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

IN THE MATTER OF

JULIE LEARY (License No. 107262);
WESTERN TITLE & ESCROW (License
No. 5747)

Respondents.

Case No. INS 2021-0048

**CONSENT AGREEMENT
AND FINAL ORDER**

This Consent Agreement (Agreement) and Final Order is entered into by the Commissioner of Securities and Insurance, Office of the Montana State Auditor (Commissioner or CSI), acting pursuant to the authority of the Montana Insurance Code, § 33-1-101, *et seq.*, MCA, and Respondents Julie Leary and Western Title & Escrow.

RECITALS

WHEREAS, Respondent Julie Leary is a licensed Montana title insurance producer with license number 107262, and is President of Respondent Western Title & Escrow (WTE), a licensed business entity title insurance producer with license number 5747 (collectively, Respondents). WTE was appointed with Chicago Title Insurance Company and Commonwealth Land Title Insurance Company, which are subsidiaries of Fidelity National Financial (Fidelity).

WHEREAS, on September 10, 2021, CSI received a complaint from a former employee of Respondents alleging, among other things, that Respondents accepted

the outstanding policies. (An attorney never appeared on behalf of WTE, and therefore, WTE never made an appearance in the administrative action. *See* ARM 1.3.231.) The Commissioner appointed a Hearing Examiner on March 15, 2022. In the following months, CSI attempted to engage in Consent Agreement discussions with Leary, which were unsuccessful due to Leary's lack of communication. CSI then attempted to obtain information through discovery, to which Leary did not respond. Accordingly, CSI prepared and filed motions to compel and for sanctions. During this time, Leary also ceased communicating with Fidelity.

WHEREAS, on July 1, 2022, CSI summarily suspended Respondents' title insurance producer licenses because on June 28, 2022, CSI learned that Leary had continued "issuing" title insurance commitments on Fidelity paper as the "authorized agent" even though Fidelity had terminated WTE's appointment and agency authority. On July 18, 2022, CSI petitioned for, and the Fourth Judicial District Court granted, a temporary restraining order and preliminary injunction to, in part, enjoin Respondents from operating their title insurance and escrow business. The Court also appointed a Receiver at CSI's request to facilitate the issuance of outstanding policies, to handle escrow problems, to operate WTE business, and to close the business, if necessary.

WHEREAS, on July 22, 2024, the Hearing Examiner granted CSI leave to file a Second Amended NOPAA, which added the allegations and violations related to Respondents' actions in July 2022. On September 15, 2022, the administrative proceeding was stayed pending resolution of the receivership. Respondents' license suspension remained in place during the stay.

WHEREAS, over the next year and a half, the Receiver worked with former customers of WTE, banks, realtors, and Fidelity to rectify title problems, correct escrow issues, and liquidate WTE assets. Leary, through counsel, cooperated with the Receiver during this process.

WHEREAS, on July 26, 2023, the Court ordered liquidation of WTE, approved a plan of liquidation, and appointed the Receiver as Liquidator. The liquidation plan allowed

a process for banks, realtors, and consumers to file claims with the Liquidator for any financial loss suffered as a result of Respondents' conduct. After this claims process was completed, March 21, 2024, the Court approved the Liquidator's payment plan and directed the payment of claims accordingly.

WHEREAS, the Commissioner and Respondents, through counsel, agree that the best interest of the public would be served by entering into this Agreement.

NOW, THEREFORE, in consideration of the mutual undertakings contained in this Agreement, the Commissioner and Respondents hereby agree to settle this matter pursuant to the following terms and conditions:

STIPULATIONS AND CONSENTS

1. Respondents do not dispute the Factual and Legal Allegations as set forth in the Second Amended NOPAA.

2. Respondents agree to the following:

a. Respondents understand and agree that, upon execution of this Agreement and entry of the Final Order, their insurance producers' licenses will be revoked under §§ 33-17-1001(1)(c), (d), (f) and 33-25-301(1)(b), (c), and (d), MCA, effective immediately.

b. Respondents understand that pursuant to § 33-17-1002(3), MCA, the Commissioner has the authority to refuse to issue a license for up to 5 years after revocation; and Respondents therefore agree they will not apply for an insurance producer license for 5 years. Respondents understand that to obtain a new license in the future, they must also be qualified for a license in accordance with the Insurance Code (Title 33, Montana Code Annotated).

c. Respondents agree to pay \$10,000 as a fine to the State of Montana pursuant to § 33-1-317, MCA. Respondent must pay the fine by September 8, 2026. Payment shall be made by check or money order payable to "The State of Montana" and sent to Commissioner of Securities and Insurance, Office of the Montana State

Auditor, Attn: Tiffany Hoffman, Paralegal, 840 Helena Avenue, Helena, MT 59601.

d. Respondents fully and forever release and discharge CSI from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or not asserted, known or unknown, foreseen or unforeseen, arising out of or related to the Recitals or this Agreement.

e. Respondents specifically and affirmatively waive a contested case hearing and all rights to appeal under the Montana Administrative Procedure Act, § 2-4-101, *et seq.*, MCA, and elect to resolve this matter on the terms and conditions set forth herein.

f. Respondents' decision to enter into this Agreement is their knowing and voluntary choice, that they have not been made any promises other than what is contained within this Agreement, and that their entry into this Agreement is not the product of duress, coercion, threats, or improper influence of any kind.

g. Respondents agree they have had adequate opportunity to review this Agreement, and the opportunity to have this Agreement reviewed by legal counsel.

3. All parties to this Agreement stipulate and consent as follows:

a. The Commissioner has jurisdiction over Respondents and the subject matter of this matter pursuant to § 33-1-101 *et seq.*, MCA.

b. The Commissioner agrees not to pursue further civil or administrative action against Respondents regarding CSI's allegations asserted in this matter for so long as Respondents comply with the terms of this Agreement. In the event Respondents fail to comply with the terms of this Agreement, CSI may pursue administrative action to enforce the terms of the Agreement and seek fines pursuant to § 33-1-318(c), MCA.

c. The applicable statute of limitations, set forth in § 33-1-707, MCA, is tolled for three years from the date of execution of this Agreement with regard to the allegations asserted in this matter. In the event Respondents fail to comply with

the terms of this Agreement at any time during the three-year tolling period, CSI may pursue additional administrative action against Respondent based on the allegations asserted in this action.

d. This Agreement is entered into without adjudication of any issue, law, or fact. It is entered into solely for the purpose of resolving CSI's allegations and is not intended to be used for any other purpose.

e. This Agreement constitutes the entire agreement between the Commissioner and Respondents, and no other promises or agreements, either express or implied, have been made by the Commissioner or by any member, officer, agent or representative of CSI to induce Respondents to enter into this Agreement.

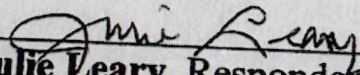
f. This Agreement may not be modified orally, and any subsequent modifications to this Agreement must be mutually agreed upon in writing to be effective.

g. This Agreement shall be incorporated into and made a part of the attached Final Order issued by the Commissioner herein.

h. This Agreement shall be effective upon signing of the Final Order.

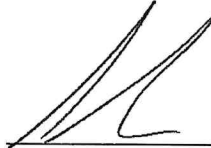
i. This Agreement is a public record under Montana law and, as such, may not be sealed or otherwise withheld from the public.

DATED this 3 day of September, 2024.

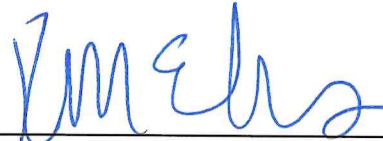


**Julie Leary, Respondent, individually and on
behalf of Western Title & Escrow,
Respondent**

Approved as to form and content:



Sean Slanger, Attorney for Respondents
Jackson, Murdo & Grant, P.C.



Kate McGrath Ellis, Attorney for
Commissioner of Securities and Insurance,
Montana State Auditor

FINAL ORDER

Pursuant to the authority vested by § 2-4-603, MCA, and § 33-1-101 *et seq.*, and upon review of the foregoing Consent Agreement, and good cause appearing,

IT IS HEREBY ORDERED that the foregoing Consent Agreement between the Commissioner and Respondents is adopted as if set forth fully herein.

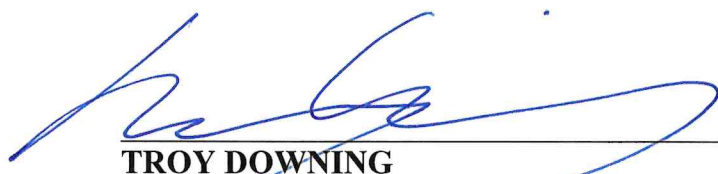
IT IS FURTHER ORDERED that, in consideration of the Second Amended NOPAA and Consent Agreement, Respondents are hereby ordered as follows:

1. Respondent Julie Leary's title insurance producer license No. 107262 and Respondent Western Title & Escrow's business entity title insurance producer license No. 5747 is hereby revoked, pursuant to §§ 33-17-1001(1)(c), (d), (f) and 33-25-301(1)(b), (c), and (d), MCA, effective immediately.

2. Respondents shall pay a fine of \$10,000 to the State of Montana, as described in paragraph 1(c) of the Consent Agreement.

IT IS FURTHER ORDERED that the appointment of a hearing examiner, dated March 15, 2022, is hereby terminated.

DATED this 22nd day of October, 2024.



TROY DOWNING
Commissioner of Securities and Insurance,
Montana State Auditor