



# K a n s a s I n s u r a n c e D e p a r t m e n t

**Sandy Praeger** COMMISSIONER OF INSURANCE

## Bulletin 2004-9

TO: All Title Insurance Companies

FROM: Sandy Praeger  
Commissioner of Insurance

DATE: November 1, 2004

RE: Controlled Business Arrangement Disclosure

L. 2004, ch. 69, sec. 14(f) prohibits title insurers and title agents from accepting any order for, issue a title insurance policy to, or provide services to, an applicant if it knows or has reason to believe that the applicant was referred to it by any producer of title business or by any associate of such producer, where the producer, the associate, or both, have a financial interest in the title insurer or title agent to which business is referred unless the producer has disclosed to the buyer, seller and lender the financial interest of the producer of title business or associate referring the title insurance business.

The Kansas Insurance Department has reviewed this law and it is our opinion that the following disclosure fulfills the requirements of this law:

## **KANSAS CONTROLLED BUSINESS ARRANGEMENT DISCLOSURE**

In accordance with Kansas Law, before any commitment can be made to a title insurer or agent to perform services related to this real estate transaction in which you are involved,

the following written disclosure must be made:

\_\_\_\_\_ has a \_\_\_\_\_% financial interest in  
(Name of producer of title business)  
\_\_\_\_\_  
(Name of title insurer/agency)

Because of this financial interest, a referral to \_\_\_\_\_  
(Name of title insurer/agency)  
to perform services related to this real estate transaction will provide  
\_\_\_\_\_ a financial benefit.  
(Name of producer of title business)

The following is a written estimate of charges by \_\_\_\_\_  
(Name of title insurer/agency)  
for the following services:

- Owner’s policy of title insurance      \$ \_\_\_\_\_
- Loan policy of title insurance          \$ \_\_\_\_\_
- Escrow settlement services              \$ \_\_\_\_\_
- Loan closing services                      \$ \_\_\_\_\_

You are NOT required to use the services of \_\_\_\_\_ as a  
(Name of title insurer/agency)  
condition of this real estate transaction and may select any other title company  
to perform any or all of the services set forth above. You are free to shop around  
and determine that you are receiving the best services and best rates for services  
related to this real estate transaction.

Other title companies and their telephone numbers which perform the same  
services as the above noted title insurer/agency and which operate from a physical  
location in \_\_\_\_\_ County are:

<u>NAME OF TITLE INSURER/AGENCY</u>	<u>TELEPHONE NUMBER</u>
1) _____	_____
2) _____	_____

3) \_\_\_\_\_

**ACKNOWLEDGEMENT**

\_\_\_\_\_  
Signature of Consumer

DATE: \_\_\_\_\_

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