



STATE OF CONNECTICUT  
**NEWS RELEASE**

Attorney General Richard Blumenthal

Insurance Commissioner Thomas R. Sullivan

Department of Consumer Protection  
Commissioner Jerry Farrell, Jr.

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MONDAY, DECEMBER 10, 2007

***ATTORNEY GENERAL, CONSUMER PROTECTION, INSURANCE  
DEPT ANNOUNCE \$700,000 SETTLEMENT IN ALLEGED TITLE  
INSURANCE KICKBACK SCHEME***

Attorney General Richard Blumenthal, Insurance Commissioner Thomas R. Sullivan and Department of Consumer Protection (DCP) Commissioner Jerry Farrell, Jr. today announced that a law firm, mortgage company and real estate broker will pay \$700,000 in fines, forfeitures and restitution to settle allegations they engaged in illegal kickback and inducement schemes.

Paying the \$700,000 are the law firm Reiner, Reiner & Bendett, P.C., of Farmington, Absolute Mortgage Solutions, LLC, of East Hartford and Access America, LCC, DBA Century 21 Access America of Wethersfield. Of the money, \$125,000 will pay restitution to about 500 Absolute consumers who overpaid for certain mortgage-related services as a result of one of the schemes.

In an October lawsuit filed on behalf of DCP and the Insurance Department, Blumenthal alleged that Reiner, which also sells title insurance, used sham service, rental and other agreements to conceal \$142,200 in kickbacks and unlawful inducements between 2002 and 2005. In exchange, Absolute and Access allegedly steered title insurance business to the law firm. Connecticut law prohibits title insurance agents from paying for referrals.

“This law firm used service and other sham contracts to camouflage kickbacks and sidetrack state law,” Blumenthal said. “Consumers were overcharged because of this underhanded scheme. Reiner and Absolute conspired to conceal illegal payments as fake fees, secretly forcing consumers to cover the cost of kickbacks. The law firm hid illicit payments to Access in phony

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Attorney General's Office  
Christopher Hoffman 860-808-5324

MEDIA CONTACTS  
Department of Insurance  
Debra Korta 860-297-3864

Department of Consumer Protection  
Claudette Carveth 860-713-6020

**'marketing' and 'rental' agreements. These steering schemes increased consumers' costs and denied choice, while unjustly enriching the lawbreakers.**

**"Each of about 500 consumers will receive \$200 early in the New Year. These firms will rightly give back their ill-gotten gains to compensate consumers and help the state fight similar schemes. I will fight to enforce state laws banning kickbacks and other anticompetitive practices that increase costs to consumers," Blumenthal added.**

**Sullivan said, "This type of practice is not only harmful, but it puts yet another burden on homebuyers by adding unnecessary expense to real estate transactions involving title insurance."**

**Farrell said, "Today's settlement should serve as a very strong message to the real estate community that behavior of this sort is clearly against the law and will be prosecuted. It is of particular concern to me as the licensor of real estate salespeople and brokers to hear that this has occurred, and if we find other examples they will be equally and vigorously investigated."**

**Reiner agreed to pay mortgage broker Absolute \$200 per customer to perform certain closing services, including ordering a title search, assembling closing documents, assuring insurance was in place and coordinating the closing. Reiner paid Absolute \$76,200 in 2004 under the agreement.**

**Consumers, however, had already paid Absolute for the same and other services. Blumenthal and Sullivan charged that the arrangement was a ruse to conceal illegal payments to Absolute for steering customers to Reiner for their title insurance.**

**Under the settlement announced today, about 500 Absolute customers are eligible to receive \$200, returning unnecessary fees charged them to underwrite the kickback scheme. Consumers will be notified by mail how to apply for the refund.**

**Reiner used two other bogus agreements to conceal \$66,000 in kickbacks to Access between 2002 and 2005. One contract called for Reiner to pay Access for nonexistent "marketing" services. Under a second oral agreement, Reiner paid Access to "rent" space in Access offices for closings and other business.**

**Of the \$700,000, \$125,000 will compensate Absolute consumers, \$425,000 will be deposited into the state's General Fund and the remainder used for consumer education by the Attorney General's Office, DCP and the Insurance Department.**

**The agreement caps a two-year joint investigation by the Insurance Department and the Attorney General's Office. The investigation was prompted by unusual market activity reported to the Insurance Department. DCP and the Banking Department also participated.**

**Consumers with questions about the settlement should contact the Attorney General's office at (860) 808-5270.**

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