

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE  
OFFICE OF THE STATE AUDITOR  
STATE OF MONTANA**

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IN THE MATTER OF:	)	CASE NO. INS-2011-116
	)	
SHEILA TRUMPS,	)	
d/b/a POWDER RIVER ABSTRACT	)	<b>TEMPORARY CEASE AND DESIST</b>
& TITLE COMPANY, INC.,	)	<b>ORDER and ORDER SUSPENDING</b>
in her capacity as a licensed insurance	)	<b>LICENSE</b>
producer, License #3989	)	
	)	
Respondent.	)	

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The Commissioner of Securities and Insurance, Montana State Auditor (Commissioner), pursuant to the authority of the Insurance Code of Montana, Mont. Code Ann. § 33-1-101, et seq. (Insurance Code), hereby issues the following allegations of fact, proposed conclusions of law, order and notice of right to a public hearing:

**ALLEGATIONS OF FACT**

1. Trumps is a licensed insurance producer, license number 3989. She has been licensed as an insurance producer since July 6, 1972.
2. Trumps has been conducting title insurance business since 1984 as Powder River.
3. On or about September 20, 2006, Trumps was appointed with Stewart Title Guaranty Company (Stewart) to transact title insurance business for Stewart. That appointment was terminated on or about July 14, 2008.

4. At the time Stewart terminated Trumps appointment, Trumps held in her possession at least 26 title insurance "jackets" containing Stewart documents and blank policy forms. Trumps refused to return the jackets to Stewart.

5. On or about June 3, 2010, Trumps issued a copy of a Stewart title insurance policy to a lien holder, Stockman Bank of Sidney indicating M.W. was the insured. Trumps collected \$260 in premium for the policy. Stockman Bank contacted the Department because it, as lien holder, was not identified on the title insurance policy.

6. On investigation of Stockman Bank's complaint, the Department discovered Trumps issued a Stewart title insurance policy to a ranch company identified herein as O.E. on or about June 3, 2009. Trumps collected \$932 in premium for the policy.

7. Stewart reported it has never received the title insurance register or premium for either the M.W. or O.E. title insurance policies.

#### **CONCLUSIONS OF LAW**

1. The Commissioner has jurisdiction over this matter by reason of the Respondent's licensure pursuant to Mont. Code Ann. § 33-17-101, et seq.

2. Pursuant to Mont. Code Ann. § 33-1-1202(4), a person commits the act of insurance fraud when the person accepts premium money knowing that coverage will not be provided.

3. Pursuant to Mont. Code Ann. § 33-1-1211, the Commissioner may require a person who committed insurance fraud to make restitution to the insurer or any other person for all financial loss sustained as a result of said fraud.

4. Pursuant to Mont. Code Ann. § 33-17-1001(1)(c), the Commissioner may suspend or revoke an insurance producer's license and impose a fine when that person fails to comply with the Insurance Code.

5. Pursuant to Mont. Code Ann. § 33-17-1001(1)(d), the Commissioner may suspend or revoke an insurance producer's license and impose a fine when that person improperly withholds money belonging to insurers that was received in the conduct of business under the license.

6. Pursuant to Mont. Code Ann. § 33-17-1001(1)(f), the Commissioner may suspend or revoke an insurance producer's license and impose a fine when that person is incompetent, untrustworthy, financially irresponsible or is a source of injury to the public.

7. Pursuant to Mont. Code Ann. § 33-17-236, an insurance producer may not claim to be a representative or authorized or appointed insurance producer of or in any way imply there exists a contractual relationship between an insurer and the producer when no such relationship exists.

8. Respondent violated Mont. Code Ann. § 33-1-1202(4) when she collected premium for Stewart title insurance policies knowing she would not forward said premiums to Stewart and, therefore, no coverage would be provided.

9. Respondent violated Mont. Code Ann. § 33-17-1001(1)(c) and (f) when she issued Stewart title insurance policies after her appointment with Stewart was terminated.

10. Respondent violated Mont. Code Ann. § 33-17-1001(c), (d), and (f) by collecting premium money for Stewart title insurance policies while not appointed with Stewart and not forwarding the premium money to Stewart.

11. Respondent violated Mont. Code Ann. §§ 33-17-236 and 33-17-1001(1)(f) by claiming to have an appointment with Stewart when no such appointment existed.

### **ORDER**

Pursuant to Mont. Code Ann. § 33-1-318, it appears to the Commissioner that the above named Respondent committed acts constituting violations of the Insurance Code, and, therefore, hereby orders Respondent to cease and desist any actions or activity wherein Respondent acts in violation of the Insurance Code.

Pursuant to Mont. Code Ann. § 33-17-1001, it appears to the Commissioner that the above-named Respondent has committed acts constituting violations of Mont. Code Ann. § 33-17-1001 (c), (d), and (f), and, therefore, finds the Respondent actions cause a public safety and welfare concern that warrants suspension of Respondent's insurance producer's license.

Therefore, the Commissioner hereby orders suspension of Respondent's insurance producer's license.

### **NOTICE**

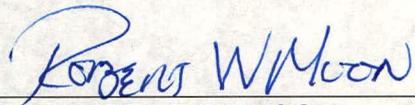
Respondent is notified that the Commissioner has issued this order temporarily ordering it to cease and desist violating the Insurance Code. If Respondent wishes to contest the allegations herein, it shall make a written request for a hearing to Roberta Cross Guns of this office within 15 days of receipt of this order. The hearing shall then be held within 20 days of the Commissioner's receipt of the hearing request unless otherwise agreed by the parties. If no hearing is requested within 15 days of receipt of this order by Respondent, and the Commissioner orders none, this cease and desist order shall become permanent.

Should Respondent request a hearing, it has the right to be accompanied, represented and advised by counsel. If the counsel Respondent chooses has not been admitted to the practice of

law in the State of Montana, he or she must comply with the requirements of *Application of American Smelting and Refining Co.*, 164 Mont. 139, 520 P.2d 103 (1973), and *Montana Supreme Court Comm'n on the Unauthorized Practice of Law v. O'Neil*, 2006 MT 284, 334 Mont. 311, 147 P.3d 200.

DATED this 21<sup>st</sup> day of July, 2011.

MONICA J. LINDEEN  
Commissioner of Securities and Insurance

  
BY: ROBERT W. MOON  
Deputy Insurance Commissioner

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served on the 21<sup>st</sup> day of July, 2011, by US mail, certified first-class postage paid, to the following:

Sheila Trumps  
Powder River Abstract & Title Company, Inc.  
PO Box 413  
Broadus, MT 59317

  
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