

**FILED**

**APR 22 2024**

**Department of Insurance  
State of Idaho**

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

In the Matter of:

GUARANTY TITLE, INC.

Idaho Title Agency License No. 5643

Docket No. 18-4418-24

**ORDER ADOPTING REPORT  
OF EXCEPTION EXAMINATION  
AS OF DECEMBER 31, 2023**

The State of Idaho, Department of Insurance (“Department”), having conducted an examination of the affairs, transactions, assets, tract indexes, abstract records, and any other records of GUARANTY TITLE, INC. (“Guaranty”) to ascertain compliance with title 41, Idaho Code, and related rules, pursuant to Idaho Code §§ 41-2710(7) and 41-219(1) and (5), hereby alleges the following facts that constitute a basis for issuance of an order, pursuant to Idaho Code § 41-227(5)(a), adopting the Report of Exception Examination of Guaranty for the Period January 1, 2019 to December 31, 2023 (“Report”), as filed.

**FINDINGS OF FACT**

1. Guaranty is a title agency licensed by the Department to transact title insurance in Elmore County, Idaho, under Title Agency License No. 5643.
2. The Department completed an examination of Guaranty pursuant to Idaho Code §§ 41-2710(7) and 41-219(1) and (5) on or about March 29, 2024. The Department’s findings are set forth in the Report.
3. Pursuant to Idaho Code § 41-227(4), a copy of the Report was filed with the

Department on April 9, 2024, and was transmitted to Guaranty on the same date. A copy of the Report is attached hereto as Exhibit A.

4. Pursuant to Idaho Code § 41-2710(7), Guaranty had twenty-eight (28) days from service of the Report within which to review, comment, or request a hearing on the Report.

5. On April 12, 2024, the Department received a Waiver from Guaranty, signed by Sheryl Reymont, the president of Guaranty Title, Inc., which entity is the sole member of Guaranty Title, Inc. By execution of such Waiver, a copy of which is attached hereto as Exhibit B, Guaranty Title, Inc. consented to the immediate entry of a final order by the Director of the Department (“Director”) adopting the Report without any modifications; waived its right to make a written submission or rebuttal to the Report; and waived its right to request a hearing and to seek reconsideration or appeal for the Director’s final order.

### **CONCLUSIONS OF LAW**

6. Idaho Code § 41-227(5)(a) provides that, after expiration of “the period allowed for the receipt of written submissions or rebuttals, the Director shall fully consider and review the report, together with any written submissions or rebuttals and relevant portions of the examiner’s work papers” and shall enter an order adopting the report of examination as filed or with modifications or corrections.

7. Having fully considered the Report, the Director concludes that, with regard to the matters examined and information provided by Guaranty, the comments and recommendations contained in the Report are appropriate and are incorporated herein as if set forth in full.

### **ORDER**

NOW, THEREFORE, based on the foregoing, IT IS HEREBY ORDERED that the Report of Exception Examination of Guaranty Title, Inc. for the Period January 1, 2019 to December 31, 2023, is hereby ADOPTED as filed, pursuant to Idaho Code § 41-227(5)(a).

IT IS FURTHER ORDERED, pursuant to Idaho Code §§ 41-2710(7) and 41-227(8), that the adopted Report is a public record and shall not be subject to the exemptions from disclosure provided in chapter 1, title 74, Idaho Code.

IT IS FURTHER ORDERED, pursuant to Idaho Code § 41-227(6)(a), that, within thirty (30) days of the issuance of the adopted Report, Guaranty shall file with the Department's Examiner Title & Market Insurance Specialist 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.

**IT IS SO ORDERED.**

DATED this 21 day of April, 2024.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE



DEAN L. CAMERON  
Director

### **NOTIFICATION OF RIGHTS**

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


Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal it by filing a petition for judicial review in the district court of the county in which: (1) the hearing was held; or (2) the final agency action was taken; or (3) the aggrieved party resides or operates its principal place of business in Idaho; or (4) the real property or personal property that was the subject of the agency decision is located. An appeal must be filed within twenty-eight (28) days of: (a) the service date of this final order; or (b) an order denying a petition for reconsideration; or (c) the failure within twenty-one (21) days to grant or deny a petition 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.



### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 22<sup>nd</sup> day of April, 2024, I caused a true and correct copy of the foregoing ORDER ADOPTING REPORT OF EXCEPTION EXAMINATION AS OF DECEMBER 31, 2023, to be served upon the following by the designated means:

Sheryl Reymont, President and County Manager Guaranty Title, Inc. 206 South 3 <sup>rd</sup> East Street Mountain Home, ID 83647-3021	<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: <a href="mailto:sheryl@guarantytitleinc.com">sheryl@guarantytitleinc.com</a>
John Keenan Deputy Attorney General Idaho Department of Insurance 700 W. State Street, 3 <sup>rd</sup> 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: <a href="mailto:john.keenan@doi.idaho.gov">john.keenan@doi.idaho.gov</a>

  
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Jan Noriyuki  
Paralegal

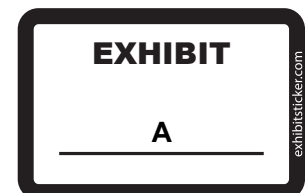


REPORT OF EXCEPTION EXAMINATION  
For the Period January 1, 2019 through December 31, 2023

Of  
GUARANTY TITLE, INC.  
(a title agent corporation - license #5643 – Elmore County)

As of  
December 31, 2023

*Equal Opportunity Employer*



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Boise, Idaho  
March 29, 2024

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;

Guaranty Title, Inc.  
206 South 3<sup>rd</sup> East Street  
Mountain Home, Idaho 83647-3021  
License #5643 – Elmore 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 Guaranty Title, Inc., an Idaho Title Agent licensed in Elmore County. The examination was conducted at the Agent's office in Mountain Home, Idaho, and remotely from the offices of the Idaho Department of Insurance (the "Department") located at 700 West State Street, 3<sup>rd</sup> 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 the 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 examiner's report, the Agent's response, if any, 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, 2019 through December 31, 2023. 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**

Our examination of the Agent did not disclose any material adverse findings. No exceptions and recommendations were noted as a result of the examination.

## **HISTORY AND DESCRIPTION**

Guaranty Title, Inc., formerly known as Guaranty Title and Abstract Company, was founded in 1902 by Cyrus Russell Wetherell and Helen Wetherell; the ownership of the company remained in the Wetherell family for over a hundred years. In 1973, Idaho Statutes requiring title agent licensure were adopted and Guaranty Title and Abstract Company was licensed as a title agent by the Idaho Department of Insurance. On April 29, 1974, an entity organizational change was adopted, and the Idaho Secretary of State issued a Certificate of Incorporation forming the entity now known as Guaranty Title, Inc. A trusted and long-time employee, Sheryl A. Reymont, the current owner-operator, purchased the corporation and its assets sometime in or around 2008. They conduct business in Elmore County out of offices in Mountain Home, Idaho.

## **PRIOR EXAMINATION**

Our examination included a review to determine if the two (2) exceptions noted in the preceding report of exception examination dated on April 18, 2019, which covered the period of January 1, 2014 to December 31, 2018, were satisfactorily addressed. We determined that the Agent satisfactorily addressed these exceptions.

## **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 April 7, 2023, the Idaho Secretary of State shows Guaranty Title, Inc., as Active-Good Standing, with Sheryl A. Reymont as its President, Director, and Registered Agent. No exceptions were noted as a result of this portion of the examination.

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

The Agent has underwriting contracts with Commonwealth Land Title Insurance Company, Old Republic National Title Insurance Company, and Westcor Land Title Insurance Company. The underwriting contracts require high liability approval for risks in excess of \$1,000,000.00 and are subject to deductible for loss of \$5,000.00. 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 #32S102994 in the amount of \$40,000.00 issued by Safeco Insurance Company of America 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 Joanne Martinez and is comprised of herself, two (2) title officers, and one (1) title assistant. The title plant is owned, posted, and maintained by the Agent in Mountain Home, 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. No exceptions were noted as a result of this portion of the examination.

## **IV. ESCROW FIDUCIARY ACCOUNTS AND FILE REVIEW**

The escrow department is managed by Sheryl A. Reymont and is comprised of herself, one (1) escrow officer, and one (1) escrow assistant.

### **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 both Sheryl A. Reymont, President and Julia Roberson, an employee of the Agent. The monthly reconciliations are reviewed by Sheryl A. Reymont. 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. No exceptions were noted as a result of this portion of the examination.

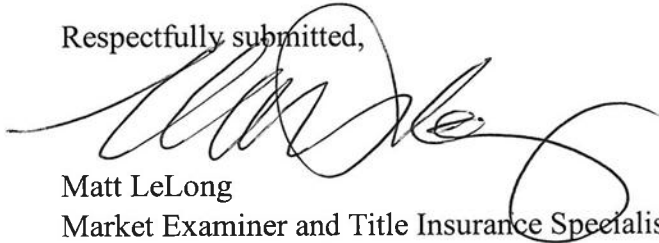
**SUMMARY OF RECOMMENDATIONS**

There were no recommendations as a result of the examination.

## AFFIDAVIT OF EXAMINER

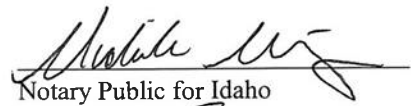
I certify and attest that I have examined the Agent's tract indexes, abstract records, as well as other records, and the operation of the Agent's business and other matters relevant to the affairs of the Agent. I further certify that I have no relationship, other than in my capacity as examiner and/or 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 9<sup>th</sup> day of April, 2024.



Notary Public for Idaho  
Residing at: Boise  
Commission Expires: 03-30-2027



*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, 2023, of:

**Guaranty Title, Inc.**  
**206 South 3rd East Street**  
**Mountain Home, Idaho 83647-3021**  
**License #5643 – Elmore County**

By executing this Waiver, Sheryl A Reymont [print or type officer/director name], on behalf of Guaranty Title, Inc., hereby acknowledges receipt of the above-described examination report, verified as of the 9th day of April 2024, 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, Guaranty 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 12th day of April, 2024

**Guaranty Title, Inc.**

Sheryl A Reymont

Name (print)

Sheryl A Reymont

Name (signature)

President

Title

**EXHIBIT**

**B**