more than every fifth year, unless the agent otherwise requests or the director has cause to believe the same does not comply with said title or the rules thereunder.

EXECUTIVE SUMMARY

The examination found the following areas of concern:

1) Title File Review (Section III., pages 7-8.)

- **2 Exceptions:**

- **Idaho Code § 41-2708(3) – Rebates.**

No title insurance company or title insurance agent shall quote or make any charge for title insurance to any person less than the currently filed rate for such risk with the department of insurance.

The Agent, on two (2) occasions, quoted and charged title insurance premium that was less than the filed rate for such risk with the Department of Insurance.

2) Escrow File Review (Section IV.B., pages 9-10.)

- **4 Exceptions:**

- **Idaho Code § 41-2708(3) – Rebates.**

No title insurance company or title insurance agent shall quote or make any charge for title insurance to any person less than the currently filed rate for such risk with the department of insurance.

- **IDAPA 18.05.01.022 - Escrow Fees.**

Title insurers and title insurance agents will not charge less than the fees filed with the Department of Insurance for a specified escrow service, as such service is defined in the title insurer's or title insurance agent's filed schedule of fees. . . . Fees should include a title entity's basic rate, minimum rate and negotiable rate with respect to different types of closings and should not reflect credits of any kind with regard to different classifications of customers.

The Agent, on three (3) occasions, charged escrow fees that were less than the filed rate for such escrow service with the Department of Insurance, and on one (1) occasion, provided a monetary credit to a different classification of customer.

HISTORY AND DESCRIPTION

Moscow Title, Inc., was formed and incorporated on January 19, 1979 by Winfred B. Moorer, Alan C. Stephens, and James L. Westberg. On August 29, 1979, they became licensed with the Department and began business operations in Latah County. In or around 1990, Stephen R. Bush, took ownership and was named the President of the corporation. They conduct business in Latah County out of offices in Moscow, Idaho.

PRIOR EXAMINATION

Our examination included a review to determine if exceptions were noted and addressed in the preceding report of exception examination dated October 16, 2018, which covered the period of January 1, 2013 through December 31, 2017. No exceptions were noted in that examination.

EXAMINATION FINDINGS AND RECOMMENDATIONS

I. OPERATIONS AND MANAGEMENT

The examination included a review of the Agent's operations and management. The focus of this section of the examination includes review of management and control, contracting authority, surety bond, claims, and financial interests of the title entity management and ownership.

A. MANAGEMENT, CONTROL AND FINANCIAL INTERESTS **IDAPA 18.05.01.014 & 015**

As of January 5, 2023, the Idaho Secretary of State shows the Agent is in active-good standing and lists Stephen R. Bush as the Registered Agent and Moscow Title, Inc., as President. No exceptions were noted as a result of this portion of the examination.

B. CONTRACTING AUTHORITY **Idaho Code § 41-2710(2)**

The Agent has an underwriting contract with Stewart Title Guaranty Company and Old Republic National Title Insurance Company. The current underwriting contracts require high liability approval for risks in excess of \$500,000.00 and are subject to a deductible of \$2,500.00 and \$5,000.00, respectively. No exceptions were noted as a result of this portion of the examination.

C. SURETY BOND
Idaho Code §§ 41-2710(6), 2711
IDAPA 18.05.01.021.07 & 08

The Department has on file surety bond #62255542 in the amount of \$30,000.00 issued by Western Surety Company on behalf of the agent. We confirmed during the examination that this bond is currently active. No exceptions were noted as a result of this portion of the examination.

D. CLAIMS
Idaho Code § 41-2708(1) & (2)

The Agent reported no claims filed within the examination period. No exceptions were noted as a result of this portion of the examination.

II. ADVERTISING AND MARKETING
Idaho Code § 41-2708(3) & (4)
IDAPA 18.05.01.031 & Exhibit 1

The examination included a review of the Agent's marketing and sales practices. A general ledger for each year under examination for all accounts involving contributions, donations, sales expenses, travel and meal expenses, Agent/staff function expenses, as well as samples of listing packages or property profiles were requested and received. After a cursory review of the general ledgers, samples were picked within our examination parameters. Supporting documents for the samples were requested, received, and reviewed. No exceptions were noted as a result of this portion of the examination.

III. TITLE FILE REVIEW
Idaho Code §§ 41-2702, 2708 & 2709
IDAPA 18.05.01.012, 013 & Exhibit 1(9)

The title department is managed by Stephen R. Bush and is comprised of himself and one (1) Title Officer. The title plant is owned, posted, and maintained by the Agent in Moscow, Idaho. A sample of title files were reviewed within the parameters of our examination for the rates charged, the correct insured amount of the owner's and mortgagee's policies, proper countersignatures, double sales, proper use of the Standards of Liability and liens and encumbrance rules, and unique kind or class of risk.

- A total of two (2) exceptions were noted as a result of this portion of the examination and are as follows:

Violation of Idaho Code § 41-2708(3)					
Agent File Number	Closing Date	Extended Coverage Loan Title Policy Amount	Underwriter Filed Premium Rate	Title Agent Quoted and Charged Premium Rate	Total Rebate Provided
21108	October 01, 2020	\$35,000.00	\$491.00	\$375.00	\$116.00
21334	October 30, 2020	\$234,000.00	\$946.00	\$865.00	\$81.00

Idaho Code § 41-2708(3) states in relevant part: “**Rebates.** Section 41-1314(1), Idaho Code, shall be applicable to any person or entity and all employees, officers, agents, attorneys and solicitors thereof engaging in the title insurance business as to rebates and illegal inducements as in said section defined. The words "as inducement to such insurance" and "or in connection therewith" shall be construed to include but not be limited to underwriting premium, agent's commission, abstracting charges, title examination fees, closing charges, escrow fees, trustee fees, and foreclosure fees relating to deeds of trust. No insured in a policy nor any other person directly or indirectly connected with the transaction involving the issuance of a title insurance policy, including but not limited to mortgage brokers, real estate brokers and agents, builders or attorneys, nor any employee, agent or representative or solicitor thereof, shall knowingly receive or accept, directly or indirectly, any such rebate or illegal inducement. No title insurance company or title insurance agent shall quote or make any charge for title insurance to any person less than the currently filed rate for such risk with the department of insurance.” [Emphasis added.]

Violation: The Agent, on two (2) occasions, was in violation of Idaho Code § 41-2708(3) for quoting and charging title insurance premium that was less than the filed rate for such risk with the Department of Insurance.

Recommendation: It is recommended the Agent submit to the Department in writing what proposed procedures will be implemented to ensure future title insurance premium is compliant with Idaho Code § 41-2708(3).

It is further recommended, as this is the first instance of these violations, the preceding report of exception examination dated October 16, 2018, which covered the period of January 1, 2013 through December 31, 2017 found no exceptions, that no administrative penalties be imposed at this time, with the stipulation and understanding that these actions are considered violations and administrative penalties are appropriate pursuant to Idaho Code §§ 41-117, 41-1016, 41-2710(4), and 41-2708(3), while imposing a monetary penalty for the above violations would be appropriate, such penalty is deferred subject to the understanding that the Department retains the right to impose and enforce the deferred penalties should there be a finding of future violations of these rules.

IV. ESCROW FIDUCIARY ACCOUNTS AND FILE REVIEW

The escrow department is managed by Renee Haskell and comprised of herself and two (2) Escrow Officers.

A. FIDUCIARY ACCOUNTS IDAPA 18.05.01.021.04, 05 & 09

The examination included a review of the fiduciary accounts utilized during the examination period. The accounts were reviewed for correct labeling, separation from operating funds, reconciliation, and negative balances. The fiduciary accounts are balanced on a daily basis and reconciled on a monthly basis by Pam Rudder, an employee at Stewart Financial. Monthly reconciliations are review by Stephen R. Bush, President and Manager at the Agent. No exceptions were noted as a result of this portion of the examination.

B. ESCROW FILE REVIEW Idaho Code § 41-2705(3) IDAPA 18.05.01.021 & 022

The examination included a review of the escrow files opened during the examination period. A sample of the escrow files were reviewed within the parameters of our examination for adequate written instructions, conformity to the written instructions, rates charged as filed, signed settlement statements, receipt and disbursement ledgers, evidence of receipts and disbursements made, file overdrafts, and business interests of the escrow officers.

- A total of four (4) exceptions were noted as a result of this portion of the examination and are as follows:

Violation of Idaho Code § 41-2708(3) and IDAPA 18.05.01.022					
Agent File Number	Closing Date	Transaction Amount	Minimum Escrow Rate as Filed with the Department	Title Agent Escrow Fee Charged	Total Rebate Provided
21108	October 01, 2020	\$35,000.00	\$150.00	\$137.50	\$12.50
21334	October 30, 2020	\$234,000.00	\$600.00	\$300.00	\$300.00
21929	June 08, 2021	\$210,000.00	\$600.00	\$550.00	\$50.00
22040	November 04, 2021	N/A	N/A	Customer Volume Closing Credit Provided	\$200.00

Idaho Code § 41-2708(3) states in relevant part: “**Rebates.** Section 41-1314(1), Idaho Code, shall be applicable to any person or entity and all employees, officers, agents, attorneys and solicitors thereof engaging in the title insurance business as to rebates and illegal inducements as in said section defined. The words "as inducement to such insurance" and "or in connection therewith" shall be construed to include but not be limited to underwriting premium, agent's commission, abstracting charges, title examination fees, **closing charges, escrow fees**, trustee fees, and foreclosure fees relating to deeds of trust. No insured in a policy nor any other person directly or indirectly connected with the transaction involving the issuance of a title insurance policy, including but not limited to mortgage brokers, real estate brokers and agents, builders or attorneys, nor any employee, agent or representative or solicitor thereof, shall knowingly receive or accept, directly or indirectly, any such rebate or illegal inducement. No title insurance company or title insurance agent shall quote or make any charge for title insurance to any person **less than** the currently filed rate for such risk with the department of insurance.” [Emphasis added.]

IDAPA 18.05.01.022 state in relevant part: “**Escrow Fees.** Title insurers and title insurance agents will not charge **less than** the fees filed with the Department of Insurance for a specified escrow service, as such service is defined in the title insurer's or title insurance agent's filed schedule of fees. . . . Fees should include a title entity's basic rate, minimum rate and negotiable rate with respect to different types of closings and should **not reflect credits** of any kind with regard to different classifications of customers.” [Emphasis added.]

Violation: The Agent, on four (4) occasions, was in violation of Idaho Code § 41-2708(3) and IDAPA 18.05.01.022, for charging escrow fees that were less than the filed rate for such escrow service with the Department of Insurance and/or for providing a monetary credit to a different classification of customer.

Recommendation: It is recommended the Agent submit to the Department in writing what proposed procedures will be implemented to ensure future escrow fees and credits with regard to different classification of customers are compliant with Idaho Code § 41-2708(3) and IDAPA 18.05.01.022.

It is also recommended that the Agent submit to the Department a copy of Stewart Title Guaranty Company's, its underwriter, most recent escrow audit report, their recommendations for corrective actions, if any, and if applicable, the Agent's proposed implementation plan for corrective actions and/or actions already taken.

It is further recommended, as this is the first instance of these violations, the preceding report of exception examination dated October 16, 2018, which covered the period of January 1, 2013 through December 31, 2017 found no exceptions, that no administrative penalties be imposed at this time, with the stipulation and understanding that these actions are considered violations and administrative penalties are appropriate pursuant to Idaho Code §§ 41-117, 41-1016, 41-2710(4), 41-2708(3), and IDAPA 18.05.01.022, while imposing a monetary penalty for the above violations would be appropriate, such penalty is deferred subject to the understanding that the Department retains the right to impose and enforce the deferred penalties should there be a finding of future violations of these rules.

SUMMARY OF RECOMMENDATIONS

The recommendations made below identify corrective measures the Department finds necessary as a result of the exceptions noted in this Report of Exception Examination ("Report"). Location in the Report is referenced below in parenthesis.

1) Title File Review (Section III., pages 7-8.)

It is recommended the Agent submit to the Department in writing what proposed procedures will be implemented to ensure future title insurance premium is compliant with Idaho Code § 41-2708(3).

It is further recommended that no administrative penalties be imposed at this time, with the stipulation and understanding that these actions are considered violations and administrative penalties are appropriate pursuant to Idaho Code §§ 41-117, 41-1016, 41-2710(4), and 41-2708(3), while imposing a monetary penalty for the above violations would be appropriate, such penalty is deferred subject to the understanding that the Department retains the right to impose and enforce the deferred penalties should there be a finding of future violations of these rules.

2) Escrow File Review (Section IV.B., pages 9-10.)

It is recommended the Agent submit to the Department in writing what proposed procedures will be implemented to ensure future escrow fees and credits with regard to different classification of customers are compliant with Idaho Code § 41-2708(3) and IDAPA 18.05.01.022.

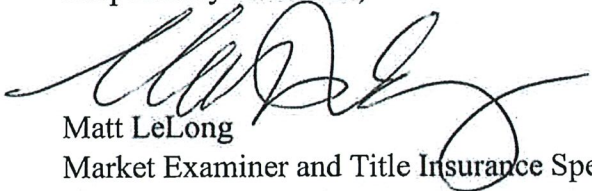
It is also recommended that the Agent submit to the Department a copy of Stewart Title Guaranty Company's, its underwriter, most recent escrow audit report, their recommendations for corrective actions, if any, and if applicable, the Agent's proposed implementation plan for corrective actions and/or actions already taken.

It is further recommended that no administrative penalties be imposed at this time, with the stipulation and understanding that these actions are considered violations and administrative penalties are appropriate pursuant to Idaho Code §§ 41-117, 41-1016, 41-2710(4), 41-2708(3), and IDAPA 18.05.01.022, while imposing a monetary penalty for the above violations would be appropriate, such penalty is deferred subject to the understanding that the Department retains the right to impose and enforce the deferred penalties should there be a finding of future violations of these rules.

AFFIDAVIT OF EXAMINER


I certify and attest that I have examined the Agent's tract indexes, abstract records, as well as other records, and the operation of the Agent's business and other matters relevant to the affairs of the Agent. I further certify that I have no relationship, other than in my capacity as examiner and/or regulator, with the Agent or its employees and that no conflict of interest exists that would prevent me from conducting the examination. I acknowledge the assistance and cooperation of the Agent and its employees during the examination. Based on my examination, I prepared this Examiner's Report of Exceptions (the "Report") in accordance with Idaho Code § 41-2710(7). I confirm that the findings, conclusions, and recommendations contained in this Report are my own.

Respectfully submitted,



Matt LeLong
Market Examiner and Title Insurance Specialist
Idaho Department of Insurance

SUBSCRIBED AND SWORN to before me this 13th day of September, 2023.



Notary Public for Idaho
Residing at: Ada, Coeur d'Alene
Commission Expires: 07/02/2027

PENALTY, STIPULATIONS AND APPEAL NOTIFICATION

This matter comes before the Department as a result of this Report of Exception Examination (“Examination”). The Department has fully considered and reviewed this Examination, any written submissions and rebuttals provided by the Agent in response to the Examination and the recommendations of the Examiner.

The Department makes the following findings of fact and imposes penalties and stipulations:

- 1) The Agent, on two (2) occasions, quoted and charged title insurance premium that was less than the filed rate for such risk with the Department of Insurance.

No later than thirty (30) days from the date the Final Order is adopted the Agent is required to submit to the Department in writing what proposed procedures will be implemented to ensure future title insurance premium is compliant with Idaho Code § 41-2708(3).

These actions are considered violations and administrative penalties are appropriate pursuant to Idaho Code §§ 41-117, 41-1016, 41-2710(4), and 41-2708(3), while imposing a monetary penalty for the above violations would be appropriate, such penalty is deferred subject to the understanding that the Department retains the right to impose and enforce the deferred penalties should there be a finding of future violations of these rules.

- 2) The Agent, on four (4) occasions, charged escrow fees that were less than the filed rate for such escrow service with the Department of Insurance and/or provided a monetary credit to a different classification of customer.

No later than thirty (30) days from the date the Final Order is adopted the Agent is required to submit to the Department in writing what proposed procedures will be implemented to ensure future escrow fees and credits with regard to different classification of customers are compliant with Idaho Code § 41-2708(3) and IDAPA 18.05.01.022.

Furthermore, no later than thirty (30) days from the date the Final Order is adopted the Agent is required to submit to the Department a copy of Stewart Title Guaranty Company’s, its underwriter, most recent escrow audit report, their recommendations for corrective actions, if any, and if applicable, the Agent’s proposed implementation plan for corrective actions and/or actions already taken.

These actions are considered violations and administrative penalties are appropriate pursuant to Idaho Code §§ 41-117, 41-1016, 41-2710(4), 41-2708(3), and IDAPA 18.05.01.022, while imposing a monetary penalty for the above violations would be appropriate, such penalty is deferred subject to the understanding that the Department retains the right to impose and enforce the deferred penalties should there be a finding of future violations of these rules.

State of Idaho
DEPARTMENT OF INSURANCE

BRAD LITTLE
Governor

700 West State Street, 3rd Floor
P.O. Box 83720
Boise, Idaho 83720-0043
Phone 208-334-4250
Fax 208-334-4398
Website: <https://doi.idaho.gov>

DEAN L. CAMERON
Director

WAIVER

In the matter of the Report of Exception Examination as of December 31, 2022, of:

Moscow Title, Inc.
127 South Washington Street
Kenworthy Plaza, Suite #1
Moscow, Idaho 83843-2866
License #5674 – Latah County

By executing this Waiver, Stephen R. Bush [print or type officer/director name], on behalf of Moscow Title, Inc., hereby acknowledges receipt of the above-described examination report, verified as of the 13th day of September 2023, and by this Waiver hereby consents to the immediate entry of a Final Order by the Director of the Department of Insurance (the "Director") adopting said report without any modifications, except under circumstances the Director under his lawful duties and powers may abate, adopt, or amend, any recommendations and/or penalties imposed by the examiner-in-charge.

By executing this Waiver, Moscow Title, Inc., also hereby waives:

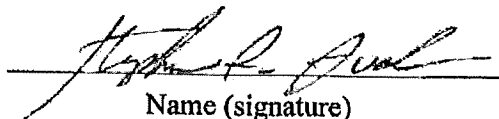
1. its right to examine the report for up to twenty-eight (28) days as provided in Idaho Code section 41-2710(7),
2. its right to make additional written submissions or rebuttals to the report prior to entry of a final order as provided in Idaho Code section 41-2710(7) and,
3. any right to request a hearing under Idaho Code sections 41-2710(7) and 41-232(2)(b), or elsewhere in the Idaho Code, and
4. any right to seek reconsideration and appeal from the Director's order adopting the report as provided by section 41-227(6)(a), Idaho Code, or elsewhere in the Idaho Code.

Dated this 15th day of September, 2023
~~October~~

Moscow Title, Inc.

Stephen R. Bush

Name (print)


Name (signature)

President

Title