

WAC 284-29A-055 Cancellation fees. (1) In many instances title insurers and title insurance agents issue title insurance commitments prior to issuing title insurance policies. Sometimes the transaction for which the title insurance commitment was issued does not close, the title insurance policy is issued by another title insurer, or the title insurance commitment is canceled. However, since no policy is issued, no title insurance premium is collected by the title insurer or title insurance agent. Therefore, any cancellation fee that title insurers and title insurance agents may collect must not be considered to be premium and thus must not be included in a title insurance rate filing.

(2) However, this shall not be construed in any manner to prohibit title insurers and title insurance agents from charging and collecting a cancellation fee or that title insurers and title insurance agents are required to provide free title commitments.

[Statutory Authority: RCW 48.02.060, 48.29.005, 48.29.017, 48.29.140, 48.03.060(6), and 48.29.147. WSR 14-10-056 (Matter No. R 2013-15), § 284-29A-055, filed 5/2/14, effective 6/2/14.]