

This is an amendment to 13.14.3 NMAC, Section 11, effective July 1, 2008.

**13.14.3.11 PREMIUM DIVISION WITH AGENTS -- OTHER FEES AND EXPENSES:**

**A.** On or after May 1, 2000, all agency contracts, agency agreements and other contracts between licensed New Mexico title insurance agents and insurers admitted to write title insurance in New Mexico shall provide that agents shall retain the following amounts of all gross premiums on commitments, binders, policies and endorsements issued on or after April 1, 1995, and shall remit to the insurer the remainder of all such gross premiums:

- (1) for amounts of insurance up to two million dollars (\$2,000,000), agents shall retain ~~[eighty-four and two-tenths percent (84.2%)]~~ eighty percent (80%);
- (2) for additional amounts of insurance over two million dollars (\$2,000,000) and up to five million dollars (\$5,000,000), agents shall retain seventy-five percent (75%);
- (3) for additional amounts of insurance over five million dollars (\$5,000,000) and up to ten million dollars (\$10,000,000), agents shall retain seventy percent (70%);
- (4) for additional amounts of insurance over ten million dollars (\$10,000,000) and up to twenty-five million dollars (\$25,000,000), agents shall retain sixty-five percent (65%);
- (5) for additional amounts of insurance over twenty-five million dollars (\$25,000,000) and up to fifty million dollars (\$50,000,000), agents shall retain sixty percent (60%); and
- (6) for additional amounts of insurance over fifty million dollars (\$50,000,000), agents shall retain fifty percent (50%).

**B.** In addition, agents shall retain no part of the additional twenty-five cents (\$0.25) per one thousand dollars (\$1,000) collected on policy amounts in excess of ten million dollars (\$10,000,000) as provided for in 13.14.9.18 NMAC.

**C.** This premium division shall not apply to replacement policies in the case of insolvent insurers issued pursuant to 13.14.6.22 NMAC, 13.14.7.20 NMAC, and 13.14.9.26 NMAC. Agents shall retain forty-two and one-half percent (42.5%) of the gross premium collected for such replacement policies and shall remit to the insurer the remainder of said gross premium. These premium divisions shall remain in effect until altered by the superintendent who shall review the same annually at the title insurance hearing held in November of each year or as otherwise specifically provided by these regulations. Fees, which are not premium, such as inspection fees, cancellation fees, escrow fees, and other charges (whether mentioned in these regulations or not) are not subject to division between agent and insurer. No agent or insurer shall pay or receive any consideration for title insurance business (or referral of business) other than that division of premiums set forth herein. No agent shall be required to contribute or pay any amount to an insurer for reinsurance or otherwise, and any contractual provision to the contrary shall, as of April 1, 1995, be void and unenforceable. Insurers shall not reward or otherwise compensate agents (or vice versa) directly or indirectly for business other than as herein provided.

**D.** Title insurers may pay on behalf of, or reimburse their agents for expenses associated with any instruction, lectures or seminars conducted by that title insurer for its agents, if such instruction, lectures or seminars have been approved in advance by the department of insurance for continuing education credit under NMSA 1978 Section 59A-12-26. An insurer conducting such instruction, lectures or seminars shall submit to the superintendent for approval, in advance, an agenda and detailed budget for such instruction, lectures or seminars. Such courses of instruction, lectures or seminars shall be offered by the title insurer to all of its agents on a non-discriminatory basis. [6-16-86...4-3-95; 13.14.3.11 NMAC - Rn, 13 NMAC 14.4.11 & A, 5-15-00; A, 7-1-05; A, 9-1-07; A, 7-1-08]