



To: All WFG Agents and WFG Offices doing business in Indiana  
From: WFG Underwriting  
Date: June 8, 2022  
Bulletin No: IN 2022-04  
Subject: **UPDATE-Required Charges and Non-Allowable Charges for Indiana Transactions Based on Updated WFG Manual of Title Insurance Premiums Effective May 1, 2022**

---

To all WFG Agents and WFG Offices doing business in Indiana,

WFG recently filed an updated Manual of Title Insurance Premiums with the Indiana Department of Insurance (IDOI) with an effective date of May 1, 2022. As a result, we are updating our previous bulletin (IN 2019-04) to reflect the changes in our updated Manual of Title Insurance Premiums.

This bulletin shall replace Indiana Bulletin No. IN 2019-14.

The Indiana Department of Insurance (IDOI) routinely audits title agents and title underwriters who are doing business in Indiana. During these audits, if the IDOI discovers that title agents and title underwriters are collecting fees and premiums that are not included in the title underwriters' rate manuals or are not permissible under Indiana law, the IDOI requires the title agents/title underwriters to refund these fees and premiums to the consumers and also fines the title agents/title underwriters for non-compliance. Additionally, if the IDOI discovers that the title agents/title underwriters are not collecting fees mandated by Indiana law, the IDOI requires the title agents/title underwriters to pay these fees and also fines the title agents/title underwriters for non-compliance.

In an effort to assist our agents with staying in compliance, please note the following:

1. **WFG Now Charge \$25.00 for each Endorsement issued in connection with Residential Transactions**

- a) WFG now **charges** \$25.00 for each endorsement for **residential** transactions. You must remit a portion of this premium to WFG based on the premium split agreement as set forth in your Agency Agreement with WFG. Please make sure to follow our filed Indiana rate manual when calculating rates, fees, and charges for Indiana transactions; attached is the most current WFG rate manual on file in Indiana. It has an effective date of May 1, 2022; please do not follow any other rate manual. Additionally, WFG does charge for the issuance of endorsements for **commercial** transactions as set forth in the rate manual. If you have any questions as to whether a particular transaction is classified as residential or commercial, please contact your Indiana state underwriters.

2. **You MUST Issue and You MUST Charge for the Issuance of a CPL (Closing Protection Letter) for Residential Transactions**

- a) For any closings conducted after **June 30, 2013**, title companies are required by Indiana law to issue a closing protection letter (CPL) to a **lender, borrower, buyer** and **seller** of the property in all residential real estate transactions in which a title policy is to be issued by the title company or insurance producer and the title company or insurance producer is also acting as a settlement or closing agent. A fee charged to each party receiving the benefit of the CPL will be payable at closing and reflected on the ALTA Settlement Statement/Closing Disclosure. The charge is **\$25** per **CPL** issued and must be remitted to WFG. CPLs are not required to be issued on commercial transactions but may be issued upon request of any of the parties to the transaction. Attached is WFG's Filing Memo with the IDOI which confirms that WFG charges \$25 per CPL.

3. **You MUST Collect Five Dollars (\$5.00) Per Policy Issued for the Title Insurance Enforcement Fund Fee (TIEFF)**

In 2006, the Indiana General Assembly passed IC 27-7-3.6-7 (as added by PL 171-2006, Sec. 5). This chapter created the Title Insurance Enforcement Fund Fee ("TIEFF"). The TIEFF was created for the following purposes:

- a) To provide supplemental funding for department (of insurance) operations that are related to title insurance; and  
To pay the costs of hiring and employing staff in the area of enforcement of title insurance law.
- b) The statute has an effective date of July 1, 2006. IC 27-7-3.6-7 states:
- i) A person that purchases a title insurance policy shall pay to the title insurer that issues the title insurance policy a fee of five dollars (\$5) as a fee for the title insurance enforcement fund at the time of payment for the title insurance policy.
- ii) A title insurer shall:
- (1) retain two dollars (\$2) of the fee collected under subsection (a) as an administrative fee; and
- (2) pay to the department three dollars (\$3) of the fee collected under subsection (a) for deposit in the title insurance enforcement fund.
- (3) For residential transactions, the five dollar (\$5.00) fee must be reflected on the ALTA Settlement Statement/Closing Disclosure as the TIEFF. The fee applies to all title insurance policies including, but not limited to, Owner's Policies, Loan Policies and Policies issued for second mortgages. All companies, individuals, attorneys and lending institutions that conduct real estate closings in which a title policy is issued, or is to be issued, shall facilitate the collection of fees which must be remitted to the Department of Insurance (IDOI). Failure to collect or remit the fee can result in disciplinary action arising out of but not limited to the following statutes IC 27-1-3-19, IC 27-1-17-9, IC 27-4-1, and IC 27-1-15.6.
- (4) The five dollar (\$5.00) TIEFF fee should be remitted to WFG as WFG then remits the three dollar (\$3.00) portion to the IDOI.

#### 4. Short Term Owners Rate and Simultaneous Issue Rates/Discounts Must be Given when Applicable

- a) **Short Term Owners Rate.** You must give the Short Term Owners Rate/discount to the consumer when applicable. Pursuant to Chapter 4, Paragraph 4.3 (“Short Term Owner’s Rate”) in WFG’s filed Indiana rate manual, When there has been a transfer of the Residential Property (or any portion of the land) being insured to a third party purchaser for value within five (5) years preceding the date of a commitment for title insurance, the premium charged for the owner’s policy or leasehold owner’s policy of title insurance shall be equal to 80% of the premium for the respective liability amounts as set forth for Owner’s Policies in Section 3.1 Residential Rate Table. When there has been a transfer of the Residential Property (or any portion of the land) being insured to a third party purchaser for value between six (6) years and ten (10) years preceding the date of a commitment for title insurance, the premium charged for the owner’s policy or leasehold owner’s policy of title insurance shall be equal to 90% of the premium for the respective liability amounts as set forth for Owner’s Policies in Section 3.1 Residential Rate Table.
- i) **Simultaneous Issue Rate.** When an owner’s or leasehold owner’s policy and a mortgagee’s loan policy covering identical property are issued simultaneously, the rates applicable for the owner’s or leasehold owner’s policy shall be the Standard Rate. The premium for the loan policy so simultaneously issued shall be \$50.00 for the amount of insurance not in excess of the owner’s or leasehold owner’s policy. The premium on the amount of the loan policy, if any, exceeding the owner’s or leasehold owner’s policy shall be the Standard Rate for mortgages.

In all cases the owner’s or leasehold owner’s policy shall be issued for the full insurable value of the premises, if insuring a fee simple estate, or for the full insurable value of the leasehold estate, if insuring a leasehold estate. Both policies must bear the same effective date and the owner’s or leasehold owner’s policy must show the mortgage as an exception. It is not essential that the fee simple or leasehold estate be acquired simultaneously with the issuance of the mortgagee’s loan policies.

#### 5. Sales Disclosure Form

Indiana state law ([IC 6-1.1-5.5](#)) requires the filing of a sales disclosure form (SDF) whenever real property is sold. The filing fee for the sale disclosure form is twenty dollars (\$20.00) and there is an additional ten dollar (\$10.00) transfer fee for each parcel identification number. So, the minimum fee for the transfer of a parcel with one parcel identification number is thirty dollars (\$30.00). The data is used by assessors in the determination of the annual market-based adjustments of assessed property values. A link to the sales disclosure form can be found below:

<https://www.in.gov/dlgf/assessments/sales-disclosure-form-information/>

We truly value your business and the relationship that we have with you. Please let us know if there is anything that we can do for you.

If you have any questions at all pertaining to this Bulletin or to Indiana transactions in general, please do not hesitate to contact your Indiana state underwriter, Stanley J. Czaja, at (773) 706-3779 or via email at [SCzaja@wfgnationaltitle.com](mailto:SCzaja@wfgnationaltitle.com)