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SALUS POPULI SUPREMA LEX ESTO

"The welfare of the people shall be the supreme law."



ROBIN CARNAHAN
SECRETARY OF STATE

MISSOURI
REGISTER

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Documents will be accepted for filing on all regular workdays from 8:00 a.m. until 5:00 p.m. We encourage early filings to facilitate the timely publication of the *Missouri Register*. Orders of Rulemaking appearing in the *Missouri Register* will be published in the *Code of State Regulations* and become effective as listed in the chart above. Advance notice of large volume filings will facilitate their timely publication. We reserve the right to change the schedule due to special circumstances. Please check the latest publication to verify that no changes have been made in this schedule. To review the entire year's schedule, please check out the website at <http://www.sos.mo.gov/adrules/pubsched.asp>

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HOW TO CITE RULES AND RSMo

RULES—Cite material in the *Missouri Register* by volume and page number, for example, Vol. 28, *Missouri Register*, page 27. The approved short form of citation is 28 MoReg 27.

The rules are codified in the *Code of State Regulations* in this system—

Title	Code of State Regulations	Division	Chapter	Rule
1	CSR	10-	1.	010
Department		Agency, Division	General area regulated	Specific area regulated

They are properly cited by using the full citation, i.e., 1 CSR 10-1.010.

Each department of state government is assigned a title. Each agency or division within the department is assigned a division number. The agency then groups its rules into general subject matter areas called chapters and specific areas called rules. Within a rule, the first breakdown is called a section and is designated as (1). Subsection is (A) with further breakdown into paragraph 1., subparagraph A., part (I), subpart (a), item I. and subitem a.

RSMo—The most recent version of the statute containing the section number and the date.

Rules appearing under this heading are filed under the authority granted by section 536.025, RSMo 2000. An emergency rule may be adopted by an agency if the agency finds that an immediate danger to the public health, safety or welfare, or a compelling governmental interest requires emergency action; follows procedures best calculated to assure fairness to all interested persons and parties under the circumstances; follows procedures which comply with the protections extended by the *Missouri* and the *United States Constitutions*; limits the scope of such rule to the circumstances creating an emergency and requiring emergency procedure, and at the time of or prior to the adoption of such rule files with the secretary of state the text of the rule together with the specific facts, reasons and findings which support its conclusion that there is an immediate danger to the public health, safety or welfare which can be met only through the adoption of such rule and its reasons for concluding that the procedure employed is fair to all interested persons and parties under the circumstances.

Rules filed as emergency rules may be effective not less than ten (10) days after filing or at such later date as may be specified in the rule and may be terminated at any time by the state agency by filing an order with the secretary of state fixing the date of such termination, which order shall be published by the secretary of state in the *Missouri Register* as soon as practicable.

All emergency rules must state the period during which they are in effect, and in no case can they be in effect more than one hundred eighty (180) calendar days or thirty (30) legislative days, whichever period is longer. Emergency rules are not renewable, although an agency may at any time adopt an identical rule under the normal rulemaking procedures.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

EMERGENCY RULE

20 CSR 500-7.020 Scope and Definitions

PURPOSE: This rule sets out the scope of the rules in this chapter and provides definitions to aid in the interpretation of the rules in this chapter.

EMERGENCY STATEMENT: This emergency rule sets the scope of Chapter 7—Title and provides definitions to aid in the interpretation of other proposed Chapter 7 rules. This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that title insurers, title agencies and title agents understand the requirements for title insurers, title agencies and title agents as outlined in Senate Bill 66, Laws 2007 and 20 CSR Division 500, Chapter 7—Title. Between July 2007, and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new title business requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the

department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the *Missouri* and *United States Constitutions*. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.

(1) Applicability of Rules. The rules in this chapter apply to title insurers, title agencies and title agents transacting the business of insurance in this state under Chapter 381, RSMo. The rules shall be read together with Chapter 536, RSMo.

(2) Definitions. As used in this chapter, the following terms shall mean:

(A) “Charge,” as defined in section 381.031.4, RSMo 1994;

(B) “Closing protection letter,” a letter issued on behalf of a title insurer, which indemnifies a buyer, lender, or seller solely against losses not to exceed the amount of settlement funds because of the acts set forth in section 381.058, RSMo;

(C) “Closing protection fee,” the consideration paid by or on behalf of the buyer, borrower, lender or seller for a closing protection letter calculated from the rate filed with the director;

(D) “Director,” the director of the department;

(E) “Department,” the Department of Insurance, Financial Institutions and Professional Registration;

(F) “Risk rate,” the total consideration paid by or on behalf of the insured for a title insurance policy. Risk rate shall include the title insurance agent’s commission but shall not include any charge as defined in section 381.031.4, RSMo 1994;

(G) “Residential real estate transaction,” the sale, purchase, financing or refinancing of a house or other dwelling designed principally for the occupancy of from one to four (1-4) families, but does not include transactions involving real estate designed for business, commercial or agricultural purposes;

(H) “Title insurance premium,” the premium in a title insurance transaction;

(I) “Title service charge,” any charge as defined in this rule, except for any closing protection fee or any fee for the handling of escrows, settlements or closing;

(J) “Premium,” as defined in section 381.031.14, RSMo 1994, and reviewed under section 381.171, RSMo 1994; and

(K) “Price estimate,” a good faith estimate or prediction of prices based upon information presented at the time of the estimate.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.118, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule covering this same material is published in this issue of the *Missouri Register*.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

EMERGENCY RULE

20 CSR 500-7.030 General Instructions

PURPOSE: This rule prescribes the general filing requirements for the rules in this chapter.

EMERGENCY STATEMENT: This emergency rule outlines the general filing requirements for the rules in this chapter. This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that title insurers, title agencies and title agents understand the filing requirements as outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new licensing requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the Missouri and United States Constitutions. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.

(1) Filing and Report Forms. The following forms have been adopted and approved for filing with the department:

(A) The Title Insurance Premium and Title Service Charge Disclosure form (Form T-1), revised on January 17, 2008, or any form which substantially comports with the specified form;

(B) The Notice of Availability of Owner's Title Insurance form (Form T-2), revised on January 17, 2008, or any form which substantially comports with the specified form;

(C) The Notice of Closing or Settlement Risk form (Form T-3), revised on January 17, 2008, or any form which substantially comports with the specified form;

(D) The Affiliated Business Disclosure form (Form T-4), approved by the United States Housing and Urban Development on November 15, 1996, in Appendix D to 24 CFR part 3500, or any form which substantially comports with the specified form;

(E) The Affiliated Business Arrangement Report form (Form T-5), revised on January 17, 2008, or any form which substantially comports with the specified form;

(F) The Uniform Premium (Risk Rate) Report form (Form T-7), revised January 1, 2008, or any form which substantially comports with the specified form;

(G) The Seller's Closing Protection Letter form (Form T-8), revised on January 17, 2008, or any form which substantially comports with the specified form;

(H) The Buyer's or Lender's Closing Protection Letter form (Form T-9), revised on January 17, 2008, or any form which substantially comports with the specified form;

(I) The Verification of Examination of Title form (Form T-10), revised on January 17, 2008, or any form which substantially comports with the specified form;

(J) The Examination Location Affidavit form (Form T-11), revised on January 1, 2008, or any form which substantially comports with the specified form; and

(K) The Title Plant Registration form (Form T-12), revised on January 1, 2008, or any form which substantially comports with the specified form.

(2) Location. Reports and filings required under this chapter shall be delivered to the Insurance Market Regulation Division, Room 530, 301 W. High Street, Jefferson City, Missouri 65102.

(3) Availability. The forms can be accessed at the department's website at www.insurance.mo.gov or at the department offices.

(4) Filing Fees. All reports, filings or amendments to reports required to be filed by title insurers under this chapter shall be accompanied by a filing fee of fifty dollars (\$50) as required by section 374.230(5), RSMo.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.118, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule covering this same material is published in this issue of the Missouri Register.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

EMERGENCY RULE

20 CSR 500-7.050 Disclosure of Premiums and Charges

PURPOSE: This rule implements the disclosure of material price information pursuant to sections 381.019 and 375.144, RSMo.

EMERGENCY STATEMENT: This emergency rule outlines the requirements for premium and charge disclosures as required in section 381.019, Senate Bill 66, Laws 2007. This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that the public, title insurers, title agencies and title agents understand the disclosure requirements as outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new disclosure requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the Missouri and United States Constitutions. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.

(1) Disclosure with Price Estimate.

(A) When a prospective purchaser of title insurance or other party to the residential real estate transaction contacts a title insurer, title agency or title agent for a price estimate, the following must be disclosed:

1. Title insurance premium as calculated based upon the filed title insurance risk rate(s);
2. Closing protection fee as calculated based upon the filed closing protection rate;
3. Title service charges including, but not limited to, abstracts, search and examination fees; and
4. Closing or settlement charges.

(B) The above items may be disclosed orally or in writing.

(C) If the above prices are disclosed, the amount may also be totaled.

(D) Upon further inquiry or request by a prospective purchaser of title insurance or other party to the residential real estate transaction for explanation, the title insurer, title agency or title agent shall disclose that title premium and closing protection fee are determined by rate schedules filed with the state, but the title service charges, closing charges and other charges are not filed with the state and may vary between different title insurers, agencies and agents.

(E) If the title insurer, title agency or title agent discloses the above information in writing when giving a price estimate, the following disclosure statement (Form T-1), or a statement that substantially comports with the following, is acceptable:

Title Insurance Premium and Title Service Charge Disclosure Statement

To: _____

Based upon the information available to us at this time, we estimate that you will pay as part of your residential real estate transaction the following premiums, charges and/or fees:

- 1) Title insurance premium _____
- 2) Closing protection fee(s) _____
- 3) Title service charge(s) (i.e., search and examination, clearing items, etc.) _____
- 4) Closing charge(s) _____

Title insurance premium and a closing protection fee have been calculated according to rates filed with the Missouri Department of Insurance, Financial Institutions and Professional Registration. But title service charges, closing charges and other fees are not limited by state law and may vary among title insurers, agencies and agents.

For further general information regarding title insurance, you may visit the Missouri Insurance website at www.insurance.mo.gov or call the Missouri Department of Insurance, Financial Institutions and Professional Registration at (800) 726-7390.

_____	_____
Date	Title Agent

(2) Disclosure at a Residential Real Estate Closing. Title insurance premium, fee and charge disclosure at the closing of a residential real estate transaction shall be made in the following manner:

- (A) Closings that involve use of a HUD-1 form.
 1. Premium should be the only amount totaled on the "Title Insurance" line, usually line 1108. If multiple title insurance policies are reflected in the "Title Insurance" line, the premium amounts associated with each title insurance policy shall be distinguished on the HUD-1 form on a line other than the "Title Insurance" line.
 2. Other charges including, but not limited to, the closing protection fee, abstract or title search and examination fees, escrow, settlement or closing fees, or other associated charges or fees shall be listed on lines other than the "Title Insurance" line; or

(B) Closings that do not require use of a HUD-1 form. Disclosure shall be made on a disclosure form in substantially the same format as the form set forth in subsection (1)(E) of this rule, but with final price detail and an acknowledgement of receipt by the purchaser.

(3) Misleading or Confusing Terms in Marketing Materials.

(A) Title insurers, title agencies and title agents shall not use the terms "rate," "card rate," "premium" or other terms of similar import in marketing materials to describe an all-inclusive title insurance price, which aggregates both:

- 1. Premium; and
- 2. Charges that may be negotiable in the particular transaction.

(B) The total amount in subsection (1)(C) of this rule may be described in terms which convey both premium and charges, such as "total cost for title insurance and services" or "total cost for title insurance and charges."

AUTHORITY: sections 374.045, RSMo 2000 and sections 381.042 and 381.118, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule

covering this same material is published in this issue of the Missouri Register.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

EMERGENCY RULE

20 CSR 500-7.060 Disclosure of Coverage Limitation

PURPOSE: This regulation prescribes requirements for customer disclosure for limitations of coverage in some circumstances.

EMERGENCY STATEMENT: This emergency rule outlines the disclosure requirements for limitations of some insurance coverage. This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that the public, title insurers, title agencies and title agents understand the disclosure requirements outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new disclosure requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the Missouri and United

States Constitutions. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008 effective January 28, 2008, expires July 25, 2008.

(1) Lender's Title Insurance Limitation. Pursuant to section 381.015.2, RSMo, in those purchase transactions where a lender's title insurance policy is to be issued simultaneously with the purchase of all or part of the real estate securing the loan and where no owner's title insurance policy has been requested, a title insurer, title agency, or title agent shall give written notice that the lender's title insurance policy does not provide title insurance protection to the purchaser-mortgagor, and that the purchaser-mortgagor may obtain an owner's title insurance policy within sixty (60) days of closing at a specified or approximate cost. The disclosure shall be made using a Notice of Availability of Owner's Title Insurance form (Form T-2), or any form that substantially comports with the specified form.

(2) Closing and Settlement Risk.

(A) Title insurers, agencies and agents making disclosure under subsections 5 and 6 of section 381.022, RSMo, may make this disclosure to the unprotected person with a Notice of Closing or Settlement Risk form (Form T-3), or any form that substantially comports with the specified form.

(B) The authority of a title insurer under section 381.058.3, RSMo, to issue a closing protection letter extends only to transactions in which it is issuing a title insurance policy and its issuing agent or agency is performing closing or settlement services.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.118, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule covering this same material is published in this issue of the Missouri Register.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title
EMERGENCY RULE**

20 CSR 500-7.070 Affiliated Business Arrangements

PURPOSE: This regulation prescribes requirements for disclosure to customers and reporting to the director of affiliated business arrangements.

EMERGENCY STATEMENT: This emergency rule outlines the disclosure requirements regarding affiliated business arrangements. This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that the public, title insurers, title agencies and title agents understand the disclosure requirements outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and

complies with the protections extended in the Missouri and United States Constitutions. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.

(1) Disclosure to Customer.

(A) It is unlawful for a title insurer, title agency or title agent to accept an order for title services from any producer with an affiliated business arrangement, unless contemporaneous with the referral, the title insurer, title agency or title agent discloses the affiliated business arrangement or has taken reasonable steps to verify that the producer has disclosed the arrangement. Disclosure to its customer of the existence of the affiliated business arrangement may be made by using the Affiliated Business Disclosure form (Form T-4), or any form that substantially comports with the specified form.

(B) The disclosure required by this rule may be made in combination with all disclosures made under rule 20 CSR 500-7.050.

(2) Annual Report.

(A) Title insurers, agencies and agents are required under section 381.029.4, RSMo, to file reports with the director setting forth the names and addresses of any persons with a financial interest in the insurer, agency or agent, which the insurer, agency or agent knows to be producers or associates of producers. The report shall be made annually by submitting a completed Affiliated Business Arrangement Report form (Form T-5), or any form that substantially comports with the specified form, no later than March 31 of each year.

(B) Title insurers, agencies and agents shall have a continuing duty to update the information supplied pursuant to Form T-5 within thirty (30) days of any material change in the information required on the form.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.118, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule covering this same material is published in this issue of the Missouri Register.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title
EMERGENCY RULE**

20 CSR 500-7.090 Special Circumstances for Policy Delay

PURPOSE: This regulation prescribes the special circumstances which may delay compliance with the requirement that title policies be issued within forty-five (45) days after compliance with the requirements of the commitment.

EMERGENCY STATEMENT: This emergency rule outlines the special circumstances which may delay compliance with the requirement that title policies be issued within forty-five (45) days after compliance with the requirements of the commitment. This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that the public, title insurers, title agencies and title agents understand the requirements outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1,

2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the *Missouri and United States Constitutions*. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.

(1) "Meeting the requirements," means the receipt of documents or completion of tasks set out in the requirements section of the commitment or Schedule B-1; or, if the commitment does not have requirements, then receipt of documents and/or completion of tasks required by the closing instructions to create the estate to be insured.

(2) A title policy must be issued within forty-five (45) days after compliance with the requirements of the commitment, except in the following circumstances:

(A) The title insurer, title agency or title agent has filed, in the office of the recorder of deeds, the deed and/or security instruments, but the deed and/or security instruments have not yet been recorded; or

(B) Commitment, policy, recording costs and other fees have not been paid to the title agent, agency, or insurer.

(3) A title insurer, title agency or title agent has the burden of proving any exception under this rule.

(4) A title insurer, title agency or title agent shall provide notification to the insured lender or buyer, if applicable, if a policy will not be issued within forty-five (45) days after compliance with the requirements of the commitment.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.118, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule covering this same material is published in this issue of the Missouri Register.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

EMERGENCY AMENDMENT

20 CSR 500-7.100 [Forms and] Rate Schedules. The department is removing Appendix A from the rule and amending the Purpose clause and sections (1) and (2).

PURPOSE: This amendment reflects the requirements that were enacted in SB 66. Furthermore, this amendment may remove forms, separate requirements for form filings and correct any minor grammatical or spelling errors.

PURPOSE: This regulation prescribes procedures to be followed by title insurers when filing [forms and] rate schedules with the director [of insurance].

EMERGENCY STATEMENT: This emergency amendment outlines requirements for rate filings and closing protection rate filings as

*required in Senate Bill 66, Laws 2007. This emergency amendment is necessary to preserve the public welfare of Missouri citizens by ensuring that the public, title insurers, title agencies and title agents understand the requirements outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency amendment is limited to the conditions creating the emergency and complies with the protections extended in the *Missouri and United States Constitutions*. In developing this emergency amendment, representatives of the insurance industry were consulted. The department believes this emergency amendment is fair to all interested persons and parties under the circumstances. This emergency amendment was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.*

[(1) Definitions. As used in this regulation, the following terms shall mean:

(A) Charge means any fee charged to the insured, or paid for the benefit of the insured, for the performance of title-related services other than the risk rate charged for title insurance. This charge shall include, but not be limited to, fees for abstracts, title search and examination, handling of escrows, settlements or closings;

(B) Director means the director of the Department of Insurance or his/her appointee;

(C) Department means the Department of Insurance, staff and employees; and

(D) Risk rate means the total consideration paid by or on behalf of the insured for a title insurance policy. Risk rate shall include the title insurance agent's commission but shall not include any charge as defined in subsection (1)(A).]

[(2)] (1) Filing of [Title Insurance] Rates.

(A) Title Insurance Rates. Every title insurer licensed in Missouri shall file with the director as required by section 381.181, RSMo 1994, a completed title insurance rate reporting form for the risk rates it proposes to use in each county of this state and each city not within a county in this state. Rate schedules filed under this rule must comply with section 381.171, RSMo 1994. The effective date for these rates shall be no earlier than the thirtieth day following the receipt of the form by the director.

(B) [Appendix A] Filing Form. The Uniform Premium (Risk Rate) Report form (Form T-7), sets forth a risk rate reporting format to be utilized by title insurers in this state for the respective types of title insurance contracts. When computing insurance premiums on a fractional thousand of insurance (except as to minimum premiums), multiply those fractional thousands by the rate per thousand applicable, considering any fraction of one hundred dollars (\$100) as a full one hundred dollars (\$100). The form can be accessed at the department's website at www.insurance.mo.gov or at the department offices.

(C) Closing Protection Rates. Every title insurer shall file with the director rates for closing protection letters applicable to residential real estate transactions. Rates for closing protection letters in residential real estate transactions shall meet the following standards:

1. Rates shall not be excessive or inadequate;

2. Rates are excessive if, in the aggregate, they are likely to produce a long run profit that is unreasonably high in relation to the risk of the business or if expenses are unreasonably high in

relation to the services rendered;

3. Rates are inadequate if they are clearly insufficient, together with investment income attributable to them, to sustain projected losses and expenses or if continued use of such rates will have the effect of substantially lessening competition or the effect of tending to create a monopoly;

4. Rate filing standards apply separately to closing protection letters issued under section 381.058.3(2)-(3);

5. The rate filing shall document the anticipated losses, expenses and profits underlying the rates and provide appropriate actuarial support for the data, methods and assumptions;

6. Expected losses for rates do not include losses that result in a title insurance claim; and

7. Rates shall reflect expected fiduciary practices under current law and losses incurred in another state or under prior fiduciary practices may only be used if adjusted to reflect prospective Missouri fiduciary practices.

[(3) Filing of Title Insurance Forms.

(A) No title insurer licensed in Missouri shall issue or agree to issue any form of title insurance binder, title insurance commitment, preliminary report, title insurance policy, title insurance standard form endorsement, other contract of title insurance or any related form unless these have been filed with the director of the Department of Insurance. The filing shall be received by the director of the Department of Insurance not less than thirty (30) days before the use of the form.

(B) No policy, standard form endorsement or simultaneous instrument which provides title insurance coverage shall be issued unless it contains the following:

- 1. Total amount to be paid for the issuance of the policy; and*
- 2. Risk rate for the policy.*

**APPENDIX A
MISSOURI DEPARTMENT OF INSURANCE
UNIFORM PREMIUM (RISK RATE) REPORTING FORM**

NOTE: Risk rates must be filed with the department in accordance with 381.181, RSMo (Cum. Supp. 1989).
20 CSR 500-7.100 requires that the risk rates filed include the title insurance agent's commission.

Date Filed and Recorded _____
By Department: _____

RISK CLASSIFICATIONS

Risk Amount*	Original Title Insurance For Owners and Leasehold Owners Policies ¹	Reissue Title Insurance For Owners and Leasehold Owner Policies ²	Title Insurance For Conversion Of Contract Purchaser's And Leasehold Policies ³	Original Title Insurance For Loan Policies ⁴	Reissue Title Insurance For Loan Policies ⁵	Title Insurance For Owners Or Leasehold Owners Policies Upon Acquisition In Satisfaction of Debt ⁶	Title Insurance For Substitution ⁷	Simultaneous Issue Policies ⁸	Title Insurance For Builder/ Developer (Subdepartment Rates) ⁹	Other	Other
Up to \$50,000 of Liability Written											
Over \$50,000 And Up To \$100,000, Add											
Over \$100,000 And Up To \$500,000, Add											
Over \$500,000 And Up To \$10,000,000, Add											
Over \$10,000,000 And Up To \$15,000,000, Add											
Over \$15,000,000, Add											
Minimum Premium											

* The description of risk amounts shown is provided as a suggestion; other amount classifications will be considered by the department.

¹“Original Title Insurance for Owners and Leasehold Owners Policies” means any owner’s policy insuring fee simple estate for the full value of the premises, or any owner’s policy insuring a leasehold estate for the present market value of such leasehold estate.

²“Reissue Title Insurance for Owners and Leasehold Owners Policies” means a title insurance policy issued to a purchaser or lessee of real estate from a person whose title as owner has previously been insured by any company prior to the application for a new policy.

³“Title Insurance for Conversion of Contract Purchaser’s and Leasehold Policies” means a title insurance policy issued to a contract purchaser who has previously obtained a policy from an insurer insuring his/her contract, who subsequently obtains a deed given in pursuance of the contract and makes an application for an owner’s policy from the same insurer and surrenders the previous policy; or a title insurance policy issued to a lessee who has previously obtained a leasehold policy of an insurer insuring his/her lease and subsequently purchases the property, makes application for an owner’s policy from the same insurer and surrenders the previous policy.

⁴“Original Title Insurance for Loan Policies” means a mortgage title insurance policy issued for an amount equal to or higher than the principal amount of the mortgage debt.

⁵“Reissue Title Insurance for Loan Policies” means a mortgage title insurance policy issued for an owner of property who has had the title to such property previously insured as owner by any title insurer.

⁶“Title Insurance for Owners or Leasehold Owners Policies upon Acquisition in Satisfaction of Debt” means a title insurance policy issued to an insured under a mortgage title policy who acquires title by foreclosure or by voluntary conveyance in extinguishment of debt.

⁷“Title Insurance for Substitution” means a title insurance policy issued to a borrower who obtains a substitution loan on the same property by the same lender.

⁸“Simultaneous Issue Policies” means an owner’s and a mortgagee’s policy(ies) covering identical land which are issued simultaneously.

⁹“Title Insurance for Builder/Developer (Subdepartment Rates)” means a title insurance policy covering premises owned by one owner which have been platted into multiple lots; a title insurance policy issued to an owner of multiple lots within a platted subdepartment; or a title insurance policy issued to an owner who proposes to sell vacant lots to individual purchasers and furnish an owner’s title insurance policy to each purchaser, as evidence of title, in lieu of furnishing an abstract of title.

*The description of risk amounts shown is provided as a suggestion; other amount classifications will be considered by the department.]

AUTHORITY: section[s] 374.045, RSMo [1986] 2000 and sections [381.181, 381.211 and 381.231,] 381.042 and 381.118, RSMo Supp. [1989] 2007. This rule was previously filed as 4 CSR 190-20.011. Original rule filed Jan. 14, 1982, effective June 1, 1982. Amended Filed Sept. 6, 1988, effective Jan. 16, 1989. Emergency rescission filed July 28, 1989, effective Aug. 7, 1989, expired Dec. 4, 1989. Emergency amendment filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed amendment covering this same material is published in this issue of the Missouri Register.

Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the Missouri and United States Constitutions. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

EMERGENCY RULE

20 CSR 500-7.130 Insurance and Closing Protection Form Filings

PURPOSE: This regulation prescribes requirements for forms to be used in this state and filing procedures with the director.

EMERGENCY STATEMENT: This emergency rule outlines filing requirements for title insurance commitments, policies, closing protection forms and other forms. This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that the public, title insurers, title agencies and title agents understand the requirements outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional

(1) Title Insurance Commitments, Policies and Other Forms.

(A) No title insurer in this state shall issue or agree to issue any standard form of title insurance binder, title insurance commitment, preliminary report, title insurance policy, title insurance form endorsement, other contract of title insurance or any related form unless the forms have been filed with the director as required by section 381.085, RSMo. A form is standard if the form is to be applied in more than one (1) instance. The filing must be received by the director at least thirty (30) days before the use of the form.

(B) No policy, standard form endorsement or simultaneous instrument which provides title insurance coverage shall be issued unless it contains the premium collected for the issuance of the policy as calculated from the filed risk rate for the policy.

(2) Closing Protection Letters.

(A) No title insurer, agency or agent in this state shall issue or agree to issue a closing protection letter unless the form has been filed with the director as required by section 381.085, RSMo. The filing shall be received by the director at least thirty (30) days before the use of the form.

(B) The terms of coverage of closing protection letters used to satisfy the requirements of section 381.022.5 or 381.058, RSMo, shall be consistent with the applicable Closing Protection Letter form (Form T-8 or Form T-9), or any form that substantially comports with the specified form, approved by the director in rule 20 CSR 500-7.030. Any such form may be modified by the insurer by

striking the two (2) provisions that limit liability to five (5) million dollars.

(3) Filing Fees. The filing fee for forms filed under this rule is fifty dollars (\$50) per filing as required by section 374.230(5), RSMo.

(4) Insured closing letters issued pursuant to sections 381.400 to 381.405, RSMo, are not closing protection letters for purposes of this rule. Insured closing letters shall not be used to satisfy the requirements of section 381.022.5 or 381.058, RSMo. Insured closing letters are not required to be filed with the director under section 381.085, RSMo, unless a fee is charged for the insured closing letter.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.118, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule covering this same material is published in this issue of the Missouri Register.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 500—Property and Casualty
Chapter 7—Title**

EMERGENCY AMENDMENT

20 CSR 500-7.200 Standards For Policy Issuance. The department is removing section (4) and Appendices A, B and C from the rule and amending the Purpose clause and sections (2) and (3) of this rule.

PURPOSE: This amendment will eliminate the incorporation of forms in the rule and adopt the forms by reference and eliminate a redundant provision.

PURPOSE: This rule implements section 381.071, RSMo [(Cum. Supp. 1989)] 2000 relating to the duties of a title insurance company before writing a title insurance policy.

EMERGENCY STATEMENT: This emergency amendment outlines the duties of a title insurance company before writing a title insurance policy. This emergency amendment is necessary to preserve the public welfare of Missouri citizens by ensuring that the public, title insurers, title agencies and title agents understand the requirements outlined in the title insurance laws and Senate Bill 66, Laws 2007 as well as the correct forms to use to do required reporting. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. During the last several months leading up to the effective date of Senate Bill 66, the Department of Insurance has received an increased amount of calls from such insurers, agencies and agents regarding reporting forms and any changes resulting from this legislation. The forms which are the subject of this emergency amendment were not directly changed by Senate Bill 66, but the need for clarification regarding these forms and increased industry attention and confusion regarding them is a direct result of industry discussions relating to Senate Bill 66. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency amendment is limited to the conditions creating the emergency and complies with the protections extended in the Missouri and United States

Constitutions. In developing this emergency amendment, representatives of the insurance industry were consulted. The department believes this emergency amendment is fair to all interested persons and parties under the circumstances. This emergency amendment was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.

(2) Exceptions.

(A) An attorney licensed to practice law in this state is not required to base an examination of title upon a set of records geographically indexed if s/he [is] personally [responsible for the inspection of] **inspected** the best title evidence available.

(3) Documentation.

(C) The written statement required by subsection (3)(A) of this regulation shall [follow the form as exemplified by Appendix A which follows] **conform to the Verification of Examination of Title form (Form T-10), or any form that substantially comports with the specified form.**

(D) If a title insurance company, agent or agency performs or causes to perform examinations of titles in the same manner for each and every title insurance policy issued, that company, agent or agency may file, in place of the requirements of subsections (3)(A)-(C) of this rule with the director [of the Department of Insurance], an [affidavit stating the place] **Examination Location Affidavit form (Form T-11), or any form that substantially comports with the specified form, describing** where examinations of titles are conducted and the specific reasons why any exceptions, if any, as stated in section (2) of this regulation are followed. A copy of [the affidavit] **a completed Form T-11** shall be posted in the office of the agency or agent in a conspicuous place for public view. Any deviation from an examination of title as described by [the affidavit] **Form T-11** shall require compliance with subsections (3)(A)-(C) of this rule. The filing of [the affidavit] **Form T-11, or any form that substantially comports with the specified form,** shall be accompanied by a fifty-dollar (\$50) filing fee as mandated by section 374.230[(6)](5), RSMo, [(Cum. Supp. 1989)] if made by an insurance company. Otherwise, no filing fee is mandated.

(E) The [Missouri Department of Insurance] **director** shall maintain a Missouri title plant registry. Any entities which can be defined as a title plant pursuant to section 381.031(22), [Revised Statutes of Missouri] **RSMo Supp. 1989,** shall **annually** file with the [Missouri Department of Insurance] **director** a registration statement in a **Title Plant Registration form [as exemplified by Appendix C which follows] (Form T-12), or any form that substantially comports with the specified form.** No filing fee is mandated.

(F) **The forms referenced in subsections (3)(C)-(3)(E) can be accessed at the department's website at www.insurance.mo.gov or at the department offices.**

[(4) Discipline for Violation. The director of the Missouri Department of Insurance may institute disciplinary action for violations of this regulation in accordance with the provisions of section 375.141, RSMo (1986) and any other applicable law.]

*[APPENDIX A
Verification Of The Examination Of Title*

1. *Name and residential address of person performing examination of title—*

2. *Location of property subject to examination of title—*

3. *Date examination completed—*

4. *Place where examination conducted—*

5. *Was set of records used in examination geographically indexed?*

_____ *Yes*

_____ *No*

6. *If answer in question 4. was no, explain the reasons why.*

7. *Title insurance policy number (if issued)—*

The undersigned hereby verifies the information stated herein is true and correct.

Signature of Examiner

Date

APPENDIX B
Affidavit

Persons (or Persons) conducting title searches-

Names

Address

Name of title insurance companies for which title searches are conducted-

Location of set of records where title searches conducted by each county where title insurance policy is issued-

Is set of records for the title search geographically indexed for each county? How many years for a continuous period of time?

County _____	County _____	County _____	County _____
_____ Yes	_____ Yes	_____ Yes	_____ Yes
_____ No	_____ No	_____ No	_____ No
How many years _____	How many years _____	How many years _____	How many years _____

If no, state reasons why for each no answer-

State of Missouri

County of _____

I, _____, an individual charged with conducting title searches for the (*name of entity conducting the searches*), first being duly sworn, do hereby on my oath state that the information contained in the above document relating to title searches is accurate and correct to the best of my knowledge. I, furthermore state on my oath that I have caused an original copy of this document to be filed with the Missouri Department of Insurance and a copy of same to be displayed in the office of (*name of entity conducting title search*) in a conspicuous place for public view.

(Print name of signature)

Subscribed and sworn to before me this _____ day of _____, _____. I am commissioned as a notary public within the County of _____, State of Missouri, and my commission expires on _____.

Notary Public

APPENDIX C
Annual Registration of Title Plant
(One registration for each county)

1. Name of plant: _____
 Name of owner: _____ Incorporated? _____
 Address: _____

 Telephone no.: _____
 County of coverage: _____
2. Organization of plant.
- a. Is the plant geographically indexed? _____
- b. Does the plant index —
1. Judgments
 2. Mechanics liens
 3. County taxes
 4. Municipal taxes
 5. Public utility easements prior to 45 years
 6. Public utility assessments
 7. Subdivision and condominium assessments
- c. How many years does your plant cover? _____
- d. Does your plant duplicate the records of the Recorder of Deeds? _____ of the Circuit Clerk? _____
3. Is the plant open to use by licensed title insurance agents not affiliated with or employed by the plant? _____
- a. Physical access to the plant? _____
- b. Access by computer modem? _____
4. If the answer to 3 is "yes"—
- a. What is the charge for each use? _____
- b. How was this charge determined? _____
5. If the answer to 3 is "yes"—
- a. Is there any time delay between the request and actual admission to the plant? _____
- b. Average time delay? _____
 Maximum? _____
 Minimum? _____
- c. Does the time delay vary according to the time of the year? _____

- 6. Does the Recorder of Deeds maintain a geographical index? _____
- 7. Does the County Assessor designate each parcel by a locator or other number? _____
- 8. Do you carry errors and omissions insurance? _____
 - a. Name of carrier _____
 - b. Policy limits _____
 - c. Deductible _____
- 9. How many licensed title insurance agents do you employ? _____

This statement was prepared by:

Name: _____

Address: _____

_____ Date

_____ Signature

AUTHORITY: section[s] 374.045, RSMo 2000 and sections [381.031(22) and 381.231, Supp. 1998 and 381.071, RSMo 1994] 381.042 and 381.118, RSMo Supp. 2007. This rule was previously filed as 4 CSR 190-20.060. Original rule filed Dec. 1, 1989, effective June 29, 1990. Amended: Filed April 23, 1999, effective Nov. 30, 1999. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule covering this same material is published in this issue of the Missouri Register.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION
Division 700—Insurance Licensing
Chapter 8—Title Agencies and Title Agents**

EMERGENCY RULE

20 CSR 700-8.100 Applications for License

PURPOSE: This rule prescribes the information to be contained in, and the documents to accompany, applications for license as title agency and title agent.

EMERGENCY STATEMENT: This emergency rule outlines the information to be contained in, and the documents to accompany, applications for license as title agency and title agent. This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that title insurers, title agencies and title agents understand the requirements of licensure as outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new licensing requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the Missouri and United States Constitutions. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.

(1) Application Forms. The following forms have been adopted and approved for filing with the department:

- (A) The Uniform Application for Individual Insurance Producer License form (Form UA-IP), adopted by the NAIC on May 10, 2006, or any form which substantially comports with the specified form;
- (B) The Uniform Application for Business Entity Insurance Producer License form (Form UA-BEP), adopted by the NAIC on May 10, 2006, or any form which substantially comports with the specified form; and
- (C) The report of agency’s owners, any ownership interests in other persons or businesses, and all material transactions between the parties under section 381.029.3, RSMo (Form T-AB), revised on January 1, 2008, or any form which substantially comports with the specified form.

(2) Application and Fees. Application for licensure as a title agent or title agency shall contain the information and requirements outlined for insurance producers in sections 375.015 to 375.018, RSMo, and this rule and may be submitted by electronic means to the National Insurance Producer Registry (NIPR) or other system(s) as the director may designate.

- (A) Initial Licensure.
 - 1. Resident Title Agent/Individual Insurance Producer:
 - A. A completed Form UA-IP; and
 - B. One hundred dollar (\$100) application fee.
 - 2. Nonresident Title Agent/Individual Insurance Producer:
 - A. A completed Form UA-IP; and
 - B. One hundred dollar (\$100) application fee.
 - 3. Resident Title Agency/Business Entity Insurance Producer:
 - A. A completed Form UA-BEP;
 - B. One hundred dollar (\$100) application fee;
 - C. Designation of a qualified principal;
 - D. List of Missouri-licensed title agents conducting business on behalf of the title agency;
 - E. Domestic corporations, limited liability companies, or limited liability partnerships must include a certificate of good standing, certificate of incorporation, or certificate of organization issued by the secretary of state and dated within the past year. Partnerships must include a copy of the fictitious name registration as issued by the secretary of state; and
 - F. A completed Form T-5.
 - 4. Nonresident Title Agency/Business Entity Insurance Producer:
 - A. A completed Form UA-BEP;
 - B. One hundred dollar (\$100) application fee;
 - C. Designation of a qualified principal;
 - D. List of Missouri-licensed title agents conducting business on behalf of the title agency;
 - E. Corporations, limited liability companies, limited liability partnerships or other entities must include a certificate of good standing, certificate of incorporation, or certificate of organization issued

by the state of residency and dated within the past year; and

F. A completed Form T-5.

(B) Renewal Application.

1. Title Agents/Individual Producers:

A. An updated Form UA-IP. If applying for renewal through NIPR, the application is deemed submitted at the time of fee payment pursuant to the producer's continuing duty to amend the application in sections 375.018 and 375.141, RSMo; and

B. One hundred dollar (\$100) application fee.

2. Title Agencies/Business Entity Producers:

A. An updated Form UA-BEP. If applying for renewal through NIPR, the application is deemed submitted at the time of fee payment pursuant to the producer's continuing duty to amend the application in sections 375.018 and 375.141, RSMo;

B. One hundred dollar (\$100) application fee;

C. List of Missouri-licensed producers conducting business on behalf of the business entity; and

D. A completed Form T-5.

(C) Provisional Title Agent Licensure.

1. An employee of a licensed title agent or title insurer under the direct supervision of a licensed title agent may apply for a provisional title agent license by submitting the following:

A. A completed Form UA-IP;

B. One hundred dollar (\$100) application fee; and

C. An acknowledgment that:

(I) The applicant's initial employment or initiation of new functions requiring a title agent license has been within the past six (6) months;

(II) The applicant is under the direct supervision of a licensed title agent; and

(III) Unless the examination requirement of 20 CSR 700-8.150 is met within the six (6) months of the applicant's initial employment or initiation of new functions requiring a title agent license, the provisional license will expire.

2. If the title agent takes and passes within six (6) months of the agent's initial employment or initiation of new functions requiring license the examination required under 20 CSR 700-8.150, the director will grant a full license under this rule without a renewed application or additional fee.

3. If the title agent fails to take and pass within six (6) months of the agent's initial employment (or initiation of new functions requiring license) the examination required under 20 CSR 700-8.150, the provisional license may be summarily cancelled by the director.

(D) All fees must be paid by cashier's check, money order, company check or electronic funds transfer. Fees submitted with electronic applications shall be paid by electronic funds transfer, credit card or other methods approved by the director or the director's designee under this rule.

(E) Application and renewal fees are not refundable if an application is refused by the director under section 375.141, RSMo, or withdrawn by the applicant.

(3) Failure to Timely Apply for Renewal. If a producer fails to file for a license renewal on or before the license expiration date, the director may issue a renewal of the license upon payment of a late renewal fee of twenty-five dollars (\$25) per month or fraction of a month after the renewal deadline in addition to the renewal fee designated in subsection (2)(B) of this rule. In the alternative to payment of a late renewal fee, the former licensee may apply for a new license except that the former licensee must comply with all provisions of sections 375.015 and 381.118, RSMo regarding issuance of a new license.

(4) Availability of Forms. The department, upon request, will supply in printed format the forms listed in this rule. Accurate reproduction of the forms may be utilized for filing in lieu of the printed forms.

All application forms referenced herein are available at <http://www.insurance.mo.gov>.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.115, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule covering this same material is published in this issue of the Missouri Register.

**Title 20—DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND PROFESSIONAL
REGISTRATION**

**Division 700—Insurance Licensing
Chapter 8—Title Agencies and Title Agents**

EMERGENCY RULE

20 CSR 700-8.150 Examination Requirements

PURPOSE: This rule prescribes the examination requirements for title agents and qualified principals of title agencies.

EMERGENCY STATEMENT: This emergency rule outlines the examination requirements for title agents and qualified principals. This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that title insurers, title agencies and title agents understand the exam requirements as outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new licensing requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the Missouri and United States Constitutions. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.

(1) Title Agents. Before an individual may be licensed as a title agent, the applicant must first take and pass the Missouri Title Agent Examination, approved by the director, testing both the individual's knowledge regarding title services, title insurance, real estate closings, and title insurance statutes and regulations. The examination must be taken and passed prior to submitting an application for a title agent license to the department.

(2) Title Agency Qualified Principals. Before a business entity may be licensed as a title agency, the applicant must designate a qualified principal who has taken and passed the Missouri Title Agency Qualified Principal Examination, approved by the director, testing the individual's knowledge regarding title services, title insurance, real estate closings, and title insurance statutes and regulations. The examination must be taken and passed by the qualified principal prior to submitting an application for a title agency license to the department.

(3) Testing Service. The department contracts with an independent testing service, which administers the examinations referred to in this rule. In order to take an examination, an individual must register and pay the appropriate fee to the independent testing service designated

by the director. Instructions may be obtained from the independent testing service or the department.

(4) Time Limitation. Once an individual has passed an examination, the applicant has one (1) year from the date of the examination in which to submit an application for licensure to the department. If an applicant fails to submit an application for licensure to the department within this time period, the applicant must take and pass the examination again before the applicant may be licensed.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.118, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule covering this same material is published in this issue of the Missouri Register.

**Title 20—DEPARTMENT OF INSURANCE,
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**Division 700—Insurance Licensing
Chapter 8—Title Agencies and Title Agents**

EMERGENCY RULE

20 CSR 700-8.160 Continuing Education

PURPOSE: This rule sets out the continuing education requirements for title agents and qualified principals of title agencies.

EMERGENCY STATEMENT: This emergency rule outlines the continuing education requirements for title agents and qualified principals. This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that title insurers, title agencies and title agents understand the continuing education requirements for title agents and qualified principals as outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new licensing requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 took effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the Missouri and United States Constitutions. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008, effective January 28, 2008, expires July 25, 2008.

(1) Title Agent. All natural persons licensed as title insurance producers with the department must complete during any two (2)-year licensure period courses or programs of study equivalent to a minimum of eight (8) hours of instruction before the producer license may be renewed by the director.

(2) Qualified Principal of Title Agency. Since a qualified principal must be licensed as a title agent in order to be designated as a qualified principal, compliance with the continuing education requirements for title agents in section (1) of this rule satisfies the continuing education requirement for the qualified principal.

AUTHORITY: section 374.045, RSMo 2000 and sections 381.042 and 381.118, RSMo Supp. 2007. Emergency rule filed Jan. 16, 2008, effective Jan. 28, 2008, expires July 25, 2008. A proposed rule covering this same material is published in this issue of the Missouri Register.