Agenda Item: 2012-60

Submitted by: Jim Gosdin and John Rothermel

On Behalf of: Stewart Title Guaranty Company

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Stewart Title Guaranty Company petitions the Commissioner of Insurance to adopt the following Rate Rule R-30.1, Premium for Access Endorsement (T-23.1)

**Rate Rule**

**R-11.n.  PREMIUM FOR UTILITY ACCESS ENDORSEMENT (T-23.1).**

When the Utility Access Endorsement (T-23.1) is issued with a Mortgagee Policy of Title Insurance (T-2) or Owner Policy (T-1) in accordance with Rule P-9b(16), the premium for the Utility Access Endorsement (T-23.1) shall be $100 for each policy.

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Justification:

The premium for this endorsement, which is an additional form of access endorsement, requires much of the same work to produce. An examiner will have to review the documents creating easements or service lines to determine that they (i) were executed with proper formalities by the appropriate parties, (ii) have not expired by their terms, and (iii) are not affected (or if they are affected take proper exception to) prior liens or encumbrances. Additionally the examiner will need to review a survey to see that the building or structure is in place or under construction and review a statement by the utility or other knowledgeable third party that the service provided to the building or structure is in place or imminently available upon completion of the building or that there are no gaps or gores.

Such review would be anticipated to take approximately 1 hour based on discussion with an examiner familiar with the time and effort required to do the matters discussed in this justification. Additionally, there is the cost of production of the product and accounting therefor as well as payment for the underwriting risk.