

No. **2024-8879**

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

Date: 10/03/2024

Subject Considered:

R.E.D. Title, LLC
800 Town & Country Boulevard
Suite 500
Houston, Texas 77024

Consent Order
TDI Enforcement File No. 35075

General remarks and official action taken:

This is a consent order with R.E.D. Title, LLC (R.E.D. Title). The Texas Department of Insurance (TDI) alleges that R.E.D. Title has failed to timely submit the annual trust fund account audit report and failed to properly notify TDI of an assumed name. R.E.D. Title has agreed to pay a \$3,000 administrative penalty for these violations.

Waiver

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

Findings of Fact

1. R.E.D. Title, firm identification number 189996, holds a title agency insurance license issued by TDI.

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2. Title agencies are required to file with TDI an annual trust fund account audit report prepared by a certified public accountant . The report is due before the 91st day after the end of the agency's fiscal year.
3. R.E.D. Title's fiscal year ends on March 31st each year.
4. R.E.D. Title did not timely submit its annual trust fund account report for 2024, which was due on June 30, 2024.
5. On July 15, 2024, a warning letter was sent to R.E.D. Title advising it that the violation could result in disciplinary action and the imposition of sanctions pursuant to TEX. INS. CODE §§ 82.051-82.055, 84.021, and 84.022.
6. TDI received R.E.D. Title's annual trust fund account audit report on August 20, 2024, 51 days late.
7. Title agencies are required to hold a surety bond pursuant to TEX. INS. CODE § 2651.101.
8. R.E.D. Title was using an assumed name without properly notifying TDI of the assumed name as required by TEX. INS. CODE § 2651.008 and Administrative Rules L-1.VB.1 and L-3.V.B.1 of the Title Insurance Basic Manual. R.E.D. Title has represented that it has revised all documents and marketing to reflect the correctly licensed name.
9. TDI previously disciplined R.E.D. Title on April 9, 2024, by issuing a warning letter for failure to timely submit its annual trust fund account audit report and its annual statistical report of data calls in 2023.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 2551.001, 2551.003, 2651.151-2651.157, and 2651.301; and TEX. GOV'T CODE §§ 2001.051-2001.178.
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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3. R.E.D. Title has knowingly and voluntarily waived all procedural rights to which it has 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. R.E.D. Title violated TEX. INS. CODE § 2651.151-2651.157 by failing to timely submit its 2024 annual trust fund account audit report.
5. R.E.D. Title violated TEX. INS. CODE § 2651.008 and Administrative Rules L-1.VB.1 and L-3.V.B.1 of the Title Insurance Basic Manual by operating under an assumed name without properly notifying TDI.

Order

It is ordered that R.E.D. Title, LLC pay an administrative penalty of \$3,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which TDI will send after entry of this order.

Signed by:

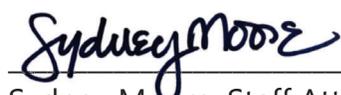
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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Sydney Moore, Staff Attorney
Enforcement

Affidavit

STATE OF Texas §

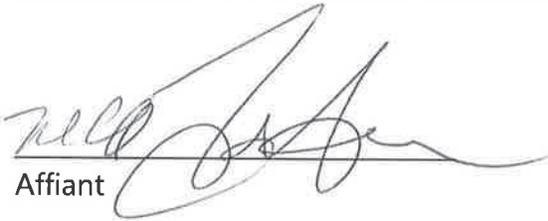
COUNTY OF Fort Bend §

Before me, the undersigned authority, personally appeared Nelle Tatum, who being by me duly sworn, deposed as follows:

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

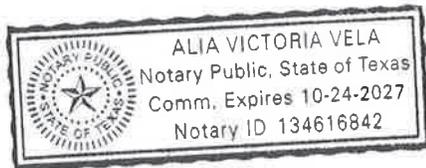
I hold the office of owner/operator and am the authorized representative of R.E.D. Title, LLC. I am duly authorized by said organization to execute this statement.

R.E.D. 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."


Affiant

SWORN TO AND SUBSCRIBED before me on September 26th, 2024.

(NOTARY SEAL)




Signature of Notary Public

Alia Victoria Vela
Printed Name of Notary Public