

INSURANCE DEPARTMENT DIRECTIVES

Directive No. 1

TITLE INSURANCE

October 16, 1964

It has again come to my attention that some title insurance agents are splitting commissions with unlicensed contractors, realtors, mortgage loan companies and others. I also understand that commissions are being split with attorneys in the form of a so called "referral" fee or commission. Such action is in direct violation of the provisions of the Louisiana Insurance Code inasmuch as this is a rebate.

I direct your attention to the penal provision of Title 22 of the Louisiana Revised Statutes of 1950 in connection with such a violation.

If I receive a complaint against your company or any of its agents in this regard, I will have no alternative but to issue an order to show cause as to why his or her agent's license or your company's Certificate of Authority should not be suspended, revoked or the person or company fined.

Please notify all of your company's agents of this directive immediately, advising me when this has been done.

Dudley A. Guglielmo
COMMISSIONER OF INSURANCE

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