

Exhibit 2018-1  
Administrative Rule Definitions

**DEFINITIONS.** In the Administrative Rules:

- A. "Assumed name" has the same meaning as in Texas Business and Commerce Code §71.002(2).
- B. "Business of title insurance" means the business of title insurance as defined in Texas Insurance Code §2501.005.
- C. "Certificate of Formation" means a certificate of formation filed with the Office of the Texas Secretary of State in accordance with the Texas Business Organizations Code and includes valid articles of incorporation, articles of organization, certificates of limited partnership, or other valid filing instruments accepted by the Office of the Texas Secretary of State prior to January 1, 2006, for the purposes of initial business organization.
- D. "Company" means a title insurance company as defined in Texas Insurance Code §2501.003(14).
- E. "Control" means the power to direct or cause the direction of the management and policies of a title insurance agent, whether directly or indirectly. A person is considered to control a title insurance agent structured as an entity, if the person, individually or acting with others, directly or indirectly: (1) holds the power or right to vote, owns, or controls, or holds proxies representing, at least 10 percent of the voting stock or voting rights of the entity; or (2) through any other right or power exercises rights in the management, direction, or conduct of the day-to-day operations of the title insurance agent.
- F. "Designated on-site manager" means the manager responsible for administering the day-to-day operations of a title insurance agent or direct operation in Texas at the principal place of business, and who has been required to submit a Title Insurance Licensing Biographical (FINT08) form.
- G. "Direct Operation" means a direct operation as defined in Texas Insurance Code §2501.003(3).
- H. "Entity" means a domestic or foreign corporation authorized to transact business in the State of Texas, including a limited liability company.
- I. "Federal Tax Identification Number" means a federally issued Employer Identification Number, Tax Identification Number, or Social Security Number.

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- J. "Partnership" means an association or firm composed only of Texas residents, including a general partnership, limited partnership, limited liability partnership, and limited liability limited partnership.
- K. "Signing" and "signature" mean the act of signing one's name, whether in writing or electronically.
- L. "Sole proprietorship" means an unincorporated form of business that is owned and operated by one individual who is a resident of Texas and is not a partnership or entity.
- M. "TDI" and "Department" mean the Texas Department of Insurance.
- N. "Title insurance agent" means title insurance agent as defined in Texas Insurance Code §2501.003(13).
- ~~[A. "Agent" and "Title Agent" shall mean Title Insurance Agent as defined in Texas Insurance Code §2501.003(13) and as further defined in PROCEDURAL RULES AND DEFINITIONS P-1.h.]~~
- ~~[B. "Direct Operation" shall mean direct operation as defined in Texas Insurance Code §2501.003(3) and as further defined in PROCEDURAL RULES AND DEFINITIONS P-1.y.]~~
- ~~[C. "Department" shall mean the Texas Department of Insurance.]~~
- ~~[D. "Company" shall mean a Title Insurance Company as defined in Texas Insurance Code §2501.003(14) and as further defined in PROCEDURAL RULES AND DEFINITIONS P-1.i.]~~
- ~~[E. The "business of title insurance" shall mean the business of title insurance as defined in Texas Insurance Code §2501.005 and as further defined in PROCEDURAL RULES AND DEFINITIONS P-1.q.]~~
- ~~[F. "Partnership" shall mean a partnership NOT registered with the Office of the Texas Secretary of State in accordance with the Texas Business Organizations Code.]~~
- ~~[G. "Entity" shall mean an entity registered with the Office of the Texas Secretary of State in accordance with the Texas Business Organizations Code. The term shall include only those organizational types authorized to engage in the business of title insurance in the State of Texas.]~~
- ~~[H. "Certificate of Formation" shall mean a certificate of formation filed with the Office of the Texas Secretary of State in accordance with the Texas Business Organizations Code and~~

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~~shall include valid articles of incorporation, articles of organization, certificate of limited partnership or other valid filing instrument accepted by the Office of the Texas Secretary of State prior to January 1, 2006, for the purposes of initial business organization.]~~

~~[I. "Control" shall mean the power to direct or cause the direction of the management and policies of a title agent, whether directly or indirectly and as further defined in Procedural Rule P-28. A. 2.]~~

~~[J. "License" shall mean a title insurance agent's license issued after the approval of an Application for Texas Title Insurance Agent's License (Form FINT143, formerly known as Long Form), pursuant to Administrative Rule L-1.I.]~~

~~[K. "Signing" and "signature" shall mean the act of signing one's name, whether in writing or electronically.]~~

~~[L. "Federal Identification Number" (FIN) includes a federally issued Employer Identification Number (EIN), Tax Identification Number (TIN), or Social Security Number (SSN). A FIN may not be used for more than one license.]~~

~~[M. "Designated manager" shall mean the manager responsible for administering the day to day operations in Texas at the applicant's principal place of business, and who has been required to prepare Section A (Biographical Information) of the Application for Texas Title Insurance Agent's License (Form FINT143). If a designated manager has less than five years of experience in a management position with a Texas title insurance agent, direct operation, or title insurance company, or as an attorney that has supervised one or more escrow officers, or a comparable position, the designated manager must notify the Department of that fact.]~~

~~[N. "Assumed name" shall have the same meaning as in Texas Business and Commerce Code §71.002(2):]~~

~~[1. for an individual, a name that does not include the surname of the individual;]~~

~~[2. for a partnership, a name that does not include the surname or other legal name of each joint venturer or general partner;]~~

~~[3. for an individual or a partnership, a name, including a surname, that suggests the existence of additional owners by including words such as "Company," "& Company," "& Son," "& Sons," "& Associates," "Brothers," and similar words, but not words that merely describe the business being conducted or the professional service being rendered;]~~

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- [4. ~~for a limited partnership, a name other than the name stated in its certificate of formation;~~]
- [5. ~~for a company, a name used by the company;~~]
- [6. ~~for a corporation, a name other than the name stated in its certificate of formation or a comparable document;~~]
- [7. ~~for a limited liability partnership, a name other than the name stated in its application filed with the office of the secretary of state or a comparable document; and]~~
- [8. ~~for a limited liability company, a name other than the name stated in its certificate of formation or a comparable document.~~]

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**L-1. TITLE INSURANCE AGENT**

~~[An applicant for a license must comply with the instructions in the Application for Texas Title Insurance Agent's License (Form FINT143, formerly known as Long Form), and must submit all required fees. Each Federal Identification Number holder is potentially eligible for one license. An applicant may only submit an application under one FIN, and must use the same FIN for all filings with the Department. An applicant may file an original application or submit the forms electronically, when available. All of the forms referred to herein are available online or upon request from the Department.]~~

**I. GENERAL REQUIREMENTS**

**A. ENGAGE IN BUSINESS.**

1. A person may not act as a title insurance agent in Texas unless the person ~~[To engage in the business of title insurance in a particular county, a Title Agent must]:~~
  - a~~[1]~~. holds a title insurance agent license issued by TDI; ~~[Be issued a license in accordance with Administrative Rule L 1.I. and comply with the requirements for maintaining that license in an active status,]~~
  - b~~[2]~~. is appointed by a title insurance company for counties in which the title insurance agent will operate; ~~[Possess a valid, active appointment for that county from a Company's Appointing Official,]~~ and
  - c~~[3]~~. complies with the requirements of Texas Insurance Code Chapter 2651, Subchapter C, and Chapter 2652, Subchapter C ~~[Own or lease, and control an abstract plant, or participate in a bona fide joint abstract plant operation].~~
2. A title insurance agent may not employ an individual to act as an escrow officer for the title insurance agent unless the individual:
  - a. holds an escrow officer license issued by TDI;
  - b. is covered by a surety bond or deposit as required under Texas Insurance Code Chapter 2652, Subchapter C; and
  - c. is appointed under Texas Insurance Code §2652.1511 as an escrow officer by the title insurance agent.
3. The sole proprietor of a title insurance agent sole proprietorship and an individual general partner of a title insurance agent partnership may perform the functions

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of an escrow officer for that title insurance agent without an escrow officer license or appointment.

- B. BOOKS AND RECORDS. All books and records of the title insurance agent must be maintained in such a manner as to be auditable and demonstrate compliance.
- C. FORMS. All of the forms referred to in this rule are available on the TDI website and on request from TDI. Forms may be submitted electronically if such submission is available.
- D. TITLE PLANT. Each title insurance agent must maintain at all times a current and completed Abstract Plant Information T-52 (FINT120) form available for TDI inspection on request. The title insurance agent is not required to submit Abstract Plant Information T-52 (FINT120) form to TDI unless requested.
- E. MILITARY SERVICE MEMBERS, MILITARY VETERANS, AND MILITARY SPOUSES. A military service member, military veteran, or military spouse, as defined under Texas Occupations Code §55.001, may apply under 28 Texas Administrative Code §19.803 for, and be granted, any waiver, extension, exemption, or alternative licensing requirement for the applicable requirements of Administrative Rule L-1.

~~[IN ADDITION TO THE REQUIREMENTS BELOW, THE SPONSORING TITLE INSURANCE COMPANY MUST SUBMIT WITH AN APPLICATION FOR TEXAS TITLE INSURANCE AGENT'S LICENSE (Form FINT143) THE FOLLOWING:]~~

- ~~[1.—Abstract Plant Information Form (Form FINT120 or Form T-52)]~~
- ~~[2.—Agent Contract]~~
- ~~[3.—Agent Contract Submission Form (Form FINT141)]~~

**II[F]. TITLE INSURANCE AGENT LICENSE APPLICATION AND ISSUANCE**  
**[(Application for Texas Title Insurance Agent's License (Form FINT143) – used for licensing of Title Agent)]**

- A. APPLICANT. An applicant for a title insurance agent license:
  - 1. must be a sole proprietorship, partnership, or entity; and
  - 2. may not obtain more than one title insurance agent license for each Federal Tax Identification Number.

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- B. APPLICATION. An applicant for a title insurance agent license must complete and submit the Application for Title Insurance Agent or Direct Operation License (FINT143) form following all form instructions, and include:
1. fingerprints, if required under 28 Texas Administrative Code §1.503, and a completed Title Insurance Licensing Biographical Information (FINT08) form for each of the following individuals:
    - a. for a sole proprietorship, the individual sole proprietor and each designated on-site manager;
    - b. for a partnership, each designated on-site manager and partner who is in control of the partnership;
    - c. for an entity, each officer, director, manager, designated on-site manager, and partner and shareholder who is in control of the entity; and
    - d. each controlling partner and shareholder of an entity or partnership who is in control of the entity or partnership applicant;
  2. if the applicant will use an assumed name, a copy of a valid Assumed Name Certificate filed with the Secretary of State or County Clerk for each county in which the title insurance agent will operate;
  3. at least one Title Insurance Agent or Direct Operation Appointment (FINT10) form completed by the title insurance company's appointing official, following all form instructions, and attesting that the applicant:
    - a. has a current Schedule D;
    - b. has an agent contract with the title insurance company; and
    - c. has an abstract plant that meets the requirements of Procedural Rule P-12 and Texas Insurance Code §2501.004, or has a subscription agreement for each county listed on the form in which the applicant is appointed to transact business for the title insurance company;
  4. proof of bond purchase or deposit in compliance with the requirements of Texas Insurance Code Chapter 2651, Subchapter C, and Chapter 2652, Subchapter C:
    - a. in the form of a completed Texas Title Insurance Agent/Direct Operation Bond (FINT122) form, a completed Texas Escrow Officers Schedule Bond

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- (FINT123) form, a TDI cash receipt or evidence of securities approved by TDI, or a copy of an irrevocable letter of credit;
- b. with the amount of the title insurance agent bond or deposit being the greater of:
- i. \$10,000; or
  - ii. an amount equal to 10 percent of the gross premium written by the title insurance agent in accordance with the latest statistical report to TDI but not to exceed \$100,000;
- c. with the aggregate amount of the escrow officer bond or deposit, up to a maximum of \$50,000, determined by multiplying the number of employed and appointed escrow officers by:
- i. \$5,000 for each individual who is a bona fide Texas resident; and
  - ii. \$10,000 for each individual who is a bona fide resident of a state adjacent to Texas; and
- d. listing each escrow officer employed and appointed by the title insurance agent on the bond schedule;
5. demonstrated compliance with the capitalization requirements in Texas Insurance Code §2651.012;
6. a nonrefundable application fee of \$50; and
7. a nonrefundable appointment fee of \$16 only for each additional appointment after the first appointment submitted with the application. An appointment fee is not required for the first appointment submitted with the application.

~~[Each Application for Texas Title Insurance Agent's License (Form FINT143) must identify a designated manager required to complete Section A (Biographical Information) of the form.]~~

~~[A. Individual Submit the following to license a Title Agent:]~~

- ~~[1. Completed Section A (Biographical Information) of the Application for Title Insurance Agent's License by the individual and each designated manager.]~~
- ~~[2. One completed Section B (Required Business Information) of the Application for Title Insurance Agent's License for the proposed Sole owner. The Agent name on Section B must appear in the form as follows: Sole owner's name d/b/a Assumed Name.]~~

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- ~~[3.— Copy of a valid Assumed Name Certificate filed with the Secretary of State and/or County Clerk(s) in the county(ies) in which the Title Agent will operate.]~~
  - ~~[4.— Section C (Initial Appointment Form) of the Application for Title Insurance Agent's License completed by the sponsoring Title Insurance Company.]~~
  - ~~[5.— Non-refundable license fee of \$50.00.]~~
  - ~~[6.— Title Insurance Agent's Bond or in lieu thereof a cash deposit or irrevocable letter(s) of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department) in the sum of the greater of ten thousand dollars (\$10,000) or an amount equal to ten percent (10%) of the gross premium written by the agent in accordance with the latest statistical report to the Department but not to exceed one hundred thousand dollars (\$100,000). The Principal name on the Bond must reflect as follows: Sole owner's name d/b/a Assumed Name.]~~
- ~~[B.— Partnership— Submit the following to license a Title Agent:]~~
- ~~[1.— Completed Section A (Biographical Information) of the Application for Title Insurance Agent's License for each partner, and designated manager (s) and each officer, director, manager, partner and shareholder who is in control of an entity designated as a partner.]~~
  - ~~[2.— One completed Section B (Required Business Information) of the Application for Title Insurance Agent's License for the proposed partnership. The Agent name on Section B (Required Business Information) must reflect the exact Agent name. If an Assumed Name is being used the Agent name on Section B must appear in the form: Partnership Agent Name d/b/a Assumed Name.]~~
  - ~~[3.— If using an Assumed Name, a copy of a valid Assumed Name Certificate filed with the Secretary of State and/or County Clerk(s) in the county(ies) in which the Title Agent will operate.]~~
  - ~~[4.— Section C (Initial Appointment Form) of the Application for Title Insurance Agent's License completed by the sponsoring Title Insurance Company.]~~
  - ~~[5.— Non-refundable license fee of \$50.00.]~~
  - ~~[6.— Title Insurance Agent's Bond or in lieu thereof a cash deposit or irrevocable letter(s) of credit issued by a financial institution in this state insured by an agency~~

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~~of the United States Government (or securities approved by the Department) in the sum of the greater of ten thousand dollars (\$10,000) or an amount equal to ten percent (10%) of the gross premium written by the agent in accordance with the latest statistical report to the Department but not to exceed one hundred thousand dollars (\$100,000).]~~

~~[a. The Principal name on the Bond must reflect as follows: Name of the Partnership.]~~

~~[b. If an Assumed Name is being used, the Agent name on the Bond must appear in the form: Partnership Agent Name d/b/a Assumed Name.]~~

~~[7. Copy of Partnership Agreement.]~~

~~[C. Entity Submit the following to license a Title Agency:]~~

~~[1. Completed Section A (Biographical Information) of the Application for Title Insurance Agent's License for each officer, director, manager, designated manager (s), partner, and shareholder who is in control of the entity, and each officer, director, manager, partner, and shareholder who is in control of an entity designated as a shareholder or partner.]~~

~~[2. One completed Section B (Required Business Information) of the Application for Title Insurance Agent's License for the proposed Entity. The Agent name on Section B must reflect the exact Agent name. The Agent must attach to Section B a list of all the Assumed Names under which the Agent does business and the county associated with each Assumed Name. The Department will not issue a separate license for each Assumed Name.]~~

~~[3. A certified copy of the Certificate of Formation from the Office of the Texas Secretary of State.]~~

~~[4. If using an Assumed Name, a copy of a valid Assumed Name Certificate filed with the Office of the Texas Secretary of State and/or County Clerk(s) in the county(ies) in which the Title Agency will operate.]~~

~~[5. A printed copy of the webpage displaying the title agent's Franchise Tax Account Status, available on the Texas Comptroller of Public Accounts' website at [www.window.state.tx.us/taxinfo/coasintr.html](http://www.window.state.tx.us/taxinfo/coasintr.html), and a current Franchise Tax~~

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~~Public Information Report on file with the Texas Comptroller of Public Accounts.]~~

~~[6. Section C (Initial Appointment Form) of the Application for Title Insurance Agent's License completed by the sponsoring Title Insurance Company.]~~

~~[7. Non-refundable license fee of \$50.00.]~~

~~[8. Title Insurance Agent's Bond or in lieu thereof a cash deposit or irrevocable letter(s) of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department) in the sum of the greater of ten thousand dollars (\$10,000) or an amount equal to ten percent (10%) of the gross premium written by the agent in accordance with the latest statistical report to the Department but not to exceed one hundred thousand dollars (\$100,000).]~~

~~[a. The Principal name on the Bond must reflect as follows: Name of the Entity.]~~

~~[b. If an Assumed Name is being used, the Agent name on the Bond must appear in the form: Entity Agent Name d/b/a Assumed Name.]~~

~~[9. Application for at least one individual to act as Escrow Officer for the Entity Title Agent and a Texas Escrow Officers Schedule Bond or in lieu thereof a cash deposit or irrevocable letter(s) of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department).]~~

**III[H]. TITLE INSURANCE AGENT APPOINTMENTS [BY—ADDITIONAL COMPANIES]**

**A. APPOINTMENT.**

1. A title insurance company may appoint a title insurance agent with the initial license application or at any other time.

a. Appointments with the title insurance agent license application must comply with Administrative Rule L-1.II.

b. A title insurance company may appoint a title insurance agent at any time by submitting the required nonrefundable \$16 appointment fee with the Title Insurance Agent or Direct Operation Appointment (FINT10) form

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completed by the title insurance company's appointing official, following all form instructions, and attesting that the applicant:

- i. has a current Schedule D;
- ii. has an agent contract with the title insurance company; and
- iii. has an abstract plant that meets the requirements of Procedural Rule P-12 and Texas Insurance Code §2501.004, or has a subscription agreement for each county listed on the form in which the title insurance agent is appointed to transact business for the title insurance company.

~~[For all Title Agents—To make additional appointments, the Company must submit the following:]~~

~~[A. Agent Contract Submission Form (Form FINT141).]~~

~~[B. Copy of the new contract between the Company and the Agent.]~~

~~[C. Abstract Plant Information Form (Form FINT120 or Form T-52) and any applicable agreements.]~~

~~[D. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.]~~

~~[E. Schedule D Form, completed in accordance with Procedural Rule P-21.]~~

~~[F. Notification of Appointment (Form FINT142), including the appointing company's FIN.]~~

~~[G. Non-refundable Appointment fee of \$16.00.]~~

2. The appointment is effective on the eighth business day following the date the notice of appointment is complete and TDI receives the appointment fee, unless TDI notified the title insurance company that the appointment was rejected.

3. A title insurance agent may be appointed by multiple title insurance companies for each county.

4. Title insurance agent appointments do not expire and remain effective until terminated.

B. APPOINTMENT MAINTENANCE.

1[3]. After the title insurance agent has been appointed, the title insurance company may add or remove counties from the appointment by submitting the Title Insurance Agent or Direct Operation Appointment (FINT10) form completed by

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the title insurance company's appointing official, following all form instructions to list any counties to be added or deleted, and attesting that the applicant:

- a. has a current Schedule D;
- b. has an agent contract with the title insurance company; and
- c. has an abstract plant that meets the requirements of Procedural Rule P-12 and Texas Insurance Code §2501.004, or has a subscription agreement for each county listed on the form in which the title insurance agent is appointed to transact business for the title insurance company [Change in County].

~~[a.—Addition of a County requires written notification as follows:]~~

~~[i.—Agent Contract, or an Amendment thereto.]~~

~~[ii.—Agent Contract Submission Form (Form FINT141).]~~

~~[iii.—Abstract Plant Information Form (Form FINT120 or Form T-52) and any applicable agreements for all new counties.]~~

~~[iv.—Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.]~~

~~[b.—Deletion of a County requires written notification as follows:]~~

~~[i.—Agent Contract, or an Amendment thereto.]~~

~~[ii.—Agent Contract Submission Form (Form FINT141).]~~

~~[iii.—Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.]~~

2[E]. A title insurance agent [An agent] may not operate in an additional county [a County] on behalf of a title insurance company [for a specific Underwriter] until the earlier of:

- a. the eighth business day following the date the complete Title Insurance Agent or Direct Operation Appointment (FINT10) form is submitted, unless TDI notified the title insurance company that the appointment was rejected;  
or

- b. when TDI's website reflects the additional counties

~~[the Agent has been notified by the Department that the Change of County filing has been approved and the County has been added to their title agent license].~~

C[III]. APPOINTMENT TERMINATION. [CANCELLATION]

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1. Termination of an appointment terminates the title insurance agent's authorization to write for the title insurance company in Texas.
2. Deletion of all counties from an appointment terminates the appointment.
- 3[~~D~~]. A title insurance agent must comply with Administrative Rule D-1 if, at the time of appointment termination, the title insurance agent has no active title insurance company appointment and is not seeking an appointment by another title insurance company. A title insurance agent is not required to comply with Administrative Rule D-1 if the title insurance agent submits to TDI a sworn statement which identifies a title insurance company for which an appointment is actively being pursued within the existing license period [~~If a Title Insurance Company is the sole underwriter for the Agent at the time of cancellation, Administrative Rule D-1 must be followed unless the Agent is seeking an appointment by another Title Insurance Company. If the Agent is seeking an appointment by another Title Insurance Company, the Agent must submit to the Department a sworn statement to that effect which identifies the other Title Insurance Company.~~].
4. If Administrative Rule D-1 does not apply, either the title insurance agent or title insurance company may terminate the appointment as follows:
  - a[A]. If a title insurance company intends to terminate a title insurance agent's appointment, the title insurance company [~~To cancel a Title Agent from acting as Agent for a Company, the Company~~] must give the title insurance agent [~~Agent~~] 30 calendar days' written notice of termination [~~cancellation~~] before the effective date of the termination [~~cancellation~~], unless the title insurance agent [~~Agent~~] is terminated [~~cancelled~~] for cause, as defined in the agency agreement. The title insurance company [~~Company~~] must submit the Title Insurance Agent or Direct Operation Appointment (FINT10) form [~~written notice of cancellation~~] to TDI [~~the Department~~] within three business days of notifying the title insurance agent [~~Agent~~] of the termination [~~cancellation~~]. The notice must state [~~the reason for cancellation and~~] the effective date of the termination [~~cancellation~~]. If the title insurance

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company terminates the appointment for cause, the title insurance company must submit an explanation of the circumstances with each notice.

b[€]. If a title insurance agent intends to terminate the title insurance agent's appointment, the title insurance agent [A Title Insurance Agent may voluntarily cancel an appointment at any time. The Agent] must give [notify] the title insurance company [each Company that appointed the Agent of the cancellation] 30 calendar days' written notice of the termination [before the cancellation becomes effective]. The title insurance agent [Agent] must notify TDI of the termination in writing [submit written notification of appointment cancellation to the Department] within three business days of notifying the title insurance company of the termination [the effective date of the termination of the agency agreement]. Each [The] notice must state [the reason for cancellation and] the effective date of the termination.

D. LICENSE SUSPENSION.

- 1[B]. TDI [The Department] will suspend a license pursuant to Texas Insurance Code §2651.010 if the title insurance agent [Title Agent] does not have a valid appointment.
2. [If the license's two-year expiration date has not passed,] TDI [the Department] will lift the suspension on an unexpired license on the receipt of an [acceptable] appointment filing made in compliance with Administrative Rule L-1.III.A.1.b [as described in Administrative Rule L-1.II].
3. License suspension does not relieve a title insurance company or title insurance agent from complying with Administrative Rule D-1.

**IV. TITLE INSURANCE AGENT LICENSE EXPIRATION, RENEWAL, EFFECT OF SUSPENSION, AND SURRENDER [RENEWAL]**

- A. EXPIRATION. A title insurance agent [Title Agent's] license expires two years after the date of issuance. [If a Title Agent holds multiple appointments, each appointment remains effective, without the necessity of renewal, until either the license is canceled or the Company terminates the appointment.]

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~~[C. Unless revoked, terminated, or canceled, the Department shall send written notice of renewal to each agent at the address on record with the Department at least 45 days prior to the expiration date of such license. In the event that the license is not renewed by the agent by the expiration date, the Department shall, within 45 days after the license expires, send written notice of expiration to the agent. Failure of the Department to send written notice of renewal or expiration shall not, in any event, toll the expiration date of the agent license nor prejudice any enforcement action brought by the Department. The Department may provide notice either electronically or by physical letter.]~~

B. RENEWAL. A title insurance agent may renew a license that has not been suspended, revoked, or surrendered, as follows:

~~1[D]. To renew a title insurance agent [any] license, on or before the expiration date of the license, the title insurance agent [Title Agent] must submit [to the Department] the following:~~

~~a[1]. the Title Insurance Agent or Direct Operation Renewal Application (FINT03) form, following all form instructions; and [The application for renewal of Title Insurance Agent's License provided by the Department.]~~

~~b[2]. a nonrefundable [Non-refundable] renewal application fee of \$35[.00].~~

~~[3. A printed copy of the webpage displaying the title agent's Franchise Tax Account Status, available on the Texas Comptroller of Public Accounts' website at [www.window.state.tx.us/taxinfo/coasintr.html](http://www.window.state.tx.us/taxinfo/coasintr.html).]~~

~~[4. A current Franchise Tax Public Information Report on file with the Texas Comptroller of Public Accounts.]~~

2[E]. Failure of a title insurance agent [Title Agent] to submit a complete renewal application and the required renewal fee [any of the above forms] on or before the expiration date of the license[;] results in [automatic] expiration of the title insurance agent's [respective] license.

3[F]. If a title insurance agent's [Title Agent's] license is expired for [not longer than] 90 calendar days or less, the title insurance agent may renew the license [may be renewed] by complying with Administrative Rule L 1.IV.B.1 [submitting the renewal form] and submitting an additional nonrefundable late fee in the amount

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of \$25, which is ~~[paying the required non-refundable renewal fee and a fee of one]~~ half ~~[(1/2) of]~~ the initial license application fee.

~~4[G].~~ If a title insurance agent's ~~[Title Agent's]~~ license is expired for more than 90 calendar days, the license may not be renewed, and all title insurance company and escrow officer appointments terminate. The applicant must submit a new Application for Title Insurance Agent or Direct Operation License (FINT143) form and satisfy the requirements of Administrative Rule L-1.II to obtain a new title insurance agent license. New escrow officer appointments must be submitted prior to engaging in the business of title insurance.

C. EFFECT OF SUSPENSION.

1. A suspension period does not extend the title insurance agent license's ~~[two-year]~~ expiration date.
- ~~2[F].~~ If a title insurance agent license is suspended on expiration of the license, the license is not eligible for renewal and a new license is required as provided in Administrative Rule L-1.IV.B.4.
- ~~3.~~ If a valid appointment is received by TDI prior to the suspended license's expiration, the license may be renewed under Administrative Rule L-1.IV.B ~~[The Department will not renew an agent license which has been suspended pursuant to Texas Insurance Code §2651.010 unless a valid notice of appointment is received within 90 days of the license's two-year expiration date. The 90-day late renewal filing period cannot be used to effect a new appointment by a Title Insurance Company after the expiration date of a license that is suspended on the license renewal date].~~

~~D[B].~~ SURRENDER OF LICENSE. A title insurance agent ~~[Title Insurance Agent]~~ may voluntarily surrender a license at any time. The title insurance agent ~~[Agent]~~ must notify TDI ~~[the Department]~~ and each title insurance company ~~[Title Insurance Company]~~ that appointed the title insurance agent ~~[Agent]~~ of the surrender not less than 45 calendar days before the effective date of the surrender ~~[surrender becomes effective]~~. The title insurance agent's ~~[Agent's]~~ notice to TDI ~~[the Department]~~ must include:

Exhibit 2018-2  
Administrative Rule L-1

1. written [~~Written~~] notification that the title insurance agent [~~Agent~~] is ceasing operations, including the effective date of surrender [~~cancellation~~] for the title insurance agent's [~~Agent's~~] license; and [-]
2. the title insurance agent's [~~The Agent's~~] current plan for an orderly winding down of its operations and compliance with Administrative Rule D-1.

**V. CHANGE IN OPERATIONS**

A[B].NEW LICENSE REQUIRED.

1. If a title insurance agent's license is expired, surrendered, or revoked, and a new license is required, the title insurance agent license applicant may not conduct the business of title insurance until the applicant has been notified by TDI that its title insurance agent license has been issued.

~~[The following changes in operations REQUIRE cancellation of all existing agent and escrow officer licenses and submission of a new Application for Title Insurance Agent's License (Form FINT143) as described in L-1 along with applicable escrow officer applications and forms for appointments by additional companies for issuance of a new license.]~~

- ~~[1. Ownership change of an individual or partnership Title Agent with new partner(s) added to partnership.]~~
- ~~[2. Entity ownership change of 50% or more with new owner(s) or partner(s) added to the Entity if there is a change in control.]~~
2. A title insurance agent license is non-transferrable. The purchase of a title insurance agent's assets may not include the transfer of a title insurance agent license.

B[A].NEW LICENSE NOT REQUIRED. The following changes in title insurance agent operations only require written notice to TDI [~~the Department~~], as provided below, unless the title insurance agent is required to apply for a new license under Administrative Rule L-1.V.A. [~~but DO NOT REQUIRE cancellation of an existing license and issuance of a new license:~~]

1. A Title Insurance Agent or Direct Operation Change Request (FINT129) form, with the information specified below, is required for:

Exhibit 2018-2  
Administrative Rule L-1

- a. all mergers, exchanges, and conversions, and must include the certificate of merger, exchange, or conversion, if applicable, filed with the Office of the Texas Secretary of State;
  - b. a merger of two or more title insurance agents in which an existing title insurance agent survives the merger, and must include:
    - i. the notification of surrender of the non-surviving title insurance agents' licenses to TDI required under Administrative Rule L-1.IV.D;  
and
    - ii. notification from each affected title insurance company of the changes in counties or appointment terminations as provided in Administrative Rule L-1.III, if the surviving title insurance agent will not serve all of the title insurance companies or counties that the prior title insurance agents served.
    - iii. TDI will combine all existing title insurance company appointments and escrow officer appointments of the merged title insurance agents into the surviving title insurance agent.
  - c. a change of the title insurance agent's name or assumed name, including the use of additional assumed names or the abandonment of an assumed name, and must include:
    - i. if the entity name changes, a certified copy of the amended Certificate of Formation reflecting the entity name as amended; and
    - ii. if an assumed name is used, a copy of a valid Assumed Name Certificate filed with the Secretary of State or County Clerk in each county in which the title insurance agent will operate.
- ~~[4. Change in the "Entity Name" and/or "Assumed Name" of an entity title agent, including the use of multiple or additional "Assumed Names" or the abandonment of an "Assumed Name," requires written notification as follows, as applicable:]~~
- ~~[a. Agent Contract, or an Amendment thereto.]~~
  - ~~[b. Agent Contract Submission Form (Form FINT141 ).]~~
  - ~~[c. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.]~~

Exhibit 2018-2  
Administrative Rule L-1

- ~~[d.— Texas Title Insurance Agent's/Direct Operation's bond and Texas Escrow Officer Schedule bond or an original rider or endorsement thereto reflecting the new Agent name.]~~
- ~~[e.— If the Entity name changes, a certified copy of the amended Certificate of Formation reflecting the Entity name as amended.]~~
- ~~[f.— If an "Assumed Name" is used, a copy of a valid Assumed Name Certificate filed with the Secretary of State and/or County Clerk(s) in the county(ies) in which the Title Agent will operate.]~~
- ~~[g.— If the Entity name changes, the current Title Insurance Agent's license and all current Title Insurance Escrow Officer licenses or a sworn statement from the Agent stating that the license has been lost or misplaced.]~~
- ~~[h.— Abstract Plant Information Form (Form FINT120 or Form T 52) and any applicable agreements.]~~
- ~~[i.— A printed copy of the webpage displaying the title agent's Franchise Tax Account Status, available on the Texas Comptroller of Public Accounts' website at [www.window.state.tx.us/taxinfo/coasintr.html](http://www.window.state.tx.us/taxinfo/coasintr.html).]~~
- ~~[j.— Current Franchise Tax Public Information Report on file with the Texas Comptroller of Public Accounts.]~~
- ~~[k.— Schedule D for each Underwriter.]~~
- ~~[5.— Change in " Assumed Name" of an individual or partnership Agent requires written notification as follows:]~~
  - ~~[a.— Agent Contract, or an Amendment thereto.]~~
  - ~~[b.— Agent Contract Submission Form (Form FINT141).]~~
  - ~~[c.— Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.]~~
  - ~~[d.— Texas Title Insurance Agent's/Direct Operation's bond and Texas Escrow Officer Schedule bond or an original rider or endorsement thereto reflecting the new Agent name.]~~
  - ~~[e.— A copy of a valid Assumed Name Certificate filed with the Secretary of State and/or County Clerk(s) in the county(ies) in which the Title Agent will operate.]~~

Exhibit 2018-2  
Administrative Rule L-1

- ~~[f. The current Title Insurance Agent's license and all current Title Insurance Escrow Officer licenses or a sworn statement from the Agent stating that the license has been lost or misplaced.]~~
  - ~~[g. Abstract Plant Information Form (Form FINT120 or Form T-52) and any applicable agreements.]~~
  - ~~[h. Schedule D for each Underwriter.]~~
  - ~~[i. A printed copy of the webpage displaying the title agent's Franchise Tax Account Status, available on the Texas Comptroller of Public Accounts' website at [www.window.state.tx.us/taxinfo/coasintr.html](http://www.window.state.tx.us/taxinfo/coasintr.html).]~~
  - ~~[j. Current Franchise Tax Public Information Report on file with the Texas Comptroller of Public Accounts.]~~
  - ~~iii[C]. A new [Entity] name may not be used until the title insurance agent [Agent] has been notified by TDI [the Department] that the [a] license has been updated with the [issued under a] new name.~~
  - d. a change in the ownership percentages of the title insurance agent, and must include:
    - i. notification of the individual names and ownership percentage changes; and
    - ii. the Title Insurance Licensing Biographical Information (FINT08) form, if required under Administrative Rule L-1.V.B.2.
  - e[2]. a [A] change in the title insurance agent's physical [location] or mailing address, and must include written notification of the new address [of an existing Title Agent or branch office location requires written notification to the Department, accompanied by a completed Title Agent Update Form].
2. A Title Insurance Licensing Biographical Information (FINT08) form is required for:
- a. each new officer, director, manager, designated on-site manager, and partner and shareholder who is in control of the title insurance agent; and
  - b. each controlling partner and shareholder of an entity or partnership who is in control of the title insurance agent.

Exhibit 2018-2  
Administrative Rule L-1

- [1. ~~A change in Entity ownership of less than 50% and/or a change in the officers, directors, manager, designated managers, or partners of a currently licensed entity Title Agent requires written notification as follows, as applicable:]~~
- [a. ~~Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.]~~
  - [b. ~~Schedule D for each Underwriter.]~~
  - [c. ~~Copy of documentation evidencing ownership change.]~~
  - [d. ~~Section A (Biographical Information) of the Application for Title Insurance Agent's License for each new officer, director, manager, designated manager, partner and shareholder who is in control of the entity, and each new officer, director, manager, partner and shareholder who is in control of an entity designated as a partner or shareholder.]~~
- [6. ~~Ownership change of a partnership Title Agent due to withdrawal of a partner(s) and no new partner(s) added to partnership requires written notification as follows:]~~
- [a. ~~Cover letter describing the change. The cover letter must identify the documents submitted and the reason for making the filing.]~~
  - [b. ~~Agent Contract, or an Amendment thereto.]~~
  - [c. ~~Agent Contract Submission Form (Form FINT141).]~~
  - [d. ~~Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.]~~
  - [e. ~~Copy of amended partnership agreement or copy of documentation evidencing ownership change.]~~
  - [f. ~~The current Title Insurance Agent's license or a sworn statement from the Agent stating that the license has been lost or misplaced.]~~
  - [g. ~~Schedule D for each Underwriter.]~~
- [7. ~~Ownership change of an Entity Title Agent due to a person ceasing to be an owner, member, manager, or stockholder through the transfer or sale of all of the person's shares of stock or interest and no new stockholder(s), member(s), manager(s), or owners added to the Entity including the withdrawal of a partner(s) and no new partner(s) added requires written notification as follows:]~~

Exhibit 2018-2  
Administrative Rule L-1

- ~~[a.— Cover letter describing the change. The cover letter must identify the documents submitted and the reason for making the filing.]~~
  - ~~[b.— Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.]~~
  - ~~[c.— Copy of documentation evidencing ownership change.]~~
  - ~~[d.— Schedule D for each Underwriter.]~~
- ~~[8.— Subject to Administrative Rule L 1.V.B.2, a change in organizational structure made by an Entity pursuant to the Texas Business Organization Code including a change in ownership of 50% or more if there is no change in control requires written notification certifying, under oath, that there is no change of control as defined in Procedural Rule P 28.A.2. Submit the following additional documents, as applicable:]~~
- ~~[a.— Cover letter describing the change. The cover letter must identify the documents submitted and the reason for making the filing.]~~
  - ~~[b.— Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.]~~
  - ~~[c.— Schedule D for each Underwriter.]~~
  - ~~[d.— Completed Section A (Biographical Information) of the Application for Title Insurance Agent's License for each new officer, director, manager, designated manager, partner, and shareholder who is in control of the entity, and each new officer, director, manager, partner, and shareholder who is in control of an entity designated as a partner or shareholder.]~~
  - ~~[e.— The applicable certificate issued by the Office of the Texas Secretary of State (e.g. Certificate of Merger, Exchange, or Conversion).]~~
  - ~~[f.— In cases involving a change in the "Entity Name" or "Assumed Name," the requirements of Administrative Rule L 1.V.A.4 may be completed simultaneously with these requirements.]~~
3. Changes in the title insurance agent's title plant ownership or subscription must be documented in the title insurance agent's records and made available to TDI on request.

Exhibit 2018-2  
Administrative Rule L-1

- ~~[9.— A change in abstract plant requires written notification from the Title Agent to the Department if:]~~
- ~~[a.— an abstract plant owned by the Title Agent is sold;]~~
  - ~~[b.— an abstract plant is purchased by the Title Agent;]~~
  - ~~[c.— a Joint Abstract Plant is used and a change in ownership occurs; or]~~
  - ~~[d.— the Title Agent changes leased abstract plant provider.]~~
- ~~[Submit the following additional documents, as applicable:]~~
- ~~[i.— Abstract Plant Form (Form FINT120 or Form T 52) by at least one Sponsoring Underwriter for each county affected.]~~
  - ~~[ii.— Complete, signed copy of the plant lease with the new abstract plant provider.]~~
  - ~~[iii.— Copy of the bill of sale or other documentation evidencing the sale or purchase of an abstract plant.]~~

~~4[H]. Changes in the proof of the bond or deposit requirements of Texas Insurance Code Chapter 2651, Subchapter C, and Chapter 2652, Subchapter C, including the new or amended TDI cash receipt, copy of the surety bond, copy of the irrevocable letters of credit, or copies of securities approved by TDI, must be documented in the title insurance agent's records and made available to TDI on request [If the amount of the Bond or other security required in Texas Insurance Code §§2651.101–104, has increased from the Bond or other security on file with the Department, a new Bond, Rider, Endorsement, increase in cash, or an amended letter of credit in the amount required by §§2651.101–104 shall be filed].~~

~~[VI. SPECIAL NOTE REGARDING CHANGE IN OPERATIONS]~~

- ~~[A.— Existing licenses will be canceled no later than 60 days from receipt of the first cancellation notice. All required items listed in Section III.A above must be in the office of the Department before a new license will be issued.]~~
- ~~[B.— New owners cannot conduct the business of a Title Agent until they have been notified by the Department that their license has been issued.]~~
- ~~[D.— When there is a change in operations of an existing Title Agent which requires cancellation of the Agent license, all currently licensed Escrow Officers for said Title~~

Exhibit 2018-2  
Administrative Rule L-1

~~Insurance Agent must be canceled. If an Escrow Officer is to represent a new Title Agent, an application for a new license must be filed on behalf of the Escrow Officer.]~~

~~**[VII. TRANSITION TO MULTIPLE APPOINTMENTS UNDER ONE LICENSE]**~~

~~[The Department will recognize only one license per FIN, beginning no earlier than January 3, 2014. Currently licensed Title Agents sharing a FIN will share one license.]~~

~~[A. Unless the FIN holder requests, in writing, to retain a different license before January 3, 2014, the FIN holder will retain only the oldest license issued. All other licenses will convert to appointments that relate to that oldest license.]~~

~~[B. If the FIN holder requests, in writing, to retain a different license before January 3, 2014, the written letter must specify the license to be retained and the FIN to be associated with the license. All other licenses will convert to appointments that relate to that license.]~~

~~[C. The appointments resulting from subsections A and B of this section will remain in effect automatically without further action unless and until the Title Agent or Company takes action to cancel or surrender the appointment in accordance with the applicable section of this rule.]~~

~~[D. The Department will send each Title Agent a reconciliation report describing the Title Agent's licensure and appointment status.]~~



**TEXAS DEPARTMENT OF INSURANCE**

333 Guadalupe, Austin, Texas 78701 \* PO Box 149104, Austin, Texas 78714-9104  
(512) 676-6000 | (800) 578-4677 | TDI.texas.gov | @TexasTDI

**Application for title insurance agent or direct operation license**

**► Answer the following:**

**Applicant name** \_\_\_\_\_

**Federal Tax Identification number** \_\_\_\_\_

**Mailing address**

Street address, route, or PO Box \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

**Physical address**

Street address, physical location, or route \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

**Applicant is organized as: (check one)**

- Sole proprietor       Partnership       Entity

**The type of license being applied for: (check one)**

- Title insurance agent       Direct operation

**Enter information about the accounting firm that will complete the annual escrow audit report of trust funds:**

Accounting firm name \_\_\_\_\_

Accounting firm address \_\_\_\_\_

Accounting firm phone \_\_\_\_\_

**The contact for this form is:**

Contact name \_\_\_\_\_

Contact phone number (include area code) \_\_\_\_\_

Contact email \_\_\_\_\_

**\*\* See the next page for items you must send with this form. \*\***

► **Along with this form, send the following:**

You can find forms at [[www.tdi.texas.gov/forms/title.html](http://www.tdi.texas.gov/forms/title.html)].

- Application fee of \$50. This is nonrefundable and nontransferable.
- Title insurance agent or direct operation appointment (Form FINT10).
- Escrow officer appointment (Form FINT09), unless the sole proprietor or a partner will perform the duties of an escrow officer for the applicant.
- Title insurance licensing biographical information (Form FINT08) for the following:
  - For a sole proprietorship, the sole proprietor and each designated on-site manager.
  - For a partnership, each designated on-site manager and partner who is in control.
  - For an entity, each officer, director, manager, designated on-site manager, and partner and shareholder who is control of the entity.
  - Each controlling partner and shareholder of an entity or partnership who is in control of the entity or partnership applicant.
- Organizational chart that includes names and position titles for the applicant and each person that controls the applicant.
- Audited, reviewed, or compiled financial statement of the applicant: (1) prepared by an independent CPA, and (2) covering a period that ended no more than 60 days ago.
- A surety bond, letter of credit, or cash deposit showing proof of coverage for the title insurance agent or direct operation. The amount must be the greater of: (1) \$10,000, or (2) an amount equal to 10 percent of the gross premium written by the title insurance agent or direct operation according to the latest statistical report sent to the Texas Department of Insurance, but not to exceed \$100,000.
- A surety bond, letter of credit, or cash deposit showing proof of coverage for escrow officers. The amount of the bond or deposit, up to a maximum of \$50,000, is determined by multiplying the number of escrow officers employed by the title insurance agent or direct operation by:
  - \$5,000 for an application for each escrow officer who is a Texas resident (bona fide).
  - and
  - \$10,000 for an application for each escrow officer who is a resident (bona fide) of a state next to Texas.
- Title insurance agent's unencumbered assets certification (Form T-S1).
- Tripartite agreement (Form T-S2) or other proof showing how the applicant meets the minimum capitalization requirements ([[www.tdi.texas.gov/title/titlem6s1.html](http://www.tdi.texas.gov/title/titlem6s1.html)]).

**Send the following, if applicable:**

- If applying for a direct operation license, attach a list of all branch office addresses and phone numbers.
- If using an assumed name, attach a copy of a valid Assumed Name Certificate filed with the Texas Secretary of State or county clerk's office in the counties in which the title insurance agent or direct operation will operate.
- If applicant is formed as a partnership, send a copy of the partnership agreement.
- If applicant was formed at the Texas Secretary of State, send a copy of the Certificate of Formation and Letter of Authority to do business, which was given by the Texas Secretary of State.

► **Sign here:**

I confirm that all statements, supporting forms, schedules, documents, and exhibits given for the application of this license are true and correct.

\_\_\_\_\_  
Signature of the applicant's representative

► **To be filled out by a notary public:**

State of \_\_\_\_\_

County of \_\_\_\_\_

Before me, notary public, on this day personally appeared \_\_\_\_\_,

Applicant representative's name

known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

(Personalized seal)

\_\_\_\_\_  
Notary public's signature

► **Return this form and any attachments one of these ways:**

**Mail:**

[Texas Department of Insurance]  
[Title Licensing, Mail Code 107-TL]  
[PO Box 149104]  
[Austin, Texas 78714-9104]

**Overnight mail or in person:**

[Texas Department of Insurance]  
[Title Licensing, Mail Code 107-TL]  
[333 Guadalupe]  
[Austin, Texas 78701]

► **Contact us if you have questions:**

You can: (1) use our online question form at [[www.tdi.texas.gov/agent/question.html](http://www.tdi.texas.gov/agent/question.html)], (2) email [[TDI-TitleLicensing@tdi.texas.gov](mailto:TDI-TitleLicensing@tdi.texas.gov)], or (3) call [512-676-6475].

► **Know your rights:**

**You have the right to see and get facts we have about you:** If you want to get information we have about you, you must ask us in writing. You might need to pay to get a copy of this information. You can send your letter or email one of these ways:

Email: [[OpenRecords@tdi.texas.gov](mailto:OpenRecords@tdi.texas.gov)]  
Fax: [512-490-1021]  
In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]  
[Public Information Coordinator]  
[PO Box 149104 (Mail code 110-1C)]  
[Austin, Texas 78714-9104]

**You have the right to ask that we fix information we have about you that is wrong:** If you want to ask that we fix information we have about you that is wrong, you must ask us in writing. The letter or email must have: (1) your name and mailing address, (2) your phone number, (3) details about what needs to be fixed, and (4) the reason or proof showing why the information is wrong. You can send your letter or email one of these ways:

Email: [[RecordCorrections@tdi.texas.gov](mailto:RecordCorrections@tdi.texas.gov)]  
Fax: [512-490-1025]  
In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]  
[Record Correction Request]  
[PO Box 149104 (Mail code 113-1C)]  
[Austin, Texas 78714-9104]



**TEXAS DEPARTMENT OF INSURANCE**

333 Guadalupe, Austin, Texas 78701 \* PO Box 149104, Austin, Texas 78714-9104  
(512) 676-6000 | (800) 578-4677 | TDI.texas.gov | @TexasTDI

**Title insurance licensing biographical information**

**When sending this form with an application for a title insurance agent or direct operation license (Form FINT143), fill out this form for each individual listed for your business type:**

- For a sole proprietorship, the sole proprietor and each designated on-site manager.
- For a partnership, each designated on-site manager and partner who is in control.
- For an entity, each officer, director, manager, designated on-site manager, and partner and shareholder who is in control of the entity.
- Each controlling partner and shareholder of an entity or partnership who is in control of the entity or partnership applicant.

► **Tell us about the title insurance agent or direct operation you are filling out this form for:**

**Name of the title insurance agent or direct operation** \_\_\_\_\_

**TDI license number** (if they have one) \_\_\_\_\_

**Federal tax identification number** \_\_\_\_\_

► **Tell us about yourself:**

**Section 1: Questions about name, address, and position**

**Name** \_\_\_\_\_  
First name Middle name Last name Suffix

**Social Security number** \_\_\_\_\_

**Email** \_\_\_\_\_

**Home address**

Street address or route \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

**Positions you hold related to this title insurance agent or direct operation** (check all that apply)

- Owner or shareholder       Officer       Director       Manager
- Member       Partner       Designated on-site manager

**During the past 5 years, were you a manager (or comparable position) of a Texas title insurance agent or direct operation?**

**If yes:**

- Attach a resume that shows proof that you were a manager (or comparable position) of a Texas title insurance agent or direct operation.
- Attach copies of continuing education certificates from courses taken in the past 2 years.

**If no:**

- Attach a certificate of completion for a management training course, as outlined in Procedural Rule P-28.IV.A of the Title Insurance Basic Manual [(www.tdi.texas.gov/title/titleman.html)].

**Section 2: Questions about legal offenses**

When answering the following question: (1) include any offense filed against you in Texas, any other state, or by the federal government; and (2) do not include traffic violations and first offense DWI (driving while intoxicated or under the influence).

1. Do you have pending misdemeanor or felony charges (by indictment, information, or any other instrument)?  Yes  No
2. Have you been convicted of any misdemeanor or felony offense?  Yes  No
3. Have you had adjudication deferred on any misdemeanor or felony charge or offense?  Yes  No
4. Have you served probation for any misdemeanor or felony offense?  Yes  No

**If you answered “Yes” to any question in Section 2, attach one of the following:**

- An original, certified copy of: (1) the indictment or charging document, (2) conviction, (3) order deferring adjudication, and/or (4) judgment and conditions of probation from the appropriate jurisdiction. This is needed for each crime or offense.

or

- A statement that explains that you already sent information about the crime or offense to the Texas Department of Insurance.

You also can send letters of recommendation and a resume with these attachments.

**Section 3: Questions about licenses, litigation, and more**

5. Have you, or has any corporation, partnership, association, or firm in which you were a director, officer, shareholder, manager, member, or partner, been:  Yes  No
  - The subject of an administrative or legal action filed by Texas or another state’s insurance department or financial regulatory agency?or
  - The subject of an action filed on behalf of any state or by the federal government based on alleged violations of state or federal insurance, securities, or financial regulatory laws?

Exhibit 2018-4  
Title Licensing Biographical Information (FINT08) Form

FINT08 | [0818]

6. Have you had an agency contract or appointment canceled for cause such as a misrepresentation or misappropriation?  Yes  No
7. Have you had a professional license or an insurance license denied, suspended, or revoked in Texas or any other state?  Yes  No
8. Have you had any judgments against you held by an insurance company or insured person or business that are unpaid in whole or in part?  Yes  No
9. Have you had any judgments against you that involved a violation of the Texas Insurance Code or the insurance laws of any other state?  Yes  No
10. Have you ever applied for a letter of consent, as required under section 18 U.S.C. 1033(e), from any insurance regulatory official from Texas or any other state?  Yes  No

**If yes:**

Attach a statement that gives details about the proceeding's outcome and all supporting documents.

**If no and you have been convicted of (1) any criminal felony involving dishonesty or breach of trust, or (2) an offense under section 18 U.S.C. 1033:**

Attach a signed and notarized request for written consent and all supporting documents.

**If you answered "Yes" to any question in Section 3, attach a statement with dates and details.**

► **Fingerprint background check:**

Most people must: (1) get a fingerprint background check, and (2) send us a copy of the receipt showing that their fingerprints were sent to the Texas Department of Public Safety.

- To schedule a fingerprint appointment, go to [IdentoGO or call 1-888-467-2080. Use service code 11G6QF when making the appointment.]
- **You do not need to get a fingerprint background check if you live in Texas and either:** (1) have an active license or registration with TDI, or (2) had an escrow officer license that has not been canceled for more than 60 days.

**If you have an active license or registration or had an escrow officer license, what is or was your license number?** \_\_\_\_\_

To learn more about requirements, go to [[www.tdi.texas.gov/agent/escrow-officer-apply.html](http://www.tdi.texas.gov/agent/escrow-officer-apply.html)].

► **Sign here:**

I confirm that all statements, supporting forms, schedules, documents, and exhibits given for this license are true and correct.

\_\_\_\_\_  
Signature of person filling out this form

**\*\* You must get a notary public signature on this form. See next page. \*\***

► **To be filled out by a notary public:**

State of \_\_\_\_\_

County of \_\_\_\_\_

Before me, notary public, on this day personally appeared \_\_\_\_\_,  
Name of person who filled out this form

known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

(Personalized seal)

\_\_\_\_\_  
Notary public's signature

---

► **Return this form and any attachments one of these ways:**

**Mail:**

[Texas Department of Insurance]  
[Title Licensing (Mail code 107-TL)]  
[PO Box 149104]  
[Austin, Texas 78714-9104]

**Overnight mail or in person:**

[Texas Department of Insurance]  
[Title Licensing (Mail code 107-TL)]  
[333 Guadalupe]  
[Austin, Texas 78701]

**Email:**

[TDI-TitleLicensing@tdi.texas.gov]

► **Contact us if you have questions:**

You can: (1) use our online question form at [www.tdi.texas.gov/agent/question.html],  
(2) email [TDI-TitleLicensing@tdi.texas.gov], (3) or call [512-676-6475].

► **Know your rights:**

**You have the right to see and get facts we have about you:** If you want to get information we have about you, you must ask us in writing. You might need to pay to get a copy of this information. You can send your letter or email one of these ways:

Email: [[OpenRecords@tdi.texas.gov](mailto:OpenRecords@tdi.texas.gov)]  
Fax: [512-490-1021]  
In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]  
[Public Information Coordinator]  
[PO Box 149104 (Mail code 110-1C)]  
[Austin, Texas 78714-9104]

**You have the right to ask that we fix information we have about you that is wrong:** If you want to ask that we fix information we have about you that is wrong, you must ask us in writing. The letter or email must have: (1) your name and mailing address, (2) your phone number, (3) details about what needs to be fixed, and (4) the reason or proof showing why the information is wrong. You can send your letter or email one of these ways:

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**TEXAS DEPARTMENT OF INSURANCE**

333 Guadalupe, Austin, Texas 78701 \* PO Box 149104, Austin, Texas 78714-9104  
(512) 676-6000 | (800) 578-4677 | TDI.texas.gov | @TexasTDI

**Title insurance agent or direct operation appointment**

**Use this form to:**

- Register counties of operation for a new appointment or direct operation.
- Add counties of operation to an existing appointment or direct operation.
- Remove counties of operation from an existing appointment or direct operation.
- End a title insurance agent or direct operation appointment.

► **Answer the following questions:**

**Title insurance company**

Company name \_\_\_\_\_

Company TDI license number \_\_\_\_\_

**Title insurance agent or direct operation (if applicable)**

Name \_\_\_\_\_

TDI license number (if they have one) \_\_\_\_\_

**The contact for this form**

Contact name \_\_\_\_\_

Contact email \_\_\_\_\_

Contact phone number \_\_\_\_\_

► **Fill out this section to register counties of operation for a new appointment or direct operation**

- **If this is for a new appointment:** List all counties where the title insurance agent or direct operation may act for the title insurance company.
- **If this is for a new direct operation:** List all counties where the direct operation will write, sign, or deliver title insurance for the title insurance company.

**List counties of operation you want to register for the new appointment or direction operation.**

If more space is needed, attach another page.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**You might have to pay a fee:** If this is not for (1) a title insurance agent's first appointment, or (2) a direct operation's original registration with an Application for title insurance agent or direct operation license (Form FINT143), you must send \$16 to the Texas Department of Insurance. TDI does not give refunds or allow fee transfers.

► **Fill out this section to add counties of operation to an existing appointment or direct operation**

- **If this is for an existing appointment:** List new counties where the title insurance agent or direct operation can act for the title insurance company.
- **If this is for an existing direct operation:** List new counties where the direct operation will write, sign, or deliver title insurance for the title insurance company.

**List counties of operation you want to add to the existing appointment or direct operation.** If more space is needed, attach another page.

_____	_____	_____
_____	_____	_____

► **Fill out this section to remove counties of operation from an existing appointment or direct operation**

- **If this is for an existing appointment:** List all counties where the title insurance agent or direct operation may no longer act for the title insurance company.
- **If this is for an existing direct operation:** List all counties where the direct operation will no longer write, sign, or deliver title insurance for the title insurance company.

**List counties of operation you want to remove from the existing appointment or direct operation.** If more space is needed, attach another page.

_____	_____	_____
_____	_____	_____

► **Fill out this section to end an appointment**

The title insurance agent or direct operation's appointment will end on this date \_\_\_\_\_

**Is this appointment ending for cause such as a misrepresentation or misappropriation?**  Yes  No

 If you answered "Yes," attach a statement with details.

An appointed title insurance agent must follow Administrative Rule D-1 of the Title Insurance Basic Manual [(www.tdi.texas.gov/title/titleman.html)] if:

- A title insurance company is the only underwriter for the title insurance agent when the appointment ends.
- and
- The title insurance agent is not seeking an appointment by another title insurance company.

► **As the contact for this form, I confirm that:**

- This form was filled out by a representative of the title insurance company.
- I am authorized to sign for the title insurance company.
- The title insurance agent or direct operation has a current Schedule D. (See Procedural Rule P-21 of the Title Insurance Basic Manual, [[www.tdi.texas.gov/title/titleman.html](http://www.tdi.texas.gov/title/titleman.html)].)
- The title insurance agent or direct operation has a contract with the title insurance company, if applicable.
- The title insurance agent or direct operation has:
  - An abstract plant that meets the requirements of Procedural Rule P-12 of the Title Insurance Basic Manual [[www.tdi.texas.gov/title/titleman.html](http://www.tdi.texas.gov/title/titleman.html)]] and Texas Insurance Code 2501.004.

or

  - A subscription agreement for each county in which the title insurance agent or direct operation is appointed to transact business for the title insurance company.

---

► **Sign here:**

I confirm that all statements, supporting forms, schedules, documents, and exhibits given for this license are true and correct.

\_\_\_\_\_  
Contact's signature

► **To be filled out by a notary public:**

State of \_\_\_\_\_

County of \_\_\_\_\_

Before me, notary public, on this day personally appeared \_\_\_\_\_,  
Contact's name

known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

(Personalized seal)

\_\_\_\_\_  
Notary public's signature

► **Return this form and any attachments one of these ways:**

**Mail:**

[Texas Department of Insurance]  
[Title Licensing, Mail Code 107-TL]  
[PO Box 149104]  
[Austin, Texas 78714-9104]

**Overnight mail or in person:**

[Texas Department of Insurance]  
[Title Licensing, Mail Code 107-TL]  
[333 Guadalupe]  
[Austin, Texas 78701]

► **Contact us if you have questions:**

You can: (1) use our online question form at [www.tdi.texas.gov/agent/question.html], (2) email [TDI-TitleLicensing@tdi.texas.gov], or (3) call [512-676-6475].

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**Title insurance agent or direct operation renewal application**
**To renew the license, you must:**

- Meet the continuing education requirements under Procedural Rule P-28.III.A of the Title Insurance Basic Manual [(www.tdi.texas.gov/title/titleman.html)].
- Send \$35. If this form is not sent by the current license expiration date, you also must send a late fee of \$25. (TDI does not give refunds or allow fee transfers).

**► Answer the following questions:**

**TDI license number** \_\_\_\_\_

**Name as listed on the license** \_\_\_\_\_

**Contact phone** \_\_\_\_\_

**Contact email** \_\_\_\_\_

**📎 If the title insurance agent or direct operation name or address changed:** Send the Title insurance agent or direct operation name or address change request (Form FINT129). You can find this form at [www.tdi.texas.gov/forms/title.html.]

**Information about any offenses**

When answering the following question: (1) include any charge filed against any officers, directors, or individuals in control, as defined by Administrative Rule Definitions.E, (2) in Texas, any other state, or by the federal government, and (3) do not include traffic violations and first offense DWI (driving while intoxicated or under the influence).

Since getting the license or since the last renewal:

- Have any officers, directors, or individuals in control been charged with a misdemeanor or felony?  Yes  No
- Do any officers, directors, or individuals in control have any pending misdemeanor or felony charges (by indictment, information, or any other instrument)?  Yes  No

**📎 If you answered "Yes":** Attach an original, certified copy of: (a) the indictment or charging document, (b) conviction, (c) order deferring adjudication, and / or (d) judgment and conditions of probation from the appropriate jurisdiction. This is needed for each crime or offense.

You also can send letters of recommendation and resumes with these attachments.

**Title insurance continuing education**

Only answer the following questions if this form is for a sole proprietorship or partnership:

- Have the required number of continuing education credit hours been completed by the sole proprietor or the partner(s) who are in control?  Yes  No
- If you answered "No," has TDI approved an extension or exemption?  Yes  No

► **Sign here:**

I confirm that I have reported to TDI any required administrative action and criminal history, and that the answers I gave on this form are true and correct:

Applicant's signature \_\_\_\_\_

► **To be filled out by a notary public:**

State of \_\_\_\_\_

County of \_\_\_\_\_

Before me, notary public, on this day personally appeared \_\_\_\_\_,  
Applicant's name

known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

(Personalized seal)

\_\_\_\_\_  
Notary public's signature

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[PO Box 149104]  
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Title insurance agent or direct operation change request form

Use this document to report changes in: (1) license holder operations, including mergers, exchanges, and conversions; (2) ownership; (3) contact information or addresses; or (4) name or assumed name under Administrative Rules L-1.V.B.1 and L-3.V.B.1 of the Title Insurance Basic Manual [(www.tdi.texas.gov/title/titleman.html)].

TDI license number \_\_\_\_\_

Name as listed on the license \_\_\_\_\_

► Fill out this section if there has been a change in ownership:

List the owners, firms, or people, and their percentage of ownership after the changes were made.

- Firms must attach a list of shareholders and an organizational chart of the firm.
When adding the percentages of ownership for all owners, there must a total of 100 percent. If more space is needed, attach another page.

Table with 2 columns: Owner name, % of ownership. Multiple rows for listing owners.

- Attach documents that give details about the change in ownership.
For changes that require a notice be sent to the Secretary of State, such as mergers, acquisitions, and conversions, attach a copy of the updated Secretary of State documents showing the change.
For any new owners list above, attach a Title insurance licensing biographical information (Form FINT08) if they are one of the following individuals for your business type:
- For a sole proprietorship, the sole proprietor and each designated on-site manager.
- For a partnership, each designated on-site manager and partner who is in control.
- For an entity, each officer, director, manager, designated on-site manager, and partner and shareholder who is control of the entity.
- Each controlling partner and shareholder of an entity or partnership who is in control of the entity or partnership applicant.

► **Fill out this section for a change in officers and directors for partnerships, limited liability companies, and corporations:**

List all of the current officers and directors after the changes were made. If more space is needed, attach another page.

_____	_____	_____	_____
Officer name	Position title	Officer name	Position title
_____	_____	_____	_____
Officer name	Position title	Officer name	Position title
_____	_____	_____	_____
Officer name	Position title	Officer name	Position title

📎 Attach documents that give details about the change. Documents should show changes to the entire management structure, down to the designated on-site manager level.

📎 For any new officers or directors listed above, attach a Title insurance licensing biographical information (Form FINT08) if they are one of the following individuals for your business type:

- For a sole proprietorship, the sole proprietor and each designated on-site manager.
- For a partnership, each designated on-site manager and partner who is in control.
- For an entity, each officer, director, manager, designated on-site manager, and partner and shareholder who is control of the entity.
- Each controlling partner and shareholder of an entity or partnership who is in control of the entity or partnership applicant.

► **Fill out all parts of this section if your contact information or address changed:**

Title insurance agents and direct operations must notify TDI within 30 days of an address change.

**Mailing address**

Street address, route, or PO Box \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

**Physical address**

Street address, physical location, or route \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

📎 For a change in direct operation branch office locations, attach a current list of branch office physical and mailing addresses.

**Contact name** \_\_\_\_\_

**Contact phone number** (include area code) \_\_\_\_\_

**Contact email** \_\_\_\_\_

► **Fill out this section if the license holder name has changed:**

**New name of license holder** \_\_\_\_\_

📎 If you filed the name change with the Secretary of State, attach a copy of the new Secretary of State Certificate of Filing.

A surety bond, letter of credit, or deposit must be updated to show the correct name.

► **Fill out this section if a new assumed name is being used:**

**New assumed name of license holder** \_\_\_\_\_

📎 Attach a copy of the Secretary of State Assumed Name Certificate or a document showing the assumed name was filed with a county.

► **Fill out this section if an assumed name is no longer used:**

**Assumed name that is no longer used** \_\_\_\_\_

📎 Attach documents showing proof that the assumed name is no longer used.

► **Sign here:**

The answers I gave on this form are true and correct:

Representative's signature \_\_\_\_\_

► **To be filled out by a notary public:**

State of \_\_\_\_\_

County of \_\_\_\_\_

Before me, notary public, on this day personally appeared \_\_\_\_\_,  
Applicant representative's name

known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

(Personalized seal)

\_\_\_\_\_  
Notary public's signature

**► Return this form and any attachments one of these ways:****Mail:**

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[Title Licensing (Mail code 107-TL)]  
[PO Box 149104]  
[Austin, Texas 78714-9104]

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TEXAS TITLE INSURANCE AGENT [~~AGENT'S~~]  
/DIRECT OPERATION [~~OPERATION'S~~] BOND

**Bond No:** \_\_\_\_\_

**KNOW ALL PERSONS BY THESE PRESENTS:**

**THAT WE** \_\_\_\_\_  
TITLE INSURANCE AGENT/DIRECT OPERATION FULL LEGAL NAME, INCLUDING DBA

as Principal, whose Texas physical address is \_\_\_\_\_

and \_\_\_\_\_ as Surety, being a surety company authorized to do business in the State of Texas, are held and firmly bound unto the Texas Department of Insurance in the sum of

\$ \_\_\_\_\_ [~~;~~](bond amount determined by §2651.101 [~~Article 9.38~~] of the Texas Insurance Code), payable to the Texas Department of Insurance [~~said Department~~] for the use and benefit of any injured party, lawful money of the United States for the payment of which well and truly to be made, we, jointly and severally by these presents, do firmly bind ourselves, our heirs, executors, administrators, successors and assigns.

The conditions of the above obligations are such that:

**WHEREAS,** the above named Principal has made application to the Texas Department of Insurance for a license as a Title Insurance Agent or [~~/~~] Direct Operation to engage in or continue in the business of a Title Insurance Agent or [~~/~~] Direct Operation, in accordance with the provisions of the "[~~The~~] Texas Title Insurance Act" [~~of The State of Texas~~].

**NOW, THEREFORE,** if the Principal shall pay to the Texas Department of Insurance such pecuniary losses as may result to any participant in an insured real estate transaction which shall be sustained through acts of fraud, dishonesty, theft, embezzlement, or willful misapplication on the part of said Principal then this obligation shall be void, otherwise to remain in full force and effect, subject to the following conditions:

1. It is agreed that as of \_\_\_\_\_, [20]\_\_\_\_ this bond shall be in full force and effect indefinitely and that a continuation or renewal certificate is unnecessary.
2. The surety may at any time cancel this bond by giving thirty (30) days written notice to the Texas Department of Insurance, the surety, however, remaining liable for any defaults under this bond committed prior to the expiration of such thirty-day period.
3. In no event shall the aggregate liability of the Surety under this bond for any and all damages to one or more claimants exceed the penal sum of this bond.

**IN WITNESS WHEREOF** said Principal and Surety have executed this bond this \_\_\_ day of \_\_\_\_\_, [20]\_\_\_\_ to be effective on the \_\_\_ day of \_\_\_\_\_, [20]\_\_\_\_\_.

\_\_\_\_\_  
**PRINCIPAL**

By: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
**SURETY**

By: \_\_\_\_\_

\_\_\_\_\_  
**Local Recording Agent**

\_\_\_\_\_  
**Attorney-in-Fact**



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TEXAS ESCROW OFFICERS SCHEDULE BOND

Bond No: \_\_\_\_\_

Title Insurance Agent or Direct Operation [Employer]: \_\_\_\_\_

FULL LEGAL NAME, INCLUDING DBA (Insert Name and Address of

Employer Title Insurance Agent/Direct Operation)

Physical Address: \_\_\_\_\_

ADDRESS IN TEXAS OF THE TITLE INSURANCE AGENT OR DIRECT OPERATION

KNOW ALL PERSONS BY THESE PRESENTS, that the Surety, \_\_\_\_\_,

located \_\_\_\_\_, as Surety is held and firmly bound unto the

ADDRESS OF SURETY COMPANY (Insert Name and Address of Surety Company)

Texas Department of Insurance [of the State of Texas at Austin] in the penal sum of \$ \_\_\_\_\_ for each
Escrow Officer shown on the attached schedule as employed and appointed by [acting for] the [Employer] Title
Insurance Agent or [ ] Direct Operation referred to above, but the aggregate liability of the surety for all such Escrow
Officers for any and all losses shall in no event exceed said penal sum for the payment of which, well and truly to be
made, the Surety binds itself, its successors and assigns by these presents.

WHEREAS, each Escrow Officer named in the attached schedule has been duly licensed to act in such capacity by the
Texas Department of Insurance and is currently employed and appointed by [in the employ of] said [Employer] Title
Insurance Agent or [ ] Direct Operation and

WHEREAS, under §2652.101 of the Texas Insurance Code [Article 9.45 of the Texas Title Insurance Act], said Title
Insurance Agent or [ ] Direct Operation is required to procure this bond on its Escrow Officers.

NOW, THEREFORE, the condition of the foregoing obligation is such that if each Escrow Officer named in the
attached schedule shall pay to the Texas Department of Insurance such pecuniary loss which the above named Title
Insurance Agent or [ ] Direct Operation shall sustain while this bond is in effect through acts of fraud, dishonesty,
forgery, theft, embezzlement, or willful misapplication on the part of such Escrow Officer, either directly or alone, or in
connivance with others, then this obligation shall be void; otherwise to remain in full force and effect.

This bond shall be effective as of the beginning of the \_\_\_\_\_ day of \_\_\_\_\_, [20]\_\_\_\_\_ and shall
continue until liability hereunder is terminated as provided herein below.

The Surety may at any time terminate its liability under this bond as to any or all Escrow Officers on
the attached list by giving thirty (30) days written notice to the [Employer] Title Insurance Agent or [ ] Direct Operation,
named above, and to the Texas Department of Insurance [of the State of Texas] at its office in Austin; and at the end of
said 30 days, liability of the Surety for any and all further acts of such officer or officers shall cease.

Signed, Sealed and Dated this \_\_\_\_\_ day of \_\_\_\_\_, [20]\_\_\_\_\_.

\_\_\_\_\_  
Name of Surety Company

\_\_\_\_\_  
Attorney-in-Fact

\_\_\_\_\_  
Local Recording Agent

Exhibit 2018-10  
Administrative Rule L-2

**L-2. TITLE INSURANCE ESCROW OFFICER**

**I. GENERAL REQUIREMENTS [PERSONS REQUIRED TO BE LICENSED]**

- A. The Texas Title Insurance Act, under Texas Insurance Code §2501.003(4), defines "escrow officer" [~~"Escrow Officer"~~] as an attorney[;] or bona fide employee of either (i) an attorney licensed as an escrow officer [~~Escrow Officer~~], (ii) a direct operation [~~Direct Operation~~], or (iii) a title insurance agent [~~Title Insurance Agent~~], whose duties include any [~~or all~~] of the following:
1. countersigning title insurance forms;
  2. supervising the preparation and [~~supervising the~~] delivery of title insurance forms;
  3. signing escrow checks; or
  4. closing the transaction, as described by Texas Insurance Code §2501.006.
- B. A person may not act as an escrow officer [~~No person shall act in the capacity of Escrow Officer~~] without being licensed by TDI [~~the Department~~], and being covered by [~~obtaining and maintaining~~] a surety bond or deposit as required by Texas Insurance Code Chapter 2652, Subchapter C; and a title insurance agent or direct operation may not [~~no Title Insurance Agent or Direct Operation shall~~] employ or appoint any person as an escrow officer [~~Escrow Officer~~] who is not licensed and bonded in accordance with the provisions of the Texas Title Insurance Act.
- C. An attorney is not [~~No attorney shall be~~] required to be licensed as an escrow officer [~~Escrow Officer~~] in order to perform the duties of an escrow officer [~~Escrow Officer~~] as defined in Texas Insurance Code §2501.003(4). All non-attorney employees of an attorney who perform any [~~or all~~] of the duties of an escrow officer [~~Escrow Officer~~] are required to be licensed and appointed as an escrow officer by a title insurance agent or direct operation. Notwithstanding the foregoing, a direct operation or title insurance agent may not [~~Direct Operation or Title Insurance Agent shall NOT~~] permit an attorney to conduct the attorney's business in the name of the direct operation or title insurance agent [~~Direct Operation or Title Insurance Agent~~] unless the attorney and all of the bona fide employees of the attorney who perform any [~~or all~~] of the duties of an escrow officer [~~Escrow Officer~~] are licensed and appointed as escrow officers [~~Escrow Officer~~].

Exhibit 2018-10  
Administrative Rule L-2

- D. An attorney may become licensed as an escrow officer [~~Escrow Officer~~], in which case the attorney must [~~shall~~] comply with all requirements of the Texas Insurance Code with regard to escrow officers [~~Escrow Officers~~] and trust funds, as if the attorney were a title insurance agent [~~Title Insurance Agent~~]. All escrow accounts used [~~utilized~~] by licensed and appointed escrow officers [~~Escrow Officers~~] for closing transactions are [~~shall be~~] subject to the audit requirements contained in Texas Insurance Code Chapter 2651, Subchapter D. An attorney licensed and appointed as an escrow officer must use a title insurance agent [~~agency~~] escrow account to close title insurance transactions. The transaction must be closed in the title insurance agent's name.
- E. Neither the sole proprietor [~~owner~~] nor an individual partner [~~partners~~] of a title insurance agent [~~Title Insurance Agent~~], doing business as a sole proprietorship or partnership [~~an individual or partnership~~], are required to be licensed as an escrow officer. [~~Escrow Officer,~~]-The [~~only the~~] employees of such title insurance agents [~~Agents~~] who perform any or all of the duties of an escrow officer [~~Escrow Officer~~] must be licensed and appointed as an escrow officer. Each corporate officer and employee of a title insurance agent [~~Title Agent~~], doing business as an entity [~~Entity~~], who performs any or all of the duties of an escrow officer [~~Escrow Officer~~] must be licensed and appointed as an escrow officer [~~obtain an Escrow Officer's license~~].
- F. All of the forms referred to in this rule [~~herein~~] are available on the TDI website and on request from TDI [~~upon request from the Department~~]. Forms may be submitted electronically if such submission is available.
- G. A military service member, military veteran, or military spouse, as defined under Texas Occupations Code §55.001, may apply under 28 Texas Administrative Code §19.803 for, and be granted, any waiver, extension, exemption, or alternative licensing requirement for the applicable requirements of Administrative Rule L-2.

**II. ESCROW OFFICER LICENSE APPLICATION AND ISSUANCE**

- A. To obtain an escrow officer license, the applicant must submit to TDI [~~appoint an individual to act as Escrow Officer for any Title Insurance Agent/Direct Operation, the following forms must be filed with the Department~~]:
- 1[A]. a complete Application for Escrow Officer License (FINT132) form; [An original application for Escrow Officer's license (Sections A and B);]

Exhibit 2018-10  
Administrative Rule L-2

- ~~[1.— Each application shall be completed in full before it is submitted to the Department.]~~
- ~~[2.— The signature appearing on Section B of the application must be the signature of the Title Insurance Agent/Direct Operation.]~~
2. an Escrow Officer Appointment (FINT09) form completed by the appointing title insurance agent or direct operation; and
- 3[B]. a payment of the nonrefundable [Non-refundable] license application fee of \$35[.00]. The fee may be paid by the applicant or the appointing title insurance agent or direct operation.
- B[C]. The appointing title insurance agent or direct operation is responsible for obtaining, maintaining, and updating the title insurance agent's escrow officers schedule bond or deposit as required under Administrative Rules L-1.II.B.4, L-1.V.B.4, L-3.II.B.4, and L-3.V.B.4 [The proper Texas Escrow Officer's Schedule Bond or in lieu thereof a cash deposit or irrevocable letter of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department), procured at the expense of the Title Insurance Agent/Direct Operation].
- ~~[1.— The aggregate amount is to be determined by multiplying the number of Escrow Officers by:]~~
- ~~[a.— \$5,000 for each individual who is a bona fide resident of this state; plus]~~
- ~~[b.— \$10,000 for each individual who is a bona fide resident of a state adjacent to this state;]~~
- ~~[c.— Notwithstanding Subsection (a) or Subsection (b), the maximum amount of the bond or deposit shall not exceed \$50,000.]~~
- ~~[2.— The bond form will provide that the entire penal sum shall be applicable for losses caused by any one or all of the Escrow Officers covered by the obligation.]~~
- C. The initial license application fee will not be prorated based on the expiration period of the license under Administrative Rule L-2.IV.A.
- D. An appointment fee is not required for the first appointment submitted with an Application for Escrow Officer License (FINT132) form. Additional appointments submitted with the application or after the issuance of the escrow officer license require

Exhibit 2018-10  
Administrative Rule L-2

the submission of a nonrefundable \$10 fee with the Escrow Officer Appointment (FINT09) form.

**III. ESCROW OFFICER ~~[ADDITIONAL]~~ APPOINTMENTS**

**A. APPOINTMENT.**

1. A licensed escrow officer is not required to obtain an additional license to be employed or appointed by additional title insurance agents or direct operations.
2. Each title insurance agent or direct operation must separately appoint the escrow officer and update and maintain the title insurance agent's escrow officers schedule bond or deposit as required under Administrative Rules L-1.V.B.4 and L-3.V.B.4.
3. To appoint a licensed escrow officer, a title insurance agent or direct operation must complete and submit to TDI the Escrow Officer Appointment (FINT09) form with payment of the nonrefundable \$10 appointment fee.

~~[The Department must be notified immediately whenever a Title Insurance Agent/Direct Operation or attorney licensed as an Escrow Officer employs an additional individual to act as Escrow Officer, and the following forms are required by the Department:]~~

~~[A.—An original application for Escrow Officer's license having the same specifications as listed under ISSUANCE.]~~

~~[B.—Non-refundable license fee of \$35.00.]~~

~~[C.—An original rider or endorsement to the Texas Escrow Officer's Schedule Bond adding the individual to the schedule and increasing the penalty thereof by:]~~

~~[1.—\$5,000 if an in-state applicant; or]~~

~~[2.—\$10,000 per applicant if a bona fide resident of a state adjacent to this state, if necessary.]~~

4. Unless otherwise notified by TDI, the escrow officer may act as an escrow officer for the appointing title insurance agent or direct operation after:

- a. the second business day after the date the form is submitted to TDI through TDI's designated electronic process; or
- b. the eighth business day after the date the form is submitted to TDI by other means.

Exhibit 2018-10  
Administrative Rule L-2

B[IV]. APPOINTMENT CANCELLATION.

1. An escrow officer appointment only expires on the revocation, termination, or nonrenewal of the escrow officer's license, or termination of the escrow officer's employment with the title insurance agent or direct operation that made the appointment.

~~2[A]. Whenever an escrow officer [individual] ceases to act as an escrow officer [Escrow Officer for any Title Insurance Agent/Direct Operation] or the escrow officer's employment with a title insurance agent or direct operation ends, the title insurance agent or direct operation must immediately complete and submit the Escrow Officer Appointment (FINT09) form to TDI. A copy of the completed form must be provided to the escrow officer. [written notice shall be sent immediately to the Escrow Officer and to the Department with the following:]~~

~~[1. Completed notification of cancellation (reverse side of Certificate of License), or a sworn statement that the Certificate of License has been lost or misplaced and a written statement indicating the reason for cancellation and the date the cancellation is effective.]~~

3. The appointment will be canceled by TDI on receipt of the complete Escrow Officer Appointment (FINT09) form.

4[2]. A title insurance agent or direct operation may remove an individual from its escrow officers schedule bond and decrease the aggregate amount of the bond, as applicable, on cancellation of that individual's escrow officer appointment. [An original rider to the Texas Escrow Officer's Schedule Bond deleting the individual from the schedule and decreasing the penalty thereof by:]

[a. \$5,000 per escrow officer if an in-state resident; or]

[b. \$10,000 per escrow officer if a bona fide resident of a state adjacent to this state, if necessary.]

~~[B. An escrow officer may voluntarily surrender his license at any time by giving notice to the Department and submitting their current, original escrow officer license or a sworn statement that the license has been lost or misplaced or he has been unable to obtain the original license from the Title Agent/Direct Operation.]~~

Exhibit 2018-10  
Administrative Rule L-2

~~[C. The license will be cancelled by the Department upon receipt of the items in A.1 or B notwithstanding the receipt of an original rider to the Escrow Officer's Schedule Bond.]~~

**IV[V]. ESCROW OFFICER LICENSE EXPIRATION, RENEWAL, AND SURRENDER**

A. EXPIRATION. Prior to September 1, 2018, licenses expire under the provisions in effect prior to the adoption of this subsection. This subsection becomes applicable to unexpired licenses on September 1, 2018.

1. An escrow officer license expiration date will be determined as provided in Texas Insurance Code §4003.001, except that the expiration date will be extended to the last day of the individual's birth month.

a. An extension of the license period under this paragraph will not result in an increase of any license fee.

b. An escrow officer is not required to obtain additional continuing education during an extended license period under this paragraph.

~~[Escrow Officer licenses shall, on the date of expiration, be renewed pursuant to Texas Insurance Code §4003.002. Escrow Officer Licenses will be renewed with an expiration date to coincide with the expiration date of the license of the Title Agent/Direct Operation for which the Escrow Officer is licensed.]~~

2. If an escrow officer license applicant has an existing license and obtains a new escrow officer license, the initial license period of the new escrow officer license will be aligned:

a. to the existing license's expiration date; or

b. if the initial license period of the new license is less than six months based on the alignment of the license expiration date to the existing license expiration date, TDI will use the next expected renewal date of the existing license as the expiration date for the initial period of the new license.

c. The initial license application fee for a new license under this paragraph will not be reduced or increased based on the length of the initial license period for the new license.

d. An escrow officer is not required to obtain additional continuing education credit hours during an extended license period under this paragraph.

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3. Notwithstanding Administrative Rule L-2.IV.A.1, unexpired escrow officer licenses held as of September 1, 2018, expire as follows:

- a. Each unexpired escrow officer license held as of that date expires on the last day of the individual escrow officer's next birth month after the expiration date of the escrow officer license with the longest remaining term held by that person on that date. Thereafter, all licenses expire in accordance with Administrative Rule L-2.IV.A.1.
- b. To the extent the term of an existing license is extended under this paragraph, TDI will not charge an additional fee or require a renewal application before the renewal date established under this paragraph.
- c. An escrow officer is not required to obtain additional continuing education during an extended license period.

B. RENEWAL. ~~[For all Escrow Officer Licenses renewed: Escrow Officer Licenses expire on the same date as the Title Insurance Agent /Direct Operation for which the Escrow Officer is licensed.]~~ An escrow officer may renew a license that has not been revoked or surrendered, as follows:

1. To renew the [any] license[;] on or before the license expiration date [of the license], the escrow officer [Title Insurance Agent/Direct Operation] must [submit the following to the Department on behalf of each Escrow Officer whose license is expiring]:
  - a[1]. complete the Escrow Officer License Renewal Application (FINT02) form; [The original Title Insurance Escrow Officer's License renewal form provided by the Department.]
  - b[2]. submit the form to TDI with payment of the nonrefundable [Non-refundable] license renewal fee of \$35[.00-], which may be paid by the escrow officer or the appointing title insurance agent or direct operation that has appointed the escrow officer; and [If a license is renewed for less than two (2) years the non-refundable renewal fee shall be prorated on a monthly basis.]
  - c. comply with the continuing education requirements of Procedural Rule P-28.III.A.

Exhibit 2018-10  
Administrative Rule L-2

- 2[~~C~~]. Failure of an escrow officer to comply with Administrative Rule L-2.IV.B.1 [~~a Title Insurance Agent/Direct Operation to submit any of the required renewal forms for any Escrow Officer~~] on or before the expiration date of the license[~~;~~] results in [~~automatic~~] expiration of the escrow officer's [~~respective~~] license[~~, and the proper rider to the Texas Escrow Officer's Bond will then be required~~].
- 3[~~D~~]. If an escrow officer's license has been [~~Escrow Officer's License is~~] expired for [~~not longer than~~] 90 calendar days or less, the escrow officer may renew the license [~~may be renewed~~] by complying with the license renewal requirements of Administrative Rule L-2.IV.B.1 [~~submitting the renewal form~~] and submitting an additional nonrefundable late fee of \$17.50, which is [~~paying the required non-refundable renewal fee and a fee of one~~] half [~~(1/2) of~~] the initial license application fee.
- 4[~~E~~]. If the escrow officer's license [~~Escrow Officer's License~~] is expired for more than 90 calendar days, the license may not be renewed and all escrow officer appointments are canceled. The individual must submit a new Application for Escrow Officer License (FINT132) form and satisfy the requirements of Administrative Rule L-2.II to obtain a new license [~~An original application for Escrow Officer's license must be submitted with the same requirements as listed under ISSUANCE~~].

C. SURRENDER OF LICENSE.

1. An escrow officer may voluntarily surrender his or her license at any time by giving written notice to TDI.
2. The license is terminated as of the date TDI receives the written notice of the surrender.
3. All current appointments under the license are canceled as of the date of license termination without any further required action by an appointing title insurance agent or direct operation.
4. A title insurance agent or direct operation may remove an individual from its escrow officers schedule bond and decrease the aggregate amount of the bond, as applicable, on termination of that individual's escrow officer license.

Exhibit 2018-10  
Administrative Rule L-2

~~[VI. CHANGE IN EMPLOYMENT STATUS OF AN ESCROW OFFICER WHO REMAINS LICENSED WITH THE SAME TITLE AGENT OR DIRECT OPERATION]~~

~~[Upon a change in the employment status of a licensed escrow officer with the same title agent or direct operation, joint written notification must be made to the Department by the licensed escrow officer, the title agent or direct operation and the employer attorney, if applicable, within fifteen (15) calendar days of the change in employment status. The written notification must be acknowledged and sworn to by the escrow officer, the title agent or direct operation and the employer attorney, if applicable.]~~

~~V[VII].CHANGE OF NAME, ~~[RESIDENCE]~~ ADDRESS, OR CONTACT INFORMATION OF A LICENSED ESCROW OFFICER~~

~~[VIII. CHANGE OF NAME OF A LICENSED ESCROW OFFICER]~~

- ~~A. An escrow officer must notify TDI using the Escrow Officer Name or Address Change Request (FINT01) form if the escrow officer's name, residential, mailing, or email address, or telephone number changes.~~
- ~~B. If the escrow officer's name changes, the escrow officer must notify all appointing title insurance agents and direct operations if the escrow officer's name changes.~~
- ~~C. If the escrow officer's name changes, all appointing title insurance agents and direct operations must adjust the escrow officers schedule bond as required under Administrative Rules L-1.V.B.4 and L-3.V.B.4.~~

~~[Upon a change in the residence address of a licensed escrow officer, written notification must be made to the Department by the licensed escrow officer. Written notification may be by letter, fax, or e-mail and must include the new residence address as well as new residence phone number if applicable.]~~

~~[Upon a change in the name of a licensed escrow officer, written notification must be made to the Department by the title insurance agent/direct operation. Written notification must be by letter and must include the new name and the reason for the name change, such as marriage or divorce. The written notification must be accompanied by the escrow officer's current, original license and an original rider for the Texas Escrow Officers Schedule Bond on file with this Department for the title agent/direct operation changing the escrow officer's name on the bond.]~~



**TEXAS DEPARTMENT OF INSURANCE**

333 Guadalupe, Austin, Texas 78701 \* PO Box 149104, Austin, Texas 78714-9104  
(512) 676-6000 | (800) 578-4677 | TDI.texas.gov | @TexasTDI

**Application for escrow officer license**

► **Answer the following questions:**

**Section 1: Questions about name, contact information, and military background**

**Applicant name** \_\_\_\_\_  
First Middle Last Suffix

**Have you ever held a professional license, insurance license, or company appointment under any other name?**  Yes  No

If yes, what is the other name? \_\_\_\_\_

**Social Security number** \_\_\_\_\_

**Driver's license number** \_\_\_\_\_

**Date of birth** \_\_\_\_\_

**Phone** \_\_\_\_\_

**Email** \_\_\_\_\_

**Mailing address**

Street address, route, or PO Box \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

**Physical address**

Street address, physical location, or route \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

**Do you qualify as any of the following?**

- **Military service member:** A person who is currently serving in: (1) the armed forces of the United States, (2) a reserve component of the armed forces, including the National Guard, or (3) a state military service of any state.  Yes  No
- **Military spouse:** A person who is married to a military service member who is currently on active duty.  Yes  No
- **Military veteran:** A person who has served in: (1) the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States, or (2) in an auxiliary service of one of those branches of the armed forces.  Yes  No

## Section 2: Questions about legal offenses

When answering the following four questions: (1) include any offense filed against you in Texas, any other state, or by the federal government; and (2) do not include traffic violations and first offense DWI (driving while intoxicated or under the influence).

1. Do you have any pending misdemeanor or felony charges (by indictment, information, or any other instrument)?  Yes  No
2. Have you been convicted of any misdemeanor or felony offense?  Yes  No
3. Have you had adjudication deferred on any misdemeanor or felony charge or offense?  Yes  No
4. Have you served any period of probation for any misdemeanor or felony offense?  Yes  No

### If you answered "Yes" to any question in Section 2, attach one of the following:

An original, certified copy of: (a) the indictment or charging document, (b) conviction, (c) order deferring adjudication, and/or (d) judgment and conditions of probation from the appropriate jurisdiction. This is needed for each crime or offense.

or

A statement that explains that you already sent information about the crime or offense to the Texas Department of Insurance.

You also can send letters of recommendation and a resume with these attachments.

---

## Section 3: Questions about licenses, litigation, and more

5. Have you ever had a professional license, including an insurance license or company appointment, that was refused, suspended, or revoked in Texas or any other state?  Yes  No
6. Are you indebted to a special deputy receiver of the Texas Department of Insurance, any insurance company, general agent, or agent?  Yes  No
7. Have you ever had an agency contract canceled for cause such as misrepresentation or misappropriation?  Yes  No
8. Have you ever been placed under injunction or restraining order of a court or regulatory agency because you violated a federal or state law relating to insurance or securities?  Yes  No
9. Do you have pending litigation against you alleging a violation of the Texas Insurance Code or the insurance laws of any other state?  Yes  No

Exhibit 2018-11  
Application for Escrow Officer License (FINT132) Form

FINT132 | [0818]

10. Have you ever held an ownership interest in any insurance agency or company?  Yes  No
11. Do you have any judgments against you held by any insurance company or insured person or business that are unpaid in whole or in part?  Yes  No
12. Do you have any judgments against you which involved a violation of the Texas Insurance Code or the insurance laws of any other state?  Yes  No

**📎 If you answered “Yes” to any question in Section 3, attach one of the following:**

- A statement with dates and details.  
or  
 A statement that explains that you already sent information to the Texas Department of Insurance.

---

**▶ Along with this form, send the following:**

- Application fee of \$35. (TDI does not give refunds or allow fee transfers).
- The [IdentoGO by MorphoTrust USA fingerprint receipt].
  - Most people who apply for an escrow license must: (1) get a fingerprint background check, and (2) send us a copy of the receipt showing that their fingerprints were sent to the Texas Department of Public Safety.
  - To schedule a fingerprint appointment, go to [IdentoGO or call 1-888-467-2080. Use service code 11G6QF when making the appointment.]
  - **You do not need to get a fingerprint background check if you live in Texas and either:** (1) have an active license or registration with TDI, or (2) had an escrow officer license that has not been canceled for more than 60 days.

**If you have an active license or registration or had an escrow officer license, what is or was your license number?** \_\_\_\_\_

To learn more about requirements, go to [[www.tdi.texas.gov/agent/escrow-officer-apply.html](http://www.tdi.texas.gov/agent/escrow-officer-apply.html)].

---

**▶ Sign here:**

I confirm that all statements, supporting forms, schedules, documents, and exhibits given for this license are true and correct.

\_\_\_\_\_  
Applicant's signature

**\*\* You must get a notary public signature on this form. See next page. \*\***

► **To be filled out by a notary public:**

State of \_\_\_\_\_

County of \_\_\_\_\_

Before me, notary public, on this day personally appeared \_\_\_\_\_,

Applicant's signature

known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

(Personalized seal)

\_\_\_\_\_  
Notary public's signature

---

► **Return this form and any attachments one of these ways:**

**Mail:**

[Texas Department of Insurance]  
[Title Licensing, Mail Code 107-TL]  
[PO Box 149104]  
[Austin, Texas 78714-9104]

**Overnight mail or in person:**

[Texas Department of Insurance]  
[Title Licensing, Mail Code 107-TL]  
[333 Guadalupe]  
[Austin, Texas 78701]

► **Contact us if you have questions:**

You can: (1) use our online question form at [www.tdi.texas.gov/agent/question.html], (2) email [TDI-TitleLicensing@tdi.texas.gov], (3) or call [512-676-6475].

► **Know your rights:**

**You have the right to see and get facts we have about you:** If you want to get information we have about you, you must ask us in writing. You might need to pay to get a copy of this information. You can send your letter or email one of these ways:

Email: [[OpenRecords@tdi.texas.gov](mailto:OpenRecords@tdi.texas.gov)]  
Fax: [512-490-1021]  
In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]  
[Public Information Coordinator]  
[PO Box 149104 (Mail code 110-1C)]  
[Austin, Texas 78714-9104]

**You have the right to ask that we fix information we have about you that is wrong:** If you want to ask that we fix information we have about you that is wrong, you must ask us in writing. The letter or email must have: (1) your name and mailing address, (2) your phone number, (3) details about what needs to be fixed, and (4) the reason or proof showing why the information is wrong. You can send your letter or email one of these ways:

Email: [[RecordCorrections@tdi.texas.gov](mailto:RecordCorrections@tdi.texas.gov)]  
Fax: [512-490-1025]  
In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]  
[Record Correction Request]  
[PO Box 149104 (Mail code 113-1C)]  
[Austin, Texas 78714-9104]



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**Escrow officer appointment**

**Use this form to:**

- Appoint an escrow officer.
- End an escrow officer appointment.

**► Answer the following questions:**

**Title insurance agent or direct operation**

Name \_\_\_\_\_

TDI license number \_\_\_\_\_

**Escrow officer**

Name \_\_\_\_\_

First

Middle

Last

Suffix

TDI license number (if the escrow officer has one) \_\_\_\_\_

**► Fill out this section to appoint an escrow officer**

 You must send \$10 to the Texas Department of Insurance, unless this is an escrow officer's first appointment with an Application for escrow officer license (Form FINT132).

**Employment status**

- Escrow officer is an employee working directly for the title insurance agent or direct operation.
- Escrow officer is an attorney.
- Escrow officer is an employee of an attorney who is a Texas licensed escrow officer with the appointing title insurance agent or direct operation.

Name of attorney \_\_\_\_\_

TDI license number \_\_\_\_\_

**Escrow officer bond or deposit.** Choose only one.

**Surety bond**

Bonding company name \_\_\_\_\_

Bond number \_\_\_\_\_

Bond amount \$ \_\_\_\_\_

**Letter of credit**

Bank name of issuance \_\_\_\_\_

Letter number \_\_\_\_\_

Credit amount \$ \_\_\_\_\_

**Cash deposit**

Depository institution \_\_\_\_\_

Cash deposit receipt number \_\_\_\_\_

Deposit amount \$ \_\_\_\_\_

► **Fill out this section to end an escrow officer appointment**

The escrow officer's appointment will end on this date \_\_\_\_\_

---

► **Sign here:**

I confirm that I am authorized to sign for the title insurance agent or direct operation and that all answers I gave on this form are true and correct.

\_\_\_\_\_  
Appointing official's signature

► **To be filled out by a notary public:**

State of \_\_\_\_\_

County of \_\_\_\_\_

Before me, notary public, on this day personally appeared \_\_\_\_\_,  
Appointing official's name

known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

(Personalized seal)

\_\_\_\_\_  
Notary public's signature

► **Return this form and any attachments one of these ways:**

**Mail:**

[Texas Department of Insurance]  
[Title Licensing, Mail Code 107-TL]  
[PO Box 149104]  
[Austin, Texas 78714-9104]

**Overnight mail or in person:**

[Texas Department of Insurance]  
[Title Licensing, Mail Code 107-TL]  
[333 Guadalupe]  
[Austin, Texas 78701]

► **Contact us if you have questions:**

You can: (1) use our online question form at [www.tdi.texas.gov/agent/question.html], (2) email [TDI-TitleLicensing@tdi.texas.gov], (3) or call [512-676-6475].

► **Know your rights:**

**You have the right to see and get facts we have about you:** If you want to get information we have about you, you must ask us in writing. You might need to pay to get a copy of this information. You can send your letter or email one of these ways:

Email: [[OpenRecords@tdi.texas.gov](mailto:OpenRecords@tdi.texas.gov)]  
Fax: [512-490-1021]  
In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]  
[Public Information Coordinator]  
[PO Box 149104 (Mail code 110-1C)]  
[Austin, Texas 78714-9104]

**You have the right to ask that we fix information we have about you that is wrong:** If you want to ask that we fix information we have about you that is wrong, you must ask us in writing. The letter or email must have: (1) your name and mailing address, (2) your phone number, (3) details about what needs to be fixed, and (4) the reason or proof showing why the information is wrong. You can send your letter or email one of these ways:

Email: [[RecordCorrections@tdi.texas.gov](mailto:RecordCorrections@tdi.texas.gov)]  
Fax: [512-490-1025]  
In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]  
[Record Correction Request]  
[PO Box 149104 (Mail code 113-1C)]  
[Austin, Texas 78714-9104]


**TEXAS DEPARTMENT OF INSURANCE**

 333 Guadalupe, Austin, Texas 78701 ★ PO Box 149104, Austin, Texas 78714-9104  
 (512) 676-6000 | (800) 578-4677 | TDI.texas.gov | @TexasTDI

**Escrow officer license renewal application**
**To renew your license, you must:**

- Meet the continuing education requirements under Procedural Rule P-28.III.A of the Title Insurance Basic Manual [(www.tdi.texas.gov/title/titleman.html)].
- Send \$35. If this form is not sent by the current license expiration date, you also must send a late fee of \$17.50. (TDI does not give refunds or allow fee transfers).

**► Answer the following questions:**
**TDI license number** \_\_\_\_\_

**Name as listed on your license**

First name	Middle name	Last name	Suffix
_____	_____	_____	_____

**Phone** \_\_\_\_\_

**Email** \_\_\_\_\_

**📎 If your name or address changed:** Send the Escrow officer name or address change request (Form FINT01). You can find this form at [www.tdi.texas.gov/forms/title.html].

**Information about any offense filed against you**

When answering the following question: (1) include any charge filed against you in Texas, any other state, or by the federal government; and (2) do not include traffic violations and first offense DWI (driving while intoxicated or under the influence).

Since getting your license or since the last renewal:

- Have you been charged with a misdemeanor or felony?  Yes  No
- Do you have any pending misdemeanor or felony charges (by indictment, information, or any other instrument)?  Yes  No

**📎 If you answered "Yes":** Attach an original, certified copy of: (a) the indictment or charging document, (b) conviction, (c) order deferring adjudication, and/or (d) judgment and conditions of probation from the appropriate jurisdiction. This is needed for each crime or offense.

You also can send letters of recommendation and a resume with these attachments.

**Title insurance continuing education**

- Have you completed the required number of continuing education credit hours?  Yes  No
- If you answered "No," has TDI approved an extension or exemption?  Yes  No

► **Sign here:**

I confirm that I have reported to TDI any required administrative action and criminal history, and that the answers I gave on this form are true and correct:

Applicant's signature \_\_\_\_\_

► **To be filled out by a notary public:**

State of \_\_\_\_\_

County of \_\_\_\_\_

Before me, notary public, on this day personally appeared \_\_\_\_\_,

Applicant's name

known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

(Personalized seal)

\_\_\_\_\_  
Notary public's signature

► **Return this form and any attachments one of these ways:**

**Mail:**

[Texas Department of Insurance]  
[Title Licensing (Mail code 107-TL)]  
[PO Box 149104]  
[Austin, Texas 78714-9104]

**Overnight mail or in person:**

[Texas Department of Insurance]  
[Title Licensing (Mail code 107-TL)]  
[333 Guadalupe]  
[Austin, Texas 78701]

► **Contact us if you have questions:**

You can: (1) use our online question form at [[www.tdi.texas.gov/agent/question.html](http://www.tdi.texas.gov/agent/question.html)], (2) email [[TDI-TitleLicensing@tdi.texas.gov](mailto:TDI-TitleLicensing@tdi.texas.gov)], (3) or call [512-676-6475].

► **Know your rights:**

**You have the right to see and get facts we have about you:** If you want to get information we have about you, you must ask us in writing. You might need to pay to get a copy of this information. You can send your letter or email one of these ways:

Email: [[OpenRecords@tdi.texas.gov](mailto:OpenRecords@tdi.texas.gov)]  
Fax: [512-490-1021]  
In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]  
[Public Information Coordinator]  
[PO Box 149104 (Mail code 110-1C)]  
[Austin, Texas 78714-9104]

**You have the right to ask that we fix information we have about you that is wrong:** If you want to ask that we fix information we have about you that is wrong, you must ask us in writing. The letter or email must have: (1) your name and mailing address, (2) your phone number, (3) details about what needs to be fixed, and (4) the reason or proof showing why the information is wrong. You can send your letter or email one of these ways:

Email: [[RecordCorrections@tdi.texas.gov](mailto:RecordCorrections@tdi.texas.gov)]  
Fax: [512-490-1025]  
In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]  
[Record Correction Request]  
[PO Box 149104 (Mail code 113-1C)]  
[Austin, Texas 78714-9104]



TEXAS DEPARTMENT OF INSURANCE

333 Guadalupe, Austin, Texas 78701 \* PO Box 149104, Austin, Texas 78714-9104  
(512) 676-6000 | (800) 578-4677 | TDI.texas.gov | @TexasTDI

Escrow officer name or address change request form

You must fill out and send us this document within 30 days of a change to your name or address.

TDI license number: \_\_\_\_\_

Name as listed on your license:

\_\_\_\_\_

First name

Middle name

Last name

Suffix

► Fill out this section if you changed your name:

New legal name:

\_\_\_\_\_

First name

Middle name

Last name

Suffix

📎 Attach a copy of an official document showing that your name changed. For example, send a copy of a marriage certificate or divorce decree.

► Fill out all parts of this section if your address changed:

Phone numbers:

Personal (\_\_\_\_\_) \_\_\_\_\_ Business (\_\_\_\_\_) \_\_\_\_\_

Email addresses:

Personal \_\_\_\_\_ Business \_\_\_\_\_

Home address:

Street address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

Is your mailing address the same as your home address (primary residence)?  Yes  No

If no, what is your mailing address?

Mailing address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

► Sign here:

The answers I gave on this form are true and correct:

Escrow officer's signature \_\_\_\_\_

\*\* You must get a notary public signature on this form. See the next page. \*\*

► **To be filled out by a notary public:**

State of \_\_\_\_\_

County of \_\_\_\_\_

Before me, notary public, on this day personally appeared \_\_\_\_\_,

Escrow officer's name

known to me to be the person whose name is subscribed to the foregoing document and, being by me first duly sworn, declared that the statements therein contained are true and correct.

(Personalized Seal)

\_\_\_\_\_  
Notary public's signature

---

► **Return this form and any attachments one of these ways:**

**Mail:**

[Texas Department of Insurance]  
[Title Licensing (Mail code 107-TL)]  
[PO Box 149104]  
[Austin, Texas 78714-9104]

**Overnight mail or in person:**

[Texas Department of Insurance]  
[Title Licensing (Mail code 107-TL)]  
[333 Guadalupe]  
[Austin, Texas 78701]

**Email:**

[TDI-TitleLicensing@tdi.texas.gov]

► **Contact us if you have questions:**

You can: (1) use our online question form at [www.tdi.texas.gov/agent/question.html], (2) email [TDI-TitleLicensing@tdi.texas.gov], or (3) call [512-676-6475].

► **Know your rights:**

**You have the right to see and get facts we have about you:** If you want to get information we have about you, you must ask us in writing. You might need to pay to get a copy of this information. You can send your letter or email one of these ways:

Email: [[OpenRecords@tdi.texas.gov](mailto:OpenRecords@tdi.texas.gov)]

Fax: [512-490-1021]

In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]

[Public Information Coordinator]

[PO Box 149104 (Mail code 110-1C)]

[Austin, Texas 78714-9104]

**You have the right to ask that we fix information we have about you that is wrong:** If you want to ask that we fix information we have about you that is wrong, you must ask us in writing. The letter or email must have: (1) your name and mailing address, (2) your phone number, (3) details about what needs to be fixed, and (4) the reason or proof showing why the information is wrong. You can send your letter or email one of these ways:

Email: [[RecordCorrections@tdi.texas.gov](mailto:RecordCorrections@tdi.texas.gov)]

Fax: [512-490-1025]

In person: [333 Guadalupe, Austin, Texas 78701]

Mail: [Texas Department of Insurance]

[Record Correction Request]

[PO Box 149104 (Mail code 113-1C)]

[Austin, Texas 78714-9104]

### **L-3. DIRECT OPERATION [~~OPERATIONS~~] LICENSE**

~~[An applicant for a Direct Operation License must comply with the instructions in the Application for Texas Direct Operation License (Form FINT130), and must submit all required fees. Each Federal Identification Number holder is potentially eligible for one license. An applicant may only submit an application under one FIN, and must use the same FIN for all filings with the Department. An applicant may file an original application or submit the forms electronically, when available. All of the forms referred to herein are available online or upon request from the Department.]~~

#### **I. GENERAL REQUIREMENTS**

##### **A. ENGAGE IN BUSINESS.**

1. A title insurance company may not own or lease and operate an abstract plant or participate in a bona fide joint abstract plant operation in a county in Texas unless the company holds a license as a direct operation issued by TDI for that county.
2. A title insurance company may not write, sign, or deliver title insurance in a county in which the title insurance company operates an abstract plant until TDI has issued a direct operation license to the title insurance company.
3. A title insurance company licensed as a direct operation must comply with the requirements of Texas Insurance Code Chapter 2651, Subchapter C, and Chapter 2652, Subchapter C.
4. A direct operation may not employ an individual to act as an escrow officer for the direct operation unless the individual:
  - a. holds an escrow officer license issued by TDI;
  - b. is covered by a surety bond or deposit as required under Texas Insurance Code Chapter 2652, Subchapter C; and
  - c. is appointed under Texas Insurance Code §2652.1511 as an escrow officer by the direct operation.

**B. BOOKS AND RECORDS.** All books and records of the direct operation must be maintained in such a manner as to be auditable and demonstrate compliance.

**C. FORMS.** All of the forms referred to in this rule are available on the TDI website and on request from TDI. Forms may be submitted electronically if such submission is available.

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D. TITLE PLANT. Each direct operation must maintain at all times a current and completed Abstract Plant Information T-52 (FINT120) form available for TDI inspection on request. The direct operation is not required to submit Abstract Plant Information T-52 (FINT120) form to TDI unless requested.

**II[H]. DIRECT OPERATION LICENSE APPLICATION AND ISSUANCE**

A. APPLICANT. An applicant for a direct operation license may not obtain more than one direct operation license for each Federal Tax Identification Number.

B. APPLICATION. An applicant for a direct operation license must complete and submit the Application for Title Insurance Agent or Direct Operation License (FINT143) form, signed by a corporate officer of the title insurance company, following all form instructions, and include:

~~[Submit the following to the Department to license a Direct Operation:]~~

~~[1. Completed Application for Texas Direct Operation License (Form FINT130), signed by a corporate officer of the Title Insurance Company.]~~

1. fingerprints, if required under 28 Texas Administrative Code §1.503, and a completed Title Insurance Licensing Biographical Information (FINT08) form for each of the following individuals:

a. each officer, director, manager, designated on-site manager, and partner and shareholder who is in control of the entity; and

b. each controlling partner and shareholder of an entity or partnership who is in control of the applicant;

2. if the applicant will use an assumed name, a copy of a valid Assumed Name Certificate filed with the Secretary of State or County Clerk for each county in which the direct operation will operate;

3. a Title Insurance Agent or Direct Operation Appointment (FINT10) form following all form instructions, including disclosure of counties where the applicant will operate, and attesting that the applicant:

a. has a current Schedule D; and

b[3]. has an abstract plant that meets the requirements of Procedural Rule P-12 and Texas Insurance Code §2501.004, or has a subscription agreement for each county listed on the form in which the applicant will transact business

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for the title insurance company; [~~Abstract Plant Information Form (Form FINT120 or Form T-52) for each county(ies) in which the Direct Operation will operate.~~]

- 4[5]. proof of bond purchase or deposit in compliance with the requirements of Texas Insurance Code Chapter 2651, Subchapter C, and Chapter 2652, Subchapter C:
- a. in the form of a completed Texas Title Insurance Agent/Direct Operation Bond (FINT122) form, a completed Texas Escrow Officers Schedule Bond (FINT123) form, a TDI cash receipt or evidence of securities approved by TDI, or a copy of an irrevocable letter of credit;
  - b. with the amount of the direct operation bond or deposit being the greater of:
    - i. \$10,000; or
    - ii. an amount equal to 10 percent of the gross premium written by the direct operation in accordance with the latest statistical report to TDI but not to exceed \$100,000;
  - c. with the aggregate amount of the escrow officer bond or deposit, up to a maximum of \$50,000, determined by multiplying the number of employed and appointed escrow officers by:
    - i. \$5,000 for each individual who is a bona fide Texas resident; and
    - ii. \$10,000 for each individual who is a bona fide resident of a state adjacent to Texas; and
  - d. listing each escrow officer employed and appointed by the direct operation on the bond schedule;
- ~~[Direct Operation's bond or in lieu thereof a cash deposit or irrevocable letter(s) of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department) in the sum of the greater of Ten Thousand Dollars (\$10,000) or an amount equal to ten percent (10%) of the gross premium written by the direct operation in accordance with the latest statistical report to the Department but not to exceed One Hundred Thousand Dollars (\$100,000).]~~
5. demonstrated compliance with the capitalization requirements in Texas Insurance Code §2651.012;

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- 6[4]. a list [~~List~~] of all branch office addresses and telephone numbers; and[-]  
7[2]. a nonrefundable application [~~Non-refundable license~~] fee of \$50[.00].

**III. DIRECT OPERATION APPOINTMENTS**

**A. APPOINTMENT.**

1. A title insurance company may appoint a direct operation by submitting the required nonrefundable \$16 appointment fee with the Title Insurance Agent or Direct Operation Appointment (FINT10) form completed by the title insurance company's appointing official, following all form instructions, and attesting that the applicant:
  - a. has a current Schedule D;
  - b. has an agency contract with the title insurance company; and
  - c. has an abstract plant that meets the requirements of Procedural Rule P-12 and Texas Insurance Code §2501.004, or has a subscription agreement for each county listed on the form in which the direct operation is appointed to transact business for the title insurance company.
2. The appointment is effective on the eighth business day following the date the notice of appointment is complete and TDI receives the appointment fee, unless TDI notified the title insurance company that the appointment was rejected.
3. A direct operation may be appointed by multiple title insurance companies for each county.
4. Direct operation appointments do not expire and remain effective until terminated.

**B. APPOINTMENT MAINTENANCE.**

1. After the direct operation has been appointed, the title insurance company may add or remove counties from the appointment by submitting the Title Insurance Agent or Direct Operation Appointment (FINT10) form completed by the title insurance company's appointing official, following all form instructions to list any counties to be added or deleted, and attesting that the applicant:
  - a. has a current Schedule D;
  - b. has an agency contract with the title insurance company; and

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- c. has an abstract plant that meets the requirements of Procedural Rule P-12 and Texas Insurance Code §2501.004, or has a subscription agreement for each county listed on the form in which the direct operation is appointed to transact business for the title insurance company.
2. A direct operation may not operate in an additional county on behalf of a title insurance company until the earlier of:
  - a. the eighth business day following the date the complete Title Insurance Agent or Direct Operation Appointment (FINT10) form is submitted, unless TDI has notified the title insurance company that the appointment has been rejected; or
  - b. when TDI's website reflects the additional counties.

C. APPOINTMENT TERMINATION.

1. Termination of an appointment terminates the direct operation's authorization to write for the title insurance company in Texas.
2. Deletion of all counties from an appointment terminates the appointment.
3. Either the direct operation or title insurance company may terminate the appointment as follows:
  - a. If a title insurance company intends to terminate a direct operation's appointment, the title insurance company must give the direct operation 30 calendar days' written notice of termination before the effective date of the termination, unless the direct operation is terminated for cause, as defined in the agency agreement. The title insurance company must submit the Title Insurance Agent or Direct Operation Appointment (FINT10) form to TDI within three business days of notifying the direct operation of the termination. The notice must state the effective date of the termination. If the title insurance company terminates the appointment for cause, the title insurance company must submit an explanation of the circumstances with each notice.
  - b. If a direct operation intends to terminate the direct operation's appointment, the direct operation must give the title insurance company 30 calendar days' written notice of the termination. The direct operation must notify TDI of

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the termination in writing within three business days of notifying the title insurance company of the termination. Each notice must state the effective date of the termination.

**IV. DIRECT OPERATION LICENSE EXPIRATION, RENEWAL, AND SURRENDER**

- A. EXPIRATION. A direct operation's license expires two years after the date of issuance [~~Direct Operation licenses shall, on the date of expiration, be renewed pursuant to Texas Insurance Code §2651.055. Direct Operation Licenses will be renewed for a period of not more than two years and expire on the date designated by the Department~~].
- B. RENEWAL. [~~For all licenses renewed: Direct Operation Licenses expire on the first day of the month two years after their issuance.~~] A direct operation may renew its license that has not been revoked or surrendered, as follows:
1. To renew a direct operation [~~any~~] license, on or before the expiration date of the license, the direct operation [~~Title Insurance Company~~] must submit the following [~~to the Department on behalf of all Direct Operations licenses which they hold~~]:
    - a[~~1~~]. the Title Insurance Agent or Direct Operation Renewal Application (FINT03) form following all the instructions; and [~~The application for renewal of Direct Operation's license provided by the Department.~~]
    - b[~~2~~]. a nonrefundable [~~Non-refundable~~] renewal application fee of \$35 [~~-00~~]. [~~If a license is renewed for less than two (2) years the non-refundable renewal fee shall be prorated on a monthly basis.~~]
  - 2[~~C~~]. Failure of a direct operation [~~Title Insurance Company~~] to submit a complete renewal application and the required renewal fee [~~any of the above forms for Direct Operation~~] on or before the expiration date of the license[~~;~~] results in [~~automatic~~] expiration of the direct operation's [~~respective~~] license.
  - 3[~~D~~]. If a direct operation's [~~Direct Operation's~~] license is expired for [~~no longer than~~] 90 calendar days or less, the direct operation may renew the license [~~may be renewed~~] by complying with Administrative Rule L-3.IV.B.1 [~~submitting the renewal form~~] and submitting an additional nonrefundable fee in the amount of \$25, which is [~~paying the required non-refundable renewal fee and a fee of one~~] half [~~(1/2) of~~] the initial license application fee.

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~~4[E].~~ If a direct operation's [~~Direct Operation's~~] license is expired for more than 90 calendar days, the license may not be renewed, and any title insurance company appointments and all escrow officer appointments terminate. The applicant must submit a new Application for Title Insurance Agent or Direct Operation License (FINT143) form and satisfy the requirements of Administrative Rule L-3.II to obtain a new direct operation license. New escrow officer appointments must be submitted prior to engaging in the business of a direct operation.

**[III. CANCELLATION]**

~~[A. To cancel a Direct Operation License, the Title Insurance Company must submit written notice of cancellation to the Department within three business days of the effective date of cancellation. The notice must state the reason for cancellation and the effective date of the cancellation.]~~

~~C[B].~~ SURRENDER OF LICENSE. A direct operation [~~Direct Operation~~] may voluntarily surrender a license at any time. The direct operation [~~Direct Operation~~] must notify TDI [~~the Department~~] and any title insurance company that appointed the direct operation [~~the affected Title Insurance Company~~] of the surrender not less than 45 calendar days before the effective date of the surrender [~~surrender becomes effective~~]. The direct operation's [~~Direct Operation's~~] notice to TDI [~~the Department~~] must include:

1. written [~~Written~~] notification that the direct operation [~~Direct Operation~~] is ceasing operations, including the effective date of surrender [~~cancellation~~] for the direct operation's [~~Direct Operation's~~] license; and[-]
2. the direct operation's [~~The Direct Operation's~~] current plan for an orderly winding down of its operations and compliance with Administrative Rule D-1.

**V[H]. CHANGE IN OPERATIONS**

**A. NEW LICENSE REQUIRED.**

1. If a direct operation's license is expired, surrendered, or revoked, and a new license is required, the direct operation license applicant may not conduct the business of a direct operation until the applicant has been notified by TDI that its direct operation license has been issued.

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2. A direct operation license is non-transferrable. The purchase of a direct operation's assets cannot include the transfer of the direct operation license.
- B. NEW LICENSE NOT REQUIRED. The following changes in the operations of a direct operation ~~[do not require cancellation of existing license and issuance of a new license but]~~ only require written notice to TDI [the Department], as provided below, unless the direct operation is required to apply for a new license under Administrative Rule L-3.V.A.
1. A Title Insurance Agent or Direct Operation Change Request (FINT129) form, with the information specified below, is required for:
    - a. all mergers, exchanges, and conversions, prior to the transaction, and must include a copy of any other notice or statement required to be filed with TDI and the effective date of the transaction;
    - b. a change of the direct operation's name or assumed name, including the use of additional assumed names or the abandonment of an assumed name, and must include:
      - i. if the entity name changes, a certified copy of the amended Certificate of Formation reflecting the entity name as amended, and
      - ii. if an assumed name is used, a copy of a valid Assumed Name Certificate filed with the Secretary of State and County Clerk in each county in which the direct operation will operate;
      - iii. however, a new name may not be used until the direct operation has been notified by TDI that the license has been updated with the new name;
    - c[A]. a [A] change in the direct operation's primary or branch office physical or mailing address, and must include written notification of the new address ~~[office location or contact information (addition or deletion) requires written notification from the Direct Operation to the Department, accompanied by a completed Title Agent Update Form].~~
  2. A Title Insurance Licensing Biographical Information (FINT08) form is required for each new manager or designated on-site manager of the direct operation.

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3[B]. Changes in the direct operation's title plant ownership or subscription must be documented in the direct operation's records and made available to TDI on request.

~~[A change in abstract plant requires written notification from the Direct Operation to the Department if:]~~

~~[1.—an abstract plant owned by the Direct Operation is sold;]~~

~~[2.—an abstract plant is purchased by the Direct Operation;]~~

~~[3.—a Joint Abstract Plant is used and a change in ownership occurs; or]~~

~~[4.—the Direct Operation changes leased abstract plant provider.]~~

~~[Submit the following additional documents, if applicable:]~~

~~[a.—Abstract Plant Information Form (Form FINT120 or Form T-52) for each county affected by the change, and any applicable agreements.]~~

~~[b.—Complete, signed copy of the plant lease with the new abstract plant provider.]~~

~~[c.—Copy of the bill of sale or other documentation evidencing the sale or purchase of an abstract plant.]~~

4[F]. Changes in the proof of the bond or deposit requirements of Texas Insurance Code Chapter 2651, Subchapter C, and Chapter 2652, Subchapter C, including the new or amended TDI cash receipt, copy of the surety bond, copy of the irrevocable letters of credit, or copies of securities approved by TDI, must be documented in the direct operation's records and made available to TDI on request [If the amount of the Bond or other security required by the Texas Insurance Code has changed from the Bond or other security on file with the Department, the Direct Operation must file a new Bond, Rider, Endorsement, increase in cash, or an amended letter of credit].

5[C]. A Title Insurance Agent or Direct Operation Appointment (FINT10) form is required if:

a. the direct operation will write, sign, or deliver title insurance in a new county, and must include an attestation that the direct operation:

i. has a current Schedule D; and

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- ii. has an abstract plant that meets the requirements of Procedural Rule P-12 and Texas Insurance Code §2501.004, or has a subscription agreement for each county listed on the form in which the applicant will transact business for the title insurance company; or
- b. the direct operation will no longer write, sign, or deliver title insurance in a county.

~~[Change in County. Addition or deletion of a County requires written notification as follows, as applicable:]~~

~~[1. Cover letter describing the change. The cover letter must identify the documents submitted and the reason for making the filing.]~~

~~[2. Abstract Plant Information Form (Form FINT120 or Form T-52) for all new counties, and any applicable agreements.]~~

~~[3. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.]~~

~~[4. Agent Contract Submission Form (Form FINT141).]~~

**P-28. REQUIREMENTS FOR CONTINUING EDUCATION FOR LICENSEES [~~TITLE AGENTS AND ESCROW OFFICERS~~] AND PROFESSIONAL TRAINING [~~PROGRAM~~] FOR [~~TITLE AGENT~~] MANAGEMENT PERSONNEL**

**I[A]. GENERAL [~~Continuing Education Provisions~~]**

[1. ~~Purpose and Scope. The purpose of this rule is to set forth procedures and requirements for certification of continuing education courses for title insurance agents licensed under Chapter 2651 of the Insurance Code and/or escrow officers licensed under Chapter 2652 of the Insurance Code, as authorized under §2651.204 and §2652.058 of the Insurance Code. This rule shall not apply to a corporate agent licensee.~~]

A[2]. DEFINITIONS [~~Definitions~~]. In this rule: [~~The following words and terms, when used in this rule, shall have the following meanings, unless the context clearly indicates otherwise.~~]

[a. ~~Continuing Education Coordinator~~ ~~The person in the Department who is delegated authority to review continuing education courses and licensee compliance and who may be addressed as follows: Texas Department of Insurance, Continuing Education Coordinator, Title Program, 333 Guadalupe Street, P.O. Box 149104, Austin, Texas 78714 9104.~~]

1[e]. "Licensee" [-] means any [~~Any~~] individual required to complete continuing education under Texas Insurance Code §2651.204 or §2652.058 [~~person holding a license under the authority of Chapter 2651 and/or Chapter 2652 of the Insurance Code~~].

2[1]. [Definition of] "Management personnel" [-] means each individual who is required to submit a Title Insurance Licensing Biographical Information (FINT08) form under Administrative Rules L-1.II.B.1 and L-3.II.B.1. [All personnel identified in an Application for Texas Title Insurance Agent's License (Form FINT143) as follows:]

[a. ~~Sole Proprietorship~~ ~~Sole Proprietor and any individual(s) identified as designated manager(s).~~]

[b. ~~Partnership~~ ~~Individual partners and any individual(s) identified as designated manager(s). If an entity is designated as a partner, then any as indicated in item (c) below.~~]

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Procedural Rule P-28

~~[e. Entity—each officer, director, partner, manager, designated manager who will administer the entity's day to day operations in this state; each shareholder who is in control of or has the right or ability to control the entity; if a shareholder is an entity, each individual who is in control of the parent entity and who will administer the day to day operations of the parent entity in this state.]~~

~~[d. For the purposes of this subsection the term "control" and "entity" shall be defined in accordance with Procedural Rule P-28 A.2.]~~

3[d]. "Provider" [-] means an entity, association, or individual that offers title insurance continuing education or professional training courses and is:

- a. a [A] statewide title insurance association, statewide title insurance agents' association or professional association, or a local chapter of a statewide title insurance or title insurance agents' association or professional association;
- b. an accredited college or university;
- c. a career school or college as defined by [the] Texas Education Code §132.001;
- d. the State Bar of Texas;
- e. an educational publisher;
- f. a title insurance company authorized to do business in [the State of] Texas, [;] or a company owning one or more title insurance companies authorized to do business in [the State of] Texas;
- g. a Texas public school system; or
- h. an individual appointed as an instructor by an entity or association described in this paragraph.

~~[e. Certified Transcript—A copy of the Provider's records issued by the Provider and certified by the custodian of the Provider's records to be a true and correct copy of the Provider's records evidencing completion of continuing education course(s).]~~

~~[f. Control—Is the power to direct or cause the direction of the management and policies of a title agent, whether directly or indirectly. A person is considered to~~

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~~control a title agent structured as an entity, if the person, individually or acting with others, directly or indirectly:]~~

~~[(1) holds the power or right to vote, owns, or controls, or holds proxies representing, at least 10 percent of the voting stock or voting rights of the entity;]~~

~~[(2) or through any other right or power exercises rights in the management, direction, or conduct of the day to day operations of the title agent.]~~

~~[g. Entity Shall mean an entity registered with the Office of the Texas Secretary of State in accordance with the Texas Business Organizations Code. The term shall include only those organizational types authorized to engage in the business of title insurance in the State of Texas.]~~

~~4[b]. "TDI" [Department] means the [The] Texas Department of Insurance.~~

~~5. "TDI Administrator" means an independent contractor contracted by TDI under Texas Insurance Code §2652.058 and §4004.104.~~

~~B[40]. FORMS [Obtain Forms]. All of the forms referred to in this rule are available on the TDI website and on request from TDI [Application forms for exemption, provider and course certification forms, certificate of completion forms, and the list of courses can be obtained from the Texas Department of Insurance, Continuing Education Coordinator, Title Licensing Program, 333 Guadalupe, P. O. Box 149104, Austin, Texas 78714-9104]. Forms may be submitted electronically if such submission is available.~~

~~C. FEES. TDI or the TDI Administrator collects the nonrefundable fees established in 28 Texas Administrative Code §19.1012(b).~~

## **II. COURSES AND PROVIDERS**

### **A. PROVIDER REGISTRATION.**

1. A provider applicant seeking initial registration or renewal of a registration as a provider of title insurance courses must submit to TDI or the TDI Administrator an application on a form provided by TDI and the applicable provider original registration or renewal fee under 28 Texas Administrative Code §19.1012(b)(1). TDI may require the following items in order to approve or disapprove a provider's registration application:

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- a. the provider applicant's name, federal tax identification number, physical address, mailing address, and website address;
  - b. the name, telephone number, and email address of the provider applicant's designated authorized provider representative;
  - c. the name of the provider applicant's state of incorporation, domicile, or residence if the provider applicant is a corporation, partnership, limited liability company, or other legal entity not otherwise licensed or regulated by TDI;
  - d. all names used by the provider applicant to provide insurance related education courses in Texas;
  - e. a description of the provider applicant's student record system, including a description of the methods of documenting attendance;
  - f. the method used by the provider applicant for evaluating instructors;
  - g. a statement as to whether or not the provider applicant has had any certification or approval for a professional continuing education course, preclicensing education course, or a certification course revoked, suspended, or placed on probation, whether by agreement or as ordered in an administrative or judicial proceeding, by a court, financial or insurance regulator, or other agency of Texas, another state, or the United States;
  - h. a statement certifying that the provider applicant will comply with all provider and course requirements set forth in Procedural Rule P-28; and
  - i. other information as specified by TDI.
2. Failure to submit a completed application and all of the requested items will result in the rejection of the application.
  3. Providers may only obtain one registration and may, but are not required to, certify and offer continuing education courses.
  4. A provider registration expires two years after the date of issuance. The provider may renew its registration by complying with Procedural Rule P-28.II.A.1 up to 90 days in advance of the expiration date.
  5. Within 150 calendar days from the effective date of this rule, providers who are currently offering certified title insurance continuing education courses, but are

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not registered as providers, must apply for registration. Providers may not apply for the certification of a continuing education course until the provider has applied for registration and been approved.

B[9]. COURSE CERTIFICATION [Course Certification].

1[a]. Providers [of courses] must certify each title insurance continuing education course [with the Department] prior to offering the course by submitting to TDI or the TDI Administrator an application on a form provided by TDI [using a certification form obtained from the Department] and the applicable submission fee under 28 Texas Administrative Code §19.1012(b)(2). [All courses filed with the Department for certification shall be deemed approved unless the Continuing Education Coordinator notifies the provider of disapproval of certification within 30 days of the date on which the certification is filed.] TDI may require the following items in order to approve or disapprove a course's certification application:

- a. a certification by the provider that the course meets the minimum requirements of Procedural Rule P-28;
  - b. a statement identifying the knowledge, skills, or abilities the licensee is expected to obtain through completion of the course;
  - c. instruction method and instructional medium;
  - d. a detailed course outline with major topics and sub-topics, including the amount of time spent on each major topic;
  - e. the method of evaluation by which the provider measures how effectively the course meets its objectives and provides for student input;
  - f. the total number of course hours requested for approval, including:
    - i. the number of hours included in the total number of course hours requested for approval that will cover ethics topics;
    - ii. the method the applicant is using to determine the number of course hours;
    - iii. if using the method specified in Procedural Rule P-28.II.I.2.a, a list of the licensees and the time it took each licensee to complete the course;
- and

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- iv. if using the method specified in Procedural Rule P 28.II.I.2.b, a list of approved times in all other applicable states;
  - g. a sample of the certificate of completion providers will issue to students under Procedural Rule P-28.II.H.1;
  - h. if applying for certification of a classroom course that will consist of other than classroom instruction, lectures, or seminars, an explanation of how the course complies with Procedural Rule P-28.II.F.1;
  - i. if applying for certification of a self-study course, a copy of one exam;
  - j. a copy of the provider's refund policy; and
  - k. any other information requested by TDI or the TDI Administrator.
2. Failure to submit a completed application and all of the requested items will result in the rejection of the application.
- ~~[b. Courses from the State Bar of Texas must be certified with the Department to recognize the number of credit hours approved for the course.]~~
- ~~[c. Providers must certify within 150 days from the effective date of this rule on a form obtained from the Department that each course offered for continuing education credit meets these requirements.]~~
- 3[d]. Providers must notify TDI or the TDI Administrator ~~[the Department]~~ when a course is discontinued or no longer active, and when there is a change in the provider's name, address, or telephone number, in order for TDI or the TDI Administrator ~~[the Department]~~ to maintain an up-to-date registry of courses and to prepare, if courses are to be available to the public, a list of such courses on ~~[upon]~~ request.
4. A course certification expires two years after the date of certification. If more than 25 percent of the course is changed, or if any change affects the course content breakdown as previously certified by TDI or the TDI Administrator, the course is considered revised and the provider must submit the course to TDI or the TDI Administrator for certification as a new course.

C. COURSE ASSIGNMENT.

- 1[i]. A registered ~~[An approved]~~ provider may request that a certified course be assigned to another registered provider by completing and submitting to TDI or

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the TDI Administrator a course assignment agreement form provided by TDI [Course Assignment Agreement to the Department]. TDI may require the following items in order to approve or disapprove a course's assignment:

- a. the assignee and assignor providers' names and registration numbers;
- b. the certified course's name, certification number, and expiration date;
- c. a statement regarding whether there will be any of the following changes to the certified course:
  - i. a change of more than 25 percent of the certified course's content;
  - ii. a change to the number of certified course credit hours;
  - iii. a change to the type of certified course credit hours; or
  - iv. if for a self-study course, using an examination different from the examination developed by the assignor;
- d. the effective date of the assignment;
- e. the termination date of the assignment; and
- f. any other information requested by TDI or the TDI Administrator.

2. A certified course may not be assigned, unless:

- a. both assignee and assignor are registered providers under Procedural Rule P-28.II.A;
- b. the course is not modified by:
  - i. changing more than 25 percent of the certified course content;
  - ii. changing the number of certified course credit hours;
  - iii. changing the type of certified course credit hours; or
  - iv. if a self-study course, using an examination different from the examination developed by the assignor; and
- c. the assignment term is for not more than two years.

3. The assignor must deliver all information required for the certification of the course under Procedural Rule P-28.II.B to the assignee. The assignee must maintain all information required for the certification of the course for the period of assignment and must submit such information to TDI or the TDI Administrator on request.

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4. Assignment of a certified course does not affect the certification period of the course.
  5. Assigned courses are considered courses of the assignee for purposes of Procedural Rule P-28 and the assignee must comply with all requirements of Procedural Rule P 28 in relation to the assigned course, except that an assignee may not assign an assigned course.
  6. TDI may not act on behalf of, or at the request of, any party in any dispute over a course assignment.
  7. TDI will consider an assignment terminated only on the following events:
    - a. the date the assignment terminates as specified in the course assignment agreement form;
    - b. the written and signed request of both the assignor and assignee, which may be granted or given to an assignor by the assignee in advance or as a condition of assignment;
    - c. termination of the assignee's registration as a provider;
    - d. expiration of the course certification; or
    - e. the order of a court of competent jurisdiction finding that the assignee is not authorized to present the course or that the assignment agreement is terminated.
  8. Assignees may not offer an assigned course after the course's certification expires, unless the originating assignor recertifies the course.
- D[5]. COURSE CRITERIA [Course Criteria].
- 1[a]. The purpose of continuing education is to increase the licensee's professional competence with regard to title insurance [~~coverage which can be used to assist customers in making informed decisions regarding their title insurance needs~~].
  - 2[b]. The course must [~~shall~~] have a stated purpose that reflects the goal(s) or the overall intent of the course.
  - 3[e]. The course must [~~shall~~] have specific written learning objectives, which support the achievement of the stated purpose [~~purpose statement~~] of the course. The learning objectives are the desired outcomes for the learning process and identify the knowledge, skills, or aptitudes [~~attitudes~~] the licensee is expected to obtain.

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- 4[d]. The course must [~~shall~~] have a method of evaluation that [~~which~~] measures how effectively the course meets its objectives.
- 5[e]. Persons conducting a course should be knowledgeable and well versed on the topic(s), and be able to conduct/instruct a class and provide appropriate feedback on questions.
- 6[f]. The course content must be designed to increase the licensee's knowledge and understanding of one or more of the following:
- a. title insurance principles and coverages;
  - b. title insurance law, rules, and regulations; [~~applicable laws, land title search or examination; mortgage lending; closing transactions; rules and regulations promulgated by the commissioner;~~]
  - c. recent and prospective changes in coverages, law, regulations, and practice;
  - d. mortgage lending and closing transactions;
  - e. land title search or examination;
  - f. management of the licensee's title insurance business; [~~ethical conduct;~~] or
  - g. duties and responsibilities of the title insurance agent or escrow officer, including ethical conduct.
- 7[g]. A State Bar of Texas or State Board of Public Accountancy course is acceptable as a title insurance continuing education [~~an approved~~] course as long as the course includes material pertaining to the business of title insurance, real property, surveys, mortgage lending, ethical conduct, or transfer of land titles.
- ~~[h. Courses to meet the Ethics requirement must be accredited by either the State Bar of Texas or the Department for Ethics Credit.]~~
- 8[i]. Each course must be reviewed every two years by the provider and updated to remain relevant to the professional development of a licensee.
- E. INSTRUCTOR REQUIREMENTS.
1. Providers must certify that course instructors are experienced and qualified in the subject to be taught, and certify that the instructors meet at least one of the following instructor criteria:

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- a. has been in the practice of teaching title insurance courses for at least the last three years and has the knowledge and experience in the subject the instructor will teach;
  - b. has been properly licensed as a licensee subject to continuing education requirements under the Texas Title Insurance Act or similar statutes of another state or jurisdiction for at least five years;
  - c. is the holder of a national designation certification recognized by TDI which relates directly to the subject the instructor will teach; or
  - d. has been engaged in a recognized profession that is pertinent to the subject areas to be taught, including, but not limited to, Certified Public Accountants or members of a state bar.
2. A provider must maintain, as a part of the provider's records, a written statement from each instructor certifying that the instructor is qualified as an instructor, the basis of qualification, and that the instructor will comply with all applicable course requirements.

F[6]. TYPES OF COURSES [~~Types of Courses~~]. Continuing education courses must [~~shall~~] consist of one of the following [~~two types~~]:

- 1[~~a~~]. Classroom Courses. Classroom courses may include lectures, seminars, audio, video, computer-based instruction, and teleconferences that meet the following requirements:
  - a. A disinterested third party attendant, an instructor, or a disinterested third party using visual observation technology must visually monitor attendance either inside or at all exits to the course presentation area at all times during the course presentation.
  - b. At least three students and an instructor must be involved in each presentation of the course; however, in circumstances involving remote presentations, all students and the instructor do not need to be in the same location. In the case of presenting recorded or text materials, the instructor making the live course presentation does not have to be the same instructor included on the recorded presentation or who prepared the text materials.
  - c. Question and answer and discussion periods must be provided by:

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- i. an instructor making a live presentation of the course to licensees in the same room or via real-time live audio or audio-visual connection, which must allow for immediate student inquiries and responses with the presenting instructor; or
- ii. an instructor who is present for the entire remote, recorded, or computer-based course presentation to students in the same room, which must allow for immediate inquiries and responses of students to the instructor.
- d. The course pace is set by the instructor.
- e. The course does not allow for independent completion of the course by students.

~~[This type of course includes any type of continuing educational activity that involves viewing or listening to live presentations or prerecorded media in which attendance may be in person, by electronic means or through such means as may be developed through advanced technology. This type of course must include a component that has a means to reasonably authenticate the student's identity and attendance. Classroom courses include any type of activity that is considered an 'Accredited CLE Activity' as that term is presently defined under the State Bar of Texas MCLE Regulations and Accreditation Standards.]~~

- 2[b]. Self-study Courses. This type of course may include [includes] textbook, audio, video, computer-based instruction, or any combination of these in an independent study setting designed in such a manner as to insure that the course cannot be completed by the typical enrollee in less time than the period for which the course is certified [with some measurement of completion of the objective of the course].
- G[8]. COURSE REQUIREMENTS FOR SUCCESSFUL COMPLETION [Course Requirements for Successful Completion].

- 1[a]. For classroom courses, providers [Providers] must use, at a minimum, attendance rosters [or an assessment measurement] to certify completion of a course [all or a portion of a classroom continuing education course]. Each student must attend [Attendance of] at least 90 percent [%] of the course [is required to complete the entire course when using attendance rosters]. [Attendance of at least fifty five

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~~(55) minutes of each hour claimed for a portion of a course is required for each hour of credit issued to a licensee attending only a portion of the course.]~~  
Providers must establish a [A] means to ensure that each student [the licensee] attended [the full or] at least 90 percent [%] of the course [or the requisite number of minutes for a portion of the course claimed for credit must be established]. Attendance records must include, at a minimum, sign-in and sign-out sheets, and the legible names, addresses, and TDI license number of each student in attendance.

2[b]. For self-study courses, providers [Providers] must use a written, online, or computer-based examination as a means of completion for the course [to evaluate the licensee's competency and the effectiveness of the self-study courses]. Providers are not required to monitor the final examination. Course records for each examination attempt must include, at a minimum, the date the exam was taken, the final examination score, the examination version used, the legible name, address, and the TDI license number of each enrollee. A final examination must [Written examinations shall] meet the following criteria [set forth in paragraphs (1)–(7) of this subsection]:

a[1]. Final examination questions may not [shall not] be the same or substantially the same questions the enrollee [licensee] previously encountered in the course materials or review exams.

b[2]. Security measures must [shall] be in place to maintain the security and integrity of the examination and ensure that the enrollee [enrolled licensee] is the individual who took the examination.

c[3]. Answers to the examination may not [shall not] be given to the enrollees [licensees] at any time before, during, or after the course.

d[4]. Examinations must [shall] be graded by an authorized staff member.

e[5]. Enrollees are [Licensees shall be] allowed to retake an examination if a 70 percent [%] passing score is not achieved. The retest must be [shall consist of] an alternate examination consisting of different questions from the original examination.

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- f[6]. Final examinations must [~~shall~~] consist of three exams which are distributed alternatively to enrollees of the course, and are revised/updated every two years by the provider consistent with the course update/revision.
- g[7]. The final examination must [~~shall~~] be a comprehensive examination of the course and thoroughly test the enrollee's [~~licensee's~~] knowledge of the content of the course.
- h. The final examination must consist of questions that do not give or indicate an answer or correct response and are the following types:
- i. short essay questions requiring a response of five or more words;
  - ii. fill in the blank questions requiring a response from memory and not from an indicated list of potential alternatives; or
  - iii. multiple choice questions stemming from an inquiry with at least four appropriate potential responses and for which "all of the above" or "none of the above," or similar response, is not an appropriate option.
- i. Each final examination must consist of at least 10 questions for each hour of credit up to a maximum requirement of 50 questions per course. Providers may, at their discretion, have a greater number of final examination questions.
- j. During final examinations, enrollees may use course materials or personal notes, but may not use another person's notes, answers, or otherwise receive assistance in answering the questions from another person.
- k. Enrollees must mail or deliver the completed final examination directly to the provider.

H. PROOF OF COURSE COMPLETION.

- 1[e]. Providers must issue certificates of completion [~~or a certified transcript~~] to students [~~licensees~~] who successfully complete [~~all or a portion of~~] a certified course within 30 calendar days of the completion of the course. The provider must [~~The certificate must be issued in a manner which will~~] ensure that the person receiving the certificate is the student [~~licensee~~] who took the course [~~, be issued within a reasonable period of time, and be completed to reflect the date the licensee took the course/examination~~]. [~~Information on the certificate of~~

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~~completion can be duplicated from a form obtained from the Department. A certificate of completion or a certified transcript is valid to renew multiple licenses issued under Chapter 2651 or Chapter 2652 of the Insurance Code, if such completion occurred within the renewal period of each license.] Only the provider of the course may prepare, print, or complete a certificate of completion.~~

A certificate of completion must include the following:

- a. a statement that the course is for title insurance continuing education;
- b. the provider's name and provider number;
- c. assignee's name and provider number, if applicable;
- d. course name;
- e. total number of approved credit hours and the number of approved ethics credit hours;
- f. date of course completion; and
- g. the TDI license number, if applicable, and name of the student completing the course.

2. The provider must report course completions to TDI or the TDI Administrator within 30 calendar days of course completion.

I[7]. CALCULATION OF CREDIT HOURS [~~Hours of Credit~~].

- 1[a]. For a classroom course, TDI will award up to 10 hours of credit for any one course. TDI will award credit at a rate of one hour for every 50 minutes of actual instruction time. All classroom courses must be at least one hour of credit in length. TDI will award additional partial hours of credit in half-hour increments with all periods of less than 25 minutes awarded no additional credit and periods of less than 50 minutes awarded one half-hour of additional credit. [Credit for classroom courses is determined by the number of minutes of actual instruction time divided by 60.] Actual instruction time is considered the amount of time devoted to the actual instruction/reading of the topic, and does not include breaks, meals [lunch or dinner], introductions of speakers, explanatory or preparatory instructions, or evaluations of the course [ete]. [No more than 10 hours of credit shall be recognized for any one course.]

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2[b]. For a self-study course, TDI will award up to five hours of credit for any one course. A self-study course must be at least one hour of credit, 50 minutes, in length. TDI will award additional partial hours of credit in half-hour increments with all periods of less than 25 minutes awarded no additional credit and periods of less than 50 minutes awarded one half-hour of additional credit. Providers may not use the final examination or pre-tests for determining course hours. The provider must determine the number of credit hours using one of the following methods:

- a. The average completion time of the individual course completion times of at least five licensees. The licensees used to calculate the average must be randomly selected. If the provider uses this method to determine the number of credit hours, the provider must retain the names, current TDI license numbers, and completion times of all licensees that were used by the provider.
- b. The average number of hours of the credit hours assigned by all other states in which the course is certified or approved. A provider may not use this method to determine the number of credit hours unless the course is approved in at least three other states. Providers may not include any hours allowed by other states for sales and marketing topics in calculating the average.

~~[Credit for independent self-study courses shall be calculated by using a total of 2600 words as equal to one credit hour. Total words of a text divided by 2600 words will equal the course credit hours. No more than 4 hours of credit shall be recognized for any one course.]~~

3[e]. For applicable State Bar of Texas or State Board of Public Accountancy courses, TDI will award up to 10 credit hours for any one course. The number of awarded credit hours [Credit for applicable State Bar of Texas courses] is determined by the number of credit hours approved by the State Bar of Texas or the State Board of Public Accountancy, but only those hours that [which] pertain to title insurance, real property, surveys, mortgage lending, ethical conduct, or transfer of land titles. TDI will award ethics credit hours for courses or portions of courses

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approved by either the State Bar of Texas or the State Board of Public Accountancy for ethics credit. [~~No more than 10 hours of credit shall be recognized for any one course.~~] No self-study hours approved by the State Bar of Texas or the State Board of Public Accountancy will be accepted.

4[d]. TDI will award credit hours for the successful completion of accredited college, university, or law school courses. TDI will award eight credit hours per semester hour approved for the course by the college, university, or law school [~~Credit for accredited college or university courses is determined by the number of semester hours approved for the course by the college or university~~], but only for the portion of those hours which pertain to title insurance, real property, surveys, mortgage lending, ethical conduct, or the transfer of land titles. [~~Each semester hour will be equal to 8 credit hours.~~]

5[e]. TDI will award credit hours [~~Credit~~] for licensees [~~title insurance agents or escrow officers~~] who instruct any portion of a certified [~~teach a qualified~~] continuing education course [~~or a portion of a course~~]. The number of credit hours awarded is determined by the number of hours of course instruction up to a maximum of the number of credit hours approved for the course [~~or by the number of hours assigned to the full course whichever is applicable~~], plus an equal number of credit hours is awarded for course preparation [~~the actual hours of preparation for teaching the course reported by the teacher to the provider~~]. The provider [~~of the course~~] is responsible for reporting the number of hours of course instruction [~~issuing a letter of certification reflecting the number of credit hours of preparation and the number of credit hours that the individual taught~~].

[~~f.~~—~~Credit for any course may be issued for less than the number of hours the course was assigned (i) to an instructor teaching a portion of the course who does not attend the full course and (ii) to a licensee for attending only a portion of the course. Providers must certify the actual number of hours taught or attended on the certificates of completion or the certified transcripts it issues to teachers or licensees.~~]

6[g]. TDI will not award credit hours for instructing or [~~Credit for~~] completing the same continuing education course more than once within the same reporting

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~~period [shall not be granted for compliance with the continuing education requirement]. [Credit for teaching the same continuing education course more than once within a three month period shall not be granted for compliance with the continuing education requirement.]~~

~~[h.—The licensee shall report to the Department on the license renewal form the course title or course number and the number of credit hours of certified continuing education courses claimed by the licensee for all license renewals.]~~

### **III. CONTINUING EDUCATION COMPLIANCE**

~~A[3]. APPLICABILITY AND REQUIRED CREDIT HOURS [Applicability—of Requirements].~~

~~1[a]. Licensees must complete 10 credit hours of continuing education [Title insurance agents licensed under Chapter 2651 of the Insurance Code and escrow officers licensed under Chapter 2652 of the Insurance Code shall complete the required number of hours of continuing education set forth in subparagraph (c) below] for each reporting period, unless otherwise exempt. Of the 10 required credit hours, licensees must earn at least two ethics credit hours [Total Required Hours, the specified number must be for accredited Ethics courses]. Credit hours may only be applied to a single reporting period and excess hours may not be carried forward to the next reporting period.~~

~~2[b]. The reporting period is from the license issue date or last renewal date [of the license] to the license expiration date.~~

~~3[e]. New licensees with initial reporting periods of less than 24 months must complete a prorated amount of continuing education credit hours as follows:~~

~~[A Licensee subject to renewal shall complete continuing education on a prorated schedule for each reporting period. The number of required credit hours shall be based upon the reporting period from the issue date of the original license or the most recent renewal date. In accordance with the following schedule for all licenses renewing on or after September 31, 2013.]~~

<b>LICENSE PERIOD</b>	<b><u>TOTAL REQUIRED</u> [Total Required] HOURS</b>	<b><u>ETHICS</u> [Ethics]</b>
Less than <u>6</u> [4] months	0	0

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LICENSE PERIOD	<u>TOTAL REQUIRED</u> [Total Required] HOURS	<u>ETHICS</u> [Ethics]
<u>6</u> [4] months up to and including <u>7</u> [6] months	<u>2</u> [4]	<u>2</u> [0]
<u>8</u> [7] months up to and including 9 months	<u>3</u> [5]	<u>2</u> [0]
10 months up to and including <u>11</u> [12] months	<u>4</u> [6]	<u>2</u> [1]
<u>12</u> [13] months up to and including <u>14</u> [15] months	<u>5</u> [7]	<u>2</u> [1]
<u>15</u> [16] months up to and including <u>16</u> [18] months	<u>6</u> [8]	<u>2</u> [1]
<u>17</u> [19] months up to and including <u>19</u> [21] months	<u>7</u> [9]	<u>2</u> [1]
<u>20</u> months up to and including <u>21</u> months [ <del>22 months or more</del> ]	<u>8</u> [10]	<u>2</u> [1]
<u>22</u> months up to and including <u>23</u> months	<u>9</u>	<u>2</u>
(INCREMENTS ARE IN FULL MONTHS - DO NOT COUNT PARTIAL MONTHS)		

4. If a licensee is unable to attend classroom courses with reasonable convenience due to the remote location of the licensee's residence or business, the licensee may complete up to 50 percent of the required continuing education credit hours through self-study courses.
5. Licensees must complete at least 50 percent of their required continuing education credit hours in classroom courses, regardless of any other license type held by the licensee.

B[4]. CONTINUING EDUCATION EXEMPTIONS AND EXTENSIONS [~~Exemption From Continuing Education~~].

- [a. ~~The continuing education requirement shall not apply to title insurance agents and escrow officers who meet the criteria of illness, medical disability or circumstances beyond the control of the licensee.~~]

- 1[b]. Licensees who meet the criteria of illness, medical disability, or circumstances beyond the control of the licensee may [A licensee shall] apply for an extension of time for the licensee to comply with the continuing education requirements or

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an exemption from all or part of the requirements [exemption from or an extension of time for meeting the continuing education requirements by completing an application form obtained from the Department and submitting all requested documents and information]. Business reasons do not constitute circumstances beyond the control of the licensee. TDI will establish the duration of an extension when it is granted. If the circumstances supporting an extension continue beyond the granted extension period, the licensee may reapply for an exemption or extension. The licensee's application must [The form must be received within the reporting period for which it applies and shall] include [at least] the following:

- a[1]. a written statement [Statement] of the exact nature of the illness, medical disability, or other extenuating circumstances beyond the control of the licensee that have prevented or will prevent the licensee from completing the required hours within the reporting period; [-]
- b[2]. evidence [Evidence in the form of medical reports from attending physician(s) and insurance claims] regarding the illness, [or] medical disability [of the licensee], or [evidence of insurance claims and/or other documentation as determined regarding] circumstances beyond the control of the licensee; [-]
- c[3]. a written assessment of whether the condition is temporary or permanent, or if it is unknown whether the condition is temporary or permanent; [Assessment of the condition of the licensee whether it is temporary, permanent or unknown.]
- d[4]. a written statement [Statement] as to whether the licensee will [or will not] be able to perform activities including any acts of a title insurance agent or escrow officer during the exemption or extension period being requested; [-]
- e[5]. the estimated [Estimated] date when the licensee will be able to perform any activities including any acts of a title insurance agent or escrow officer in accordance with the medical reports or other documents pertaining to circumstances beyond the control of the licensee; and [-]

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~~f[6]. any [Any] other information that may be of assistance in evaluating the request [requested by the Department].~~

~~2. A military service member, military veteran, or military spouse, as defined by Texas Occupations Code §55.001, may apply under 28 Texas Administrative Code §19.803 for, and be granted, an extension to or exemption from the continuing education requirements of Procedural Rule P-28.III.A.~~

~~[11. Appeals. A decision of the Continuing Education Coordinator to deny an application for an exemption from or extension of time for meeting continuing education requirements or a decision disapproving certification of a continuing education course may be appealed to the Manager of the Title Licensing Program, who shall decide the appeal within 30 days following the filing of the appeal. The Manager's decision may be appealed to the Commissioner.]~~

~~C[12]. EVIDENCE OF COMPLIANCE [Licensee Compliance].~~

~~[a. Licensees may choose courses from any of the courses approved for their type of license which are certified with the Department to meet their continuing education compliance requirements.]~~

~~[b. Title insurance agents and escrow officers shall attach copies of completion certificates as part of the license renewal or submit a certified transcripts. Each licensee must maintain evidence of course completion for each course for the current and next preceding renewal period which generally consists of four years.]~~

~~[13. Audit of Continuing Education Records.]~~

~~1[a]. Licensees must maintain [All continuing education records and] evidence of continuing education compliance [of licensees must be maintained] for a [minimum] period of at least four years from the date of course completion for purposes of investigation or audit and must continue to maintain evidence of compliance during any period in which the licensee has been notified by TDI or the TDI Administrator that the records or the licensee's compliance is the subject of an investigation or audit. Evidence of licensee compliance is [and are] subject to the review of TDI [the Department] at any time. [Accuracy of a licensee's records is subject to verification at any time.]~~

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- 2[e]. Evidence of licensee compliance may include ~~[is]~~ a certificate of completion ~~[or a certified transcript]~~ from a provider ~~[of the course which has been successfully completed]~~ or a transcript from a college, university, or law school.
- 3[b]. Providers must maintain all ~~[All]~~ continuing education records, course certification records, attendance records ~~[course rosters]~~, and ~~[all other]~~ course materials, including final examinations, ~~[of providers must be maintained]~~ for a period of at least four years. TDI or the TDI Administrator may review these records ~~[and are subject to the review of the Department]~~ at any time. Providers must notify TDI if there is a change to the provider's information of record.
4. At the request of TDI or the TDI Administrator, providers must furnish course completion information in an acceptable electronic format to TDI or the TDI Administrator.
- 5[e]. TDI or the TDI Administrator may conduct audits of any certified course or provider without prior notice to the provider. Staff from TDI or the TDI Administrator may attend courses without identifying themselves as employees or representatives of TDI. If compliance ~~[continuing education]~~ records are audited or reviewed and the validity or completeness of the records ~~[same]~~ are questioned, the ~~[licensee or]~~ provider is allowed ~~[shall have]~~ 30 calendar days from the date of notice to correct discrepancies or submit new documentation.
6. TDI will rely on provider submitted course completion records for determining and publishing continuing education compliance. A licensee must inform TDI of any inaccuracy in the licensee's compliance record.

D[14]. FAILURE TO COMPLY ~~[Failure to Comply]~~.

- 1[a]. A licensee's failure ~~[Failure]~~ to comply with the ~~[continuing education]~~ requirements of Procedural Rule P-28 in the absence of a valid exemption or extension, or falsification of records of compliance by the licensee, may ~~[is]~~ subject the licensee to disciplinary action after notice and hearing. Disciplinary action may include a fine, suspension, revocation, or cancellation of a license in accordance with Texas Insurance Code~~[,]~~ Chapter 82, and any other applicable laws or statutes.

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- 2[b]. A provider's failure [Failure] to comply with the requirements of Procedural Rule P-28 [the rules], or falsification of [any] records of compliance by the provider, may subject the courses of the provider to be removed from the list of certified courses. A provider may also be subject to disciplinary action after notice and hearing. Disciplinary action may include a fine, suspension, or revocation of the provider's registration in accordance with Texas Insurance Code Chapter 82, and any other applicable laws or statutes.
- 3[e]. If a licensee does not meet the licensee's continuing [Continuing] education requirements [must be completed] by the 90th day after the licensing [licensee's] renewal date, the licensee's license is not eligible for renewal. [If continuing education requirements are not met by the renewal date, the license will not be renewed. The 90 day late renewal filing period cannot be used to complete continuing education requirements.]

**IV[B]. PROFESSIONAL TRAINING PROGRAM FOR MANAGEMENT PERSONNEL**

**[Provisions Pertaining to Professional Training Program for Title Agent Management Personnel]**

- [2.— Notification to Department of Management Personnel In an Application for Texas Title Agent's License. A corporation or partnership shall file in the Application for Texas Title Insurance Agent's License (Form FINT143) biographical information for:]
- [a.— each executive officer, director, or partner who will administer the entity's day to day operations in this state;]
- [b.— each shareholder who is in control of the corporation or partner who has the right or ability to control the partnership; and]
- [c.— if the corporation or partnership is owned, in whole or in part, by another entity, each individual who is in control of the parent entity, and who will administer the day to day operations of the parent entity in this state.]
- [d.— For the purposes of this subsection the term "control" shall be defined in accordance with Procedural Rule P-28 A.2.]

**A. MANAGEMENT PERSONNEL REQUIREMENTS.**

- 1[3]. [Applicability of Requirements.] Except as provided in Procedural Rule P-28.IV.A.2 below [subsection B.3 of this procedural rule], title insurance agent

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and direct operation management personnel [~~an individual who is designated in an Application for Texas Title Insurance Agent's License (Form FINT143) to hold a management position for the entity that is applying for the title agent license~~] must complete a professional training course [~~for title agent management personnel~~] that meets the requirements of Procedural Rule P-28.IV.B [~~this procedural rule,~~] within 12 months immediately preceding the date of filing of the title insurance agent or direct operation license application. [~~This subsection is applicable only to individuals designated in an application for a title agent license that is complete after September 31, 2013.~~]

2[4]. [~~Exemption from Professional Program.~~] An individual is exempt from the professional training requirements of Procedural Rule P-28.IV.A [~~subsection B of this procedural rule,~~] if the individual has held in Texas [~~this state~~] for at least five years a position as management personnel with a title insurance agent, direct operation, or a comparable position.

3. Management personnel who are not exempt under the provisions of Procedural P-28.IV.A.2 must submit a provider-issued certificate of completion demonstrating compliance with Procedural Rule P-28.IV.A.1 with their license application.

4[7]. [~~Proof of Course Completion.~~] Management personnel [~~All individuals~~] who are [~~defined as management personnel in subsection B.1 of this procedural rule and~~] not exempt under the provisions of Procedural Rule P-28.IV.A.2 [~~subsection B.3 of this procedural rule~~] must [~~shall~~] maintain proof of completion of a professional training course [~~for title agent management personnel~~] for a period of four years from the date of completion of the course. On [~~Upon~~] request, management personnel must [~~the individual shall~~] provide proof of completion of the professional training course [~~for title agent management personnel~~] to TDI or the TDI Administrator [~~the Department~~].

B[10]. PROVIDER AND COURSE REQUIREMENTS [~~Provider Requirements~~].

1. Providers of professional training courses [~~Course providers~~] must comply with [~~meet all of~~] the registration requirements [~~for providers~~] under [~~set forth in~~]

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Procedural Rule P-28.II.A before offering a professional training course for [~~title agent management personnel to licensees or~~] management personnel.

2. The provider must comply with the course certification requirements in Procedural Rule P-28.II.B.

3. A professional training course must be at least eight hours in length.

~~[5. Standards for Professional Training Program for Title Agent Management Personnel. The course shall:]~~

~~[a. be submitted to the Department for certification in compliance with subsection A.9 of this procedural rule (pertaining to Course Certification);]~~

~~[b. be at least eight hours in length; and]~~

~~[c. cover the subjects described in subsection B.8 of this procedural rule.]~~

4[9]. [Course Subjects.] A professional training course must cover the following subjects [The subjects for a title agent management personnel professional training course outline must include topics that address]:

a. the basic principles and coverages related to title insurance;

b. recent and prospective changes in those principles and coverages;

c. applicable rules and laws;

d. proper conduct, including ethical conduct, of the licensee's [~~license holder's~~] title insurance business;

e. accounting principles and practices and financial responsibilities and practices relevant to title insurance; and

f. the duties and responsibilities of a title insurance agent or direct operation.

5. Providers of professional training courses may assign courses under Procedural Rule P-28.II.C.

6. Providers of professional training courses must comply with Procedural Rules P-28.II.E and G.

7[8]. [Completion Certificate.] Providers of profession training courses must issue certificates of completion in compliance with Procedural Rule P-28.II.H.1, except the certificate of completion must include a statement that the course is for professional training for title insurance agent or direct operation management personnel [A provider issued completion certificate or a certified transcript for a

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~~professional training course for title agent management personnel must comply with the requirements of subsection A.8 of this procedural rule (pertaining to Course Requirements for Successful Completion)].~~

8. Professional training course credit hours will be calculated under Procedural Rule P-28.I.