

TN-ID-2000667  
Legacy ID-1183

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE  
FOR THE STATE OF TENNESSEE**

**IN THE MATTER REGARDING:** )  
 )  
**TALBOTT TITLE & ESCROW, LLC** )  
**Respondent,** ) **TID No.: 13-051**  
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**CONSENT ORDER**

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The Tennessee Insurance Division of the state of Tennessee Department of Commerce and Insurance ("Division"), and Talbott Title & Escrow, LLC ("Respondent") hereby stipulate and agree to the entry of this Consent Order, subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance ("Commissioner"), as follows:

**GENERAL STIPULATIONS**

1. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry of this order by the Commissioner.
2. The Commissioner has determined that the resolution set forth in this Consent Order is fair, reasonable, and in the best public interest.
3. This Consent Order is executed by Respondent for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

 4/24/13

4. Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against Respondent for acts or omissions not specifically addressed in this Consent Order or for facts and/or omissions that do not arise from the facts or transactions herein addressed.

5. Respondent expressly waives all further procedural steps and all rights to seek judicial review of or to otherwise challenge or contest the validity of this Consent Order, the stipulations and imposition of discipline expressly contained herein, and the consideration and entry of said Consent Order by the Commissioner.

6. Respondent voluntarily enters into this Consent Order to avoid formal charges and a contested case proceeding with respect to the matters described herein.

#### **STIPULATED FINDINGS OF FACT**

7. The Commissioner has jurisdiction pursuant to the Tennessee Insurance Law ("the Law"), Title 56 of Tennessee Code Annotated, and the Law places the responsibility for the administration of its provisions on the Commissioner.

8. The Division is the lawful agent through which the Commissioner administers the Law and is authorized to bring this action for the protection of the public.

9. Respondent, Talbott Title & Escrow, LLC, is a licensed business of the Division, having been granted Title Agency certificate of authority number 1183 with an address of record at 213 Ward Circle, # 102, Brentwood, TN 37027.

10. Mr. Van Christian and Mr. Spencer Talbott are partners and owners of Respondent, Talbott Title & Escrow, LLC. Both, Mr. Christian and Mr. Talbott, have equal and independent authority to transact business and make business decisions on behalf of Respondent, including, but not limited to, entering into this Consent Order.

*St 4/30/13*

11. On or about May 29, 2008, the Division granted Respondent a Tennessee Title Agency certificate of authority, numbered 1183.

12. In Respondent's application for licensure with the Division, Respondent agreed to abide by the following terms and conditions:

"The title insurance agency or agent is to be operated by an attorney, a single partnership of attorneys, or a single professional corporation of attorneys as an ancillary part of the general practice of law."

13. Mr. Talbott, on behalf of Talbott Title & Escrow, LLC, agreed to these above mentioned terms.

14. On or about May 29, 2008, Chris Huskey served as Talbott Title & Escrow, LLC's attorney of record for obtaining title insurance in Tennessee.

15. On or about February 20, 2010, Mr. Huskey terminated his business relationship with Talbott Title & Escrow, LLC. Despite this fact, Talbott Title & Escrow, LLC continued to carry a Tennessee title insurance license without duly notifying the State of Tennessee of a replacement attorney on behalf of Talbott Title & Escrow, LLC.

16. On or about August 2010, Mr. Steve Hannah filed a complaint with the Tennessee Department of Commerce and Insurance claiming wrongful conduct committed by Talbott Title & Escrow, LLC.

17. This complaint originated from a real estate closing performed on June 3, 2010 by Talbott Title & Escrow, LLC.

18. Mr. Hannah was to receive \$82,527.93 in commission from the real estate transaction.

*[Handwritten signature]*  
4/24/13

19. On or about August 12, 2010, Mountain National Bank notified Mr. Hannah that the check signed by Spencer Talbott and issued from Talbott Title & Escrow, LLC had insufficient funds to cover his commission fees.

20. Shortly after June 3, 2010, Talbott Title & Escrow, LLC was permanently closed for business.

**STIPULATED CONCLUSIONS OF LAW**

21. TENN. CODE ANN. § 56-35-131 provides that the commissioner shall refuse to issue any new license or certificate to any title insurance company, title insurance agent or title insurance agency, unless the applicant therefore shall agree to abide by any one (1) of the following terms and conditions:

"(3) The title insurance agency or agent is to be operated by an attorney, a single partnership of attorneys, or a single professional corporation of attorneys as an ancillary part of the general practice of law" and

"(b) Any violation of the terms and conditions of the agreement shall serve as grounds for the commissioner to suspend or revoke the license or certificate to which the agreement pertains and to assess a civil penalty as provided by § 56-35-127."

22. TENN. CODE ANN. § 56-35-106 provides "Whenever any title insurance company has made the deposit of money or securities, as required by this chapter, ...submitted satisfactory evidence to the commissioner that it has complied with this chapter, and paid a fee of one hundred dollars (\$100) for issuance of a certificate to do business, then the commissioner shall issue a certificate renewable July 1 of each year, reciting that the insurer has complied with the title insurance law of this state and is authorized to do a title insurance business in this state."

23. TENN. CODE ANN. § 56-35-127(b)(c) provides that a violation of § 56-35 is punishable as a class C misdemeanor. The Commissioner may also impose a civil penalty not in excess of \$500 for each and every violation.

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24. Based on the Stipulated Findings of Fact cited above and the Stipulated Conclusions of Law contained herein, the Commissioner considers Respondent's actions to be in violation of TENN. CODE ANN. § 56-35-131: failing to be operated by an attorney, a single partnership of attorneys, or a single professional corporation of attorneys as an ancillary part of the general practice of law. Furthermore, Respondent is in violation of TENN. CODE ANN. § 56-35-106 for failing to submit satisfactory evidence to the Commissioner that it had operated its business in a manner consistent with the provisions of TENN. CODE ANN. § 56-35-131. Respondent is therefore subject to sanctions set forth in TENN. CODE ANN. §§ 56-35-127 and 131.

25. Respondent does not deny the Findings of Fact cited above, and understands that such findings subject it to sanctions specified in TENN. CODE ANN. §§ 56-35-127 and 131. Respondent hereby acknowledges the Commissioner's authority to administer the Law and concedes that the Commissioner's interpretations of the statute cited in the Conclusions of Law are reasonable and enforceable.

26. Respondent hereby agrees to the entry of this Consent Order in the interest of cooperation and settlement, and to avoid the costs associated with future administrative and judicial proceedings with respect to the above matter.

#### ORDER

**NOW, THEREFORE**, based on the foregoing and the waiver by Respondent of the right to a hearing and appeal under the Law and Tennessee's Uniform Administrative Procedures Act, TENN. CODE ANN. § 4-5-101 *et seq.*, and the admission by Respondent of the jurisdiction of the Commissioner, the Commissioner finds that Respondent has agreed to entry of this Consent Order and that this Consent Order is appropriate, in the public interest, and necessary for the protection of the public.

*LS*  
4/30/13

**IT IS THEREFORE ORDERED**, pursuant to TENN. CODE ANN. § 56-35-131 that:

1. Respondent's Tennessee title insurance license number 1183 is hereby **REVOKED. FURTHERMORE**, the Respondent hereby agrees to **cease and desist** in any and all acts of engaging in the business of insurance requiring licensure under the Tennessee Title Insurance Law.

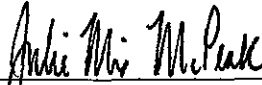
This Consent Order represents the complete and final resolution and discharge of administrative remedies available to the Commissioner under TENN. CODE ANN. §§ 56-35-127 and 131 against Respondent for violations of the Law arising out of the Stipulated Findings of Fact cited above.

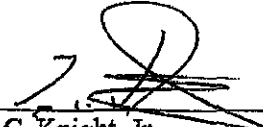
This Consent Order is in the public interest and in the best interests of the parties, represents a compromise and settlement of the controversy between the parties, and is for settlement purposes only. By signature affixed below, Respondent, Talbott Title & Escrow, LLC, affirmatively states that it has: (a) freely agreed to entry of this Consent Order; (b) had an opportunity to consult with legal counsel in this matter; (c) reviewed the Stipulated Findings of Fact and Stipulated Conclusions of Law contained herein; and (d) waived its right to a hearing on the matters underlying this Consent Order. Respondent further states that no threats or promises of any kind have been made by the Commissioner, the Division, or any agent or representative thereof with regard to this Consent Order.

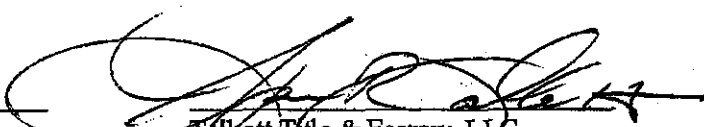
By signing this Consent Order, the parties affirm their agreement to be bound by the terms of this Consent Order and confirm that no promises or offers relating to the circumstances described herein, other than the terms of settlement set forth in this Consent Order, are binding upon them.

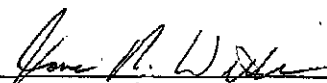
A handwritten signature in black ink, followed by the date "4/30/13".

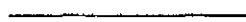
ENTERED this the 3<sup>rd</sup> day of July, 2013.

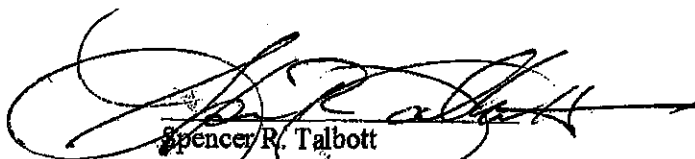
  
Julie Mix McPeak, Commissioner of the  
Department of Commerce and Insurance

  
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Assistant Commissioner for Insurance  
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