INFORMATIONAL BULLETIN
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Office of Insurance Regulation
Kevin M. McCarty, Director
Florida Department of Financial Services
Tom Gallagher, Chief Financial Officer

All Insurance Companies and Agents Transacting Title Insurance in the State of Florida

The following practices have been identified by the Department of Financial Services and the Office of Insurance Regulation which, if performed as an inducement for the referral of title insurance business, may result in the initiation of disciplinary or other administrative proceedings:

- Printing or paying for the printing of bulletins, flyers, post cards, labels, etc. for realtors and/or real estate salespersons to promote their listings;
- Furnishing or paying for the furnishing of office equipment (fax machines, cellular telephones, copy machines, etc.) to realtors and/or real estate salespersons and mortgage brokers;
- Providing or paying for cellular telephone minutes for realtors and/or real estate salespersons and mortgage brokers;
- Providing simulated panoramic home and property tours to realtors and/or real estate salespersons which they in turn utilize in order to promote their listings;
- Providing or paying for gas cards to realtors and/or real estate salespersons and mortgage brokers;
- Sponsoring and hosting or paying for the sponsoring and hosting of open houses for realtors and/or real estate salespersons to promote their listings;
- Providing or paying for food or beverages at events designed to promote realtors' and/or salespersons' listings;
- Paying advertising costs to advertise and promote the listings of realtors and/or real estate salespersons in periodicals or publications identifying property which is for sale;
- Paying realtors and/or real estate salespersons to fill out processing (order) forms in exchange for contracts;
- Entering into affiliated business arrangements in an attempt to provide kickbacks to builders, realtors and/or real estate salespersons or mortgage brokers.

The giving of an inducement, or a thing of value, in return for the referral of title insurance business is a violation of Section 626.9541(1)(h)3, Florida Statutes, and the rules of the Department. In particular, Rule 4-186.003(11)(c), Florida Administrative Code, states "any ongoing or standing offer of gifts, compensation or special services to the same person or customer on a continuing basis as an inducement to referring title insurance transactions is prohibited". Violations of these prohibitions will be vigorously pursued.

It should be noted, however, that Section 626.9541(1)(m), Florida Statutes, provides that a licensed title insurer or its agent may give an article of merchandise for the purpose of advertising. Examples would include such items as a coffee mug or an umbrella with the insurer's or agent's name, logo, address, telephone number. However, the value of the article may not exceed $25.00. If you have questions or need additional information, contact Barbara A. Owens, Financial Examiner/Analyst Supervisor, Bureau of Agent and Agency Investigations/Title Section, at (850) 413-2578