

**Rules of  
 Department of Insurance  
 Division 500—Property and Casualty  
 Chapter 7—Title**

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## Title 20—DEPARTMENT OF INSURANCE

### Division 500—Property and Casualty Chapter 7—Title

#### 20 CSR 500-7.100 Forms and Rate Schedules

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

(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) Filing of Title Insurance Rates.

(A) Every title insurer licensed in Missouri shall file with the director 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. 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 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)

(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.

*Auth sections 374.045, RSMo (1986) and 381.181, 381.211 and 381.231, RSMo (Cum. Supp. 1989). 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.*



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

Table with 12 columns: Description of Risk Amount, Original Title Insurance For Owners and Leasehold Owners Policies, Reissue Title Insurance For Owners and Leasehold Owner Policies, Title Insurance For Conversion Of Contract Purchaser's And Leasehold Policies, Original Title Insurance For Loan Policies, Reissue Title Insurance For Loan Policies, Title Insurance For Owners Or Leasehold Policies Upon Acquisition In Satisfaction Of Debt, Title Insurance For Substitution, Simultaneous Issue Policies, Title Insurance For Builder/ Developer (Subdepartment Rates), Other, Other.

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

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- <sup>1</sup>“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.
- <sup>2</sup>“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.
- <sup>3</sup>“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.
- <sup>4</sup>“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.
- <sup>5</sup>“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.
- <sup>6</sup>“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.
- <sup>7</sup>“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.
- <sup>8</sup>“Simultaneous Issue Policies” means an owner’s and a mortgagee’s policy(ies) covering identical land which are issued simultaneously.
- <sup>9</sup>“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.

**20 CSR 500-7.200 Standards For Policy Issuance**

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

(1) Examination of Title. Before a title insurance policy is written, the title insurer or its licensed agent shall cause a search of the title which is to be insured. The search of the title shall be based upon evidence prepared from a current set of records maintained in order to show all matters affecting the title to the property or interest which is to be insured for a continuous period of not less than the immediate past forty-five (45) years, except for the time table allowed by section 381.071.1(1), RSMo (Cum. Supp. 1989) for a gradual compliance. The set of records used in the search of the title shall be indexed geographically and shall encompass all properties in the county for which the set of records is maintained.

(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 the best title evidence available.

(B) If a set of records geographically indexed is not in existence in the county where the property subject to examination of title is located, the title insurance policy shall be based upon the best title evidence available.

(C) If evidence for an examination of title cannot be obtained from a set of records geographically indexed at a reasonable charge or within a reasonable period of time, the title insurance policy shall be based upon the best title evidence available.

(D) The best title evidence available is that evidence which a reasonable and prudent person would depend upon in the conduct of his/her own affairs as determined by the circumstances in existence in the county where the subject property is located.

(3) Documentation.

(A) The individual who performed the examination of title on behalf of the title insurer shall verify in a written statement where s/he obtained the evidence used in the examination of title. If the title examiner followed any of the exceptions as stated in section (2) of this regulation, s/he shall state in the written statement, in clear and specific terms, the reasons for following any exception.

(B) The written statement required by subsection (3)(A) of this regulation shall be placed in and made a part of the title insurance

company's files or that of its agent or agency for a period of not less than fifteen (15) years after the title insurance policy has been issued.

(C) The written statement required by subsection (3)(A) of this regulation shall follow the form as exemplified by Appendix A which follows.

(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 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 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 shall require compliance with subsections (3)(A)—(C) of this rule. The filing of the affidavit shall be accompanied by a fifty-dollar (\$50) filing fee as mandated by section 374.230(6), RSMo (Cum. Supp. 1989) if made by an insurance company. Otherwise, no filing fee is mandated.

(E) The Missouri Department of Insurance 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* shall file with the Missouri Department of Insurance a registration statement in a form as exemplified by Appendix C which follows. No filing fee is mandated.

(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.

*Auth: sections 374.045, RSMo (1986) and 381.031(22), 381.071 and 381.231, RSMo (Cum. Supp. 1989). This rule was previously filed as 4 CSR 190-20.060. Original rule filed Dec. 1, 1989, effective June 29, 1990.*

**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

Person (or Persons) conducting title searches—

Name

Address

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

Name of title insurance agency or title insurance agent(s) 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 Yes No How many years
County Yes No How many years
County Yes No How many years
County Yes No 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 19. 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: \_\_\_\_\_
- Address: \_\_\_\_\_
- Telephone no.: \_\_\_\_\_
- County of coverage: \_\_\_\_\_
- Incorporated? \_\_\_\_\_
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