

**STATE OF ILLINOIS
DEPARTMENT OF FINANCIAL & PROFESSIONAL REGULATION
DIVISION OF FINANCIAL INSTITUTIONS**

In the Matter of:)
)
Premium-Title Escrow Incorporated) 17TH100
)

To: Premium-Title Escrow Incorporated
233 E. Erie Street, Suite 713
Chicago, Illinois 60611

CEASE AND DESIST ORDER

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF FINANCIAL INSTITUTIONS (the "Division"), having conducted an examination of facts related to real estate transactions involving Premium-Title Escrow Incorporated ("Premium Title") pursuant to the Title Insurance Act, 215 ILCS 155/1, *et seq.* (the "Act") and the Rules Promulgated under 38 Ill. Admin. Code 8100, *et seq.* (the "Rules"), hereby issues this Cease and Desist Order for violations of the Act.

STATUTORY PROVISIONS

1. Section 3(3) of the Act states:

"Title insurance agent" means a person, firm, partnership, association, corporation or other legal entity registered by a title insurance company and authorized by such company to determine insurability of title in accordance with generally acceptable underwriting rules and standards in reliance on either the public records or a search package prepared from a title plant, or both, and authorized by such title insurance company in addition to do any of the following: act as an escrow agent pursuant to subsections (f), (g), and (h) of Section 16 of this Act, solicit title insurance, collect premiums, or issue title insurance commitments, policies, and endorsements of the title insurance company; provided, however, the term "title insurance agent" shall not include officers and salaried employees of any title insurance company.

2. Section 3(8) of the Act states, in part:

"Escrow Agent" means any title insurance company or any title insurance agent, including independent contractors of either, acting on behalf of a title insurance company, which receives deposits, in trust, of funds or documents, or both, for the purpose of effecting the sale, transfer, encumbrance or lease of real property to be held by such escrow agent until title to the real property that is the subject of the escrow is in a prescribed condition.

3. Section 3(9) of the Act states, in part:

“Independent Escrowee” means any firm, person, partnership, association, corporation or other legal entity, other than a title insurance company or a title insurance agent, which receives deposits, in trust, of funds or documents, or both, for the purpose of effecting the sale, transfer, encumbrance or lease of real property to be held by such escrowee until title to the real property that is the subject of the escrow is in a prescribed condition.

4. Section 16(a) of the Act states:

No person, firm, partnership, association, corporation or other legal entity shall act as or hold itself out to be a title insurance agent unless duly registered by a title insurance company with the Secretary.

5. Section 16(f) of the Act states, in part:

A title insurance agent shall not act as an escrow agent ... in a residential real property transaction unless the title insurance agent, title insurance company, or another authorized title insurance agent has committed for the issuance of title insurance in that transaction and the title insurance agent is authorized to act as an escrow agent on behalf of the title insurance company for which the commitment for title insurance has been issued.

6. Section 17(a) of the Act states:

Every independent escrowee shall be subject to the same certification and deposit requirements to which title insurance companies are subject under Section 4 of this Act.

7. Section 17(b) of the Act states:

No person, firm, corporation or other legal entity shall hold itself out to be an independent escrowee unless it has been issued a certificate of authority by the Secretary.

8. Sections 21(a)(2),(13),(14),(16) of the Act state:

The Secretary may refuse to grant, and may suspend or revoke, any certificate of authority, registration, or license issued pursuant to this Act or may impose a fine for a violation of this Act if he determines that the holder of or applicant for such certificate, registration or license:

- (2) has misappropriated or tortuously converted to its own use, or illegally withheld, monies held in a fiduciary capacity;...

(13) has knowingly failed to account for or remit any money or documents coming into the possession of a title insurance company, title insurance agent, or independent escrowee that belong to others;...

(14) has engaged in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud or harm the public;...

(16) has disregarded or violated any provision of this Act or the published rules adopted by the Department to enforce this Act or has aided or abetted any individual, partnership, registered limited liability partnership, limited liability company or corporation in disregarding any provision of this Act or the published rules.

9. Section 21(h) of the Act states, in part:

The Secretary may issue a cease and desist order to a title insurance company, agent, or other entity doing business without the required license or registration, when in the opinion of the Secretary, the company, agent, or other entity is violating or is about to violate any provision of this Act or any law or of any rule or condition imposed in writing by the Department.

FACTUAL FINDINGS

1. Premium Title is an Illinois corporation and is actively registered to do business in Illinois. See Exhibit A, attached hereto and made a part hereof.
2. Adeniyi Anthony Egbowon is listed as the president of Premium Title. See Exhibit A, attached hereto and made a part hereof.
3. Premium Title has never been duly registered as a title agent by any title insurance company with the Director.
4. Since on or before January 16, 2016, Premium Title has been operating without a license as a title insurance agent and escrow agent in the State of Illinois.
5. On or about April 25, 2016, Premium Title received a cashier's check for \$20,000 from a client ("**Client 1**") to hold on behalf of Client 1. The \$20,000 was held by Premium Title in anticipation of Client 1's attempt to purchase a property located at 311 Oswego Street, Park Forest, Illinois 60466 (the "**Oswego Property**") from Wells Fargo ("**Wells Fargo**") Bank, with Boston National Title ("**Boston National**") as the title insurance company for the transaction.
6. On or about June 1, 2016, Premium Title received a wire from Client 1 in the amount of \$21,505.25 to hold on behalf of Client 1. The \$21,505.25 was held by Premium Title, in addition to the previous \$20,000 from Client 1, in anticipation of Client 1's attempt to purchase the Oswego Property from Wells Fargo.

7. The sale of the Oswego Property was scheduled to close on September 2, 2016. The sale of the Oswego Property could not be completed because Boston National did not receive Client 1's funds from Premium Title required to complete the transaction.
8. As of October 7, 2016, Premium Title had not returned to Client 1 the earnest money it held in connection with the attempted purchase of the Oswego Property.
9. In January 2016, a client ("**Client 2**") engaged the services of Joseph Realty & Investments, owned and operated by Joseph Okesola, in connection with Client 2's attempt to purchase a condominium located at 7200 N. Ridge Boulevard, Chicago, Illinois 60645 (the "**Ridge Property**").
10. On or about January 25, 2016, at the instruction of Joseph Okesola, Client 2 wrote a \$50,000 check to Premium Title to be held in escrow until the purchase of the Ridge Property.
11. Ridge Property was sold to another buyer and not Client 2. The Ridge Property transaction closed on June 27, 2016.
12. As of August 31, 2016, Client 2 has not received the \$50,000 in earnest money tendered to Premium Title for the purchase of the Ridge Property.

Legal Findings

1. Premium Title violated Section 16(a) of the Act by acting as a title insurance agent.
2. Premium Title violated Section 16(f) of the Act by acting as an escrow agent.
3. Premium Title violated Section 17(a) of the Act by acting as an independent escrowee.
4. Premium Title violated Section 21(a)(2) of the Act by refusing and failing to return earnest money to each Client 1 and Client 2.
5. Premium Title violated Section 21(a)(13) of the Act by refusing and failing to return earnest money to each Client 1 and Client 2.
6. Premium Title violated Section 21(a)(14) of the Act by refusing and failing to return earnest money to each Client 1 and Client 2.
7. Premium Title violated Section 21(a)(16) of the Act by refusing and failing to return earnest money to each Client 1 and Client 2.

NOW IT IS HEREBY ORDERED THAT, pursuant to Section 21(h) of the Act, Premium Title shall immediately Cease and Desist acting as a title insurance agent, as an escrow agent, and as an independent escrowee.

Pursuant to Section 21.2(a), in part, of the Act, notice shall be made either personally or by registered or certified mail, return receipt requested, and by sending a copy of the notice by telephone facsimile or electronic mail, if known and operating, and if unknown or not operating, then by regular mail. Service by mail shall be deemed completed if the notice is deposited as registered or certified mail in the post office, postage paid. Premium Title may request, in writing, a hearing on the Order within 30 days after the date of service.

Dated this 14th day of April 2017


Francisco Menchaca, Director
Illinois Department of Financial and Professional Regulation
Division of Financial Institutions