

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, JANUARY 25, 2006

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2005-00292

COMMONWEALTH LAND TITLE
INSURANCE COMPANY,
TRANSNATION TITLE INSURANCE
COMPANY,
and
LAWYER'S TITLE INSURANCE
CORPORATION,

Defendants

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance, it is alleged that the Defendants, duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, violated §§ 38.2-1300 C, 38.2-1329 C, and 38.2-4614 of the Code of Virginia by failing to file annual statements in accordance with the appropriate annual statement instructions and the accounting practices and procedures manuals adopted by the NAIC, by failing to file registration statements in accordance with regulations and registration forms adopted or approved by the Commission, and by paying a kickback, rebate, or other payment pursuant to an agreement that business incident to the issuance of title insurance be referred to the Defendants. Additionally, Defendant Lawyer's Title Insurance Corporation violated § 38.2-4608 of the Code of Virginia by failing to adhere to its published title insurance rates.

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RECEIVED CONTROL

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1040 of the Code of Virginia to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke the Defendants' licenses upon a finding by the Commission, after notice and opportunity to be heard, that the Defendants have committed the aforesaid alleged violations.

The Defendants have been advised of their right to a hearing in this matter, whereupon the Defendants, without admitting any violation of Virginia law, have made an offer of settlement to the Commission wherein the Defendants have tendered to the Commonwealth of Virginia the sum of three hundred thousand dollars (\$300,000), waived their right to a hearing, and agreed to the entry by the Commission of a cease and desist order.

The Bureau of Insurance has recommended that the Commission accept the offer of settlement of the Defendants pursuant to the authority granted the Commission in § 12.1-15 of the Code of Virginia.

THE COMMISSION, having considered the record herein, the offer of settlement of the Defendants, and the recommendation of the Bureau of Insurance, is of the opinion that the Defendants' offer should be accepted.

IT IS THEREFORE ORDERED THAT:

(1) The offer of the Defendants in settlement of the matter set forth herein be, and it is hereby, accepted;

(2) The Defendants cease and desist from any conduct which constitutes a violation of §§ 38.2-1300 C, 38.2-1329 C, or 38.2-4614 of the Code of Virginia, and Defendant Lawyer's Title Insurance Corporation cease and desist from any conduct which constitutes a violation of § 38.2-4608 of the Code of Virginia; and

(3) The papers herein be placed in the file for ended causes.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:
Peter A. Kolbe, Senior Vice President – Government Affairs, LandAmerica Financial Group,
Inc., 101 Gateway Centre Parkway, Richmond, Virginia 23235; and the Bureau of Insurance in
care of Deputy Commissioner Douglas C. Stolte.