

No. 2024-8935

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

Date: 11/04/2024

Subject Considered:

Scout Title & Abstract, LLC
2635 Park Drive
Tyler, Texas 75703

Consent Order
TDI Enforcement File No. 34319

General remarks and official action taken:

This is a consent order with Scout Title & Abstract, LLC (Scout Title). Scout Title provided things of value in appreciation of title insurance business. Scout Title has agreed to pay an administrative penalty of \$2,500.

Waiver

Scout Title acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Scout 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. Scout Title, firm identification number 166591, holds a title insurance agency license issued by the Texas Department of Insurance (TDI) on March 3, 2020.
2. A commission, rebate, discount, portion of a title insurance premium, or other thing of value may not be directly or indirectly paid, allowed, or permitted by a person engaged in the business of title insurance or received or accepted by a person for

- engaging in the business of title insurance or for soliciting or referring title insurance business.
3. A consumer complaint was filed and investigated by TDI alleging that Scout Title was providing certain gifts or items of value to certain real estate agents and others in exchange for the referral of title insurance business.
 4. Scout Title voluntarily provided TDI with an accounting of all gifts provided to clients or real estate agents within the past year. Items of value included food, beverage, shopping and spa gift cards, clothing items, Airpods, Bluetooth speakers, and NBA tickets. Scout Title represents the gifts were for appreciation to individuals, such as real estate agents, for their continued, repeat business and transactions closed with Scout Title through this past year.
 5. Scout Title represents it has ceased its client appreciation practices and will comply with all requirements of TEX. INS. CODE § 2502.051 and 28 TEX. ADMIN. CODE § 9.1, which adopts by reference the *Basic Manual of Rules, Rates and Forms for the Writing of Title Insurance in the State of Texas* ("*Basic Manual*") Rule P-53.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 2502.051, 2651.301; and TEX. GOV'T CODE § 2001.051-2001.178; and *Basic Manual* Rule P-53.
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.
3. Scout Title 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. Scout Title violated TEX. INS. CODE § 2502.051 and the *Basic Manual* Rule P-53 by providing gifts and items of value in appreciation of title insurance business.

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Commissioner's Order
Scout Title & Abstract, LLC
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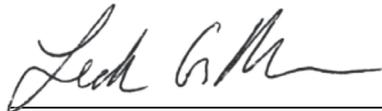
Order

It is ordered that Scout Title & Abstract, LLC pay an administrative penalty of \$2,500 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:

FC5D7EDDFFB4F8...
Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Whitney Fraser, Director
Enforcement

Affidavit

STATE OF TEXAS §

§

COUNTY OF SMITH §

Before me, the undersigned authority, personally appeared STEPHEN PATRICK PAINE, who being by me duly sworn, deposed as follows:

"My name is STEPHEN PATRICK PAINE. 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 STEPHEN PATRICK PAINE and am the authorized representative of Scout Title & Abstract, LLC. I am duly authorized by said organization to execute this statement.

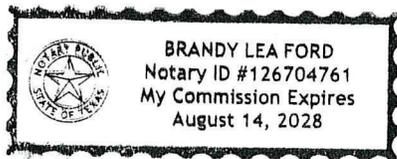
Scout Title & Abstract, LLC has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the state of Texas."



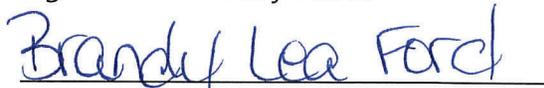
Affiant

SWORN TO AND SUBSCRIBED before me on OCTOBER 15, 2024.

(NOTARY SEAL)



Signature of Notary Public



Printed Name of Notary Public