

DEPARTMENT OF COMMERCE AND INSURANCE

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

In the Matter of:

DONNA STOECKLEIN

and

**DDKS, L.L.C. D/B/A
MACON COUNTY TITLE &
ESCROW SERVICES,**

Respondents.)

Case No. 2111041140C

CONSENT ORDER

CHLORA LINDLEY-MYERS, Director of the Missouri Department of Commerce and Insurance, takes up the above matter for consideration and disposition. The Consumer Affairs Division, through legal counsel Danielle McAfee-Thoenen, and Respondents Donna Stoecklein and DDKS, L.L.C. d/b/a Macon County Title & Escrow Services have reached a settlement in this matter and have consented to the issuance of this Consent Order.

FINDINGS OF FACT

1. Chlora Lindley-Myers is the Director of the Missouri Department of Commerce and Insurance (the "Director" of the "Department"), whose duties, pursuant to Chapters 374, 375,

and 381 RSMo,¹ include the supervision, regulation and discipline of insurance producers and business entity producers.

2. The Consumer Affairs Division (“Division”) of the Department has the duty of conducting investigations into the conduct of insurance producers and companies pursuant to the insurance laws of this state and has been authorized by the Director to investigate and initiate actions to enforce the insurance laws of Missouri, including producer license discipline.

3. The Department issued Respondent Donna Stoecklein (“Stoecklein”) a resident insurance producer license (No. 216883) in June 1996.

4. Stoecklein’s resident insurance producer license expired on June 10, 2020. As of November 4, 2021, the Department has not received a renewal application or renewal application fee regarding Stoecklein’s producer license.

5. At all times relevant to this Consent Order, Stoecklein was the designated responsible licensed producer on behalf of and owner of DDKS, L.L.C. d/b/a Macon County Title & Escrow Services (“Macon County Title”), a business entity producer (No. 8338) whose license expired on January 7, 2020.

6. Agents National Title Insurance Company (“Agents”) is a title insurance company authorized to do business in Missouri. Respondents were contracted with Agents to issue title insurance policies until Agents terminated the agency agreement effective July 16, 2018.

7. Alliant National Title Insurance Company (“Alliant”) is a title insurance company authorized to do business in Missouri. Respondents were contracted with Alliant to issue title insurance policies from May 26, 2012 until Alliant terminated the agency agreement effective May

¹ All civil statutory references are to the 2016 Missouri Revised Statutes unless otherwise indicated.

1, 2019.

8. Rhonda Anno (“Anno”) was an insurance producer employed by Macon County Title from approximately June 26, 2017 until September 2018.

9. Melodie Tolle (“Tolle”) was an insurance producer employed by Macon County Title from approximately July 2014 until January 21, 2019.

10. Stoecklein concedes that the Director would have sufficient evidence to prove that after July 16, 2018, Respondents continued to issue title insurance commitments and title insurance policies for approximately one (1) year that appeared to be underwritten by Agents, when in fact, Respondents had no actual authority to bind Agents.

11. Stoecklein concedes that the Director would have sufficient evidence to prove that Respondents collected title insurance premium and additional fees from consumers and provided consumers title insurance commitments and title insurance policies purportedly underwritten by Agents, when in fact, Respondents had no actual authority to bind Agents.

12. Stoecklein concedes that the Director would have sufficient evidence to prove that after May 1, 2019, Respondents continued to issue title insurance commitments and title insurance policies for approximately eight (8) months that appeared to be underwritten by Alliant, when in fact, Respondents had no actual authority to bind Alliant.

13. Stoecklein concedes that the Director would have sufficient evidence to prove that Respondents collected title insurance premium and additional fees from consumers and provided consumers title insurance commitments and title insurance policies purportedly underwritten by Alliant, when in fact, Respondents had no actual authority to bind Alliant.

14. Stoecklein concedes that the Director would have sufficient evidence to prove that consumers have been defrauded, in that Respondents misrepresented the terms of title insurance

policies when issuing title insurance commitment with the intent to issue a title insurance policy on behalf of an insurer without a valid agency contract, such that the consumers have evidence of purported title insurance coverage, but no title insurance coverage.

15. Stoecklein concedes that the Director would have sufficient evidence to prove that Respondents misappropriated insurance premium funds given to them to deposit and remit to Agents, in an amount exceeding \$570.00.

16. Stoecklein concedes that the Director would have sufficient evidence to prove that Respondents did not timely forward to Agents title insurance premiums they collected for title insurance commitments and policies purportedly underwritten by Agents.

17. Stoecklein concedes that the Director would have sufficient evidence to prove that Respondents misappropriated insurance premium funds given to them to deposit and remit to Alliant, in an amount exceeding \$2000.00.

18. Stoecklein concedes that the Director would have sufficient evidence to prove that Respondents did not timely forward to Alliant title insurance premiums they collected for title insurance commitments and policies purportedly underwritten by Alliant.

19. Stoecklein concedes that the Director would have sufficient evidence to prove that Respondents applied escrow funds inconsistent with the terms of the written instructions, in that Stoecklein failed to issue payment in the amount of \$72,506.37 for payoff of an outstanding lien.

20. Stoecklein concedes that the Director would have sufficient evidence to prove that Respondents comingled escrow funds and used such escrow funds for purposes other than to fulfill the terms of the written instructions, in that Stoecklein failed to issue payment in the amount of \$72,506.37 for payoff of an outstanding lien.

21. Stoecklein concedes that the Director would have sufficient evidence to prove that

pursuant to § 375.141.1(4) the Director has grounds to discipline Respondents' licenses because, by failing to timely remit title insurance premium to Agents for policies purportedly underwritten by Agents, Respondents improperly withheld, misappropriated, or converted moneys or properties received in the course of doing insurance business.

22. Stoecklein concedes that the Director would have sufficient evidence to prove that pursuant to § 375.141.1(4) the Director has grounds to discipline Respondents' licenses because, by failing to timely remit title insurance premium to Alliant for policies purportedly underwritten by Alliant, Respondents improperly withheld, misappropriated, or converted moneys or properties received in the course of doing insurance business.

23. Stoecklein concedes that the Director would have sufficient evidence to prove that pursuant to § 375.141.1(5) the Director has grounds to discipline Respondents' licenses because, by selling title insurance policies that appeared to be underwritten by Agents, when in fact, Respondents had no authority to bind Agents, Respondents intentionally misrepresented the terms of an actual or proposed insurance contract.

24. Stoecklein concedes that the Director would have sufficient evidence to prove that pursuant to § 375.141.1(5) the Director has grounds to discipline Respondents' licenses because, by selling title insurance policies that appeared to be underwritten by Alliant, when in fact, Respondents had no authority to bind Alliant, Respondents intentionally misrepresented the terms of an actual or proposed insurance contract.

25. Stoecklein concedes that the Director would have sufficient evidence to prove that Respondents engaged in unfair trade practices under § 375.936(6), in violation of § 375.934, which constitutes grounds under § 375.141.1(2), namely "misrepresentations and false advertising of insurance policies" as defined by § 375.936(6), by misrepresenting the benefits, advantages,

conditions, or terms of title insurance policies when they marketed title insurance commitments and title insurance policies that appeared to be underwritten by Agents, when in fact, Respondents had no authority to bind Agents. Such conduct also constitutes fraud upon the recipient of any title insurance commitment or title insurance policy that appeared to be underwritten by Agents, when in fact, Respondents had no authority to bind Agents.

26. Stoecklein concedes that the Director would have sufficient evidence to prove that Respondents engaged in unfair trade practices under § 375.936(6), in violation of § 375.934, which constitutes grounds under § 375.141.1(2), namely “misrepresentations and false advertising of insurance policies” as defined by § 375.936(6), by misrepresenting the benefits, advantages, conditions, or terms of title insurance policies when they marketed title insurance commitments and title insurance policies that appeared to be underwritten by Alliant, when in fact, Respondents had no authority to bind Alliant. Such conduct also constitutes fraud upon the recipient of any title insurance commitment or title insurance policy that appeared to be underwritten by Alliant, when in fact, Respondents had no authority to bind Alliant.

27. Stoecklein concedes that the Director would have sufficient evidence to prove that pursuant to § 375.141.1(8) the Director has grounds to discipline Respondents’ licenses because they used fraudulent or dishonest practices, or demonstrated incompetence, untrustworthiness, and financial irresponsibility in the conduct of business by providing title insurance commitments and title insurance policies that appeared to be underwritten by Agents, when in fact, Respondents had no authority to bind Agents.

28. Stoecklein concedes that the Director would have sufficient evidence to prove that pursuant to § 375.141.1(8) the Director has grounds to discipline Respondents’ licenses because they used fraudulent or dishonest practices, or demonstrated incompetence, untrustworthiness, and

financial irresponsibility in the conduct of business by providing title insurance commitments and title insurance policies that appeared to be underwritten by Alliant, when in fact, Respondents had no authority to bind Alliant.

29. Macon County Title concedes that the Director would have sufficient evidence to prove that its business entity producer license may be disciplined for violating § 375.141.3, because Stoecklein's violations were known or should have been known by one or more of the partners, officers, or managers acting on behalf of the business entity and the violations were neither reported to the Director nor corrective action taken.

30. Macon County Title concedes that the Director would have sufficient evidence to prove that pursuant to § 375.141.1(2) the Director has grounds to discipline its business entity producer license for violating § 375.015.5, because Macon County Title failed to timely report the termination of affiliation with Anno that occurred on or about September 2018.

31. Macon County Title concedes that the Director would have sufficient evidence to prove that pursuant to § 375.141.1(2) the Director has grounds to discipline its business entity producer license for violating § 375.015.5, because Macon County Title failed to timely report the termination of affiliation with Tolle that occurred on or about January 21, 2019.

32. Respondents acknowledge and understand that they have the right to consult legal counsel at their expense.

33. Respondents further acknowledge that they been advised that they may, either at the time the Consent Order is signed by all parties, or within fifteen (15) days thereafter, submit the Consent Order to the Administrative Hearing Commission for determination that the facts agreed to by the parties to the Consent Order constitute grounds to discipline Respondents' licenses.

34. Except as provided in Paragraph 33, above, Respondents stipulate and agree to waive any waivable rights that they may have to a hearing before the Administrative Hearing Commission or the Director, and any rights to seek judicial review or other challenge or contest of the terms and conditions of this Consent Order and forever release and hold harmless the Department, the Director and his agents, and the Consumer Affairs Division from all liability and claims arising out of, pertaining to, or relating to this matter.

35. Respondents and the Division desire to settle the allegations raised by the Division.

36. On or about April 27, 2022, counsel for the Division provided a written description of the specific conduct for which discipline was sought and a citation to the law and rules allegedly violated, together with copies of any documents upon which it based the allegations, and the Division's settlement offer, namely, this Consent Order, in accordance with § 621.045.4(1). Counsel for the Division further advised Respondents that they had sixty (60) days to review the relevant documents and consider the proposed settlement offer in accordance with § 621.045.4(2).

37. 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.

Conclusions of Law

38. The allegations raised by the Division, and conceded herein by Respondents, are grounds to discipline Respondents' licenses under § 375.141.1 (2), (4), (5), (7), and (8). Furthermore, the allegations raised by the Division, and conceded herein by Macon County Title,

are grounds to discipline Macon County Title's business entity producer license under § 375.141.3.

39. Section 375.141 provides, in relevant part, as follows:

1. The director may suspend, revoke, refuse to issue or refuse to renew an insurance producer license for any one or more of the following causes:

* * *

(2) Violating any insurance laws, or violating any regulation, subpoena or order of the director or of another insurance commissioner in any other state;

* * *

(4) Improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business; [or]

(5) Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;

* * *

(7) Having admitted or been found to have committed any insurance unfair trade practice or fraud; [or]

(8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere[.]

* * *

3. The license of a business entity licensed as an insurance producer may be suspended, revoked, renewal refused or an application may be refused if the director finds that a violation by an individual insurance producer was known or should have been known by one or more of the partners, officers or managers acting on behalf of the business entity and the violation was neither reported to the director nor corrective action taken.

4. The director may also revoke or suspend pursuant to subsection 1 of this section any license issued by the director where the licensee has failed to

renew or has surrendered such license.

40. Section 375.015 provides, in relevant part, as follows:

5. Within twenty working days after the change of any information submitted on the application or upon termination of any insurance producer, the business entity shall notify the director of the change or termination.

41. The Director is authorized to settle this matter and issue this Consent Order in the public interest pursuant to §§ 374.046, 536.060, and 621.045. Nothing contained within this Consent Order prohibits the Director from pursuing other violations of the insurance laws and financial penalties or restitution against Respondents in a later proceeding.

42. The terms set forth in this Consent Order are an appropriate disposition of this matter and entry of this Consent Order is in the public interest.

Order

IT IS ORDERED that Donna Stoecklein's insurance producer license Number 216883 is hereby REVOKED.

IT IS ORDERED that DDKS, L.L.C. d/b/a Macon County Title & Escrow Services's business entity producer license Number 8338 is hereby REVOKED.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 06th DAY OF October, 2022.



CHLORA LINDLEY-MYERS, Director
Missouri Department of Commerce and
Insurance



CONSENT AND WAIVER OF HEARING

The undersigned persons understand and acknowledge that Donna Stoecklein and DDKS, L.L.C. d/b/a Macon County Title & Escrow Services may have the right to a hearing, but that they have waived the hearing and consented to the issuance of this Consent Order.



Donna Stoecklein
1312 Ivy Street
Macon, MO 63552

9/20/22
Date



Donna Stoecklein for
DDKS, L.L.C. d/b/a Macon County
Title & Escrow Services
1707 Prospect Drive
Macon, MO 63552

9/20/22
Date

Date

Counsel for Respondent


Missouri Bar #: _____

Address: _____

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9/22/22
Date