

Item 2006-65

P-24. PAYMENT FOR SERVICES RENDERED BY A TITLE INSURANCE COMPANY, TITLE INSURANCE AGENT, OR DIRECT OPERATION TO ANOTHER TITLE INSURANCE COMPANY, TITLE INSURANCE AGENT OR DIRECT OPERATION

In negotiating the portion of the premium to be paid by a Title Insurance Company ("Company"), Title Insurance Agent ("Agent"), or Direct Operation ("Direct Operation"), including any of their attorneys who are licensed escrow officers ("Escrow Officers") [~~collectively "Company"~~] to another [~~Title Insurance~~] Company, [~~Title Insurance~~] Agent, [~~or~~] Direct Operation or any of their Escrow Officers for: (i) furnishing title evidence, (ii) furnishing title evidence and examining title, (iii) closing a transaction, or (iv) closing a transaction and examining title, the payments shall not exceed the following percentages as applied to the portion of the title insurance premium remaining after payment of the underwriter's portion of the premium:

(a) If the insured policy amount is in excess of [~~\$100,000~~] \$125,000
Furnishing title evidence, or furnishing title evidence and title examination by the Company, Agent, or Direct Operation furnishing the evidence [60]50%
Closing the transaction, or Closing the transaction and title examination [40]50%

(b) If the insured policy amount is \$100,000-125,000, or less.

Furnishing title evidence, or furnishing title evidence and title examination by the Company, Agent, or Direct Operation furnishing the evidence 90
Closing the transaction, or Closing the transaction and title examination 10

In addition to these percentages, reasonable charges may also be made and paid for copies of documents.

Any payment in excess of the sums calculated by use of the percentages specified in this Rule shall be deemed to be an unreasonable and excessive amount, unless the Company, Agent, or Direct Operation providing such services and the Company, Agent, or Direct Operation, paying for such services (i) under section (a) above enter into a prior written agreement not less than ninety (90) days prior to closing specifying and agreeing to percentages (but not services)

different from those provided in this Rule or (ii) under section (b) above are licensed in the same county or in contiguous counties **and** enter into a prior written agreement not less than ninety (90) days prior to closing specifying and agreeing to percentages (but not services) different from those provided in this Rule . All payments must be remitted no later than the thirtieth (30th) day after the date of recording by the county clerk of an instrument conveying an interest in the land.

On and after January 1, 2013, the insured policy amount in sections (a) and (b) above shall be \$150,000.00.

This Rule, including the provisions pertaining to prior written agreements, and the percentages specified in this Rule apply to each Escrow Officer of a Company, Agent, or Direct Operation to the same extent and in the same manner as is applicable to the Company, Agent, or Direct Operation for which the person is acting as an Escrow Officer.

Nothing in this Rule shall affect the division of premium between a title insurance company and its subsidiary title insurance agent when the title insurance company directly issues its policy or contract of title insurance company pursuant to ~~Article 9.34, § 2704.002,~~ Insurance Code. For purposes of this Rule, a subsidiary is a company at least fifty percent (50%) of the voting stock of which is owned by the title insurance company or by a wholly owned subsidiary of the title insurance company.

PROPOSED