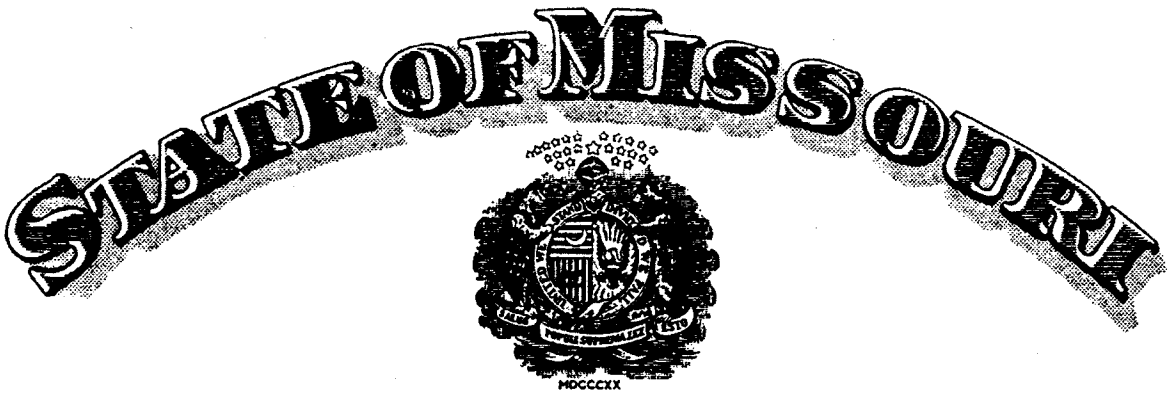


DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

In the Matter of:	)	
	)	**Case No. 06-1222391C**
PETER M. SHAW,	)	
	)	
and	)	
	)	
CAPITAL TITLE COMPANY, INC.,	)	
	)	
Respondents.	)	

CONSENT ORDER

DOUGLAS M. OMMEN, Director of the Department of Insurance, Financial Institutions and Professional Registration takes up the above matter for consideration and disposition. The Consumer Affairs Division, through legal counsel Mary S. Erickson, and Respondents Peter M. Shaw and Capital Title Company have reached a settlement in this matter and Respondents have consented to the issuance of this Consent Order.

Findings of Fact

1. Douglas M. Ommen is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions, and Professional Registration (hereinafter,

"Director") whose duties, pursuant to Chapters 374 and 375, RSMo, include supervision, regulation, and discipline of insurance producers.

2. The Consumer Affairs Division of the Department of Insurance, Financial Institutions, and Professional Registration has the duty of conducting investigations into the unfair or unlawful acts of insurance companies and agents under the insurance laws of this state and has been authorized by the Director to initiate this action before the Director to enforce the insurance laws of this state.

3. The Department originally issued Respondent Peter M. Shaw ("Shaw") an insurance producer license (No. PR191007) on May 2, 1990. The license was renewed and remained active until May 3, 2006, at which time the license was not renewed and expired.

4. The Department issued Respondent Capital Title Company, Inc. ("Capital Title") a business entity producer license (No. AG00674) on July 2, 1990. Such license was renewed and remained active until July 2, 2006, when it was cancelled at the request of Respondent Capital Title.

5. On or about December 22, 2006, the Consumer Affairs Division referred Investigation File No. 04A000466 concerning Respondents Shaw and Capital Title to the Director seeking to discipline Respondents' licenses.

6. The Consumer Affairs Division alleged, *inter alia*, that Respondent Shaw had pleaded guilty on September 15, 2005 to two counts of felony mail fraud, in violation of 18 U.S.C. § 1341 for voluntarily and intentionally devising a scheme to defraud and to obtain money and property by false pretenses. One of those counts arose from misappropriation by Shaw of money paid to Capital Title for a real estate closing. Respondent Shaw also pleaded guilty to one count of felony interstate transportation of

stolen money, in violation of 18 U.S.C. § 2314. Respondent Shaw was sentenced to 51 months federal incarceration with three years supervised release. Respondent Shaw's felony conviction is a ground for discipline of Respondent's insurance producer license pursuant to § 375.141.1(3) RSMo (Supp. 2007).[1] Respondent Shaw's misappropriation of funds is also ground for discipline for his license pursuant to § 374.141.1(4).

7. Section 375.141.1(3) states the Director may suspend, revoke, refuse to issue or refuse to renew an insurance producer license for having been convicted of a felony or a crime involving moral turpitude.

8. Section 375.141.1(4) states the Director may suspend, revoke, refuse to issue or refuse to renew an insurance producer license for improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business.

9. Capital Title Company, Inc. is a Missouri corporation administratively dissolved on November 3, 2006. Respondent Shaw was the president of Respondent Capital Title and on its board of directors. Respondent Capital Title now fails to meet the minimum qualifications for a business entity insurance producer license under § 375.015.2(3).

10. Section 375.015.2(3) states that "neither the business entity nor any of its officers, directors or owners has committed any act that is a ground for denial, suspension or revocation set forth in section 375.141."

11. The Consumer Affairs Division also alleged, *inter alia*, that Respondent Capital Title failed to reconcile bank accounts and failed to use proper escrow accounts to

[1] All statutory references are to RSMo (Supp. 2007) unless otherwise indicated.

close real estate transactions, which are grounds to discipline the business entity producer license of Respondent Capital Title under § 375.141.1(8).

12. Section 375.141.1(8) provides, in part, that the Director may suspend, revoke, refuse to issue or refuse to renew an insurance producer license for demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state.

13. On or about April 23, 2008, counsel for the Consumer Affairs Division sent to Respondents a written description of the specific conduct for which discipline is sought and a citation to the law and rules allegedly violated, together with copies of documents which are the basis thereof. Counsel for the Consumer Affairs Division advised Respondents that they had sixty (60) days to review materials provided and consider the proposed settlement offer.

14. Respondents acknowledge that they have been advised that they may, either at the time the settlement agreement is signed by the parties, or within fifteen (15) days thereafter, submit the agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties to the settlement constitute grounds for disciplining Respondents' licenses.

15. Respondents further acknowledge that they understand they have the right to consult an attorney at their own expense.

16. Respondents stipulate and agree to waive any rights that they may have to a hearing before the Administrative Hearing Commission, the Director or Department, and any rights to seek judicial review or other challenge or contest of the terms and conditions of this Order and forever releases and holds harmless the Department, the Director and his

agents, and the Consumer Affairs Division from any and all liability and claims arising out of, pertaining to or relating to this matter.

17. Entry of this Order is in the public interest.

18. Each signatory to this Consent Order certifies by signing that he or she is fully authorized, in his or her own capacity, or by the named party he or she represents, to accept the terms and provisions of this Consent Order in their entirety, and agrees, in his or her personal or representational capacity, to be bound by the terms of this Consent Order.

Conclusion of Law

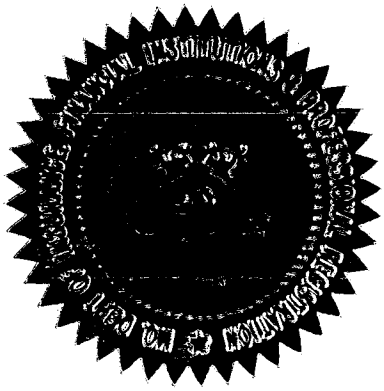
19. The Consumer Affairs Division is authorized to settle this matter and the Director is authorized to issue this Consent Order in the public interest pursuant to §§ 374.046, 375.141, and 621.045 RSMo.

ORDER

IT IS ORDERED THAT Respondent Peter M. Shaw's insurance producer license (No. PR191007) is hereby revoked.

IT IS FURTHER ORDERED THAT Respondent Capital Title Company, Inc.'s business entity producer license (No. AG00674) is hereby revoked.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 7th DAY OF May, 2008.



DOUGLAS M. OMMEN, Director
Missouri Department of Insurance,
Financial Institutions & Professional
Registration

CONSENT AND WAIVER OF HEARING

The undersigned persons understand and acknowledge that Respondents Peter M. Shaw and Capital Title Company, Inc. have a right to a hearing, but that Respondents have waived their rights to any and all hearings and all rights to appeal this Order, and have consented to the issuance of this Consent Order.

4-29-08

Date

Peter M. Shaw, Reg. No. 32357-044
USP Marion
U.S. Penitentiary
P.O. Box 1000
Marion, IL 62959

Respondent Peter M. Shaw

4-29-08

Date

Capital Title Company, Inc.
c/o Peter M. Shaw, President
USP Marion
U.S. Penitentiary
P.O. Box 1000
Marion, IL 62959

Respondent Capital Title Company, Inc.

5/7/08

Date

Mary S. Erickson
Senior Enforcement Counsel
Mo. Bar No. 42579
Missouri Department of Insurance, Financial
Institutions & Professional Registration
301 West High Street, Room 530
Jefferson City, MO 65101
Phone: 573-751-2619
Fax: 573-526-5492

Counsel for the Consumer Affairs Division