

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

ALLIANCE TITLE & ESCROW, LLC
[Canyon County]

Idaho Title Agency License No. 5592

Docket No. 18-4919-26

**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 ALLIANCE TITLE & ESCROW, LLC [Canyon County] (“Alliance”) 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 Alliance for the period of January 1, 2020, to December 31, 2024 (“Report”), as filed.

FINDINGS OF FACT

1. Alliance is a title agency licensed by the Department to transact title insurance in Canyon County, Idaho, under Title Agency License No. 5592.

2. The Department completed an examination of Alliance pursuant to Idaho Code §§ 41-2710(7) and 41-219(1) and (5) on or about February 3, 2026. The Department’s findings are set forth in the Report. In summary, the examiner found that Alliance violated the Department’s rules as follows:

a. From January 1, 2020, to December 31, 2024, Alliance violated Idaho Code §§ 41-2708(3), 41-2710(7), IDAPA 18.05.01.031.01, 18.05.01.031.04(a), 18.05.03.011, and 18.05.03.014.01¹ on eleven (11) occasions by providing prohibited items of value to producers of title business, consumers, or members of the general public and by failing to maintain records for such items of value necessary to ascertain compliance.

3. Based on these findings, the examiner recommended Alliance revise its procedures to ensure future items of value provided to producers of title business, and the maintenance of the records of such items of value, comply with Title 41, Idaho Code and related rules.

4. Pursuant to Idaho Code § 41-227(4), a copy of the Report was filed with the Department on February 3, 2026, and was transmitted to Alliance on February 10, 2026. A copy of the Report is attached hereto as Exhibit A.

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

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.

¹ When this violation occurred, the following rules were applicable: IDAPA 18.05.03.011 and 18.05.03.014.01. These rules were consolidated and re-designated as IDAPA 18.05.01.031.01 and 18.05.01.031.04(a), respectively, in substantive form, effective March 20, 2020.

7. Having fully considered the Report, the Director concludes that, with regard to the matters examined and information provided by Alliance, 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 ALLIANCE TITLE & ESCROW, LLC [Canyon County] for the period 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 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, Alliance will file with the Department’s Market Examiner & 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 the issuance of the adopted Report, Alliance will submit to the Department, in writing, proposed revisions of its policies and procedures to ensure future items of value provided to producers of title business and the maintenance of the records of such items of value comply with Title 41, Idaho Code and related rules.

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IT IS SO ORDERED.

DATED this 27 day of April 2026.

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:

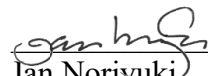
Dean L. Cameron, Director
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

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 party seeking review of the order 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. A petition for judicial review must be filed within twenty-eight (28) days of: (a) the service date of this final order; (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 29th day of April 2026, 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 by the designated means:

Alliance Title & Escrow, LLC [Canyon Co.] Mark Mills, CEO/President 1005 W Sanetta St Nampa, ID 83651-5047	<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: mark.mills@futatitle.com brad.miles@futatitle.com debbie.shirley@futatitle.com
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Jan Noriyuki
Paralegal



REPORT OF EXCEPTION EXAMINATION

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

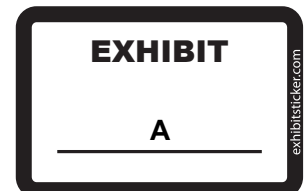
Of

ALLIANCE TITLE & ESCROW, LLC

(a title agent limited liability company - license #5592 – Canyon County)

As of

December 31, 2024



Equal Opportunity Employer

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Boise, Idaho
October 21, 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;

Alliance Title & Escrow, LLC
1005 W. Sanetta Street
Nampa, Idaho 83651-5047
License #5592 – Canyon 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 Alliance Title & Escrow, LLC, an Idaho Title Agent licensed in Canyon 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 **eleven (11) exception findings**. Detailed descriptions of each exception, including the applicable violations and recommendations, are provided in the section that follows. An overview is provided below:

Advertising and Marketing (Section II, pages 7-14)

- **Eleven (11) Exceptions - Prohibited Items of Value:** The Agent, on eleven (11) separate occasions, provided prohibited items of value to producers of title business, consumers, or members of the general public. In certain instances, the items were either insufficiently documented or provided to multiple recipients, which may have resulted in more than one violation per exception. The total value of the impermissible items of value provided across all exceptions amounts to \$1,030.96.

These actions constitute violations of one or more of the following: Idaho Code §§ 41-2708(3), 41-2710(7), IDAPA 18.05.03.011, 18.05.03.014.01, 18.05.01.031.01, and 18.05.01.031.04(a). Based on the exceptions summarized above, the report will recommend that the Agent submit a written corrective action plan detailing the steps it will take to correct the identified deficiencies and prevent their recurrence. Any administrative penalties that may result from the exceptions noted will be addressed through a separate enforcement action.

HISTORY AND DESCRIPTION

Futura Title & Escrow, LLC is the parent company of Alliance Title & Escrow, LLC, as well as AmeriTitle, LLC, a separately licensed and branded title agent operating within the state. Headquartered in Boise, Idaho, Futura Title & Escrow oversees a network of title and escrow offices that provide real estate transaction services across multiple states, including Idaho, Oregon, Montana, Washington, and Wyoming.

Alliance Title & Escrow traces its roots back to the late 1800s in the Pacific Northwest. On April 17, 1979, the company was licensed as a title agent in Canyon County by the Idaho Department of Insurance. In or around the spring of 1995, they were acquired and became part of Futura Corporation, the Agent's current parent company. On October 1, 2020, Alliance Title & Escrow Corporation filed an Amendment of Foreign Registration with the Idaho Secretary of State, officially changing its name to Alliance Title & Escrow, LLC. The company now operates as a licensed title agent in thirty-one (31) counties, with multiple physical locations throughout Idaho. They conduct business in Canyon County out of offices in Boise and Nampa, Idaho.

PRIOR EXAMINATION

Our examination included a review to determine if exceptions were noted and addressed in the preceding report of exception examination dated June 24, 2020, which covered the period of January 1, 2015 to December 31, 2019. No exceptions were noted in that examination report.

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 September 12, 2024, the Idaho Secretary of State shows the Agent's status as active-existing, listing CT Corporation System as the Registered Agent. The Members of the Agent include Futura Title & Escrow, LLC, Larry Matney, and Mark Mills. The executive management of Futura Title & Escrow, LLC consists of Mark Mills, Chief Executive Officer, and Brad Miles, Chief Financial Officer, SVP. The Agent's in-state management includes Ben Thomas, serving as Area Manager Vice-President and Star Nieves as Branch Manager. 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 Chicago Title Insurance Company, Fidelity National Title Insurance Company, First American Title Insurance Company, National Title Insurance of New York, Inc., Stewart Title Guarantee Company, WFG National Title Insurance Company, Old Republic National Title Insurance Company, Commonwealth Land Title Insurance Company and Westcor Land Title Insurance Company. The underwriting contracts are subject to high liability limits, without underwriter approval, ranging from \$2,000,000.00 to \$5,000,000.00 with deductibles 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 # 2170615 in the amount of \$50,000.00 issued by North American Specialty Insurance 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 seven (7) claims filed within the examination period. The claims appear to pertain to missed or improperly posted documents, alleged easements, encroachments or boundary disputes, 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 eleven (11) exceptions were noted as a result of this portion of the examination, detailed as follows:

Prohibited Items of Value (Rebates and Illegal Inducements)		
Exception Number	Date of Expense (Exact or Approximate)	Examination Findings / Violations
1	January 16, 2020	<p><u>Finding:</u> The Agent (Ashley Houweling, employee) purchased ten (10) \$10.00 Dutch Bros gift cards, resulting in a total expenditure of \$100.00, and provided them to unidentified producers of title business, consumers, or members of the general public. These items constitute items of value that are specifically not allowed in connection with self-promotional activities.</p> <p><u>Violations:</u> The Agent, on an undetermined number of occasions, violated Idaho Code § 41-2708(3), IDAPA 18.05.03.011, and 18.05.03.014.01 by providing a total of \$100.00 in self-promotional items of value, which are prohibited, to producers of title business, consumers, or members of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.¹</p>
2	January 31, 2020	<p><u>Finding:</u> The Agent (Ashley Houweling, employee) purchased unknown “Promo Items,” from Ranch Winery, resulting in a total expenditure of \$273.10, and provided them to unidentified producers of title business, consumers, or members of the general public. These items constitute items of value that are specifically not allowed in connection with self-promotional activities.</p> <p><u>Violations:</u> The Agent, on an undetermined number of occasions, violated Idaho Code § 41-2708(3), IDAPA 18.05.03.011, and 18.05.03.014.01 by providing a total of \$273.10 in self-promotional items of value, which are prohibited, to producers of title business, consumers, or members of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.²</p>

¹ When these violations occurred, the following rules were applicable: IDAPA 18.05.03.011 and 18.05.03.014.01. These rules were consolidated and re-designated as IDAPA 18.05.01.031.01 and 18.05.01.031.04(a), respectively, in substantive form, effective March 20, 2020.

² Id.

3	October 29, 2020	<p><u>Finding:</u> The Agent (Ashley Houweling, employee) purchased ten (10) \$10.00 Starbuck gift cards, resulting in a total expenditure of \$100.00, and provided them to unidentified producers of title business, consumers, or members of the general public. These items constitute items of value that are specifically not allowed in connection with self-promotional activities.</p> <p><u>Violations:</u> The Agent, on an undetermined number of occasions, violated Idaho Code § 41-2708(3), IDAPA 18.05.01.031.01, and 18.05.01.031.04(a) by providing a total of \$100.00 in self-promotional items of value, which are prohibited, to producers of title business, consumers, or members of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.</p>
4	November 4, 2020	<p><u>Finding:</u> The Agent (Ashley Houweling, employee) purchased Crumbl Cookies, resulting in a total expenditure of \$32.35, and provided them to unidentified producers of title business, consumers, or members of the general public. These items constitute items of value that are specifically not allowed in connection with self-promotional activities.</p> <p><u>Violations:</u> The Agent, on an undetermined number of occasions, violated Idaho Code § 41-2708(3), IDAPA 18.05.01.031.01, and 18.05.01.031.04(a) by providing a total of \$32.35 in self-promotional items of value, which are prohibited, to producers of title business, consumers, or members of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.</p>
5	March 26, 2021	<p><u>Finding:</u> The Agent (Ashley Houweling, employee) purchased liquor at Idaho State Liquor, resulting in a total expenditure of \$31.75, and provided it to an unidentified producer of title business, consumer, or member of the general public as a “Promo Item”. This item constitutes items of value that are specifically not allowed in connection with self-promotional activities.</p> <p><u>Violation:</u> The Agent violated Idaho Code § 41-2708(3), IDAPA 18.05.01.031.01, and 18.05.01.031.04(a) by providing a total of \$31.75 in self-promotional items of value, which are prohibited, to a producer of title business,</p>

		consumer, or member of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.
6	August 31, 2021	<p>Finding: The Agent (Ashley Houweling, employee) purchased ten (10) \$10.00 Starbuck gift cards and one (1) iced caramel macchiato (likely for herself), resulting in a total expenditure of \$104.51, and provided the ten (10) gift cards as “Promo Items,” to unidentified producers of title business, consumers, or members of the general public. These items constitute items of value that are specifically not allowed in connection with self-promotional activities.</p> <p>Violations: The Agent, on an undetermined number of occasions, violated Idaho Code § 41-2708(3), IDAPA 18.05.01.031.01, and 18.05.01.031.04(a) by providing a total of \$100.00 in self-promotional items of value, which are prohibited, to producers of title business, consumers, or members of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.</p>
7	September 3, 2021	<p>Finding: The Agent (Ashley Houweling, employee) purchased a gift-wrapped party box of assorted cookies from Crumbl Cookies, resulting in a total expenditure of \$43.76, and provided it as a “Promo Item,” to an unidentified producer of title business, consumer, or member of the general public. This item constitutes items of value that are specifically not allowed in connection with self-promotional activities.</p> <p>Violation: The Agent violated Idaho Code § 41-2708(3), IDAPA 18.05.01.031.01, and 18.05.01.031.04(a) by providing a total of \$43.76 in self-promotional items of value, which are prohibited, to a producer of title business, consumer, or member of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.</p>
8	November 30, 2021	<p>Finding: The Agent (Ashley Houweling, employee) purchased ten (10) \$10.00 Dutch Bros gift cards and one (1) other unknown item (likely for herself), resulting in a total expenditure of \$104.75, and provided the ten (10) gift</p>

		<p>cards as “Promo Items,” to unidentified producers of title business, consumers, or members of the general public. These items constitute items of value that are specifically not allowed in connection with self-promotional activities.</p> <p>Violations: The Agent, on an undetermined number of occasions, violated Idaho Code § 41-2708(3), IDAPA 18.05.01.031.01, and 18.05.01.031.04(a) by providing a total of \$100.00 in self-promotional items of value, which are prohibited, to producers of title business, consumers, or members of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.</p>
9	June 23, 2023	<p>Finding: The Agent (Ashley Houweling, employee) purchased five (5) \$10.00 Flying M Coffee gift cards, resulting in a total expenditure of \$50.00, and provided them as “Promo Items,” to unidentified producers of title business, consumers, or members of the general public. These items constitute items of value that are specifically not allowed in connection with self-promotional activities.</p> <p>Violations: The Agent, on an undetermined number of occasions, violated Idaho Code § 41-2708(3), IDAPA 18.05.01.031.01, and 18.05.01.031.04(a) by providing a total of \$50.00 in self-promotional items of value, which are prohibited, to producers of title business, consumers, or members of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.</p>
10	June 29, 2023	<p>Finding: The Agent (Ashley Houweling, employee) purchased ten (10) \$10.00 Dutch Bros gift cards, resulting in a total expenditure of \$100.00, and provided them to unidentified producers of title business, consumers, or members of the general public. These items constitute items of value that are specifically not allowed in connection with self-promotional activities.</p> <p>Violations: The Agent, on an undetermined number of occasions, violated Idaho Code § 41-2708(3), IDAPA 18.05.01.031.01, and 18.05.01.031.04(a) by providing a total of \$100.00 in self-promotional items of value, which are prohibited, to producers of title business, consumers, or members of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain</p>

		records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.
11	June 30, 2023	<p>Finding: The Agent (Ashley Houweling, employee) purchased ten (10) \$10.00 Dutch Bros gift cards and one (1) other unknown item (likely for herself), resulting in a total expenditure of \$104.72, and provided the ten (10) gift cards as “Promo Items,” to unidentified producers of title business, consumers, or members of the general public. These items constitute items of value that are specifically not allowed in connection with self-promotional activities.</p> <p>Violations: The Agent, on an undetermined number of occasions, violated Idaho Code § 41-2708(3), IDAPA 18.05.01.031.01, and 18.05.01.031.04(a) by providing a total of \$100.00 in self-promotional items of value, which are prohibited, to producers of title business, consumers, or members of the general public. Additionally, the Agent violated Idaho Code § 41-2710(7) by failing to maintain records necessary to ascertain compliance with Title 41, Idaho Code, and related rules governing the provision of such items of value.</p>

Contextual Overview of Findings:

Following a review of the current examination report, and with reference to the preceding examination report dated June 24, 2020, the following determinations were made. These findings represent the first documented occurrences of these specific violations involving prohibited items of value, as identified during both the current and preceding examinations.

Exception and Illegal Inducement Summary:

Exception Number	Illegal Inducement Amount (USD)
1	\$100.00
2	\$273.10
3	\$100.00
4	\$32.35
5	\$31.75
6	\$100.00
7	\$43.76
8	\$100.00

9	\$50.00
10	\$100.00
11	\$100.00
Total Illegal Inducement Amount	\$1,030.96

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. . .”

Idaho Code § 41-2710(7) states, in relevant part, with emphasis added: “Regular examination of the tract indexes, abstract records, and **any other records** to ascertain compliance with title 41, Idaho Code, and related rules . . .”

The above provision impliedly requires agents to keep records necessary such that the Director of the Department of Insurance may ascertain compliance with Title 41, Idaho Code and related rules. 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.

IDAPA 18.05.03.011 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 18.05.03.014.01 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 18.05.01.031.01 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 . . .”

RECOMMENDATIONS:

The Agent shall be required to submit, in writing, its proposed internal procedures and compliance measures that it intends to implement to ensure that any future provision of items of value to producers of title business, consumers, or members of the general public will comply with Idaho Code §§ 41-2708(3), 41-2710(7), IDAPA 18.05.03.011, 18.05.03.014.01, 18.05.01.031.01, and 18.05.01.031.04(a). The Agent shall further acknowledge that its prior internal procedures intended to ensure such compliance were insufficient, as evidenced by the findings of this examination. Accordingly, 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. Any administrative penalties that may result from the exceptions noted will be addressed through a separate enforcement action.

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 Isabel Villalobos and Nicholas Schug, comprises twelve (12) title officers, and one (1) title assistant. The title plant for Canyon County is owned, posted, and maintained by the Agent in Boise, 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 Star Nieves, comprises four (4) escrow officers, and two (2) 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 Debbie Shirley, Corporate Banking Manager, the fiduciary accounts are balanced on a daily basis and reconciled on a monthly basis by Lucinda Schultz, Bank Administrator. The monthly reconciliations are reviewed by the Agent's trust accounting department and Debbie Shirley, Corporate Banking Manager. 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 7-14)

- **Exceptions No. 1-11 - Prohibited Items of Value**

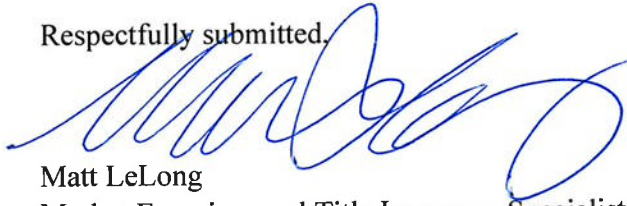
It is recommended that the Agent submit, in writing, its proposed internal procedures and compliance measures that it intends to implement to ensure that any future provision of items of value to producers of title business, consumers, or members of the general public will comply with the applicable statutes and regulations. The Agent shall further acknowledge that its prior internal procedures intended to ensure such compliance were insufficient, as evidenced by the findings of this examination. Accordingly, 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. Any administrative penalties that may result from the exceptions noted will be addressed through a separate enforcement action.

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 3rd day of February, 2026.



Jan Noriyuki
Notary Public for Idaho
Residing at: Borise
Commission Expires: 01-26-2031