



NEWS RELEASE

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OXENDINE: TITLE INSURER VIOLATED INSURANCE CODE 600,000 TIMES

Atlanta – Insurance Commissioner John W. Oxendine has charged a title insurance company with violating Georgia’s insurance laws more than 600,000 times, including overcharging for its products.

Oxendine has ordered a show-cause hearing for Stewart Title Guaranty Company demanding that the insurer explain why it allowed its closing attorney-agents to charge consumers arbitrary premiums, overcharge consumers, and keep money they were not entitled to.

Discrepancies were found during an examination ordered by Commissioner Oxendine of title insurance sales made by Stewart during real estate closings between Jan. 1, 2003 and Sept. 30, 2007.

The company must also answer questions about unpaid state taxes and violations of a previous order by Commissioner Oxendine.

“Agents of this company have apparently been allowed to charge whatever rates they choose for title insurance,” Oxendine said. “The insuring public ends up paying premiums that are different from, and typically more than, the premiums filed by the company.”

Oxendine said the leeway the company gives its agents when charging for policies makes it impossible for consumers to catch any overcharges or even compare the company’s rates with its competition. This is compounded by inconsistencies and misrepresentations by the company regarding the actual cost of a particular title policy.

The hearing is scheduled for 10 a.m. on Tuesday, February 23, 2010, in the Commissioner’s office.

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