

FILED

OCT 28 2025

Department of Insurance
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

EMPIRE TITLE, LLC – ADA COUNTY

Idaho Title Agency License No. 708318

Docket No. 18-4773-25

**ORDER ADOPTING REPORT
OF EXCEPTION EXAMINATION
AS OF DECEMBER 31, 2024**

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 EMPIRE TITLE, LLC – ADA COUNTY (“Empire Title”) 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 Empire Title for the period of January 1, 2020, to December 31, 2024 (“Report”), as filed.

FINDINGS OF FACT

1. Empire Title is a title agency licensed by the Department to transact title insurance in Ada County, Idaho, under Title Agency License No. 708318.

2. The Department completed an examination of Empire Title pursuant to Idaho Code §§ 41-2710(7) and 41-219(1) and (5) on or about July 9, 2025. The Department’s findings are set forth in the Report. In summary, the examiner found that Empire Title violated the Department’s rules as follows:

- a. From January 1, 2020, through December 31, 2024, Empire Title violated Idaho Code § 41-2708(3), IDAPA 18.05.03.011, IDAPA 18.05.03.014.01,

IDAPA 18.05.01.031.01, IDAPA 18.05.01.031.04(a), Exhibit 1(1), Exhibit 1(2), Exhibit 1(4)(h), and Exhibit 1(4)(i) on fourteen (14) occasions by purchasing and distributing \$868.01 in self-promotional advertising, items of value, to producers of title business, consumers, or members of the general public¹.

b. From January 1, 2020, through December 31, 2024, Empire Title violated IDAPA 18.05.01.031.01 and IDAPA 18.05.01.031.05 on one (1) occasion by providing business entertainment, items of value, to producers of title business at a cost which exceeded the permissible maximum by \$184.50.

3. Based on these findings, the examiner recommended Empire Title:

- a. Revise its procedures to ensure future self-promotional advertising, items of value, to producers of title business, consumers, or members of the general public fully comply with all applicable statutes and regulations; and
- b. Revise its procedures to ensure future business entertainment, items of value, to producers of title business fully comply with all applicable statutes and regulations; and
- c. Pay an administrative penalty of \$2,604.03 for violations of Idaho Code § 41-2708(3), IDAPA 18.05.03.011, IDAPA 18.05.03.014, IDAPA 18.05.01.031.01, IDAPA 18.05.01.031.04(a), and Exhibits 1(1), 1(2), 1(4)(h), and 1(4)(i).

4. Pursuant to Idaho Code § 41-227(4), a copy of the Report was filed with the Department on September 9, 2025, and was transmitted to Empire Title on the same day. A copy of

¹ When these violations occurred, the following rules were applicable: IDAPA 18.05.03.011, IDAPA 18.05.03.014.01, IDAPA 18.05.03.014.02(a), Exhibit 12, and Exhibit 1(4)(h). These rules were consolidated and re-designed as IDAPA 18.05.01.031.01, IDAPA 18.05.01.031.04(a), IDAPA 18.05.01.031.04(b)(i), and the attachment to Idaho Rule 18.05.01 Exhibit 1(2) and (4)(h), respectively, in substantive form, effective March 20, 2020.

the Report is attached hereto as Exhibit A.

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

6. On September 29, 2025, the Department received a Waiver from Empire Title, signed by Kris Miller, its Market President. By execution of such Waiver, a copy of which is attached hereto as Exhibit B, Empire Title 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 of the Director’s final order.

CONCLUSIONS OF LAW

7. 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.

8. 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, based on the foregoing, IT IS HEREBY ORDERED that the Report of Exception Examination of EMPIRE TITLE, LLC – ADA COUNTY for the period of January 1, 2020, to December 31, 2024, 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 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, EMPIRE TITLE, LLC – ADA COUNTY will file with the Department’s Market Examiner and Title 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 FURTHER ORDERED, that within thirty (30) days of issuance of the adopted Report, EMPIRE TITLE, LLC – ADA COUNTY will submit to the Department, in writing, proposed revisions of its policies and procedures to ensure future self-promotional advertising, items of value, to producers of title business, consumers, or members of the general public comply with Idaho Code § 41-2708(3), IDAPA 18.05.01.031.01, 18.05.01.031.04(a), Exhibits 1(1), 1(2), 1(4)(h), and 1(4)(i). The submission shall acknowledge that prior internal procedures intended to ensure compliance were previously implemented but proved insufficient. It shall include a detailed explanation of the deficiencies in those prior procedures and demonstrate how the newly proposed measures materially enhance oversight, accountability, and adherence to applicable legal requirements.

IT IS FURTHER ORDERED, that within thirty (30) days of issuance of the adopted Report, EMPIRE TITLE, LLC – ADA COUNTY shall pay to the Department an administrative penalty of two thousand six hundred four dollars and three cents (\$2,604.03).

IT IS SO ORDERED.

DATED this 27 day of October 2025.

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 fourteen (14) days of the service date of this order. The Director will dispose of the motion for reconsideration within twenty-one (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 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 subject of the agency decision is located. A petition for judicial review must be filed within twenty-eight (28) days of: (a) the service date of this final order; or (b) the service of an order denying a motion for reconsideration; or (c) the failure within twenty-one (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. See, Idaho Code § 67-5274.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 28th day of October 2025, I caused a true and correct copy of the foregoing ORDER ADOPTING REPORT OF EXCEPTION EXAMINATION AS OF DECEMBER 31, 2024, to be served upon the following parties by the designated means:

| | |
|--|--|
| Empire Title, LLC – Ada County Kris Miller, Market President 2541 E Gala St Ste 100 Meridian, ID 83642-5330 | <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: miller@empiretitleidaho.com |
|--|--|



Jan Noriyuki
Paralegal



REPORT OF EXCEPTION EXAMINATION

For the Period January 1, 2020 through December 31, 2024

Of

EMPIRE TITLE, LLC

(a title agent limited liability company - license #708318 – Ada County)

As of

December 31, 2024

Equal Opportunity Employer

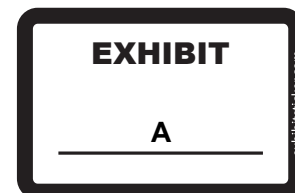


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Boise, Idaho
July 9, 2025

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;

Empire Title, LLC
2541 E. Gala Street, Suite 100
Meridian, Idaho 83642-5330
License #708318 – Ada 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 Empire Title, LLC, an Idaho Title Agent licensed in Ada 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, 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.

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. Furthermore, 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 comprises 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, 2020 through December 31, 2024. 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 identified a total of fifteen (15) findings of exceptions. For detailed information, including the enumerated exceptions, applicable violations, imposed penalties, if any, and corresponding recommendations, please refer to the relevant section of this report. An overview of these exceptions is provided below:

Advertising and Marketing (Section II, pages 7-16)

- **Fourteen (14) Exceptions [Self-Promotional Advertising]:** The Agent, on fourteen (14) separate occasions, purchased various self-promotional gift items that are specifically not allowed, items of value, and provided them to producers of title business, consumers, or members of the general public. The total value of the impermissible inducements provided across all instances was \$868.01.

These actions constitute violations of one or more of the following: Idaho Code § 41-2708(3), IDAPA 18.05.03.011, 18.05.03.014.01, 18.05.01.031.01, and 18.05.01.031.04(a); as well as Exhibit 1, Subsections, (1), (2), (4)(h), and (4)(i). Given that these findings reflect similar violations noted in the preceding examination report. A **collective administrative penalty of \$2,604.03** is recommended for these fourteen related violations.

- **One (1) Exception [Permitted Business Entertainment]:** The Agent, on one (1) occasion, provided business entertainment to six (6) producers of title business at a cost of \$130.75 per person. This amount exceeded the permissible maximum of \$100.00 per person by \$30.75, resulting in a total excess of \$184.50.

This action constitutes a violation of IDAPA 18.05.01.031.01 and 18.05.01.031.05. Given that this finding is the first occurrence of this specific violation type, **no administrative penalty is recommended at this time**. However, the Department reserves the right to impose such penalties should similar violations be identified in the future.

HISTORY AND DESCRIPTION

Western Title Company, LLC was formed and issued its Certificate of Organization as a limited liability company by the Idaho Secretary of State (the “ISOS”) on January 22, 2019. ET Investments, LLC, a Colorado limited liability company, is registered as its sole Member and Manager. On January 31, 2019, they were licensed as a title agent in Ada County by the Idaho Department of Insurance (the “Department”) and commenced operations. On December 19, 2019, an amendment to the Certificate of Organization for the Limited Liability Company was filed with ISOS, changing the entity’s name from Western Title Company, LLC to its current name, Empire Title, LLC. Subsequently, the Department amended its records accordingly. They currently operate as a licensed title agent in two counties within the state, Ada and Canyon. They conduct business out of offices in Meridian, Eagle, Nampa, and Caldwell, Idaho.

PRIOR EXAMINATION

Our examination included a review of the Agent’s actions to address the eleven (11) exceptions noted in the preceding report of exception examination, dated November 24, 2020, which covered the period of January 31, 2019 through December 31, 2019. We identified that the Agent addressed those exceptions through revisions to its internal processes and the implementation of new compliance procedures, with the intent of ensuring ongoing adherence to the applicable rules.

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 December 3, 2024, the Idaho Secretary of State shows the Agent’s status as active-existing, listing Bryan Willis as the Registered Agent and ET Investments, LLC as the Manager, with Meghan Martelon, Esq., as the associated business contact. The Agent’s in-state executive management consist of Kris Miller, serving as Market 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 underwriting contracts with First American Title Insurance Company, Old Republic National Title Insurance Company, and Westcor Land Title Insurance Company. The underwriting contracts are subject to high liability limits, without underwriter approval, ranging from \$1,000,000.00 to \$2,000,000.00 with deductibles for loss ranging from \$500.00 to \$2,500.00. 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 #107039584 in the amount of \$50,000.00 issued by Travelers Casualty and Surety 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 eight (8) claims filed within the examination period. The claims appear to pertain to an alleged missed easements, encroachments, liens, or other related matters. There does not appear to be any substantive issue with the title plant. 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.

A **total of fifteen (15) exceptions** were noted as a result of this portion of the examination, detailed as follows:

| Self-Promotional Advertising | | |
|------------------------------|-------------------|--|
| Exception Number | Date of Expense | Examination Findings / Violations |
| 1 | February 28, 2020 | <p>Finding: The Agent (Jose Ayala, employee) purchased various self-promotional gift items from Fred Meyers, totaling \$101.68, assembled a gift basket and provided it to unidentified producers of title business for their open house.</p> <p>Violation: The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.03.011; 18.05.03.014.01; and Exhibit 1(1) and (2) due to the expenditure and provision of \$101.68 in self-promotional gift items, items of value that are not permitted, in connection with co-sponsoring an open house for unidentified producers of title business.¹</p> |
| 2 | February 28, 2020 | <p>Finding: The Agent (Jose Ayala & Curt Pentecost, employees) purchased eight (8) fruit smoothies as self-promotional gift items from Roxberry Juice, totaling \$55.12. Six (6) fruit smoothies, totaling \$41.34, were provided to employees of Hubble Homes, a producer of title business, during a business meeting to solicit additional business.</p> <p>Violation: The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.03.011; 18.05.03.014.01; and Exhibit 1(1) due to the expenditure and provision of \$41.34 in self-promotional consumable items, items of value that are specifically not permitted, to producers of title business.²</p> |
| 3 | March 30, 2020 | <p>Finding: The Agent (Jose Ayala, employee) purchased beer and wine as self-promotional gift items from Jacksons, totaling \$48.72, and provided them to employees of Gateway Lending, producers of title business, as gifts of appreciation for new orders.</p> <p>Violation: The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; and 18.05.01.031.04(a) due to the expenditure and provision of \$48.72 in self-promotional consumable items, items of value that are specifically not permitted, to producers of title business.</p> |
| 4 | April 14, 2020 | <p>Finding: The Agent (Tayler Tibbitts, employee) purchased a \$100.00 gift card as a self-promotional gift item from Gramercy Grille and provided it to a prospective customer.</p> <p>Violation: The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; and 18.05.01.031.04(a) due to the expenditure and provision of a 100.00 gift card as part of self-promotional items, items of value that are specifically not permitted,</p> |

¹ When this violation occurred, the following rules were applicable: IDAPA 18.05.03.011, 18.05.03.014.01, 18.05.03.014.02(a), Exhibit 1(2), and Exhibit 1(4)(h). These rules were consolidated and re-designated as IDAPA 18.05.01.031.01, 18.05.01.031.04(a), 18.05.01.031.04(b)(i), the attachment to Idaho Rule 18.05.01 Exhibit 1(2) and (4)(h), respectively, in substantive form, effective March 20, 2020.

² See supra note 1.

| | | |
|---|----------------|--|
| | | to a prospective producer of title business, consumer, or member of the general public. |
| 5 | April 14, 2020 | <p>Finding: The Agent (Tayler Tibbitts, employee) purchased a \$60.00 gift card as a self-promotional gift item from Paddles Up Poke and provided it to a prospective customer.</p> <p>Violation: The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; and 18.05.01.031.04(a) due to the expenditure and provision of a \$60.00 gift card as part of self-promotional items, items of value that are specifically not permitted, to a prospective producer of title business, consumer, or member of the general public.</p> |
| 6 | May 29, 2020 | <p>Finding: The Agent (Jose Ayala, employee) purchased a \$25.00 gift card as a self-promotional gift item from Walgreens and provided it to Ana Flores with Evergreen Loans, a producer of title business.</p> <p>Violation: The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; and 18.05.01.031.04(a) due to the expenditure and provision of a \$25.00 gift card as part of self-promotional items, items of value that are specifically not permitted, to a producer of title business.</p> |
| 7 | May 29, 2020 | <p>Finding: The Agent (Jose Ayala, employee) purchased two (2) \$25.00 gift cards and one (1) \$50.00 gift card as self-promotional gift items from Walmart, totaling \$100.00, and provided them to prospective customers.</p> <p>Violation: The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; and 18.05.01.031.04(a) due to the expenditure and provision of \$100.00 in gift cards as part of self-promotional items, items of value that are specifically not permitted, to prospective producers of title business, consumers or members of the general public.</p> |
| 8 | June 26, 2020 | <p>Finding: The Agent (Curtis Pentecost, employee) purchased liquor as a self-promotional gift item from Idaho Liquor, totaling \$26.45, and provided it to Shay Johnson with 208RE, a producer of title business, during a meeting to solicit additional business.</p> <p>Violation: The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; 18.05.01.031.04(a); and Exhibit 1(1) due to the expenditure and provision of \$26.45 as part of self-promotional consumable items, items of value that are specifically not permitted, to a producer of title business.</p> |
| 9 | June 26, 2020 | <p>Finding: The Agent (Curtis Pentecost, employee) purchased liquor as a self-promotional gift item from Idaho Liquor, totaling \$65.61, and provided it to Mel Enrico with CBH, a producer of title business, during a business meeting.</p> |

| | | |
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| | | <p><u>Violation:</u> The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; 18.05.01.031.04(a); and Exhibit 1(1) due to the expenditure and provision of \$65.61 as part of self-promotional consumable items, items of value that are specifically not permitted, to a producer of title business.</p> |
| 10 | July 31, 2020 | <p><u>Finding:</u> The Agent (Curtis Pentecost, employee) purchased liquor as a self-promotional gift item from Idaho Liquor, totaling \$85.75, and provided it to Mel Enrico with CBH, a producer of title business, during a business meeting.</p> <p><u>Violation:</u> The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; 18.05.01.031.04(a); and Exhibit 1(1) due to the expenditure and provision of \$85.75 as part of self-promotional consumable items, items of value that are specifically not permitted, to a producer of title business.</p> |
| 11 | August 31, 2020 | <p><u>Finding:</u> The Agent (Jose Ayala, employee) purchased two (2) \$50.00 gift cards as self-promotional gift items from Target, totaling \$100.00, and provided them as gifts to Janie and Luiz Aguire, producers of title business.</p> <p><u>Violation:</u> The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; and 18.05.01.031.04(a) due to the expenditure and provision of \$100.00 in gift cards as part of self-promotional items, items of value that are specifically not permitted, to producers of title business.</p> |
| 12 | August 31, 2020 | <p><u>Finding:</u> The Agent (Jose Ayala, employee) purchased a \$25.00 gift card as a self-promotional gift item from Starbucks and provided it as gift to Maria McConnell with Gateway Lending, a producer of title business, as a gift of appreciation for a new order.</p> <p><u>Violation:</u> The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; and 18.05.01.031.04(a) due to the expenditure and provision of a \$25.00 gift card as part of self-promotional items, items of value that are specifically not permitted, to a producer of title business.</p> |
| 13 | August 31, 2020 | <p><u>Finding:</u> The Agent (Jose Ayala, employee) purchased a \$50.00 gift card as a self-promotional gift item from Walmart and provided it as a gift to an unidentified employee of ICCU, a producer of title business.</p> <p><u>Violation:</u> The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; and 18.05.01.031.04(a) due to the expenditure and provision of a \$50.00 gift card as part of self-promotional items, items of value that are specifically not permitted, to a producer of title business.</p> |

| | | |
|----|-------------------|---|
| 14 | February 27, 2023 | <p>Finding: The Agent (Elizabeth Pike, employee) provided a gift basket comprised of wine, candy, and a board game from Target, incurring a total expenditure of \$38.46 as a self-promotional gift item to Synergy One Lending, a producer of title business, with direct or indirect support for its unidentified event.</p> <p>Violation: The Agent was in violation of Idaho Code § 41-2708(3); IDAPA 18.05.01.031.01; 18.05.01.031.04(a); Exhibit 1(1), (2), (4)(h), and (4)(i) due to the expenditure and provision of \$38.46 as part of self-promotional gift items, items of value that are specifically not permitted, either directly or indirectly, in connection with an event hosted by a producer of title business.</p> |
|----|-------------------|---|

| Permitted Business Entertainment | | |
|----------------------------------|--------------------|--|
| Exception Number | Date of Expense | Examination Finding / Violation |
| 15 | September 14, 2022 | <p>Finding: The Agent (Julie Schott, employee) purchased eighteen (18) concert tickets for the 2023 Luke Combs World Tour, with a total expenditure of \$2,353.50. These tickets were used to provide business entertainment to a total of six (6) producers of title business: two (2) associated with Keller Williams, two (2) associated with Mountain Realty, and two (2) associated with CapEd Credit Union. The cost per ticket was \$130.75, which exceeds the permitted maximum limit of \$100.00 per person by \$30.75, resulting in a total excess of \$184.50, which amount is not allowable.</p> <p>Violation: The Agent was in violation of IDAPA 18.05.01.031.01; and 18.05.01.031.05 for providing a total monetary excess of \$184.50, items of value that are not permitted, for business entertainment to producers of title business.</p> |

Applicable Statutes & Regulatory Citations:

Idaho Code § 41-2708(3) states, in relevant part, with emphasis added: “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. . .”

IDAPA 18.05.03.011³ states, in relevant part, with emphasis added: “**PROHIBITED THINGS OF VALUE**. A title entity **shall not** provide things of value to a producer of title business, consumer or member of the general public **except as permitted** in Sections 012, 013, 014, and 015 of this chapter. If a providing of things of value does not clearly fit into the rules in Sections 012, 013, 014, and 015, then it is a prohibited act. Exhibit 1, attached hereto, is a partial, but not all-inclusive, list of acts and practices that are considered illegal inducements prohibited by Title 41, Idaho Code . . .”

IDAPA 18.05.03.014.01⁴ states, in relevant part, with emphasis added: “**Self-Promotional Items**. A title entity may distribute self-promotional items having an acquisition value of less than twenty-five dollars (\$25) to producers of title business, consumers, and members of the general public. These self-promotional items are **limited to** novelty gifts, advertising novelties, and generic business forms **and specifically do not include** food, beverages, gift certificates, gift cards, or other items that have a specific monetary value on their face...”

IDAPA 18.05.03.014.02(a)⁵ states, in relevant part, with emphasis added: “**Self-Promotional Functions**. Self-promotional functions are limited to the following two (2) types of functions: **(a)** Educational programs - a title entity is permitted to conduct educational programs. The education programs must only address title insurance and escrow and other topics related thereto. A title entity is permitted to expend no more than twenty dollars (\$20) per person at an educational program. . . . A title entity **may participate in or make presentations** at educational programs which are **conducted or presented by other entities**. The title entity is **not permitted to expend any money to sponsor or cosponsor these programs, unless** the educational program is a trade association event in which case Subsection 013.02 of this chapter will apply.”

EXHIBIT 1⁶ states, with emphasis added: “A title entity **shall not** provide things of value except as provided in Sections 012, 013, 014, and 015 of this rule. The following is a partial, but not all inclusive, list of acts and practices which are considered illegal inducements prohibited by the Idaho Code:”

- **Subsection (1)** “A title entity **shall not** sponsor **any activity off its premises** unless the producer of title business bears the entire cost of the activity. A title entity **shall not** cosponsor, subsidize, contribute fees, prizes, gifts, or otherwise provide things of value for a promotional function off the title entity’s premises **regardless** whether the function is self-promotional or not. Off premises functions/activities include, but are not limited to, meetings, luncheons, dinners, conventions, installation ceremonies, celebrations, outings, or related activities of producers of title business, cocktail parties, hospitality room functions, open house celebrations, dances, fishing trips, motor vehicle rallies, sporting events of all kinds, gambling trips, hunting trips or outings, golf tournaments, artistic performances, and outings in recreation areas or entertainment areas. It shall be the burden

³ See reference 1, supra, at 8.

⁴ See reference 1, supra, at 8.

⁵ See reference 1, supra, at 8.

⁶ See reference 1, supra, at 8.

of the title entity to be prepared to present documentation to the Department of Insurance that no things of value were provided.”

- **Subsection (2)** “A title entity **shall not** sponsor, subsidize, supply prizes or labor, or otherwise provide things of value for **promotional activities of producers of title business**. This does not prevent a title entity from attending activities of producers of title business if there is **no cost to the title entity other than** the title entity’s own entry fees, registration fees, meals, etc., and provided that these fees are no greater than those charged to producers of title business.”

IDAPA 18.05.01.031.01 states, with emphasis added: “**Items of Value**. A title entity **will not** provide items of value to a producer of title business, consumer or member of the general public **except as permitted** in Sections 031.02, 031.03, 031.04 and 031.05 of this chapter. If a providing of things of value does not clearly fit into the rules in Sections 031.02, 031.03, 031.04, and 031.05, then it is not allowed. Exhibit 1, located on our website at <https://doi.idaho.gov/>, is a partial, but not all-inclusive, list of acts and practices that are considered illegal inducements disallowed by Title 41, Idaho Code.”

IDAPA 18.05.01.031.04(a) states, in relevant part, with emphasis added: “A title entity may distribute self-promotional items having an acquisition value of less than twenty-five dollars (\$25) to producers of title business, consumers, and members of the general public. These self-promotional items are **limited to** novelty gifts, advertising novelties, and generic business forms **and specifically do not include** food, beverages, gift certificates, gift cards, or other items that have a specific monetary value on their face or that may be exchanged for any other item having a specific monetary value . . .”

IDAPA 18.05.01.031.04(b)(i) states, with emphasis added: “A title entity is permitted to conduct educational programs. The education programs will only address title insurance and escrow and other topics related thereto. A title entity is permitted to **expend no more than twenty dollars (\$20) per person** at an educational program. For purposes of determining the maximum permitted expenditure, all costs associated with the delivery of the educational program is considered, including but not limited to, costs paid by the entity for travel, refreshments, instructor or speaking fees and facility rental. **A title entity may participate in or make presentations at educational programs which are conducted or presented by other entities. The title entity is not permitted to expend any money to sponsor or cosponsor these programs**, unless the educational program is a trade association event in which case Subsection 031.03.b of this chapter will apply.”

EXHIBIT 1 (Attachment to Rule 18.05.01) states, with emphasis added: “A title entity **shall not** provide items of value **except as provided in Sections 031.02, 031.03, 031.04, and 031.05 of IDAPA 18.05.01**. The following is a partial, but not all inclusive, list of acts and practices which are considered illegal inducements not permitted by the Idaho Insurance Code:”

- **Subsection (1)** “A title entity **will not** sponsor any activity off its premises **unless** the producer of title business bears the **entire cost of the activity**. A title entity **will not** cosponsor, subsidize, contribute fees, prizes, gifts, or otherwise provide items of value for a **promotional function off the title entity's premises regardless whether the function is self-promotional or not**. Off premises functions/activities include, but are not limited

to, meetings, luncheons, dinners, conventions, installation ceremonies, celebrations, outings, or related activities of producers of title business, cocktail parties, hospitality room functions, open house celebrations, dances, fishing trips, motor vehicle rallies, sporting events of all kinds, gambling trips, hunting trips or outings, golf tournaments, artistic performances, and outings in recreation areas or entertainment areas. It will be the burden of the title entity to be prepared to present documentation to the Department of Insurance that no items of value were provided.”

- **Subsection (2)** “A title entity **will not** sponsor, subsidize, supply prizes or labor, or otherwise provide items of value for **promotional activities of producers of title business**. This does not prevent a title entity from attending activities of producers of title business **if there is no cost to the title entity other than** the title entity's own entry fees, registration fees, meals, etc., and provided that these fees are no greater than those charged to producers of title business.”
- **Subsection (4)(h); and (i)** “A title entity **will not** pay or offer to pay, **either directly or indirectly**, with respect to any producer of title business for: **(h)** Money, prizes, or other items of value in any kind of a contest **or promotional endeavor**; **(i)** Any advertising effort made **in the name of, for, or on behalf of any producer of title business.**”

IDAPA 18.05.01.031.05 states, in relevant part, with emphasis added: “**Permitted Business Entertainment**. A title entity **will not** expend more than **one hundred dollars (\$100) per person** per day for all meals and/or events. Meals and events will include, but not be limited to, breakfast, brunch, lunch, dinner, cocktails, sporting events, sporting activities, trips and music and art events. These meals or events may occur on or off the title entity's premises . . .”

Recommendations:

In accordance with applicable statutory and regulatory provisions, the following violations were identified and are subject to administrative penalties pursuant to Idaho Code §§ 41-117, 41-1016, and 41-2708(3). Each Exception represents a distinct act of illegal inducement. Penalties, if applicable, are generally calculated at three times the inducement amount, additional or greater penalties may apply, which authorize administrative fines, license revocation, and other sanctions beyond the standard multiplier.

Following a review of the current examination report, and in reference to the preceding examination report dated November 24, 2020, the following determinations were made:

- **Exceptions No. 1 -14:** These types of violations were previously documented and pertain to self-promotional advertising. Due to their repetitive nature and continued noncompliance, **administrative penalties are recommended.**
- **Exception No. 15:** This finding is the first documented occurrence of this type of violation, specifically involving expenditure overages related to permitted business entertainment. Given its isolated nature and absence of prior precedent, a waiver is recommended with **no administrative penalty** imposed. However, the Department reserves the right to impose such penalty should similar violation be identified in any future examination, inquiry, or review conducted by the Department.

| Recommended Administrative Penalties | | | |
|---|--------------------------|---------------------------|----------------------------|
| Exception Number | Inducement Amount | Penalty Multiplier | Recommended Penalty |
| 1 | \$101.68 | x3 | \$305.04 |
| 2 | \$41.34 | x3 | \$124.02 |
| 3 | \$48.72 | x3 | \$146.16 |
| 4 | \$100.00 | x3 | \$300.00 |
| 5 | \$60.00 | x3 | \$180.00 |
| 6 | \$25.00 | x3 | \$75.00 |
| 7 | \$100.00 | x3 | \$300.00 |
| 8 | \$26.45 | x3 | \$79.35 |
| 9 | \$65.61 | x3 | \$196.83 |
| 10 | \$85.75 | x3 | \$257.25 |
| 11 | \$100.00 | x3 | \$300.00 |
| 12 | \$25.00 | x3 | \$75.00 |
| 13 | \$50.00 | x3 | \$150.00 |
| 14 | \$38.46 | x3 | \$115.38 |
| 15 | \$184.50 | - | \$0.00 |

Summary of Penalties:

| Description | Amount (USD) |
|---|---------------------|
| Total Inducement Amount Subject to Recommended Penalty | \$868.01 |
| Total Inducement Amount Subject to Recommended Penalty Waiver | \$184.50 |
| Total Penalty Not Imposed Due to Waiver | \$553.50 |
| Total Recommended Penalty | \$2,604.03 |

Corrective Action:

| Recommended Corrective Action |
|---|
| The Agent shall be required to submit, in writing, its proposed internal procedures and compliance measures to be implemented to ensure that future offerings of items of value to producers of title business, consumers, or members of the general public strictly adhere to all applicable statutes and regulations. The Agent shall further acknowledge that prior internal procedures intended to ensure compliance were previously implemented but proved insufficient, |

as evidenced by the recurrence of similar findings in this examination; the Agent shall provide a detailed explanation of the deficiencies in those prior procedures and demonstrate how the newly proposed measures materially strengthen oversight, accountability, and adherence to applicable statutes and regulations. This submission shall serve as a remedial commitment to institutional reform and ongoing regulatory conformity.

III. TITLE FILE REVIEW

Idaho Code §§ 41-2702, 2708 & 2709

IDAPA 18.05.01.012, 013 & Exhibit 1(9)

The title department, under the management of Troy Sears, comprises himself, one (1) title officer, and one (1) title assistant. The title plant for Ada County is owned, posted, and maintained by the Agent in Meridian, 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, under the management of Kenna Merrigan and Jeff Dillon, comprises themselves, seven (7) escrow officers, and nine (9) escrow assistants.

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. Under the management of Cathy Holder, the fiduciary accounts are balanced on a daily basis and reconciled on a monthly basis by the Agent's corporate accounting department. The monthly reconciliations are reviewed by the Agent's trust accounting department and Kris Miller, the Market President. 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

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 in parenthesis.

Advertising and Marketing (Section II, pages 7-16)

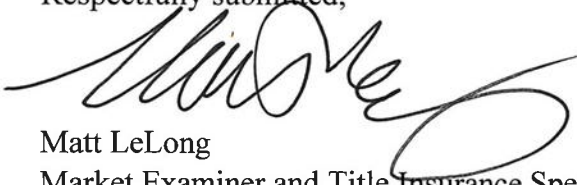
- **Exceptions No. 1-14 [Self-Promotional Advertising]:** It is recommended that the Director issue an order of administrative penalty for violations of Idaho Code § 41-2708(3), IDAPA 18.05.03.011, 18.05.03.014.01, 18.05.01.031.01, 18.05.01.031.04(a), and Exhibit 1, Subsections, (1), (2), (4)(h), and (4)(i). The penalty should be three (3) times the collective total rebate or illegal inducement of \$868.01, amounting to a **collective total penalty of \$2,604.03**, in accordance with Idaho Code § 41-2708(3).
- **Exception No. 15 [Permitted Business Entertainment]:** It is recommended that **no administrative penalties be imposed at this time**. However, the Department reserves the right to impose such penalties should similar violations be identified in any future examination, inquiry, or review conducted by the Department.

It is further recommended that the Agent submit, in writing, its proposed internal procedures and compliance measures to be implemented to ensure that future offerings of items of value to producers of title business, consumers, or members of the general public strictly adhere to all applicable statutes and regulations. Additionally, the Agent shall acknowledge that prior internal procedures intended to ensure compliance were previously implemented but proved insufficient, as evidenced by the recurrence of similar findings in this examination; the Agent shall provide a detailed explanation of the deficiencies in those prior procedures and demonstrate how the newly proposed measures materially strengthen oversight, accountability, and adherence to applicable statutes and regulations.

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.

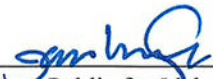
Respectfully submitted,



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

SUBSCRIBED AND SWORN to before me this 9th day of September, 2025.





Notary Public for Idaho
Residing at: Boise, ID
Commission Expires: 01-28-2031

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:

- **Exceptions No. 1-14 [Self-Promotional Advertising]:** The Agent, on fourteen (14) separate occasions, purchased various self-promotional gift items that are specifically not allowed, items of value, and provided them to producers of title business, consumers, or members of the general public. The total amount of rebates or illegal inducements associated with these Exceptions was \$868.01.

The Department shall impose a **collective administrative penalty of \$2,604.03** for violations of Idaho Code § 41-2708(3), IDAPA 18.05.03.011, 18.05.03.014.01, 18.05.01.031.01, 18.05.01.031.04(a), Exhibit 1(1), (2), (4)(h) and (4)(i), pursuant to Idaho Code §§ 41-117, 41-1016, and 41-2708(3).

No later than thirty (30) days from the service date of the Final Order’s adoption, the Agent **shall remit a penalty payment of \$2,604.03** to the Department.

Additionally, within the same period, the Agent shall submit to the Department, in writing, the proposed internal procedures and compliance measures to be implemented to ensure that future self-promotional advertising, items of value, to producers of title business, consumers, or members of the general public fully comply with all applicable statutes and regulations. The submission shall acknowledge that prior internal procedures intended to ensure compliance were previously implemented but proved insufficient. It shall include a detailed explanation of the deficiencies in those prior procedures and demonstrate how the newly proposed measures materially enhance oversight, accountability, and adherence to applicable legal requirements.

- **Exception No. 15 [Permitted Business Entertainment]:** The Agent, on one (1) occasion, provided business entertainment to six (6) producers of title business at a cost of \$130.75 per person. This amount exceeded the permissible maximum of \$100.00 per person by \$30.75, resulting in a total excess and illegal inducement of \$184.50.

This action constitutes a violation of IDAPA 18.05.01.031.01 and 18.05.01.031.05. Pursuant to Idaho Code §§ 41-117, 41-1016, and 41-2708(3), administrative penalties totaling \$553.50 are appropriate. However, given that this finding is the first occurrence of this specific violation type, **no administrative penalties will be imposed at this time**, with the stipulation that the Department reserves the right to impose such penalties should similar violations be identified in the future.

No later than thirty (30) days from the service date of the Final Order's adoption the Agent shall submit to the Department, in writing, the proposed internal procedures and compliance measures to be implemented to ensure that future business entertainment, items of value, to producers of title business fully comply with all applicable statutes and regulations.

The total amount of the **imposed administrative penalties is \$2,604.03**, which encompasses all violations identified in this Examination.

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(s) of Exception Examination as of December 31, 2024, of:

Empire Title, LLC
2541 E. Gala Street, Suite 100
Meridian, Idaho 83642-5330
License #708318 – Ada County
License #719355 - Canyon County

By executing this Waiver, Kris Miller [print or type officer/director name], on behalf of Empire Title, LLC, hereby acknowledges receipt of the above-described examination reports, verified as of the 9th day of September 2025, and by this Waiver hereby consents to the immediate entry of the final orders by the Director of the Department of Insurance (the "Director") adopting said reports 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, Empire Title, LLC, 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 29th day of September, 2025

Empire Title, LLC

Kris Miller

Name (print)

[Signature]

Name (signature)

President

Title

EXHIBIT

B