No. 2026-10182

Official Order
of the
Texas Commissioner of Insurance

Date: 10/06/2026

Subject Considered:

Clever Title, LLC
15305 Dallas Parkway, 12th Fl. 1267
Addison, Texas 75001

Consent Order
TDI Enforcement File No. 37120

General remarks and official action taken:

This is a consent order with Clever Title, LLC (Clever Title). Texas Department of Insurance (TDI) conducted a title agent compliance audit of Clever Title and discovered violations of the Texas Insurance Code and Texas Administrative Code. In addition, Clever Title failed to timely submit to TDI two annual trust fund account audit reports for its fiscal year ending September 30, 2024, and 2025, and its title insurance agent statistical reports for both 2023 and 2024. Clever Title has agreed to pay an administrative penalty of $45,000.

Waiver

Clever Title acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Clever Title 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. Clever Title, firm identification 207533, holds a title agency license issued by TDI on October 16, 2023.

2. TDI conducted a comprehensive compliance audit of Clever Title as of February 20, 2026.

Late Filed Annual Trust Fund Account Audit Reports

3. The Texas Insurance Code requires title agencies to file with TDI an annual trust fund account audit report prepared by a certified public accountant ("the report").

4. The report is due before the 91st day after the end of the title agency's fiscal year.

5. Clever Title elected to have its fiscal year end on September 30, 2024 and 2025.

6. Clever Title failed to timely file its reports by December 31, 2024, and 2025.

7. TDI received Clever Title's 2024 report on July 22, 2025, over six months late.

8. TDI received Clever Title's 2025 report on January 9, 2026, over a week late.

Late Filed Unencumbered Assets Certifications

9. Texas law requires title agents to file the Title Agent's Unencumbered Assets Certification (Form T-S1) annually to TDI between September 1 and September 30 of each year.

10. Clever Title failed to timely file its Form T-S1s in September 2024 and 2025.

11. Clever Title filed its Form T-S1 for 2024 on October 17, 2024, over two weeks late.

12. Clever Title filed its Form T-S1 for 2025 on December 3, 2025, more than two months late.

Late Filed Quarterly Tax Reports

13. Texas law requires title agents to provide TDI on a quarterly basis with a copy of its quarterly withholding tax report or its equivalent and proof of payment of the tax no later than 45 days after the end of the quarter.

14. Clever Title failed to timely file its Title Agent Certification for Agent's Quarterly Tax Reports (Form T-S5) for the third quarter of 2024, and second and third quarter of 2025.

15. Clever Title late-filed its quarterly reports for:

    a. the third quarter of 2024 on January 14, 2025;
    b. the second quarter of 2025 on November 20, 2025; and
    c. the third quarter of 2025 on November 21, 2025.

Late-Filed 2023 and 2024 Statistical Reports

16. On September 6, 2024, TDI issued Bulletin No. B-0016-24 to Texas title insurance agents regarding the 2023 Title Insurance Agent Data Call for the reporting period of January 1 through December 31, 2023. The bulletin required submission of business data by October 14, 2024, for TDI's use in setting title insurance premium rates.

17. On March 14, 2025, TDI issued Bulletin No. B-0001-25 to Texas title insurance agents regarding the 2024 Title Insurance Agent Data Call for the reporting period of January 1 through December 31, 2024. The bulletin required submission of business data by April 8, 2025, for TDI's use in setting title insurance premium rates.

18. Clever Title did not timely submit either its 2023 or 2024 statistical reports by the respective deadlines set forth in TDI's data calls, and Clever Title was listed as a non-reporter in TDI's 2023 and 2024 Texas Title Insurance Agent Experience Report Compilations.

19. On May 28, 2025, Clever Title filed its 2024 statistical report with TDI, 50 days late.

20. On January 15, 2026, Clever Title submitted its statistical report for 2023, which was inaccurate because it contained identical dollar amounts and data as Clever Title's previously submitted 2024 statistical report.

21. After TDI informed Clever Title that its submission for 2023 was not acceptable, Clever Title late-filed its 2023 statistical report with TDI, on April 16, 2026, more than one year and six months late.

Failure to Timely Remit Premiums

22. Title agents are required to remit underwriter premiums no later than the 15th day of the second month following the month in which the premiums were collected.

23. Clever Title retained, and failed to remit, a total of $40,083.45 in premiums, including premiums dating back to 2024.

24. After the compliance audit, in May 2026, Clever Title provided TDI with documentation to demonstrate that it late-remitted the $40,083.45 in premiums.

Failure to Submit Single Policy Guaranty Fee

25. Title agents are required to report and remit the fees for all of its offices on a single remittance form and payment to the Texas Title Insurance Guaranty Association (TTIGA).

26. Clever Title remitted its policy guaranty fees to TTIGA as two escrow checks with its form for the fourth quarter of 2025 instead of remitting it as a single payment.

Escrow Accounting Errors

27. Comprehensive audit procedures were performed on Clever Title's escrow accounting records for October and November 2025 for three bank accounts. Balances from 22 guaranty file balances were reviewed to verify amounts shown on the November escrow trial balances. The guaranty file balances were not correct and the escrow liability was misstated.

First Account

28. In the first account, the escrow trial balances contained a "dummy" file used to accumulate fees owed to Clever Title, including recording fees and tax certificate fees. The fees were added to the "dummy" file at each closing, but the funds did

not disburse until later. Because the funds did not retain the characteristic of escrow funds after each closing transaction, this practice resulted in:

a. commingling of escrow and operating funds;
b. overstatement of escrow liabilities for October and November; and,
c. overstatement of all three parts of the three-way reconciliation.

29. In the first account, the October and November 2025 three-way reconciliation included an invalid deposit-in-transit of $4,350. which was booked in October in error and not voided until February 2026, resulting in all three parts of the three-way reconciliation being overstated.

Second Account

30. In the second account, the escrow trial balances contained a "dummy" file used to accumulate title recording fees and tax certificate fees, which resulted in:

a. improper commingling of escrow and operating funds; and,
b. overstatement of the escrow liability for all three parts of the three-way reconciliation.

31. In the second account, the November Uncleared Credit Report included invalid entries for:

a. $3,000 dated April 16, 2025, which Clever Title booked in an attempt to obscure a shortage in the file for funds never received after it observed that the check drawer left part of the check blank, and which booking caused overstatement of all three parts of the three-way reconciliation; and,
b. $143,996.89 booked as received on May 8th and deposited the same day with an offsetting entry for the same amount included in the Uncleared Debit Report, resulting in overstating both reports.

Third Account

32. In the third account, the October and November escrow trial balance contained two "dummy" files, used to book funds not associated with an actual file, causing a misstatement of the escrow liability.

Minimum Escrow Accounting Procedures and Internal Controls

33. In one escrow account, neither management nor another employee reviewed the three-way reconciliations.

34. In two escrow accounts, neither the preparer nor the reviewer signed the three-way reconciliations.

35. One escrow account included two "dummy" files identified by name instead of a unique identification number.

36. The bank statement, bank agreement, and disbursement checks for one account was not styled "escrow" or "trust."

37. In two files reviewed, the disbursement for courier fees was not supported by invoices or sufficient evidence.

38. Escrow receivables for two accounts were not cleared within 45 days of the date of the bank statement for the period in which each receivable occurred.

Guaranty File Errors

39. TDI randomly sampled guaranty files for compliance, including four for comprehensive review, two for directly issued policies, ten for debit balances, and four files that were over three years old.

40. In two files, Clever Title made disbursements before receiving all funds for the transactions.

41. In two files, the settlement agent did not sign the settlement statements.

42. In two files, the required Texas Disclosure (Form T-64) was not prepared for a transaction where a Closing Disclosure was used.

43. One file did not contain evidence that prior written authorization was received from the consumer to use a notary service before the transaction was closed.

44. The settlement statement in one file did not disclose all parties receiving a portion of the real estate commission.

Subsequent Events

45. Clever Title represents to TDI that it has recently implemented the following:

a. engagement of outside consultants to assist with compliance;
b. use of a central calendar for quarterly and annually regulatory filings with regular reminders sent to the designated on-site manager and the executives of Clever Title's parent company;
c. a formal process for the on-site manager and the executives of Clever Title's parent company to annually review and update its wind-down plan as necessary, and as contemplated by Rule D.1(II) in Section VI of the *Texas Title Insurance Basic Manual*;
d. a formal process to initiate, compile data, and review the annual statistical report before timely submission, with reminders and status reports sent to the on-site manager and the executives of Clever Title's parent company;
e. a formal process to initiate and review the annual trust fund account audit report before timely submission, with reminders and status reports sent to the on-site manager and the executives of Clever Title's parent company; and
f. training sessions for all of Clever Title's employees, including the corporate finance team, regarding the Minimum Escrow Accounting Procedures and Internal Control requirements in the *Texas Title Insurance Basic Manual*.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 2651.051, and 2651.301; 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, and TEX. INS. CODE §§ 36.104 and 82.055.

3. Clever 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. Clever Title violated TEX. INS. CODE § 2651.301(7) and Minimum Escrow Accounting Procedures and Internal Controls Requirements nos. 1 and 2 of the Basic Manual, Section V, by failing to maintain a separate and distinct accounting of escrow funds and overstating all three parts of three-way reconciliations.

5. Clever Title violated TEX. INS. CODE § 2703.153 by failing to timely submit its 2023 and 2024 statistical reports.

6. Clever Title violated the Basic Manual, Section III, Rate Rule R-2 by failing to timely remit underwriter premiums.

7. Clever Title violated Administrative Rule G.1(II)(C) of the Basic Manual, Section VI and TEX. INS. CODE § 2602.151 by failing to remit the fees for all of its offices in a single payment.

8. Clever Title failed to maintain Minimum Escrow Accounting Procedures and Internal Controls, in violation of the Basic Manual, Section V, Requirement nos. 3, 8, 9, 16, and 17.

9. Clever Title failed to make proper disclosures and had errors in guaranty files, in violation of Procedural Rules P-21, P-27, and P-73 in the Basic Manual, Section IV, and TEX. INS. CODE §§ 2651.202 and 2702.053.

10. Clever Title violated Specific Areas and Procedures No. 5, of the Basic Manual, Section V, by failing to maintain evidence that prior authorization was received from the consumer to use a notary service before the transaction closed.

Order

It is ordered that Clever Title, LLC pay an administrative penalty of $45,000 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.

Signed by:
Amanda Crawford
FE10434BC41A470...

Amanda Crawford
Commissioner of Insurance

Recommended and reviewed by:

Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division

Anna Kalapach, Staff Attorney
Enforcement

Affidavit

STATE OF Nevada **§**
§
COUNTY OF Clark **§**

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

"My name is Craig Marshall. 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 COO / Onsite Manager and am the authorized representative of Clever Title, LLC. I am duly authorized by said organization to execute this statement.

Clever 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."

Craig Marshall
Affiant

SWORN TO AND SUBSCRIBED before me on 15th September, 2026.

(NOTARY SEAL)

YISSEL LUCERO
NOTARY PUBLIC
STATE OF NEVADA
Appt. No. 26-3041-01
Expires November 16, 2029

Signature of Notary Public

YISSEL LUCERO
Printed Name of Notary Public

Notarized remotely using audio-video communication technology via Proof.