

Consolidated summary for the Fifth Amendment to 11 NYCRR 20 (Insurance Regulations 9, 18 and 29); Fifth Amendment to 11 NYCRR 29 (Insurance Regulation 87); First Amendment to 11 NYCRR 30 (Insurance Regulation 194); Third Amendment to 11 NYCRR 34 (Insurance Regulation 125); and new 11 NYCRR 35 (Insurance Regulation 206).

The following sections are amended:

Section 20.1, which specifies forms for temporary licenses, is amended to make technical changes and to add references to title insurance agents.

Section 20.2, which specifies forms of notice for termination of agents, is amended to make technical changes and to add references to title insurance agents.

Section 20.3, which governs fiduciary responsibility of insurance agents and brokers, including maintenance of premium accounts, is amended to make technical changes, add references to title insurance agents, and permit other withdrawals and transfers from premium accounts.

Section 20.4, which governs insurance agent and broker recordkeeping requirements for fiduciary accounts, is amended to make technical changes and to add references to title insurance agents.

Section 20.6 is amended by adding new language that clarifies (1) the manner in which an insurance agent, title insurance agent, insurance broker, insurance consultant or a life settlement broker may charge or collect compensation from an insured through the use of a written memorandum pursuant to Insurance Law section 2119, and (2) that an insurance agent, title insurance agent, or insurance broker must segregate or promptly withdraw compensation from fiduciary funds.

Section 29.5, which implements Insurance Law section 2128, governing placement of insurance business by licensees with governmental entities, is amended to make technical changes and to conform to amendments to section 2128, with respect to title insurance agents.

Section 29.6 is amended for technical changes and to remove language regarding return of disclosure statements.

Section 30.3, which governs notices by insurance producers regarding the amount and extent of their compensation, is amended by adding a new subdivision that modifies the requirements of the section with respect to title insurance agents, in order to conform to new Insurance Law section 2113(b).

Section 34.1(a) and (b) are amended for technical purposes and to add reference to title insurance agents.

Section 34.2, which governs satellite offices for insurance producers, is amended by adding a new subdivision that exempts from certain provisions of that section a title insurance agent that is a licensed attorney transacting title insurance business from the agent's law office.

A new Part 35 is added governing the activities of title insurance agents and the placement of title insurance business. The new sections are:

Section 35.1, containing definitions for new Part 35;

Section 35.2, specifying forms for title insurance agent licensing applications;

Section 35.3, specifying change of contact information required to be filed with the Department;

Section 35.4, addressing affiliated business relationships and certain prohibited transactions;

Section 35.5, addressing referrals by affiliated persons and the required disclosures in such circumstances;

Section 35.6, addressing minimum disclosure requirements for title insurance corporations and title insurance agents with respect to fees charged by such corporation or agent, including discretionary or ancillary fees;

Section 35.7, providing certain other minimum disclosure requirements;

Section 35.8, governing the use of title closers by title insurance agents and title insurance corporations;

and

Section 35.9, establishing record retention requirements for title insurance agents.