

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

IN RE: TITLE PARTNERS LLC)
SERVE: Title Partners LLC) Case No. 06 _____
13205 Manchester Rd., Ste. 100)
Des Peres, Missouri 63131)

STATEMENT OF CHARGES

The Division of Consumer Affairs of the Department of Insurance, Financial Institutions, and Professional Registration, by and through counsel, requests the Director of the Department of Insurance, Financial Institutions, and Professional Registration to issue a cease and desist order, order payment of a monetary penalty and order payment of costs of investigation based on the following statement of charges:

PARTIES

1. Title Partners LLC (hereinafter "Title Partners") is a title agency licensed to conduct title insurance business in Missouri (License Number AG8014856).
2. W. Dale Finke is the Director of the Department of Insurance, Financial Institutions, and Professional Registration (hereinafter, the "Director"). The Director has the duty to administer Chapters 374, 375, and 381, RSMo, which includes the

supervision, regulation, and discipline of title insurers and their agents licensed to operate and conduct business in the state of Missouri.

3. The Consumer Affairs Division of the Department of Insurance, Financial Institutions, and Professional Registration ("Consumer Affairs Division") has the duty of conducting investigations into the unfair or unlawful acts of insurance companies and agents under the insurance laws of this state and has been authorized by the Director to initiate this action before the Director to enforce the insurance laws of this state.

JURISDICTION

4. The jurisdiction of the Director to initiate and administer this proceeding is found in § 374.046.1, RSMo (Cum. Supp. 2006), which provides, in part:

If the director determines based upon substantial and competent evidence that a person has engaged, is engaging in or has taken a substantial step toward engaging in an act, practice, omission, or course of business constituting a violation of the laws of this state relating to insurance in this chapter, chapter 354, RSMo, and chapters 375 to 385, RSMo, or a rule adopted or order issued pursuant thereto or that a person has materially aided or is materially aiding an act, practice, omission, or course of business constituting a violation of the laws of this state relating to insurance in this chapter, chapter 354, RSMo, and chapters 375 to 385, RSMo, or a rule adopted or order issued pursuant thereto, the director may order the following relief:

- (1) An order directing the person to cease and desist from engaging in the act, practice, omission, or course of business;
- (2) A curative order or order directing the person to take other action necessary or appropriate to comply with the insurance laws of this state;
- (3) Order a civil penalty or forfeiture as provided in section 374.049; and
- (4) Award reasonable costs of the investigation.

5. Section 374.049, RSMo (Cum. Supp. 2006) authorizes the Director to impose a monetary penalty or forfeiture of not more than one thousand dollars (\$1,000) for each

violation which was knowingly committed or which resulted in actual financial loss to consumers, but not to exceed an aggregate penalty of fifty thousand dollars (\$50,000) per annum, unless the violation was committed in conscious disregard of the law, in which case the monetary penalty or forfeiture may be up to five thousand dollars (\$5,000) per violation but not to exceed an aggregate penalty of one hundred thousand dollars (\$100,000) per annum.

6. The Director also has jurisdiction to administer this proceeding pursuant to the Unfair Trade Practices Act, found in § 375.940, RSMo (2000), which provides, in part:

1. Whenever the director shall have reason to believe that any person or insurer has been engaged or is engaging in this state in any unfair method of competition or any unfair or deceptive act or practice, and that a proceeding by him in respect thereto would be to the interest of the public, he shall issue and serve upon such person or insurer a statement of the charges in that respect and a notice of hearing thereon to be held at a time and place fixed in the notice which shall not be less than twenty days after the date of service thereof.

7. In addition to the authority to issue a cease and desist order, § 375.942, RSMo, (2000) authorizes the imposition of a monetary penalty of not more than one thousand dollars (\$1,000) for each violation but not to exceed an aggregate penalty of one hundred thousand dollars (\$100,000), unless the violation was committed in conscious disregard of the law, in which case the penalty may be up to twenty-five thousand dollars (\$25,000) per violation but not to exceed an aggregate penalty of two hundred fifty thousand dollars (\$250,000) in a twelve month period.

8. This proceeding is to the interest of the public.

ALLEGATIONS RELEVANT TO ALL COUNTS

9. The allegations set forth in paragraphs 1-8 are realleged and incorporated herein by reference.

10. Title Partners, as a licensed title insurance agency, has negotiated and sold title insurance to real estate buyers and/or sellers on behalf of Old Republic National Title Insurance Company ("Old Republic") and Guarantee Title Insurance Company ("Guarantee"), and in conjunction with Title Partners's title insurance business, has determined the insurability of real estate title by conducting searches and examinations and clearing defects in title of the properties so insured.

11. Title Partners has also served as an escrow, settlement or closing agent and contributed to the preparation of real estate settlement documents intended to provide, prior to and during closing, disclosure of material facts relating to title insurance policies to all parties to the transactions, including the purchasers of title insurance and title search and examination services.

COUNT I

12. Title Partners violated § 381.181, RSMo (1994) by using and collecting premiums at rates that had not been filed with or approved by the Director.

13. Section 381.181.1, RSMo (1994), provides, in part:

Every title insurer shall file with the director its premium schedules it proposes to use in any county of this state.

14. Section 381.181.2, RSMo (1994) provides, in part:

No title insurer or title agent or agency may use or collect any premium after September 28, 1987, except in accordance with the premium schedules filed with the director as required by subsections 1 and 2 of this section.

15. Section 381.031(14) defines "Premium" as "risk rates charged to the insured."

16. Pursuant to 20 CSR 500-7.100(1)(D), "risk rate" means "the total consideration paid by or on behalf of the insured for a title insurance policy." It further states that "[r]isk rate shall include the title insurance agent's commission but shall not include any charge as defined in subsection (1)(A)."

17. Finally, the term "charge", pursuant to 20 CSR 500-7.100(1)(A), 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 is not limited to, fees for abstracts, title search and examination, handling of escrows, settlements or closings...."

18. The facts are as follows:

- a. Old Republic and Guarantee each filed premium rates with the Director as required by § 381.181.1, RSMo (1994), which rates were deemed effective or otherwise approved for use by any of their authorized agents at all times relevant hereto. A copy of the filed premium rates for Old Republic and Guarantee are attached hereto as Exhibits A and B, respectively, and are incorporated herein by reference.
- b. Title Partners, as an agent for Old Republic and Guarantee, uses and collects a single amount for title insurance premium, in addition to assessing other costs, fees and charges, including a settlement or closing fee.
- c. The single amount used and collected by Title Partners for policies Old Republic and Guarantee policies are not the rates filed with and approved by the Director.

19. The title insurance rates used and collected by Title Partners comprise "premium" as they do not include "charges," and are not the premium rates filed with the director, thus violating § 381.181 RSMo (1994).

COUNT II

20 Title Partners violated § 381.171, RSMo (1994) by charging title insurance premiums that are unfairly discriminatory.

21. Section 381.171, RSMo (1994) provides, in part:

1. Premiums shall not be inadequate, excessive or unfairly discriminatory. . . .

4. Premiums are unfairly discriminatory if the premium charged for a policy of any particular face amount of liability is higher than the premium for an identical policy within the same classification where such policy has a like face amount or a higher face amount of liability.

22. The facts are as follows:

- a. Gerald Michitsch ("Michitsch") visited the offices of Title Partners on or about October 24, 2006, to investigate the marketing and rating practices of Title Partners.
- b. At that time, and as supplemented by documents produced by Title Partners thereafter, he was provided with several closing files that involved parties who also purchased title insurance.
- c. Several of the files contained evidence of policies that Title Partners sold at a premium amount that was higher than a separate policy, issued by the same underwriter/ insurer, that had a substantially higher face value.

23. The foregoing billing practices result in higher premiums being charged for certain policies, when compared to other policies of equal or greater face amounts, and as such, are unfairly discriminatory, in violation of 381.171.1, RSMo (1994).

COUNT III

24. The allegations set forth above in paragraphs 20-23 are realleged and incorporated herein by reference.

25. Title Partners violated § 375.934, RSMo (2000) by engaging in an unfair trade practice defined by § 375.936(4), RSMo (2000).

26. Section 375.934, RSMo (2000), provides:

It is an unfair trade practice for any insurer to commit any practice defined in section 375.936 if:

(1) It is committed in conscious disregard of sections 375.930 to 375.948 or of any rules promulgated under sections 375.930 to 375.948; or

(2) It has been committed with such frequency to indicate a general business practice to engage in that type of conduct.

27. Section 375.936, RSMo (2000), provides, in pertinent part:

Any of the following practices, if committed in violation of section 375.934, are hereby defined as unfair trade practices in the business of insurance: . . .

(4) "False information and advertising generally", making . . . or causing, directly or indirectly, to be made, . . . in any other way, . . . [a] statement containing any assertion, representation or statement with respect to the business of insurance, . . . which is untrue, deceptive or misleading;

28. Title Partners made untrue, deceptive, and misleading statements in connection with the business of insurance by completing and issuing various forms to purchasers of

title insurance, in which it listed as the cost of title insurance a rate that was not approved for use by the Director.

29. Such statements of cost were (i) untrue, as the true cost of each such policy was governed by the premium rates filed and approved by the Director; and (ii) deceptive or misleading, insofar as the statements of costs did not reveal what the premium rates were for the policy or policies sold in each transaction, thereby preventing purchasers of title insurance from knowing what portion of the costs were governed by the premium rates filed and approved by the Director, and which others were negotiable.

30. Title Partners committed the aforesaid violations in conscious disregard of §§ 375.934 and 375.936, RSMo (2000).

31. Title Partners committed the aforesaid violations with such frequency as to indicate a general business practice to engage in that type of conduct.

COUNT IV

32. The Director realleges the allegations set forth above in paragraphs 20-31 and incorporates them herein by reference.

33. Title Partners violated § 375.934, RSMo (2000) by engaging in an unfair trade practice defined by § 375.936(6), RSMo (2000).

34. Section 375.934, RSMo (2000), provides:

It is an unfair trade practice for any insurer to commit any practice defined in section 375.936 if:

(1) It is committed in conscious disregard of sections 375.930 to 375.948 or of any rules promulgated under sections 375.930 to 375.948; or

(2) It has been committed with such frequency to indicate a general business practice to engage in that type of conduct.

35. Section 375.936, RSMo (2000), provides, in pertinent part:

Any of the following practices, if committed in violation of section 375.934, are hereby defined as unfair trade practices in the business of insurance: . . .

(6) "Misrepresentations and false advertising of insurance policies", making, issuing, circulating, or causing to be made, issued or circulated, any estimate, illustrations, circular or statement, sales presentation, omission, or comparison which:

(a) Misrepresents the benefits, advantages, conditions, or terms of any policy; . . .

36. During the course of closings performed by Title Partners involving a property for which Title Partners was to issue a title insurance policy, Title Partners made and issued various documents to the parties of each transaction, including settlement statements, which contained statements that misrepresented the premium rates for title insurance policies.

37. The premium rate of a title insurance policy is a term and/or condition of each such policy contract.

38. The statements of premium rates for each policy were misrepresentations insofar as they did not accurately reflect the premium rate of each policy, as regulated by the premium rates filed and approved for use by Old Republic and Guarantee, and their agents.

39. Title Partners made the aforementioned statements in conscious disregard of §§ 375.934 and 375.936, RSMo (2000).

40. Title Partners made the foregoing statements with such frequency as to indicate a general business practice to engage in that type of conduct.

COUNT V

41. The Director realleges the allegations set forth above in paragraphs 20-40 and incorporates them herein by reference.

42. Title Partners violated § 375.144, RSMo (Cum. Supp. 2005) by misrepresenting, concealing or suppressing from purchasers at the time of negotiation and sale of the insurance, material facts concerning the cost of title insurance.

43. Section 375.144, RSMo (Cum. Supp. 2005), provides, in part:

It is unlawful for any person, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, to: ...
(2) As to any material fact, make or use any misrepresentation, concealment or suppression;

45. The material facts that were misrepresented, concealed or suppressed, include the following:

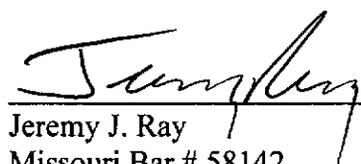
- a. Information regarding the actual premium rates of title insurance policies, which must be calculated in accordance with the premium rates filed and approved by the Director; and
- b. Information regarding charges or fees for services related to the issuance of a title insurance policy, including search and examination expenses, clearing title defects, and other charges that are not included in the filed premium rate and which may be discounted or negotiated without limitation.

RELIEF

WHEREFORE, the Consumer Affairs Division requests the Director:

- A. Find that Title Partners engaged in the unlawful acts and unfair practices alleged herein;
- B. Issue an order prohibiting Title Partners and its agents and employees from:
 - a. Violating or materially aiding in any violation of § 381.181, RSMo (1994).
 - b. Violating or materially aiding in any violation of § 381.171, RSMo (1994).
 - c. Violating or materially aiding in the violation of § 375.144, RSMo (Cum. Supp. 2005).
 - d. Violating or materially aiding in the violation of § 375.934, RSMo (2000).
- C. Order Title Partners to pay a civil penalty for each unlawful act or unfair practice;
- D. Order Title Partners to pay reasonable costs of investigation; and
- E. Such other relief as the Director deems just in this proceeding.

Respectfully submitted,



Jeremy J. Ray
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Senior Enforcement Counsel
Missouri Department of Insurance,
Financial Institutions & Professional
Registration
P.O. Box 690
Jefferson City, MO 65102-0690
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ATTORNEY FOR DIVISION OF
CONSUMER AFFAIRS

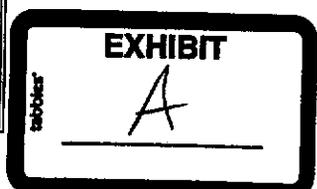
Date Filed and Recorded
By Division

MISSOURI DIVISION OF INSURANCE
UNIFORM PREMIUM (RISK RATE) REPORTING FORM

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
ALL COUNTIES EXCEPT CAMDEN, CASS, FRANKLIN, IRON, JACKSON,
JEFFERSON, MADISON, ST. CHARLES, ST. FRANCOIS, ST. GENEVIEVE,
ST. LOUIS, AND WASHINGTON

| Description of Risk (1) | Original Title Insurance for Owner's and Leasehold Policies (2) | Reissue Rate for Owner's or Leasehold Policies (3) | Reissue Rate for Mortgagee Acquiring Title (4) | Residential Liquidation Programs by Federal Agencies (5) | Simultaneous Issue - Owner's and Loan Policies (6) | Simultaneous Issue - Owner's Policies to Seller and Purchaser (7) |
|-----------------------------|---|--|--|--|--|---|
| Up to \$50,000 | \$1.40 | \$.84 | \$.84 | \$.60 | See Note | \$1.82 |
| \$50,000 to \$100,000 | \$1.20 | \$.72 | See Note | \$.60 | | \$1.56 |
| \$100,000 to \$500,000 | \$.80 | \$.48 | See Note | \$.60 | | \$1.04 |
| \$500,000 to \$1,000,000 | \$.70 | \$.42 | See Note | \$.60 | | \$.91 |
| \$1,000,000 to \$5,000,000 | \$.60 | \$.36 | See Note | \$.60 | | \$.78 |
| \$5,000,000 to \$10,000,000 | \$.50 | \$.30 | See Note | \$.60 | | \$.65 |
| Over \$10,000,000 | \$.40 | \$.24 | See Note | \$.60 | | \$.52 |
| Minimum Premium | \$4.00 | \$4.00 | \$4.00 | \$8.00 | | \$4.00 |

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APR 03 2006
State of Missouri
DEPARTMENT OF INSURANCE



Date Filed and Recorded
By Division

MISSOURI DIVISION OF INSURANCE
UNIFORM PREMIUM (RISK RATE) REPORTING FORM

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
ALL COUNTIES EXCEPT CAMDEN, CASS, FRANKLIN, IRON, JACKSON,
JEFFERSON, MADISON, ST. CHARLES, ST. FRANCOIS, ST. GENEVIEVE,
ST. LOUIS, AND WASHINGTON

| Simultaneous Issue - Owner's and Leasehold (8) | Original Title Insurance for Loan Policies (9) | Reissue Rate for Loan Policies (10) | Limited Coverage Mortgage Policy - Junior Mortgages (11) | Substitution Loan Rate (12) | Commercial Property Policies (13) |
|---|---|---|---|-----------------------------------|---|
| \$1.82 | \$1.00 | \$.60 | See Note | See Note | All commercial rates are the same as those in columns (1-12), except Residential Liquidation Programs by Federal Agencies, column (5), does not apply |
| \$1.56 | \$.80 | \$.48 | | | |
| \$1.04 | \$.70 | \$.42 | | | |
| \$.91 | \$.60 | \$.36 | | | |
| \$.78 | \$.50 | \$.30 | | | |
| \$.65 | \$.40 | \$.24 | | | |
| \$.52 | \$.40 | \$.24 | | | |
| \$4.00 | \$3.00 | \$3.00 | | | |

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State of Missouri
DEPARTMENT OF INSURANCE

- (1) To compute any risk rate on a fractional thousand of insurance (except as to minimum rate), multiply such fractional thousand by the rate per thousand applicable, considering any fraction of \$1,000 as a full \$1,000.

(2) RISK RATES FOR OWNER'S OR LEASEHOLD POLICIES

An owner's policy, insuring a fee simple estate, will not be issued for less than the full insurable value of the land and improvements, if any, which constitute real estate. A policy insuring a leasehold estate will not be issued for less than the full insurable value of the leasehold estate.

LEASEHOLD OWNERS

The leasehold owner's policy will not be issued for less than the fair market value of the leasehold estate.

REVIEWED

APR 10 2006

DEPARTMENT OF INSURANCE
STATE OF MISSOURI
By: Teresa Kroll

(3) REISSUE RISK RATES FOR OWNER'S OR LEASEHOLD POLICIES

The reissue risk rate, where applicable, (see sections a, b and c below) is 60% of the published tariff in force for original insurance. Reissue risk rates apply up to the face of the previous policy, provided the outstanding policy is presented. Additional insurance up to the full insurable value of the premises will be computed at original insurance risk rates under the applicable bracket or brackets.

- a. A purchaser or lessee of real estate from one whose title thereto as owner or lessee has been insured shall be entitled to the reissue risk rate for owner's insurance in an amount up to the face of such former policy, provided the outstanding policy is presented. Full risk rate as per published schedule in force will be charged for the excess up to the full insurable value of the property. On ALTA residential owner's policies, the reissue credit (if applicable) will apply only up to the original face amount of the former policy as shown in Schedule A of said policy.
- b. When acreage is platted or divided into smaller subdivisions and covered by one blanket policy, the insured will be entitled to the reissue rate on owner's policies covering parcels sold out of such subdivision until the aggregate of the policies issued on such parcels equals the face amount of the original blanket policy. Policy will be issued for \$4.00 risk rate. Thereafter, additional blanket insurance should be purchased in the applicable brackets or subsequent policies will be charged for at original rates. The status of such lot purchasers with reference to future insurance is defined under paragraph a. hereof.
- c. Where a mortgage policy is outstanding and an owner's policy on the same property is issued, the reissue risk rate will apply up to the amount of the balance due on the mortgage insured under the outstanding mortgage policy.

(4) REISSUE RATE FOR MORTGAGEE ACQUIRING TITLE

When the insured under a mortgage policy acquires title by foreclosure or by voluntary conveyance in extinguishment of debt, and makes application for an owner's policy, such insured or the designee for the benefit of such insured shall be entitled to the following reissue risk rate on an owner's policy up to an amount equal to the face of such previous mortgage policy upon presenting said mortgage policy. Full rate as per published schedule in force will be charged for excess insurance requested.

Per Thousand

Up to \$50,000 of liability written..... \$.84

Excess over \$50,000 shall be computed by reference to the date of the mortgage policy, as follows:

Date of Previous
Mortgage Policy

REVIEWED

Rates

3 years or less 30% of regular rates

4 years to 5 years... 35% of regular rates

5 years and over... 40% of regular rates

Minimum risk premium.\$4.00

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DEPARTMENT OF INSURANCE

STATE OF MISSOURI

By: Teresa Kroll

Rules

APR 03 2006

State of Missouri
DEPARTMENT OF INSURANCE

Rates

(5) RESIDENTIAL LIQUIDATION PROGRAMS BY FEDERAL AGENCIES

When an insured under a mortgage policy acquires title to a one-to-four family residence by foreclosure or by voluntary conveyance in lieu of foreclosure in extinguishment of debt and transfers the title to the residence to a governmental agency in connection with that agency's business of guaranteeing the repayment of said mortgage, and said agency has acquired the residence for immediate resale, the agency may request and be entitled to the following:

a. An interim commitment to insure, issued for a term of 24 months, committing the Company to issue an owner's policy to the agency or to its purchaser.

The risk rate for the issuance of the above commitment shall be \$.60 per thousand dollars liability or fraction thereof, subject to a \$8.00 minimum.

b. An owner's policy issued as committed for shall be issued to:

1. The purchaser from the agency.

The risk rate charge shall be the applicable reissue rate for owner's title insurance up to the amount of the commitment, plus the regular rate for any amount in excess of the commitment.

2. The agency after the expiration of 24 months, if no transfer has been made.

The risk rate charge shall be the applicable reissue rate for owner's title insurance up to the amount of the commitment.

(6) SIMULTANEOUS ISSUANCE OF MORTGAGE AND OWNER'S POLICIES

When an owner's and a mortgage policy or policies covering identical land are to be issued simultaneously, the rate applicable for the owner's policy shall be the regular owners risk rate. The risk rate for the mortgage policy or policies so simultaneously issued will be \$4.00 for up to an amount of insurance not in excess of the owner's policy. The risk rate on the amount of the mortgage policy or policies in excess of the owner's policy is figured at the regular original title insurance risk rates for mortgage policies.

In all cases, the owner's policy shall be issued for the full insurable value of the premises. The title must be certified down to a date which will include the filing for record of both the deed to the mortgagor and the mortgage itself. Both policies must bear identical date and the owner's policy must show the mortgage as an exception under Schedule B thereof. It is not essential that the property be acquired simultaneously with the giving of the mortgage, but this rate, where applicable, has reference to the simultaneous issuance of an owner's and mortgage policy or policies.

(7) SIMULTANEOUS ISSUANCE OF OWNER'S POLICIES TO SELLER AND PURCHASER

When owner's policies covering identical land are to be issued simultaneously to the purchaser and seller, the rate applicable for the two policies will be 130% of the risk rate for a single owner's policy. Minimum risk premium on each owner's policy is \$4.00

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(8) SIMULTANEOUS ISSUANCE OF OWNER'S AND LEASEHOLD POLICIES DEPARTMENT OF INSURANCE
STATE OF MISSOURI

When an owner's and leasehold policy covering identical land are to be issued simultaneously, the rate applicable for the owner's policy shall be the regular owner's risk rate. The rate for the leasehold policy will be 30% of the risk rate for the owner's policy with which it is being issued simultaneously up to the amount of said owner's policy. The risk rate on the amount of a leasehold policy in excess of the owner's policy will be figured at the regular title insurance risk rate for owner's policies in the applicable bracket. Minimum risk premium is \$4.00.

(9) ORIGINAL TITLE INSURANCE RISK RATES FOR MORTGAGES

A mortgage policy cannot be issued for an amount less than the full principal debt. A policy can, however, be issued for an amount in excess of the debt to cover interest, foreclosure costs, etc. A new mortgage given to renew an old mortgage debt which was originally covered by insurance is a new transaction, creating new liability, and if insured carries the original mortgage rate, unless it falls within the

classification of Reissue Title Insurance Risk Rates for Mortgages or Title Insurance Risk Rates for Substitution Loans.

(10) REISSUE TITLE INSURANCE RISK RATES FOR MORTGAGES

When the owner of property, on which application is made for mortgage title insurance, has had the title to such property insured as owner, such owner shall be entitled to the reissue risk rate on such mortgage insurance of 60% of the published tariff in force for original insurance, up to the face amount of such owner's policy.

If the amount of insurance desired under the mortgage policy is in excess of the original owner's policy, the excess shall be computed at the original risk rates in the applicable bracket.

A mortgage policy cannot be issued for an amount less than the full principal debt. A policy can, however, be issued for an amount in excess of the debt to cover interest, foreclosure costs, etc.

(11) TITLE INSURANCE RISK RATES FOR LIMITED MORTGAGE POLICY FOR SECOND MORTGAGES

Risk rates for title insurance for a limited mortgage policy for junior mortgages shall be \$.70 per thousand with a \$3.00 minimum. The maximum loan amount insured is \$250,000.00.

(12) TITLE INSURANCE RISK RATES FOR SUBSTITUTION LOANS

When a substitution loan is made to the same borrower for the same property, the title to which was insured in connection with the original loan, the following risk rates will be charged for issuing the policy in connection with the new loan, provided the outstanding policy is presented and the Company is informed of the unpaid balance of the loan.

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Age of Original Loan

3 years or under 30% of regular risk rates

From 3 years to 4 years 40% of regular risk rates

From 4 years to 5 years 50% of regular risk rates

Over 5 years 60% of regular risk rates

Minimum ... \$3.00

DEPARTMENT OF INSURANCE
STATE OF MISSOURI
By: Teraja Krill
Rates

State of Missouri Rates
DEPARTMENT OF INSURANCE Rates

At the time a substitution loan is made, the unpaid principal balance of the original loan will be considered the amount of insurance in force on which the foregoing rates shall be calculated. To these risk rates shall be added the regular risk rates for the new insurance, that is the difference between the unpaid principal balance of the original loan and the amount of the new loan.

(13) COMMERCIAL PROPERTY POLICIES

Commercial policies are issued at the same rate as shown on the Risk Rate Reporting Form except that column (5), Residential Liquidation Programs by Federal Agencies, does not apply.

(14) FANNIE MAE BALLOON MORTGAGE POLICY (ORT FORM NO. 3949)

This policy is available only for insurance after refinancing by Fannie Mae of a previously insured five to seven year balloon mortgage on the balloon payment date. It is issued after the refinance note and modification of the previously insured mortgage have been executed. It is available only with regard to one to four family residential properties.

The charge will be\$300.00

(15) MORTGAGE PRIORITY GUARANTEE (ORT FORM NOS. 3610 AND 3611)

This policy is issued only for refinances under the Federal Home Loan Mortgage Corporation Loss Mitigation Program and certain balloon mortgage refinances. It is limited to assurance of continued priority notwithstanding modification of the mortgage.

The charge will be\$75.00

(16) CONSTRUCTION LOAN RATE (ORT FORM 405)

A Construction Loan Policy is issued to insure a construction security interest or a construction mortgage. The policy will be available only for residential construction, and the rate for issuance will be \$75.00.

Building Lot Policy and Construction Loan Policy Defined:

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State of Missouri
DEPARTMENT OF INSURANCE
Rates

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APR 03 2006

DEPARTMENT OF INSURANCE
STATE OF MISSOURI
By: Teresa Kroll
Rules

TITLE

Guarantee
Title Insurance
Company

2 City Place
Suite 100
St. Louis MO 63141
314.995.3940
888.451.1116
888.451.1125 fax

July 21, 2006

Brenda Maddox
Property and Casualty Section
Missouri Department of Insurance
P. O. Box 690
Jefferson City, MO 65101

RECEIVED

JUL 24 2006

Property & Casualty
Section

Re: Form Filing Number 1228-50034 2004-003

REVIEWED

Dear Ms. Maddox:

Enclosed please find the following:

effective August 23, 2006

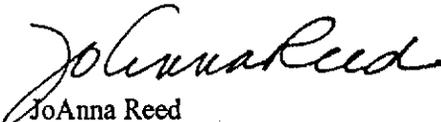
AUG 11 2006

DEPARTMENT OF INSURANCE
STATE OF MISSOURI
By: Rob Reichart

1. TD-2
2. Form(s)
Expanded Coverage Residential Loan Policy
Schedules A and B of Expanded Coverage Policy
3. Rate sheet for Expanded Coverage policies
4. Duplicate copy of cover letter
5. SASE for approved cover letter

The above form(s) will take effect as of approval. If there are any questions, please contact me at (888) 451-1116.

Sincerely,



JoAnna Reed
Assistant Vice President

EXHIBIT

tabbles

B

**Guarantee
Title Insurance
Company**

2 City Place, Suite 70
St. Louis MO 63141
314.995.3940
888.451.1116
888.451.1125 fax

MISSOURI

Please note that Guarantee Title Insurance Company has added the following risk rates for the Expanded Coverage Residential Loan Policy.

| Description of Risk Amount (per thousand) | Original Loan Policies | Reissue Loan Policies |
|--|------------------------------|--------------------------|
| Up to 50,000 | 1.10 | 0.66 |
| Over 50,000 and up to 100,000, add | 0.88 | 0.53 |
| Over 100,000 and up to 500,000, add | 0.77 | 0.46 |
| Over 500,000 and up to 10,000,000, add | 0.66 | 0.42 |
| Over 10,000,000 and up to 15,000,000, add | 0.55 | 0.42 |
| Over 15,000,000, add | 0.44 | 0.42 |

REVIEWED

AUG 11 2006

DEPARTMENT OF INSURANCE
STATE OF MISSOURI
By: Rob Reichart

Minimum risk rate for Expanded Coverage Residential Loan policies is \$11.00.

Simultaneous Issuance of Owner's and Expanded Coverage Residential Loan Policies

When an owner's policy and an Expanded Coverage Loan Policy covering identical land are issued simultaneously, the rates applicable for the owner's policy shall be the regular owner's rates. The premium for the Expanded Coverage Loan Policy so simultaneously issued will be \$20.00 for the amount of insurance not in excess of the owner's policy. The premium on the amount of the mortgage policy exceeding the owner's policy is figured at the regular original title insurance rates for first mortgages in the applicable bracket or brackets. In addition, a fee of 10% of the premium, figured at the regular original title insurance rates for first mortgages, will be added to the total premium.



PRESERVING THE ROLE OF THE REAL ESTATE ATTORNEY

April 9, 2001

Missouri Department of Insurance
Property and Casualty Section
P.O. Box 690
Jefferson City, Missouri 65102-0690

RECEIVED
APR 11 2001
MO INS DEPT

RE: Property and Casualty Filing on behalf of
The Bar Plan Title Insurance Company
Filing ID Number 00050034/01/0002

Dear Sir or Madam:

In compliance with the insurance laws and regulations of Missouri, The Bar Plan Title Insurance Company submits the following for your review and approval:

- 1) Revised Rate Schedule (*Disclosure Statement added*)

Please note that the rates provided for on the attached sheet will stay in effect until such time as they are superseded by the adoption of the MLTIRO filed rates.

In addition, I am enclosing duplicate copies of the Property & Casualty Transmittal Document (TD-2). Please forward your invoice for the filing fee of \$50.00 for this filing number 00050034/01/0002.

Very truly yours,

Karen R. McCarthy
Vice President and General Counsel

Cc: Tom Conroy - President

FILED
JAN 29 2002
DIRECTOR OF INSURANCE
STATE OF MISSOURI
PRENDA MADDOX



Appendix A
Missouri Department of Insurance
Uniform Premium (Risk Rate) Reporting Form

Risk Classifications****

| Description of Risk Amount* | Original Title Insurance for Owners and Leasehold Owners Policies | Reissue Title Insurance for Owners and Leasehold Owners Policies | Title Insurance for Conversion of Contract Purchaser's and Leasehold Policies | Original Title Insurance for Loan Policies | Reissue Title Insurance for Loan Policies and Refinance | Title Insurance for Owners or Leasehold Owners Policies upon Acquisition in Satisfaction of Debt | Title Insurance for Substitution | Simultaneous Issue Policies** | Title Insurance for Builder/Developer (Subdepartment Rates) |
|---|---|--|---|--|---|--|----------------------------------|-------------------------------|---|
| Up to \$50,000 of Liability Written | \$1.40 per \$1000 | \$0.84 per \$1000 | \$1.40 per \$1000 | \$1.00 per \$1000 | \$0.60 per \$1000 | \$1.40 per \$1000 | \$0.60 per \$1000 | \$20.00 flat fee | \$0.84 per \$1000 |
| Over \$50,000 and up to \$100,000, add | \$1.20 per \$1000 | \$0.72 per \$1000 | \$1.20 per \$1000 | \$0.80 per \$1000 | \$0.48 per \$1000 | \$1.20 per \$1000 | \$0.48 per \$1000 | \$20.00 flat fee | \$0.72 per \$1000 |
| Over \$100,000 and up to \$500,000, add | \$0.80 per \$1000 | \$0.48 per \$1000 | \$0.80 per \$1000 | \$0.70 per \$1000 | \$0.42 per \$1000 | \$0.80 per \$1000 | \$0.42 per \$1000 | \$20.00 flat fee | \$0.48 per \$1000 |
| Over \$500,000 and up to \$10,000,000, add | \$0.70 per \$1000 | \$0.42 per \$1000 | \$0.70 per \$1000 | \$0.60 per \$1000 | \$0.38 per \$1000 | \$0.70 per \$1000 | \$0.38 per \$1000 | \$20.00 flat fee | \$0.42 per \$1000 |
| Over \$10,000,000 and up to \$15,000,000, add | \$0.60 per \$1000 | \$0.38 per \$1000 | \$0.60 per \$1000 | \$0.50 per \$1000 | \$0.38 per \$1000 | \$0.60 per \$1000 | \$0.38 per \$1000 | \$20.00 flat fee | \$0.38 per \$1000 |
| Over \$15,000,000, add | \$0.50 per \$1000 | \$0.38 per \$1000 | \$0.50 per \$1000 | \$0.40 per \$1000 | \$0.38 per \$1000 | \$0.50 per \$1000 | \$0.38 per \$1000 | \$20.00 flat fee | \$0.38 per \$1000 |
| Minimum Premium | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$20.00 | \$10.00 |

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

**Not subject to per thousand

***See Exhibit 1 for explanation of Risk Classifications

MISSOURI DEPARTMENT OF INSURANCE FORM P&C-31

In the event unusual insurance risks are assumed or unusual services performed, additional fees may be charged

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

As filed with the Department of Insurance in April 2001

DIRECTOR OF INSURANCE
STATE OF MISSOURI
BILLY M. JOHNSON

JAN 29 2002

Exhibit 1 Risk Classifications

Original Title Insurance for Owners and Leasehold Owners Policies - An 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. Use this rate when the title to the property has not previously been insured.

Reissue Title Insurance for Owners and Leasehold Owners Policies - 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. Use this rate when the prior insured title is 10 years old or less. The reissue rate applies up to the amount of the previous policy only. If the new policy amount is greater than the amount of the previous policy, original rates apply on such excess.

Title Insurance for Conversion of Contract Purchaser's and Leasehold Policies - 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.

Original Title Insurance for Loan Policies - A mortgage title insurance policy issued for an amount equal to or higher than the principal amount of the mortgage. Use this rate when the title to the property has not been previously insured as owner by any title insurer and there is no concurrent owners title insurance policy being issued in the same transaction (see Simultaneous Issue Policies).

Reissue Title Insurance for Loan Policies - 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. Use this rate when the prior insured title is 10 years old or less. The reissue rate applies up to the amount of the previous policy

only. If the new policy amount is greater than the amount of the previous policy, original rates apply on such excess. This rate also applies in a refinance transaction.

Title Insurance for Owners or Leasehold Owners Policies upon Acquisition in Satisfaction of Debt - 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.

Title Insurance for Substitution - A title insurance policy issued to a borrower who obtains a substitution loan on the same property by the same lender. The substitution rate is applied up to the amount of the original loan. The original mortgage rate will apply to amounts in excess of the original loan.

Simultaneous Issue Policies - An owner's policy and a mortgagee's policy covering identical land which are issued simultaneously. A flat charge of \$20.00 is applied to the policy of lesser amount. Regular rates apply to the other policy.

Title Insurance for Builder/Developer (Subdepartment Rates) - 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.

Endorsements - There is no risk rate associated with any standard form endorsement. Premium charges may be made in the event unusual insurance risks are assumed or unusual services performed in the transaction of the business of title insurance. Such premiums shall be reasonably commensurate with the risks assumed for the costs of the services performed. Section 381.201(2) RSMo.

Note for Information: The above rates shall be fairly and uniformly applied. The consumer shall receive the lowest rate for which they qualify.