

## EXHIBIT C

### **R-8. Loan Policy on a Loan to Take Up, Renew, Extend, or Satisfy an Existing Lien(s)**

When a Loan Policy is issued on a loan that fully takes up, renews, extends, or satisfies one or more existing liens that are already insured by one or more existing Loan Policies, the new Loan Policy must be in the amount of the note of the new loan. The premium for the new Loan Policy is reduced by a credit. The credit is calculated as follows:

- A. Calculate the Basic Premium on the written payoff balance of the existing loan or the original amount of that loan, whichever is less; and
- B. Multiply by the percentage below for the time from the existing Loan Policy date to the new Loan Policy date:
  1. 50% when four years or less;
  2. 25% when more than four years but less than eight years; or

After eight years from the date of the Loan Policy insuring the existing loan, the Basic Rate must apply.

The premium for the new Loan Policy is the Basic Premium less the credit; but not less than the minimum Basic Premium.

The credit does not apply if any property not covered in the existing Loan Policy(ies) is included in the new Loan Policy.

When the existing Loan Policy(ies) included more than one chain of title, and the new Loan Policy also includes one or more of the original chains of title, the minimum Basic Premium must be charged for each additional chain of title. (See Rate Rule R-9 for the definition of "additional chain.")

When two or more new Loan Policies are issued on multiple loans to fully take up, renew, extend, or satisfy an existing lien insured by a single Loan Policy, the premium for each new Loan Policy, is the Basic Premium. The credit calculated above must be applied to the premium for the largest Loan Policy. A credit must be given even if not all of the new loans are insured or if only one of the new loans is insured.

THIS RULE MAY NOT BE APPLIED in connection with the issuance of a series of Loan Policies issued by reason of notes being apportioned to individual units in connection with a master

2019 - 5980

Commissioner's Order  
2019 Texas Title Insurance Rate Hearing  
Docket No. 2812

Page 19 of 21

policy covering the aggregate indebtedness, including improvements. Except as otherwise provided in this rule, individual Loan Policies must be issued at the Basic Rate.