

RE2210891/TEK

STATE OF MINNESOTA
COMMISSIONER OF COMMERCE

In the Matter of the
Insurance Agent License
Of Brenda J. Colston,
License No. 20355319 and
Insurance Agency License
of KL Title, Inc. License
No. 20355321

CONSENT ORDER

TO: Brenda J. Colston
9080 Tewsbury Gate N.
Maple Grove, Minnesota 55311

Commissioner of Commerce Glenn Wilson (hereinafter "Commissioner") has determined as follows:

1. The Commissioner has advised Brenda J. Colston, individually and as owner and President of KL Title, Inc. (hereinafter "Respondent") that he is prepared to commence formal action pursuant to Minn. Stat. § 45.027 (2004), and other applicable law, against Respondent's insurance agent and insurance agency license based on allegations that Respondent as owner and President of KL Title, Inc. has demonstrated incompetence, untrustworthiness, and financial irresponsibility in violation of Minn. Stat. §60K.43, Subd.1(8)(2004) as evidenced in an audit performed on behalf of Commonwealth Land Title Insurance Company (hereinafter "Commonwealth") by Land America Financial Group, Inc. during the week of August 16, 2004. The audit evidenced that KL Title, Inc. had an Escrow account shortage of \$39,306. Additionally, KL Title, Inc. has an outstanding accounts payable liability of \$90,000 for title evidence prepared by Commonwealth. The audit report further evidenced that KL Title, Inc. failed to reconcile its escrow account for nearly two years. KL Title, Inc. recently made two \$5000 payments to Commonwealth to draw down on their title evidence obligation. Both checks

were returned "NSF". Commonwealth terminated its agency/underwriter agreement with KL Title, Inc. doing business as Elite Closing Services effective August 31, 2004.

2. Respondent acknowledges that she has been advised of her rights to a hearing in this matter, to present argument to the Commissioner and to appeal from any adverse determination after a hearing, and Respondent hereby expressly waives those rights. Respondent further acknowledges that she has been represented by legal counsel throughout these proceedings, or has been advised of her right to be represented by legal counsel, which right she hereby waives.

3. Respondent has agreed to informal disposition of this matter without a hearing as provided under Minn. Stat. § 14.59 (2004) and Minn. R. 1400.5900 (2003).

4. The following Order is in the public interest.

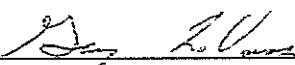
NOW, THEREFORE, IT IS HEREBY ORDERED, that the insurance agent license of Brenda J. Coslton and the insurance agency license of KL Title, Inc. is revoked;

This Order shall be effective upon signature by or on behalf of the Commissioner.

Dated: 01-24-05.

Glenn Wilson
Commissioner

By:



Gary LaVasseur
Director of Market Assurance

85 Seventh Place, Suite 500
Saint Paul, Minnesota 55101
Telephone: (651) 296-2594

CONSENT TO ENTRY OF ORDER

The undersigned, Brenda J. Colston, individually and acting on behalf of KL Title, Inc. states that she has read the foregoing Consent Order; that she knows and fully understands its contents and effect; that she is authorized to execute this Consent to Entry of Order on behalf of Respondent; that she has been advised of Respondent's right to a hearing; that Respondent has been represented by legal counsel in this matter; or that she has been advised of Respondent's right to be represented by legal counsel and has waived this right; and that she consents to entry of this Order by the Commissioner of Commerce. It is further expressly understood that this Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either express or implied.

KL TITLE, INC.

By:

Brenda J. Colston
Brenda J. Colston, Owner/President

Its:

President

STATE OF

Mn

COUNTY OF

Hennepin

This instrument was acknowledged before me on 12-7-04 (date) by BRENDA J. COLSTON
(name(s) of person(s)) as PRESIDENT (type of authority, e.g., officer, trustee, etc.) of
KL. TITLE, INC (name of party on behalf of whom the instrument was executed).

(stamp)



John Christopher Turin
(Signature of notary officer)

Title (and Rank)

My commission expires: 1-31-05