

No. **2022-7538**

**Official Order
of the
Texas Commissioner of Insurance**

Date: 09/30/2022

Subject Considered:

Riverside Title LLC
10101 Fondren Road, Suite 400
Houston, Texas 77096-5122

Consent Order
TDI Enforcement File No. 28785

General remarks and official action taken:

This is a consent order with Riverside Title LLC (Riverside). The department alleges Riverside collected excessive fees and failed to submit reports when due. Riverside has agreed to pay an administrative penalty of \$50,000 for these violations.

Waiver

Riverside acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Riverside waives all these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

1. Riverside holds a title insurance agent license issued by the department in 2012.
2. In May 2021, the department conducted a routine audit of Riverside's operation and identified several alleged violations.

Excessive Recording Fees

3. Riverside collected money from parties to commercial transactions for what it described on the settlement statements as "recording fees and service," that in

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several instances exceeded the actual cost of recording documents by more than a thousand dollars.

4. On some settlement statements, Riverside only disclosed an aggregated item for "title company charges" that included amounts for title insurance premium owed to both Riverside and its underwriter, tax certificates, and recording fees instead of separately listing the amounts.
5. Riverside did not promptly return to the parties the amounts collected in excess of the actual cost of recording documents.
6. Riverside provided evidence that it has recently returned to the parties from whom it had collected more than \$97,000 in excess of the actual cost of recording documents for transactions it closed in calendar years 2019, 2020, and 2021.

Employee Income Tax Withholding

7. Riverside is required to certify to the department on Form T-S.5 each quarter that it has submitted income tax withholding amounts for its employees to the Internal Revenue Service, along with evidence of the payments.
8. Riverside's T-S.5 certifications to the department were late for the third quarter of 2018, the first quarter of 2019, and all quarters of 2020.
9. Riverside did not provide T-S.5 certifications to the department for the second, third, and fourth quarters of 2019 until July 2022.
10. The department cited Riverside in a prior audit for failing to properly provide T-S.5 certifications.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 2501.008, 2651.011, 2651.301, and 2702.053, and 28 TEX. ADMIN. CODE § 9.1 adopting the *Texas Title Insurance Basic Manual* (Basic Manual).
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 36.104 and 82.055, and 28 TEX. ADMIN. CODE § 1.47.

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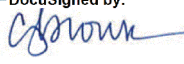
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3. Riverside has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. Riverside violated TEX. INS. CODE § 2702.053 because it did not clearly and conspicuously itemize on settlement statements the charges for recording fees and title insurance premium.
5. Riverside violated TEX. INS. CODE § 2651.011(c) and Administrative Rule S.5 of the Basic Manual because it did not provide the required T-S.5 form and supporting evidence when due.

Order

It is ordered that Riverside pay an administrative penalty of \$50,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

DocuSigned by:

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Cassie Brown

Commissioner of Insurance

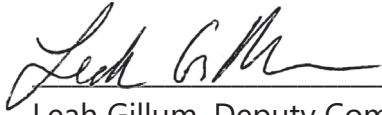
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Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Casey Seeboth, Staff Attorney
Enforcement

Affidavit

STATE OF New York §
§

COUNTY OF Kings §

Before me, the undersigned authority, personally appeared Shaul C. Greenwald, who being by me duly sworn, deposed as follows:

"My name is Shaul C. Greenwald. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

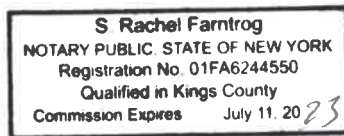
I hold the office of Riverside Title, LLC and am the authorized representative of Riverside Title, LLC. I am duly authorized by said organization to execute this statement.

Riverside Title, LLC has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the state of Texas."

[Handwritten Signature]
Affiant

SWORN TO AND SUBSCRIBED before me on September 6, 2022.

(NOTARY SEAL)



[Handwritten Signature]
Signature of Notary Public

Printed Name of Notary Public