

**2008 Rules Adopted by TDI
TLTA Analysis Chart**

New Requirements for Title Agents and Underwriters

Agenda Item	Title	Rule/Form	Description
Item 2008-19	Owner's Policy of Title Insurance	T-1	Amendment to the Owner's Policy of Title Insurance (T-1) to remove indemnity language, thus ending the right of reimbursement for defense costs from insured for defense of uninsured claims by the Title Company.
Item 2008-20	Loan Policy of Title Insurance	T-2	Amendment to the Loan Policy of Title Insurance (T-2) to remove indemnity language, thus ending the right of reimbursement for defense costs from insured for defense of uninsured claims by the Title Company.
Item 2008-30	Title Insurance Basic Manual – Administrative Rules – Title Insurance Agent	L-1	Amendment to Administrative Rule L-1 to provide that an underwriter may cancel an agent's license for cause without meeting the required advance notice of 30 days . The Department added a new requirement to specify that if the company is the sole underwriter at the time of cancellation then the underwriter must submit an orderly plan for the winding down of the title agent's operations that is in compliance with Administrative Rule D-1.
Item 2008-44	Ceasing Operations by Agents and Direct Operations	D-1	Amendment to the Requirements for Ceasing Operation by Agents and Direct Operations (D-1) administrative rule in Section VI of the Basic Manual to add to requirements of ceasing operation by agents or direct operations and to update statutory references in the rule. The agent must present a final accounting to each underwriter, and the agent must create a plan for winding down and review this plan every year.

Item 2008-46	Reasonable Time for Furnishing Title Evidence	P-25	Amendment to the Reasonable Time for Furnishing Title Evidence (P-25) procedural rule in Section IV of the Basic Manual to provide a requirement for title agents and direct operations to maintain auditable records and documents that demonstrate compliance with the rule and to update statutory references in the rule.
Item 2008-53	Title Insurance Escrow Officer	L-2	Amendment to the Title Insurance Escrow Officer (L-2) rule in Section VI of the Basic Manual to provide a procedure for a title agent or direct operation to notify the Department upon a change of name of a licensed escrow officer and to update statutory references in the rule.

New Options for Title Agents and Underwriters

<p>Item 2008-14</p>	<p>Electronically Produced, Filed or Recorded Forms, Instruments or Documents</p>	<p>P-17</p>	<p>Amendment to Procedural Rule P-17 to allow a pass-through to consumers of electronic filing fees in accordance with HB 3073, as enacted by the 81st Legislature, Regular Session, effective January 1, 2010.</p>
<p>Item 2008-15</p>	<p>Minimum Standards, Specific Instructions and Report Forms for Audit of Trust Funds Required of Texas Title Insurance, Direct Operations, Title Attorneys, and Attorneys Licensed as Escrow Officers</p>		<p>An amendment to Specific Areas and Procedures 5 of the Minimum Standards to allow a pass-through to consumers of tax search service fees and certain notary fees in accordance with HB 3073, as enacted by the 81st Legislature, Regular Session, effective January 1, 2010.</p>
<p>Item 2008-23</p>	<p>Cancellation Fees: Fees for Services Rendered</p>	<p>P-70</p>	<p>New Procedural Rule (P-70) titled, Cancellation Fees; Fees for Services Rendered, to define and prohibit cancellation fees and to otherwise allow fees for furnishing title evidence or furnishing title evidence and examination in a P-24 transaction which does not close.</p>
<p>Item 2008-30</p>	<p>Title Insurance Basic Manual – Administrative Rules – Title Insurance.</p>	<p>L-1</p>	<p>An amendment to Administrative Rule L-1 to provide that an underwriter may cancel an agent’s license for cause without meeting the required advance notice of 30 days. It includes a new requirement to specify that if the company is the sole underwriter at the time of cancellation then the underwriter must submit an orderly plan for the winding down of the title agent’s operations that is in compliance with Administrative Rule D-1.</p>

New Products

Item 2008-6	Texas Limited Coverage Residential Chain of Title Policy Combined Schedule	T-53	A new form to provide for a Limited Coverage Residential Chain of Title Policy (T-53). This is a new product available only for residential properties and to institutional lenders, mortgage bankers, and insurers. This product will be available only when a rate has been established. No rate has been established.
Item 2008-7	Texas Limited Coverage Residential Chain of Title Policy	P-71	A new Procedural Rule (P-71) relating to the Limited Coverage Residential Chain of Title Policy (T-53). This is a new product available only for residential properties and to institutional lenders, mortgage bankers, and insurers.
Item 2008-21	Non-Imputation Endorsement	T-24.1	A new form (T-24.1) titled Non-Imputation Endorsement (Mezzanine Financing) to allow non-imputation coverage provided in paragraph 4 of the Owner's Policy to be assigned by the Insured to a Mezzanine Lender. This is a new product equivalent to ALTA 16-06. This product will be available only when a rate has been established. No rate has been established.
Item 2008-28	Non-Imputation Endorsement	P-55	Amendment to P-55 to provide that the Non Imputation Endorsement (Mezzanine Financing) (T-24.1) be issued In accordance with the same procedural provisions currently set forth by the rule for the Non-Imputation Endorsement (T-24). This is a new product equivalent to ALTA 16-06.

Item 2008-39	Contiguity Endorsement Form	T-25.1	A new Contiguity Endorsement (T-25.1) not require the contiguous boundary lines of the various parcels of land to be specifically identified. This is a new form for providing contiguity coverage.
Item 2008-38	Contiguity Endorsement (T-25.1)	P-56	Amendment to Procedural Rule P-56 providing that the new Contiguity Endorsement (T-25.1) may be issued when the covered land is composed of 4 or more parcels or of irregularly shaped parcels. This new product only applies to non-residential property.

Rule Clarifications

<p>Item 2008-22</p>	<p>Issuance of Insured Closing Letters</p>	<p>P-69</p>	<p>New Procedural Rule (P-69) titled Issuance of Insured Closing Letters to prohibit the issuance of Insured Closing Letter by attorneys who are not licensed as escrow officers (Rule P-22 attorneys). This rule clarifies a TDI prohibition of this practice.</p>
<p>Item 2008-40</p>	<p>Reorganization of Procedural Rule P-29 for Inclusion in Procedural Rule P-20 and Additional Amendments to Procedural Rule P-20</p>	<p>P-20</p>	<p>Amendment to Procedural Rule P- 20 to incorporate P-20, P-29 and Bulletin 153, all pertaining to insuring taxes, into a single procedural rule. This change makes the information more user friendly and easier to find and provides guidance to a Company as to what may or may not be done regarding the standard tax exception and the practice of insuring taxes. Additionally, a conforming change has been made to the title of Rate Rule R-24 to read “Applicable only as provided in Procedural P-20C” because Procedural Rule P-29 has been merged with Procedural Rule P-20. This rule change places all of the rules relative to the treatment of taxes in one place and clarifies the existing rules.</p>

ALTA Conformity

Item 2008-24	Insured Closing Service		Amendment to the Insured Closing Service form (T-50) to substantially conform to the ALTA Standard Closing Protection Letter except however, it maintains the current two year coverage period.
Item 2008-25	Co-Insurance Endorsement	T-48	Amendment to the Co-Insurance Endorsement (T-48) to substantially conform to the ALTA Standard Co-Insurance - Single Policy Endorsement.
Item 2008-31	Future Advance/Revolving Credit Endorsement	T-35	Amendment to the Future Advance/Revolving Credit Endorsement (T-35) to substantially conform the language of the endorsement to the ALTA Future Advance Endorsement and to conform the language of the endorsement to the Loan Policy (T-2).
Item 2008-32	Leasehold Loan Policy Endorsement	T-5	Amendment to the Leasehold Loan Policy Endorsement (T-5) to conform the language of the endorsement to the ALTA Leasehold Loan Endorsement and to conform the language of the endorsement to the Loan Policy (T-2).

Item 2008-33	Leasehold Owner's Policy Endorsement	T-4	Amendment to the Leasehold Owner's Policy Endorsement (T-4) to conform the language of the endorsement to the ALTA Leasehold Owner's Endorsement and to conform the language of the endorsement to the Owner's Policy (T-1).
---------------------	--------------------------------------	-----	---

Housekeeping Items (Statutory Reference Updates, Typo Correction, Deletion of Unnecessary Language etc.)

Item 2008-1	Residential Real Property Affidavit	T-47	Amendment to the Residential Real Property Affidavit (Form T-47) to remove a duplicate reference to the title insurance company in paragraph 6 of the form.
Item 2008-2	Arbitration Provision	P-36	Amendment to Procedural Rule P-36 to allow for the deletion of the arbitration provision on Schedule A of the Loan Policy in order to make the rule consistent with the forms and to amend outmoded references to the Mortgagee and Owner Policy forms.
Item 2008-3	Contents of Schedule D to Commitment for Title Insurance	P-21	Amendment to Procedural Rule P-21 to conform the language of the rule with the language of the form by amending outmoded references relating to the Mortgagee and Owner Policy forms and to amend an outmoded reference to the State Board of Insurance.
Item 2008-4	Endorsement of Owner's or Loan Policies	P-9.b (8)	Amendment to Procedural Rule P-9.b(8) to conform the language of the rule with the newly named Future Advance/Revolving Credit Form (T-35) and to delete the redundant instruction that that the Loan Policy show by endorsement that the lien being insured secures a revolving credit type of indebtedness.

Item 2008-5	P-9.b(6) Endorsement of Owner's or Loan Policies	P-9.b(6)	Amendment to Procedural Rule P-9.b(6) to conform the language of the rule with the language of the previously re-named Variable Rate Mortgage Endorsement (T-33) and the Variable Rate Mortgage-Negative Amortization Endorsement (T-33.1).
Item 2008-8	Assignment of Rents/Leases Endorsement	T-27	Amendment to the Assignment of Rents/Leases Endorsement (T-27) to correct typographical errors .
Item 2008-9	Forms T-1R, T-2R, and T-13	T-1R T-2R T-13	Amendment to the Texas Residential Owner Policy of Title Insurance — One-To-Four Family Residences (T-1R), the Texas Short Form Residential Mortgagee Policy of Title Insurance (T-2R), and the Mortgagee Title Policy Binder on Interim Construction Loan (T-13) to conform with the language of the Owner's Policy (T-1) and the Loan Policy (T-2) by changing the term "Owner" to "Owner's" and changing the term "Mortgagee" to "Loan."
Item 2008-10	Name of Insured on Loan Policy of Title Insurance or Proposed Insured on Commitment for Loan Policy of Title Insurance	P-7	Amendment to Procedural Rule P-7 to change the language in paragraphs B and C to conform with the language of the Owner's Policy (T-1) and the Loan Policy (T-2) and the proposed changes to the Texas Residential Owner Policy of Title Insurance — One-To-Four Family Residences (T-1 A), the Texas Short Form Residential Mortgagee Policy of Title Insurance (T-2R), and the Mortgagee Title Policy Binder on Interim Construction Loan (T-13).

Item 2008-11	Loan Policy of Title Insurance Form - SCHEDULE B	T-2	Amendment to Schedule B of the Loan Policy (T-2) to correct a typographical error .
Item 2008-12	Loan Policy of Title Insurance Form	T-2	Amendment to Schedule A of the Loan Policy (T-2) to remove the redundant Tax Deletion Endorsement (T-30) from the list of optional endorsements on Schedule A and to remove language from Schedule A regarding deleting provisions from affected endorsements, which will require such deletions to be included as a special exception on Schedule B of the commitment.
Item 2008-13	Commitment for Title Insurance Form	T-7	Amendment to the Deletion of Arbitration Provision of the Commitment for Title Insurance (T-7) to increase the threshold amount for arbitral matters to \$2 million to conform with the language of Procedural Rule P-36.
Item 2008-16	Commitment for Title Insurance Form	T-7	Amendment to the Commitment for Title Insurance (Form T-7) to conform the language of the form with the changed names of the policies referenced therein.
Item 2008-26	The Last Dollar Endorsement	T-15	Rescission of the Last Dollar Endorsement (T-15) in its entirety.
Item 2008-27	P-9 Endorsement of Owner's or Loan Policies	P-9	Amendment to Procedural Rule P-9 to remove the procedure for issuance of the Last Dollar Endorsement (T-15) , which was also rescinded.

Item 2008-37	P-54. Access Endorsement (T-23)	P-54	An amendment to Procedural Rule P-54, titled Access Endorsement to remove redundant language and update the language.
Item 2008-41	Section VI, Title Insurance Basic Manual – Administrative Rules	L-1	An amendment to the Title Insurance Agent (L-1) administrative rule in Section VI of the Basic Manual to update statutory references in the rule.
Item 2008-42	Audit and Review of Agent/Direct Operation Escrow and Trust Accounts	G.2	An amendment to the Audit and Review of the Agent/Direct Operations Escrow and Trust Accounts (G.2) administrative rule in Section VI of the Basic Manual to update statutory references in the rule.
Item 2008-43	Policy Guarantee Fee Remittance Form (T-G1)	T-G1	An amendment to the Policy Guaranty Fee Remittance (T-G1) form in Section V of the Basic Manual to update the policy guaranty fee amount shown on the remittance form to reflect the correct amount due for each policy.
Item 2008-47	Statement of Assessment Received From and Recoupments Distributed to Title Insurance Company (Form T-G3)	T-G3	Amendment to the Statement of Assessment Received from and Recoupments Distributed to Title Insurance Company (T-G3) form in Section V of the Basic Manual. This item simply updates the date reference on the form.
Item 2008-48	Guaranty Assessment Recoupment Charge Remittance Form (T-G2)	T-G2	Amendment to the Guaranty Assessment Recoupment Charge Remittance (T-G2) form in Section V of the Basic Manual. This item updates the date and mailing address on the form.

Item 2008-49	Supplemental Coverage Manufactured Housing Unit Endorsement Form (T-31.1)	T-31.1	Amendment to the Supplemental Coverage Manufactured Housing Unit Endorsement (T-31.1) in Section II of the Basic Manual to remove a reference to “serial number” in the form and to insert a reference to the “policy number.” The item corrects a typo in the Basic Manual.
Item 2008-50	Leasehold Loan Policy Endorsement Form (T-5)	T-5	Amendment to the Leasehold Mortgagee Policy Endorsement (T-5) in Section II of the Basic Manual to remove a reference to “serial number” in the form. This item corrects a typo in the Basic Manual.
Item 2008-51	Leasehold Owner’s Policy Endorsement Form (T-4)	T-4	Amendment to the Leasehold Owner Policy Endorsement (T-4) in Section II of the Basic Manual to remove a reference to “serial number” in the form. This item corrects a typo in the Basic Manual.
Item 2008-52	Section VI, Title Insurance Basic Manual ADMINISTRATIVE RULES*** G-1. Policy Guarantee Fee	G.1	Amendment to the Policy Guaranty Fee (G.1) administrative rule in Section VI of the Basic Manual to update statutory references in the rule. This item updates a statutory reference in rule.

<p>Item 2008-54</p>	<p>Texas Title Insurance Statistical Plan</p>	<p>N/A</p>	<p>Amendments to the Statistical Plan to provide Rate Code references and to add statistical reporting codes for the following: (i) new Co-Insurance Endorsement (T-48), (ii) new personal property title insurance forms and endorsements, (iii) new Texas Limited Coverage Residential Chain of Title Policy Form (T-53), (iv) new Minerals and Surface Damage Endorsements (T-19.2 and T-19.3), (v) the Restrictions, Encroachments, Minerals Endorsement-Owner's Policies (T-19.1), (vi) the new Non-Imputation Endorsement (Mezzanine Financing) (T-24.1), and (vii) the new Contiguity Endorsement (T-25.1) This is the comprehensive item to update the statistical plan and provide rate codes for new products.</p>
----------------------------	---	------------	---