

No. **2025-9559**

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

Date: 10/16/2025

Subject Considered:

Forward Settlement Solutions of Texas, LLC
2611 Internet Blvd Ste 202
Frisco, Texas 75034-0250

Consent Order
TDI Enforcement File No. 36624

General remarks and official action taken:

This is a consent order with Forward Settlement Solutions of Texas, LLC (Forward Settlement Solutions). The Texas Department of Insurance (TDI) conducted a title agent compliance audit and found violations of the Texas Insurance Code and Texas Administrative Code. Forward Settlement Solutions has agreed to pay an administrative penalty of \$50,000.

Waiver

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

Findings of Fact

Background and Licensure

1. Forward Settlement Solutions, firm identification number 150464, holds a title agency license issued by TDI on November 7, 2018.

2025-9559

Commissioner's Order

Forward Settlement Solutions of Texas, LLC

Page 2 of 10

2. Forward Settlement Solutions does business under the name, Title Forward, which it registered as an assumed name with TDI when it was licensed.
3. TDI conducted a comprehensive compliance audit of Forward Settlement Solutions as of November 8, 2024.

Disbursements Without "Good Funds"

4. Under Texas law, a title agent may not disburse funds from a trust account until good funds related to the transaction have been received and deposited in the account in amounts sufficient to fund any disbursements from the transaction.
5. Procedural Rule P-27 of the Texas Title Insurance Basic Manual, Section IV, defines "good funds" in detail, but it specifically does not include automated clearing house (ACH) funds.
6. Forward Settlement Solutions accepted ACH funds from customers through electronic fund transfers (EFT) five times in July 2024 and six times in August 2024.
7. Forward Settlement Solutions made disbursements from its trust account before sufficient good funds were received and deposited in the trust account to fund all disbursements related to the transactions.
8. After TDI's audit was completed, Forward Settlement Solutions represented it has since instructed its employees to no longer accept ACH deposits from customers for closing funds.

Issuing Policies for Property Located in Counties in Which Agency is Not Appointed

9. At the time of TDI's examination, Forward Settlement Solutions was only permitted to issue policies in Collin, Travis, and Williamson counties.
10. TDI reviewed 20 sample files and found that Forward Settlement Solutions issued title insurance policies in Bexar, Chambers, Dallas, Fort Bend, Galveston, Harris, Johnson, Montgomery, Presidio, and Tarrant counties.
11. Forward Settlement Solutions is not appointed to issue title insurance in any of those counties.

2025-9559

Commissioner's Order

Forward Settlement Solutions of Texas, LLC

Page 3 of 10

12. After TDI's examination, Forward Settlement Solutions represents it put additional procedures in place to prevent title insurance policies from being issued in counties in which it is not appointed, and that it will not act outside of its appointments.

Unauthorized Person Performing the Duties of an Escrow Officer

13. Forward Settlement Solutions allowed an unlicensed and unappointed employee to perform the duties of an escrow officer.
14. This employee was assigned to 139 files between July 6, 2021, through September 3, 2024. TDI's review of 30 of those files found that seven files showed this employee's signature on the Texas Disclosure (Form T-42).

Failure to Cancel Escrow Officer Appointment

15. Forward Settlement Solutions failed to timely file with TDI an Escrow Officer Appointment Form (FINT09) to cancel the appointment of one escrow officer who separated from the agency and was no longer acting as an escrow officer.
16. Specifically, the escrow officer's last day of employment was May 10, 2024, and Forward Settlement Solutions did not cancel the appointment until more than five months later, on October 22, 2024.

Charging Customers Prohibited Overhead Fee

17. Forward Settlement Solutions routinely charged customers a prohibited overhead expense, specifically a "SMS Tracking Fee," to track the recording of releases filed, in addition to the title premium and escrow fee that it collected at closing.
18. Forward Settlement Solutions represents it has ceased charging a release tracking fee in Texas.

Failure to Timely File Quarterly Tax Reports

19. Forward Settlement Solutions failed to timely file its Title Agent Certification of Agent's Quarterly Tax Report (Form T-S5) for the first and second quarters of 2024. Each of these reports was due not later than 45 days after the end of each quarter, but Forward Settlement Solutions did not file them until May 31, 2024, and September 10, 2024, respectively.

2025-9559

Commissioner's Order

Forward Settlement Solutions of Texas, LLC

Page 4 of 10

Escrow Accounting

20. Comprehensive audit procedures were performed on escrow accounting records for July and August of 2024.
21. TDI reviewed 20 guaranty file balances to verify amounts shown on the August 2024 escrow trial balances.
22. TDI found that the escrow trial balances included dummy files titled "Miscellaneous" and "Pending Aggregate" that were used to book bank fees, reconciling items, and accumulating fees owed to SMS Tax Release Company.
23. Because those funds no longer retained the character of escrow funds, Forward Settlement Solutions should have backed them out at the end of the month.

Minimum Escrow Accounting Procedures and Internal Controls

24. TDI randomly sampled and reviewed 29 guaranty files.
25. In one of 29 files reviewed, an escrow check processed as an electronic check was not styled "escrow" or "trust."
26. In four of 29 files reviewed, the disbursement amount did not match the invoice or supporting documentation.
27. In 15 of 29 files reviewed, the disbursements were not supported by an invoice or other sufficient evidence.
28. In two of 29 files reviewed, the disbursement payee for the realtor commission did not match the invoice or supporting documentation.

Failure to Safeguard Electronic Signatures

29. TDI's audit found that all 29 of the guaranty files reviewed contained electronic signatures which were applied to escrow checks, title commitments, and title policies by unlicensed employees. Forward Settlement Solutions did not properly safeguard the signatures because they were accessible to its unlicensed employees.

2025-9559

Commissioner's Order

Forward Settlement Solutions of Texas, LLC

Page 5 of 10

30. Forward Settlement Solutions represents it has updated its title production software to limit signature access to the specific licensed escrow officer.

Guaranty Files Errors

31. In 14 of 29 files reviewed, Forward Settlement Solutions failed to disclose the premium split for title services on the settlement statement.
32. In three of 29 files reviewed, Forward Settlement Solutions failed to have the settlement statement signed by the settlement agent.
33. In two of 29 files reviewed, disbursements for home inspections and sales commissions did not match what was shown on the settlement statements.
34. In one of 29 files reviewed, the incoming wire amount for the buyer's fund due did not match what was shown on the settlement statement as due from the buyer at closing.
35. In seven of 29 files reviewed, the names of disbursement payees for deed preparation, notary fees, HOA fees, and homeowner's insurance didn't match what was shown on the settlement statement.
36. In three of 29 files reviewed, Forward Settlement Solutions used a non-promulgated form (ALTA Settlement Statement) to close a Texas title insurance transaction.
37. In all 29 files reviewed, Forward Settlement Solutions failed to disclose an anticipated premium split for title services on Schedule D of the commitment.
38. In all 29 files reviewed, Forward Settlement Solutions failed to complete a Verification of Services Rendered (Form T-00) and have it signed by all parties.
39. In six of 29 files reviewed, the premium split disclosed for title services on the Texas Disclosure (Form T-64) was incorrect.
40. In three of 29 files reviewed, Forward Settlement Solutions failed to retain the last three paragraphs and all signature lines on the same page as the Form T-64.

2025-9559

Commissioner's Order

Forward Settlement Solutions of Texas, LLC

Page 6 of 10

41. In one of the 29 files reviewed, the amount of the T-19 endorsement was incorrectly shown on the Form T-64.
42. In one of the 29 files reviewed, Forward Settlement Solutions failed to have the Form T-64 signed by the buyers.
43. In three of the 29 files reviewed, Forward Settlement Solutions failed to disclose all parties receiving a portion of the real estate commission on the settlement statement.
44. In one of the 29 files reviewed, there was no prior written authorization from the consumer to use a notary service before the transaction closed.
45. In three of the 29 files reviewed, Forward Settlement Solutions failed to timely record the legal documents with the county clerk.

Mitigation and Subsequent Events

46. In response to TDI's audit, Forward Settlement provided TDI steps it would take to rectify the violations found in the audit and achieve compliance. Forward Solutions represents that it has implemented all of those described changes to its operations, workflow, and software.
47. Forward Settlement further represents that it has revised and updated its:
 - a. hiring and recruitment practices to ensure its operations are staffed with Texas licensed personnel;
 - b. onboarding process to ensure the timely appointment of licensed personnel;
 - c. offboarding process to ensure the immediate cancellation of escrow officer appointments upon an escrow officer separation; and
 - d. compliance calendar to correct deadlines for reporting requirements.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 2602.103, 2651.051, and 2651.301; and 28 TEX. ADMIN. CODE § 9.1, which adopts the *Texas Title Insurance Basic Manual* ("Basic Manual").

2025-9559

Commissioner's Order

Forward Settlement Solutions of Texas, LLC

Page 7 of 10

2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, and TEX. INS. CODE §§ 36.104 and 82.055.
3. Forward Settlement Solutions 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. Forward Settlement Solutions violated TEX. INS. CODE § 2652.001 by allowing an unlicensed individual to act as an escrow officer.
5. Forward Settlement Solutions violated Administrative Rule L-1(III)(B)(2) by operating on behalf of a title insurance company in counties in which it is not appointed.
6. Forward Settlement Solutions violated TEX. INS. CODE § 2651.202 and Procedural Rule P-27 of the Basic Manual, Section IV, by disbursing funds from a trust account before good funds had been received.
7. Forward Settlement Solutions violated TEX. INS. CODE § 2651.301(7)(A) and Minimum Escrow Accounting Procedures and Internal Controls requirements 1 and 2 of the Basic Manual, Section V, by failing to maintain a separate and distinct account of escrow funds and failing to timely perform reconciliations.
8. Forward Settlement Solutions violated TEX. INS. CODE § 2702.052 by using a non-promulgated form to close a Texas title insurance transaction.
9. Forward Settlement Solutions violated TEX. INS. CODE § 2702.053 by failing to:
 - a. disclose the premium split for title services on the settlement statement;
 - b. have the settlement agent sign the settlement statement;
 - c. have disbursement amounts match the settlement statement;
 - d. have the incoming wire amounts match the settlement statement; and
 - e. have the names of disbursement payees match the settlement statement.
10. Forward Settlement Solutions violated Administrative Rule L-2(III)(B) of the Basic Manual, Section VI, by failing to timely file with TDI an Escrow Officer Appointment form (Form FINT09) to cancel an appointment.

2025-9559

Commissioner's Order

Forward Settlement Solutions of Texas, LLC

Page 8 of 10

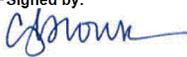
11. Forward Settlement Solutions violated Rule S.5 of the Basic Manual, Section VI, by failing to timely file with TDI two quarterly tax reports (T-S5 Forms).
12. Forward Settlement Solutions violated Minimum Escrow Accounting Procedures and Internal Controls requirement 9 of the Basic Manual, Section V, by failing to style a processed escrow check as "escrow" or "trust."
13. Forward Settlement Solutions violated Minimum Escrow Accounting Procedures and Internal Controls requirement 16 of the Basic Manual, Section V, because:
 - a. disbursement amounts did not match the invoice or support;
 - b. disbursements were not supported by an invoice or other sufficient evidence; and
 - c. disbursement payees for realtor commissions did not match the invoice or support.
14. Forward Settlement Solutions violated Procedural Rule P-17 of the Basic Manual, Section IV, by failing to properly safeguarded electronic signatures when it allowed unlicensed employees access to the electronic signatures.
15. Forward Settlement Solutions violated Procedural Rule P-21 of the Basic Manual, Section IV, by failing to disclose an anticipated premium split for title services on Schedule D of the commitment.
16. Forward Settlement Solutions violated Procedural Rule P-22 of the Basic Manual, Section IV, by failing to complete a Verification of Services Rendered (Form T-00) and have it signed by all parties.
17. Forward Settlement Solutions violated Procedural Rule P-73 of the Basic Manual, Section IV, by failing in the Texas Disclosure (Form T-64) to:
 - a. disclose the correct premium split for title services;
 - b. retain the last three paragraphs and all signature lines on the same page;
 - c. list the correct amount of the T-19 endorsement; and
 - d. have all buyers sign it.
18. Forward Settlement Solutions violated Specific Areas and Procedures #5, of the Basic Manual, Section V, by:

- a. charging prohibited fees for general overhead expenses; and
- b. failing to maintain evidence that prior written authorization was received from the consumer to use a notary service before the transaction closed.

Order

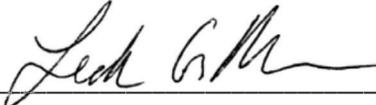
It is ordered that Forward Settlement Solutions of Texas, LLC cease and desist operating in additional counties in which it is not appointed, unless and until the earlier of the eighth day after an authorized title insurance company submits to TDI the required Title Insurance Agent or Direct Operation Appointment (FINT10) form appointing it in those additional counties, or when TDI's website reflects those additional counties.

It is further ordered that Forward Settlement Solutions of Texas, LLC 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 TDI will send after entry of this order.

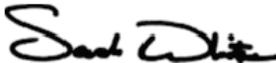
Signed by:

FC5D7EDDFFBB4F8...

Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Sarah White, Staff Attorney
Enforcement

Affidavit

STATE OF Pennsylvania §

§
COUNTY OF Philadelphia §

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

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

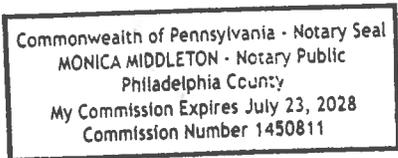
I hold the office of President and am the authorized representative of
Forward Settlement Solutions of Texas, LLC. I am duly authorized by said organization to
execute this statement.

Forward Settlement Solutions of Texas, 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."

[Signature]
Affiant

SWORN TO AND SUBSCRIBED before me on September 25th, 202~~5~~5 mm.

(NOTARY SEAL)



[Signature]

Signature of Notary Public

Monica Middleton

Printed Name of Notary Public