

**BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS**

**IN THE MATTER OF:** )  
 )  
**GRAND PRAIRIE TITLE COMPANY** )  
 )  
**LICENSE NO. 0100111792** )

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**AID NO. 2015- 096**

**PARTIAL CONSENT ORDER**

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WHEREAS, the Arkansas Insurance Department (“Department”) and Grand Prairie Title Company (“Respondent”) hereby enter into this Partial Consent Order subject to the review and approval of the Commissioner of the Department:

**GENERAL STIPULATIONS**

1. It is expressly understood that this Partial Consent Order is subject to the Commissioner’s acceptance and has no force or effect until such acceptance is evidenced by the entry of the Commissioner.

2. This Partial Consent Order is executed by the Respondent for the sole purpose of lawfully running its business while the Department conducts its investigation into the operations of Respondent.

3. Respondent fully understands that this Partial Consent Order will in no way preclude additional proceedings by the Commissioner against Respondent or the agents employed thereof, for acts or omissions unknown to the Commissioner that are not specifically addressed herein, or for facts and/or omissions that do not arise from the facts or transactions addressed herein.

4. After consultation with legal counsel, Respondent expressly waives all rights to seek judicial review of this Partial Consent Order or to otherwise challenge or contest the

validity of this Partial Consent Order, the stipulations contained herein, and the consideration and entry of said Partial Consent Order by the Commissioner.

#### **FINDINGS OF FACT**

1. The Commissioner has jurisdiction over the party and subject matter pursuant to Ark. Code Ann. § 23-61-103.

2. Respondent is a title insurance agency owned by Centennial Bank and operates in Lonoke County, Arkansas.

3. Dating back to 2013, Respondent has exhibited a lack of knowledge of the laws and rules that govern and regulate the practice of title insurance. Specifically, since 2013, the agents that have been employed by Respondent have signed a multitude of policies without having the required licenses and appointments with a title insurer, and in some cases, without having the required affiliations affiliating the individual agents with the agency.

4. Respondent's violations of the Title Insurance Act do not appear to be willful; rather, Respondent's agents seem to have been unaware of the specific laws requiring agents to be appointed with a title insurer and affiliated with the agency. Additionally, Respondent did fail to take any steps to fully understand the requirements in order to prevent further violations.

#### **CONCLUSIONS OF LAW**

1. The Commissioner has jurisdiction over the parties and over the subject matter herein pursuant to Ark. Code Ann. § 23-61-103.

2. Ark. Code Ann. § 23-103-403(b) states: "All title insurance policies and reports covering an insurable interest in title to real property located in this state shall be signed by a title insurance agent: (1) Properly appointed by a title insurer; (2) Affiliated with a title insurance agency; and (3) Licensed in this state under this subchapter."

a. Anita Schenebeck was a licensed title agent formerly employed by Respondent. Ms. Schenebeck's license expired in December 2014, and she subsequently signed numerous policies after her license expired.

b. Carol Posey is a licensed title agent formerly employed by Respondent. Ms. Posey signed numerous policies without having been appointed by a title insurer.

3. The actions of Ms. Schenebeck and Ms. Posey violate the provisions of Ark. Code Ann. § 23-103-403.

### **ORDER**

**NOW THEREFORE**, on the basis of the foregoing and the admission by Respondent of the jurisdiction of the Commissioner, the Commissioner finds that Respondent has jointly consented to the entry of this Partial Consent Order and that the following Order is appropriate and consistent with the public interest.

**IT IS HEREBY ORDERED** that:

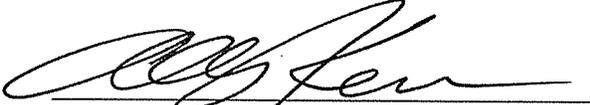
Respondent will be allowed to renew the agency license and to submit the required affiliations to the Department, with regard to the agents employed by Respondent. The block on the agency license and the licenses of those agents employed by the agency is hereby removed.

The Department's investigation into this matter is ongoing, and Respondent is ordered to cooperate in the investigation.

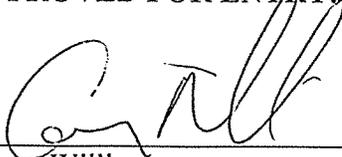
The Commissioner has taken under advisement, the potential penalty and/or discipline to be handed down to Respondent. Upon completion of the investigation, the parties anticipate jointly executing a full Consent Order to resolve this matter.

This Partial Consent Order is in the public interest, is in the best interests of the parties hereto, and represents a partial compromise and settlement of the controversy between the parties and is for partial settlement purposes only. By signature affixed below, Respondent affirmatively states that it has freely agreed to the entry of this Partial Consent Order, that it has been advised that it may consult legal counsel in this matter, and has had the opportunity to consult with legal counsel should Respondent have desired to do so. Respondent also affirmatively states that it waives its right to a hearing on the matters contained in the Partial Consent Order, and that no threats or promises of any kind have been made by the Commissioner, the Department, or any agent or representative thereof. The parties, by signing this Partial Consent Order, affirmatively state their agreement to be bound by the terms of this Partial Consent Order, and aver that no promises or offers relating to the circumstances described herein, other than the terms of partial settlement set forth in this Partial Consent Order, are binding upon them.

IT IS SO ORDERED THIS 23<sup>rd</sup> day of December, 2015.

  
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ALLEN KERR  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS

APPROVED FOR ENTRY:

  
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Corey Williams  
Division President/Chief Lending Officer  
Centennial Bank