



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Insurance Department

JONATHAN T. PIKE
Insurance Commissioner

Title & Escrow Commission Meeting

(<https://insurance.utah.gov/licensee/title/tec>)

Date: **January 22, 2024**

Time: **9:00 AM**

Place: **In Person**

Taylorsville SOB
4315 S. 2700 W.
Flaming Gorge Room
Taylorsville, UT 84129

Virtual

Google Meet
meet.google.com/kmp-dpcg-raq
619-880-6694 Phone
268 168 469# Password

ATTENDEES

TITLE & ESCROW COMMISSION

Chair, Kim Holbrook (*Insurer, Davis County*) Nathan Sprague (*Insurer, Utah County*)
Vice Chair, Jeff Mathews (*Public, Morgan County*) Tina Williams (*Agency, Juab County*)
Kevin Parke (*Agency, Salt Lake County*)

DEPARTMENT STAFF

Jon Pike, *Insurance Commissioner* Reed Stringham, *Deputy Comm.* Tracy Klausmeier, *P&C Dir.*
Randy Overstreet, *Licensing Mgr.* Patrick Lee, *Finance Dir.* Kelly Christensen, *P&C Asst. Dir.*
Michael Covington, *CE Specialist* Steve Gooch, *PIO Recorder*

AGENDA

General Session: (Open to the Public)

- **Welcome** / Kim Holbrook, Chair
- **Telephone Roll Call**
- **Adopt Minutes of Previous Meeting**
- **Concurrence Reports** / Kim
 - Licenses
- **Update on 2023 Goals**
 - ULTA report / Kim
 - Discussion of 2024 goals / Kim
- **New Business**
 - Mobile homes / Tracy
 - Dual licensing / Tracy
 - Changes to R592-6 / Rachael Ortiz
- **Old Business**
- **Other Business**
 - Legislative update / Reed
 - Addition of capital requirements to 31A-23a-204 / Kim
- **Hot Topics**

Executive Session (None)

- **Adjourn**

- **Next Meeting: February 12, 2024** — Flaming Gorge Room, Taylorsville State Office Building

2024 Meeting Schedule

Jan 22 Flaming Gorge	Feb 12 Flaming Gorge	Mar 11 Flaming Gorge	Apr 8 TBD	May 13 TBD	Jun 10* TBD
Jul 8 TBD	Aug 19 TBD	Sep 9 TBD	Oct 21* TBD	Nov 18 TBD	Dec 9 TBD

*Proposed TEC/REC meeting immediately following

2023 Goals

1. Continue making sure testing is relevant
2. Continue working with the Real Estate Commission
3. Continue working with the ULTA as a liaison
4. Increase awareness of cyber and wire fraud's effect on consumers and agencies
5. Increase awareness of affiliated business arrangements (ABA)

**Title Agency Licensing
Dec 2023**

New Licenses

Agency ID	Name	Orig. Issue Date	Expire Date	LOA
204387	CLOSED PACWEST LLC	2023-12-27	2025-12-31	TS

Renewal Licenses

Agency ID	Name	Orig. Issue Date	Expire Date	LOA
7812	ANDERSON-OLIVER TITLE INSURANCE AGENCY, INC.	1999-12-10	2025-12-31	TE
7812	ANDERSON-OLIVER TITLE INSURANCE AGENCY, INC.	1999-12-10	2025-12-31	TS
10661	MONUMENT TITLE INSURANCE, INC	2001-10-15	2025-12-31	TE
10661	MONUMENT TITLE INSURANCE, INC	2001-10-02	2025-12-31	TS
173782	NATIONAL TITLE AGENCY OF UTAH, INC	2013-12-02	2025-12-31	TE
173782	NATIONAL TITLE AGENCY OF UTAH, INC	2013-12-02	2025-12-31	TS
6478	PARAMOUNT TITLE CORPORATION	1983-12-06	2025-12-31	TE
6478	PARAMOUNT TITLE CORPORATION	1983-12-06	2025-12-31	TS
6053	SUMMIT ESCROW & TITLE INSURANCE AGENCY, LLC	1997-12-12	2025-12-31	TE
6053	SUMMIT ESCROW & TITLE INSURANCE AGENCY, LLC	1997-12-12	2025-12-31	TS
6786	TERRA TITLE COMPANY	1986-05-09	2024-05-31	TE
6786	TERRA TITLE COMPANY	1986-05-09	2024-05-31	TS
162527	TITAN TITLE INSURANCE AGENCY LLC	2009-12-17	2025-12-31	TE
162527	TITAN TITLE INSURANCE AGENCY LLC	2009-12-17	2025-12-31	TMR
162527	TITAN TITLE INSURANCE AGENCY LLC	2009-12-17	2025-12-31	TS

Lapsed Licenses

Agency ID	Name	Orig. Issue Date	Expired Date	LOA
7704	AMERICAN PREFERRED TITLE INS AGENCY	2017-12-19	2023-12-31	TS

Reinstated Licenses

Agency ID	Name	Orig. Issue Date	Expire Date	Reinstated	LOA
(none)					

**Title Agent Licensing
Dec 2023**

New Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	LOA
2113059	GEARY, ERICA	2023-12-14	2026-07-31	TMR
2112430	MARINOS, JANESSA	2023-12-08	2026-06-30	TE
44836	SIDDOWAY, DAWN	1986-04-04	2025-06-30	TE
44836	SIDDOWAY, DAWN	1986-04-04	2025-06-30	TS
2113659	SPINELLI, DEVAN	2023-12-12	2026-05-31	TS
2111876	VORWALLER, ALICE	2023-12-07	2026-02-28	TE

Renewed Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	LOA
1698436	ANDERSON, ERICA	2022-01-18	2025-12-31	TS
38573	ANDERSON, KAREN	1997-02-12	2025-12-31	TS
1698436	ANDERSON, ERICA	2017-04-03	2025-12-31	TE
38573	ANDERSON, KAREN	1997-02-12	2025-12-31	TE
1955920	BENNETT, NICOLE	2021-06-11	2025-12-31	TE
95582	BROSTROM, MARC	2003-10-29	2025-12-31	TMR
35642	BROUGH, CARRIE	1999-05-14	2025-12-31	TE
44452	CAMPBELL, EDWARD	1987-03-24	2025-12-31	TS
44452	CAMPBELL, EDWARD	1987-03-24	2025-12-31	TE
31776	CHAMBERLAIN, CHRIS	1995-04-06	2025-12-31	TS
103352	COVINGTON, EMILEE	2004-06-29	2025-12-31	TE
1693263	Clemons, Karinna	2017-06-12	2025-12-31	TE
1729299	DREBING, RACHEL	2017-10-10	2025-12-31	TE
33237	EHLERS, KIRK	1995-04-21	2025-12-31	TS
33237	EHLERS, KIRK	1995-04-21	2025-12-31	TE
43770	EVANS, SHONNA	1997-02-20	2025-12-31	TE
1928230	FEDDERSON, SARAH	2021-02-03	2025-12-31	TE
44589	FINLINSON, MARIANNE	2008-09-16	2025-12-31	TS
44589	FINLINSON, MARIANNE	1989-09-19	2025-12-31	TE
1811698	FLINDERS, SUZANNE	2019-04-01	2025-12-31	TMR
1662511	FOWLER, TIFANIE	2021-01-22	2025-12-31	TS
31225	GONZALEZ, NIKKI	1993-03-26	2025-12-31	TS
31225	GONZALEZ, NIKKI	2006-02-08	2025-12-31	TE
108475	HILL, TIFFANY	2005-03-03	2025-12-31	TE
108475	HILL, TIFFANY	2006-03-31	2025-12-31	TS
44263	Hancey, R Bruce	1975-07-28	2025-12-31	TS
44263	Hancey, R Bruce	1975-07-28	2025-12-31	TE
31387	ISON, BABS	2006-09-18	2025-12-31	TE
31387	ISON, BABS	1993-01-29	2025-12-31	TS
121334	JACKSON, CASSIE	2005-11-14	2025-12-31	TMR
34669	JOHNSTON, GREGORY	1999-04-19	2025-12-31	TE
34669	JOHNSTON, GREGORY	1997-03-25	2025-12-31	TS
27170	JONES, BRENDA	1989-08-30	2025-12-31	TE

Renewed Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	LOA
45732	KNOTT, STEVEN	1979-08-23	2025-12-31	TS
45732	KNOTT, STEVEN	1984-12-21	2025-12-31	TE
137806	MADDOX, HEIDI	2007-08-14	2025-12-31	TE
1465110	MARRIOTT, HOLLI	2011-09-08	2025-12-31	TE
31065	MASON, MICHAEL	1999-10-13	2025-12-31	TMR
31065	MASON, MICHAEL	2000-06-12	2025-12-31	TE
140603	MCCARTHY, LINDSEY	2007-08-03	2025-12-31	TE
15710	MCCLELLAND, MARIE	1995-04-27	2025-12-31	TE
1825184	MIRAMONTES, ANA	2019-07-31	2025-12-31	TS
1944039	MOWER, SHARON	2021-10-18	2025-12-31	TE
30363	NEWMAN, WENDY	1991-03-11	2025-12-31	TE
103830	O'LAUGHLIN, AMY	2004-08-11	2025-12-31	TS
1670929	OLIVER, LIAM	2017-03-02	2025-12-31	TE
1998161	ORTIZ, RYAN	2021-11-30	2025-12-31	TE
135194	PARK, NICHOLAS	2017-04-05	2025-12-31	TMR
135194	PARK, NICHOLAS	2006-10-11	2025-12-31	TE
1602372	PAYNE, JENNIFER	2015-01-29	2025-12-31	TMR
1942235	POULAN, GLORIA	2021-08-26	2025-12-31	TE
30808	PRYOR, TODD	1999-05-03	2025-12-31	TS
1490994	RUPARCIC, LINDA	2015-06-29	2025-12-31	TE
1546966	SALAZAR, ELISA	2015-10-07	2025-12-31	TMR
38093	SAM, DANIEL	1993-02-24	2025-12-31	TS
38093	SAM, DANIEL	1993-02-24	2025-12-31	TE
30885	SHEPHERD, CINDY	1991-01-10	2025-12-31	TE
1806190	SMITH, THOMAS	2019-02-07	2025-12-31	TS
45971	SMITH, KIRK	1991-12-23	2025-12-31	TE
45971	SMITH, KIRK	1987-06-12	2025-12-31	TS
120161	SMITH, MASON	2005-10-19	2025-12-31	TE
1815738	SMITH, BREANNE	2019-06-06	2025-12-31	TE
1850861	SMITH, DAN	2021-08-27	2025-12-31	TE
53278	SNOW, EDDIE	1990-04-26	2025-12-31	TE
53278	SNOW, EDDIE	1990-04-26	2025-12-31	TS
68154	STANWORTH, NICOLE	2001-07-25	2025-12-31	TE
37699	TANNER, WAYNE	1987-04-03	2025-12-31	TS
37699	TANNER, WAYNE	1987-04-03	2025-12-31	TE
1716460	VANAMEN, KYLIE	2019-08-22	2025-12-31	TE
1947554	VEENKER, HAYDEN	2021-05-24	2025-12-31	TE
92251	WAKEFIELD, SCOTT	2014-03-12	2025-12-31	TE
92251	WAKEFIELD, SCOTT	2003-07-15	2025-12-31	TS
1423941	WATERS, JOCELYN	2013-10-15	2025-12-31	TE
1423941	WATERS, JOCELYN	2023-01-06	2025-12-31	TS
140692	WEESE, CASEY	2007-02-23	2025-12-31	TE
140692	WEESE, CASEY	2009-06-01	2025-12-31	TS
96917	WESTWOOD, MELISA	2003-12-16	2025-12-31	TE
91256	WHITING, CHRISTINA	2003-06-12	2025-12-31	TS

Renewed Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	LOA
109911	WISE, SHEYENNE	2005-02-03	2025-12-31	TS

Lapsed Licenses

Agent ID	Name	Orig. Issue Date	Expired Date	LOA
1965447	CRUZ, KAIT	2021-09-02	2023-11-30	TS
1826995	FARRIS, KRYSTLE	2019-07-05	2023-11-30	TE
85576	FRANSEN, REBECCA	2003-01-03	2023-11-30	TS
85576	FRANSEN, REBECCA	2009-02-05	2023-11-30	TE
44828	GALLOWAY, REX	1977-08-10	2023-11-30	TE
44828	GALLOWAY, REX	1977-08-10	2023-11-30	TS
1973242	HICKS, BRANDON	2021-08-19	2023-11-30	TMR
1924271	Johnson, Kaibree	2021-03-31	2023-11-30	TE
1846439	MAYER, SUZANNE	2019-10-24	2023-11-30	TS
1846439	MAYER, SUZANNE	2019-11-06	2023-11-30	TE
1710346	MCCARTY, KYLER	2017-06-30	2023-11-30	TE
1710346	MCCARTY, KYLER	2017-06-30	2023-11-30	TS
1710346	MCCARTY, KYLER	2017-06-30	2023-11-30	TMR
143759	MCKELL, MICHAEL	2007-05-31	2023-11-30	TE
143759	MCKELL, MICHAEL	2007-05-31	2023-11-30	TS
1823061	O'BRIEN, ALYS	2019-06-17	2023-11-30	TE
34734	PETTY, LINDA	1991-01-09	2023-11-30	TE
1708164	REINHART, LISA	2017-05-12	2023-11-30	TE
1942732	SMITH, TAYLER	2021-04-09	2023-11-30	TS
51027	Taylor, Donna	1997-10-03	2023-11-30	TE
1842244	VELASQUEZ, JOSE	2019-10-08	2023-11-30	TE

Reinstated Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	Reinstated	LOA
1917278	POTTER, KAREN	2020-12-02	2025-11-30	2023-12-08	TE

R592. Insurance, Title and Escrow Commission.

R592-6. Unfair Inducements and Marketing Practices in Obtaining Title Insurance Business.

R592-6-1. Authority.

This rule is promulgated by the Title and Escrow Commission pursuant to Subsection 31A-2-404(2).

R592-6-2. Purpose and Scope.

(1) The purpose of this rule is to identify practices that constitute unfair methods of competition because the practices create unfair inducements for the placement of title insurance business.

(2) This rule applies to any person identified in Subsection 31A-23a-402(2)(a).

R592-6-3. Definitions.

Terms used in this rule are defined in Sections 31A-1-301 and 31A-2-402. Additional terms are defined as follows:

~~[(1)]~~ (1) "Bona fide real estate transaction" means:

~~_____ (a) a preliminary title report is issued to a seller or listing agent in conjunction with the listing of a property;~~

~~or~~

~~_____ (b) a commitment for title insurance is ordered, issued, or distributed in a purchase and sale transaction showing the name of the proposed buyer and the sales price, or in a loan transaction showing the proposed lender and loan amount.]~~

~~[(2)]~~(1)(a) "Business activities" include sporting events, sporting activities, musical events, and art events.

(b) "Business activities" do not include awards banquets, recognition events, or similar activities sponsored by or for clients, or commercial travel.

~~[(3)]~~(2)(a) "Business meals" include breakfast, brunch, lunch, dinner, cocktails, and tips.

(b) "Business meals" do not include awards banquets, recognition events, or similar activities sponsored by or for clients.

~~[(4)]~~(3)(a) "Client" means any person~~[, or group,]~~ who influences, or who may influence, the placement of title insurance business or who is engaged in a business, profession, or occupation of:

(i) buying or selling interests in real property; or

(ii) making loans secured by interests in real property.

(b) "Client" ~~[includes]~~ may include real estate agents, real estate brokers, mortgage brokers, lending or financial institutions, builders, developers, subdividers, attorneys, consumers, escrow companies, and ~~[the]~~ their employees, agents, representatives, and solicitors~~[, and groups or associations of any of the foregoing].~~

~~_____ (c) "Client" does not include a trade association, for the purposes of this rule.~~

~~[(5)]~~ (5) "Discount" means ~~the furnishing or offering to furnish title insurance, services constituting the business of title insurance, or escrow services for a total charge less than the amounts set forth in the applicable rate schedules filed pursuant to Sections 31A-19a-203 or 31A-19a-209.]~~

~~[(6)]~~(4) "Official trade association publication" means:

(a) a membership directory, provided its exclusive purpose is that of providing the distribution of an annual roster of the association's members to the membership and other interested parties; or

(b) an annual, semiannual, quarterly, or monthly publication containing information and topical material for the benefit of the members of the association.

~~[(7)]~~(5) "Title insurance business" means the business of title insurance and the conducting of escrow.

~~[(8)]~~(6) "Title producer" means a title insurer, agency title insurance producer, or individual title insurance producer.

~~[(9)](7)~~ "Trade association" means a recognized association of persons, a majority of whom are clients or persons whose primary activity involves real property.

R592-6-4. Prohibited Unfair Methods of Competition.

A person identified in Section R592-6-2 who provides or offers to provide, directly or indirectly, any of the following benefits to any client has violated Section 31A-23a-402 and has engaged in an unfair method of competition.

~~[—(1) Furnishing a title insurance commitment when the title producer is aware that no policy is intended to be issued without one of the following:~~

~~—(a) sufficient evidence in the file of the title producer that a bona fide real estate transaction or listing agreement exists; or~~

~~—(b) a request from a proposed insured to issue a title insurance commitment together with a payment of a minimum cancellation fee of \$200.~~

~~—(2) Paying any charges for the cancellation of an existing title insurance commitment issued by a competing organization, unless that commitment discloses a defect that gives rise to a claim on an existing policy.~~

~~—(3) Furnishing escrow services pursuant to Section 31A-23a-406:~~

~~—(a) for a charge less than the charge filed pursuant to Subsection 31A-19a-209(5); or~~

~~—(b) for a charge less than the actual cost of providing the services.~~

~~—(4) Waiving all or any part of established fees or charges for services that are not the subject of rates or escrow charges filed with the commissioner.]~~

~~[(5) Deferring or waiving any payment]~~(1) Waiving any charge, premium, or rate for insurance or services otherwise due and payable[, including a series of real estate transactions for the same parcel of property].

~~[(6)](2)~~ Furnishing services not reasonably related to a bona fide title insurance, escrow, settlement, or closing transaction[, including non-related delivery services, accounting assistance, or legal counseling] without receiving fair market payment for the services provided.

~~[(7)](3)~~ Paying for, furnishing, or waiving all or any part of the rental or lease charge for space that is occupied by [any]a client.

~~[(8)](4)~~ Renting or leasing space from [any]a client[, regardless of the purpose,] at a rate that is excessive or inadequate when compared with rental or lease charges for comparable space in the same geographic area, or paying rental or lease charges based in whole or in part on the volume of business generated by [any]the client.

~~[(9)](5)~~ Furnishing any part of a title producer's facilities, including conference rooms or meeting rooms, to a client or its trade association, for anything other than providing escrow or title services, or related meetings, without receiving a fair rental or lease charge comparable to other rental or lease charges for facilities in the same geographic area.

~~[—(10) Co-habiting or sharing office space with a client of a title producer.]~~

~~—(6)~~ Sharing office space with a client when the client or title producer does not have:

~~—(a)~~ separate, distinct signage;

~~—(b)~~ separate, distinct public access; and

~~—(c)~~ the ability to lock and secure the title producer's office space from the client's office space.

~~[(11)](7)~~ Furnishing all or any part of the time or productive effort of any employee of the title producer, including a secretary, clerk, messenger, or escrow officer, to any client when such time or productive effort is not reasonably related to a bona fide title insurance, escrow, settlement, or closing transaction.

~~[(12)](8)~~ Paying for all or any part of the [salary]income of a client or an employee of [any]a client for a referral of business.

~~[(13)](9)~~ Paying, or offering to pay, either directly or indirectly, salary, commissions, or any other consideration to any employee who ~~[is-]~~at the same time ~~[licensed-]~~holds an active license as a real estate agent or real estate broker, or as a mortgage lender or mortgage company subject to Section 31A-2-405 and Rule R592-5.

~~[(14)](10)(a)~~ Payment or prepayment of the following:

(i) fees or charges of a professional, including an appraiser, surveyor, engineer, or attorney, whose services are required by any party or client to structure or complete a particular transaction; or

(ii) fees or charges of a client or party to the transaction, for example, subordination, loan, or HOA payoff request fees, that are required by any party or client to structure or complete a particular transaction.

(b) Subsection ~~[(14)](10)(a)~~ does not prohibit pre-payment of overnight mail and delivery fees~~[that will be recovered through closing a transaction].~~

~~[(15)]~~ Sponsoring, cosponsoring, subsidizing, contributing fees, prizes, gifts, food, or otherwise providing anything of value for an activity of a client, except as allowed under Section R592-6-5. Activities include open houses at homes or property for sale, meetings, breakfasts, luncheons, dinners, conventions, installation ceremonies, celebrations, outings, cocktail parties, hospitality room functions, open house celebrations, dances, fishing trips, gambling trips, sporting events of any kind, hunting trips or outings, golf or ski tournaments, artistic performances, and outings in recreation areas or entertainment areas.]

(11)(a) Except as provided in Subsection (11)(b), sponsoring, cosponsoring, subsidizing, contributing fees, prizes, gifts, food, or otherwise providing anything of value for an activity of a client including:

(i) an open house at a home or property for sale;

(ii) a meeting;

(iii) a breakfast, luncheon, or dinner;

(iv) a convention;

(v) an installation ceremony;

(vi) a celebration;

(vii) an outing;

(viii) a cocktail party;

(ix) a hospitality room function;

(x) an open house celebration

(xi) a dance;

(xii) a sporting event of any kind, including a fishing trip, gambling trip, hunting trip or outing, or golf or ski tournament;

(xiii) an artistic performance; or

(xiv) an outing in a recreation or entertainment area.

(b) A title producer may attend an activity of a client if:

(i) there is no additional cost to the title producer, other than the title producer's own entry fee, registration fee, and meals; and

(ii) the fees in subsection (11)(b)(i) are not greater than those charged to a client or other person attending the function.

~~[(16)]~~ Sponsoring, cosponsoring, subsidizing, supplying prizes or labor, except as allowed under Section R592-6-5, or otherwise providing things of value for promotional activities of a client. Title producers may attend activities of a client if there is no additional cost to the title producer, other than their own entry fees, registration fees, and meals; the fees may not be greater than those charged to clients or others attending the function.]

~~[(17)](12)(a)~~ Providing ~~[gifts-]~~a gift or anything of value to a client in connection with ~~[social events such as birthdays or job promotions]~~a social event, such as a birthday or job promotion.

(b) A letter or card in these instances [will not be interpreted as -]is not a thing of value.

~~_____ (13) Sponsoring a trade association event at a cost that is greater than the sponsorships offered to members of the association, affiliates, vendors, or other participants of the event.~~

~~[(18)](14) Furnishing or providing [access to] the following, even for a cost:~~

- ~~(a) building plans;~~
- ~~(b) construction critical path timelines;~~
- ~~(c) "For Sale by Owner" lists;~~
- ~~(d) surveys;~~
- ~~(e) appraisals;~~
- ~~(f) credit reports;~~
- ~~(g) mortgage leads for loans;~~
- ~~(h) rental or apartment lists; or~~
- ~~(i) printed labels.~~

~~[_____ (19) Issuing a newsletter that is property specific or that highlights specific customers.~~

~~_____ (20) Providing access to real property information that the title producer pays to produce, develop, or maintain, except:~~

~~_____ (a) providing to a client, through any means including copies, a property profile that includes only the following:~~

- ~~_____ (i) the last vesting deed of public record;~~
- ~~_____ (ii) a plat map reproduction, locator map, or both;~~
- ~~_____ (iii) tax and property characteristics information from the Treasurer's and Assessor's offices; and~~
- ~~_____ (iv) covenants, conditions, and restrictions; and~~

~~_____ (b) Providing a client access to closing software that is related to a specific transaction identified in the title commitment.~~

~~_____ (21)(a) Providing title or escrow services on real property where an existing or anticipated investment loan or financing has been or will be provided by the title producer or its owners or employees.~~

~~_____ (b) Subsection (21)(a) does not apply to transactions involving seller financing.]~~

~~[(22)](15)(a) Engaging in the following advertising activity:~~

- ~~(i) paying for any advertising on behalf of a client;~~
- ~~(ii) advertising jointly with a client [on signs for subdivision or condominium projects or for the sale of a lot or lots in a subdivision or units in a condominium project];~~

~~(iii) placing an advertisement in a publication, including an internet web page and its links, that is hosted, published, produced for, or distributed by or on behalf of a client;~~

~~(iv) placing an advertisement that fails to comply with Section 31A-23a-402 and Rule R590-130;~~

~~(v) placing an advertisement that[;~~

~~_____ (A) is not purely self promotional; or~~

~~_____ (B)] is in an official trade association publication that does not offer [any] each title producer an equal opportunity to advertise in the publication and at the standard rates other advertisers in the publication are charged;~~

~~(vi) advertising with free or paid social media services that are not open and available to the general public;~~

~~or~~

~~(vii) paying a fee to share, like, respond to, comment on, or increase the visibility, ranking, or distribution of any social media involving a client or a client's social media page.~~

~~(b) Nothing in Subsection [(22)](15)(a) prohibits the following:~~

~~(i) advertising independently that the title producer has provided title insurance for a particular subdivision or condominium project, but the title producer may not indicate that all future title insurance will be written by that title producer; or~~

(ii)(A) writing or posting on social media services about an event that directly involves the title producer and a client; and

(B) referencing or linking to the event on the client's social media page or the client company's social media page.

~~[(23) Using interests in other business entities, including I.R.C. Section 1031 qualified intermediaries and escrow companies to enter into any agreement, arrangement, or understanding, or to pursue any course of conduct designed to avoid the provisions of this rule.]~~

(16) Using an interest in another business entity to avoid the provisions of Title 31A, Insurance Code, or any applicable rule.

~~[(24)](17) For self-promotional open houses:~~

(a) holding more than two self-promotional open houses per calendar year for each owned or occupied facility, including branch offices; or

(b) holding a self-promotional open house at a location other than a registered office of the title producer.

~~[(b) spending more than \$15 per guest per self-promotional open house;~~

~~[(c) making guest expenditures on items in the form of a gift, gift certificate, or coupon; or~~

~~[(d) holding a self-promotional open house on a client's premises.]~~

~~[(25)](18) Making a donation to a charitable organization [created, controlled,]controlled or managed by a client.~~

~~[(26) Making a charitable donation that:~~

~~[(a) is paid in cash;~~

~~[(b) is paid by negotiable instrument to a payee other than the charitable organization;~~

~~[(c) is distributed to anyone other than the charitable organization; or~~

~~[(d) provides a benefit to a client.~~

~~[(27) Distributing outside the regular course of business to clients, consumers, and members of the general public, self-promotional items that:~~

~~[(a) have a value of more than \$10, including taxes, setup fees, and shipping;~~

~~[(b) are edible;~~

~~[(c) are personalized in the donee's name; or~~

~~[(d) are given to clients or trade associations for redistribution.]~~

(19)(a) Distributing to a client, consumer, or member of the general public a self-promotional item that:

(i) has a cost of more than \$25;

(ii) is edible;

(iii) does not contain a permanent marking identifying the title producer; or

(iv) is personalized in the donee's name.

(b) A sticker is not considered a permanent marking under Subsection (19)(a).

~~[(28) Making expenditures for business meals or business activities on behalf of any person, whether a client or not, as a method of advertising if:]~~

(20) Making an expenditure for a business meal or business activity on behalf of any person, whether a client or not, as a method of advertising if:

(a) the person representing the title producer is not present during the business meal or business activity;

(b) a substantial title insurance business discussion does not occur directly before, during, or after the business meal or business activity;

(c) the total cost of the business meal, the business activity, or both exceeds [~~\$50~~]\$100 per person, per day;

(d) more than three individuals from an office of a client are provided a business meal or business activity in a single day by an individual title producer; or

(e) the entire business meal or business activity takes place on a client's premises.

~~[(29) Conducting a continuing education program that:~~

~~_____ (a) is not approved by the appropriate regulatory agency;~~

~~_____ (b) addresses matters other than title insurance, escrow, or related subjects;~~

~~_____ (c) is less than one hour in duration;~~

~~_____ (d) involves expenditure of more than \$15 per person including the cost of meals and refreshments; or~~

~~_____ (e) is conducted at more than one individual, physical office location of a client per calendar quarter.]~~

~~_____ (21) Conducting education that:~~

~~_____ (a) does not address title insurance, escrow, or a related subject;~~

~~_____ (b) involves expenditure of more than \$20 per anticipated person including the cost of meals and refreshments;~~

~~_____ (c) involves expenditure of more than \$500 for a facility and instructor; or~~

~~_____ (d) is conducted at an individual, physical office location of a client more than once per calendar quarter.~~

~~[(30)](22) Acknowledging a wedding, a birth[, or] adoption of a child, or a funeral of a client or a member of the client's immediate family with flowers or gifts exceeding [\$75]\$150.~~

R592-6-5. [Permitted Methods of Competition.

~~_____ The following are permitted methods of competition. In the event of a conflict between Sections R592-6-4 and R592-6-5, Section R592-6-5 is controlling.~~

~~_____ (1) A title producer may donate time to serve on a trade association committee and may also serve as an officer for the trade association.~~

~~_____ (2) A title producer may provide clients access to water, beverages, and edible treats at the title producer's premises.~~

~~_____ (3) A title producer may provide to a client the documents used to produce a title commitment and may provide access to them through any means.~~

R592-6-6. [Severability.

If any provision of this rule, Rule R592-6, or its application to any person or situation is held invalid, such invalidity does not affect any other provision or application of this rule that can be given effect without the invalid provision or application. The remainder of this rule shall be given effect without the invalid provision or application.

R592. Insurance, Title and Escrow Commission.

R592-6. Unfair Inducements and Marketing Practices in Obtaining Title Insurance Business.

R592-6-1. Authority.

This rule is promulgated by the Title and Escrow Commission pursuant to Subsection 31A-2-404(2).

R592-6-2. Purpose and Scope.

(1) The purpose of this rule is to identify practices that constitute unfair methods of competition because the practices create unfair inducements for the placement of title insurance business.

(2) This rule applies to any person identified in Subsection 31A-23a-402(2)(a).

R592-6-3. Definitions.

Terms used in this rule are defined in Sections 31A-1-301 and 31A-2-402. Additional terms are defined as follows:

(1)(a) "Business activities" include sporting events, sporting activities, musical events, and art events.

(b) "Business activities" do not include awards banquets, recognition events, or similar activities sponsored by or for clients, or commercial travel.

(2)(a) "Business meals" include breakfast, brunch, lunch, dinner, cocktails, and tips.

(b) "Business meals" do not include awards banquets, recognition events, or similar activities sponsored by or for clients.

(3)(a) "Client" means any person who influences, or who may influence, the placement of title insurance business or who is engaged in a business, profession, or occupation of:

(i) buying or selling interests in real property; or

(ii) making loans secured by interests in real property.

(b) "Client" may include real estate agents, real estate brokers, mortgage brokers, lending or financial institutions, builders, developers, subdividers, attorneys, consumers, escrow companies, and their employees, agents, representatives, and solicitors.

(c) "Client" does not include a trade association, for the purposes of this rule.

(4) "Official trade association publication" means:

(a) a membership directory, provided its exclusive purpose is that of providing the distribution of an annual roster of the association's members to the membership and other interested parties; or

(b) an annual, semiannual, quarterly, or monthly publication containing information and topical material for the benefit of the members of the association.

(5) "Title insurance business" means the business of title insurance and the conducting of escrow.

(6) "Title producer" means a title insurer, agency title insurance producer, or individual title insurance producer.

(7) "Trade association" means a recognized association of persons, a majority of whom are clients or persons whose primary activity involves real property.

R592-6-4. Prohibited Unfair Methods of Competition.

A person identified in Section R592-6-2 who provides or offers to provide, directly or indirectly, any of the following benefits to any client has violated Section 31A-23a-402 and has engaged in an unfair method of competition.

(1) Waiving any charge, premium, or rate for insurance or services otherwise due and payable.

(2) Furnishing services not reasonably related to a bona fide title insurance, escrow, settlement, or closing transaction without receiving fair market payment for the services provided.

(3) Paying for, furnishing, or waiving all or any part of the rental or lease charge for space that is occupied by a client.

(4) Renting or leasing space from a client at a rate that is excessive or inadequate when compared with rental or lease charges for comparable space in the same geographic area, or paying rental or lease charges based in whole or in part on the volume of business generated by the client.

(5) Furnishing any part of a title producer's facilities, including conference rooms or meeting rooms, to a client or its trade association, for anything other than providing escrow or title services, or related meetings, without receiving a fair rental or lease charge comparable to other rental or lease charges for facilities in the same geographic area.

(6) Sharing office space with a client when the client or title producer does not have:

(a) separate, distinct signage;

(b) separate, distinct public access; and

(c) the ability to lock and secure the title producer's office space from the client's office space.

(7) Furnishing all or any part of the time or productive effort of any employee of the title producer, including a secretary, clerk, messenger, or escrow officer, to any client when such time or productive effort is not reasonably related to a bona fide title insurance, escrow, settlement, or closing transaction.

(8) Paying for all or any part of the income of a client or an employee of a client for a referral of business.

(9) Paying, or offering to pay, either directly or indirectly, salary, commissions, or any other consideration to any employee who at the same time holds an active license as a real estate agent or real estate broker, or as a mortgage lender or mortgage company subject to Section 31A-2-405 and Rule R592-5.

(10)(a) Payment or prepayment of the following:

(i) fees or charges of a professional, including an appraiser, surveyor, engineer, or attorney, whose services are required by any party or client to structure or complete a particular transaction; or

(ii) fees or charges of a client or party to the transaction, for example, subordination, loan, or HOA payoff request fees, that are required by any party or client to structure or complete a particular transaction.

(b) Subsection (10)(a) does not prohibit pre-payment of overnight mail and delivery fees.

(11)(a) Except as provided in Subsection (11)(b), sponsoring, cosponsoring, subsidizing, contributing fees, prizes, gifts, food, or otherwise providing anything of value for an activity of a client including:

(i) an open house at a home or property for sale;

(ii) a meeting;

(iii) a breakfast, luncheon, or dinner;

(iv) a convention;

(v) an installation ceremony;

(vi) a celebration;

(vii) an outing;

(viii) a cocktail party;

(ix) a hospitality room function;

(x) an open house celebration

(xi) a dance;

(xii) a sporting event of any kind, including a fishing trip, gambling trip, hunting trip or outing, or golf or ski tournament;

(xiii) an artistic performance; or

(xiv) an outing in a recreation or entertainment area.

(b) A title producer may attend an activity of a client if:

(i) there is no additional cost to the title producer, other than the title producer's own entry fee, registration fee, and meals; and

(ii) the fees in subsection (11)(b)(i) are not greater than those charged to a client or other person attending the function.

(12)(a) Providing a gift or anything of value to a client in connection with a social event, such as a birthday or job promotion.

(b) A letter or card in these instances is not a thing of value.

(13) Sponsoring a trade association event at a cost that is greater than the sponsorships offered to members of the association, affiliates, vendors, or other participants of the event.

(14) Furnishing or providing the following, even for a cost:

(a) building plans;

(b) construction critical path timelines;

(c) "For Sale by Owner" lists;

(d) surveys;

(e) appraisals;

(f) credit reports;

(g) mortgage leads for loans;

(h) rental or apartment lists; or

(i) printed labels.

(15)(a) Engaging in the following advertising activity:

(i) paying for any advertising on behalf of a client;

(ii) advertising jointly with a client;

(iii) placing an advertisement in a publication, including an internet web page and its links, that is hosted, published, produced for, or distributed by or on behalf of a client;

(iv) placing an advertisement that fails to comply with Section 31A-23a-402 and Rule R590-130;

(v) placing an advertisement that is in an official trade association publication that does not offer each title producer an equal opportunity to advertise in the publication and at the standard rates other advertisers in the publication are charged;

(vi) advertising with free or paid social media services that are not open and available to the general public; or

(vii) paying a fee to share, like, respond to, comment on, or increase the visibility, ranking, or distribution of any social media involving a client or a client's social media page.

(b) Nothing in Subsection (15)(a) prohibits the following:

(i) advertising independently that the title producer has provided title insurance for a particular subdivision or condominium project, but the title producer may not indicate that all future title insurance will be written by that title producer; or

(ii)(A) writing or posting on social media services about an event that directly involves the title producer and a client; and

(B) referencing or linking to the event on the client's social media page or the client company's social media page.

(16) Using an interest in another business entity to avoid the provisions of Title 31A, Insurance Code, or any applicable rule.

(17) For self-promotional open houses:

(a) holding more than two self-promotional open houses per calendar year for each owned or occupied facility, including branch offices; or

- (b) holding a self-promotional open house at a location other than a registered office of the title producer.
- (18) Making a donation to a charitable organization controlled or managed by a client.
- (19)(a) Distributing to a client, consumer, or member of the general public a self-promotional item that:
 - (i) has a cost of more than \$25;
 - (ii) is edible;
 - (iii) does not contain a permanent marking identifying the title producer; or
 - (iv) is personalized in the donee's name.
- (b) A sticker is not considered a permanent marking under Subsection (19)(a).
- (20) Making an expenditure for a business meal or business activity on behalf of any person, whether a client or not, as a method of advertising if:
 - (a) the person representing the title producer is not present during the business meal or business activity;
 - (b) a substantial title insurance business discussion does not occur directly before, during, or after the business meal or business activity;
 - (c) the total cost of the business meal, the business activity, or both exceeds \$100 per person, per day;
 - (d) more than three individuals from an office of a client are provided a business meal or business activity in a single day by an individual title producer; or
 - (e) the entire business meal or business activity takes place on a client's premises.
- (21) Conducting education that:
 - (a) does not address title insurance, escrow, or a related subject;
 - (b) involves expenditure of more than \$20 per anticipated person including the cost of meals and refreshments;
 - (c) involves expenditure of more than \$500 for a facility and instructor; or
 - (d) is conducted at an individual, physical office location of a client more than once per calendar quarter.
- (22) Acknowledging a wedding, a birth or adoption of a child, or a funeral of a client or a member of the client's immediate family with flowers or gifts exceeding \$150.

R592-6-5. Severability.

If any provision of this rule, Rule R592-6, or its application to any person or situation is held invalid, such invalidity does not affect any other provision or application of this rule that can be given effect without the invalid provision or application. The remainder of this rule shall be given effect without the invalid provision or application.

KEY: title insurance

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