



CALIFORNIA COMPLIANCE PROGRAM GUIDELINES

PROHIBITED ACTIVITIES BY ANY TITLE INSURER, UNDERWRITTEN TITLE COMPANY OR CONTROLLED ESCROW COMPANY, DIRECTLY OR INDIRECTLY:

A. BUSINESS EXPENSES OF A THIRD PARTY

It has been determined that prohibited payments of the business expenses of a real estate licensee under Insurance Code Section 12404, in addition to those per se violations specified in the Section include:

Hosting an open house at a real estate licensee's listing, paying for postage, printing and copying services unrelated to title or escrow transactions, cold calling on behalf of the real estate licensee, providing the services of a marketing or advertising agency, cold calling to solicit listings for a real estate licensee, hiring relatives of real estate licensees where the employee does not have the complete duties of comparable employees.

B. PRINTING

The payment for printing of marketing materials, for any persons, is prohibited under Section 12404.

C. CASH AND LOANS

Cash payments are per se violations of the law. In addition, making or guaranteeing loans unrelated to claims administration is a violation of Section 12404.

D. JOINT ADVERTISING

Joint advertising by title companies and 12404 persons is subject to abuse; joint advertising with 12404 persons is prohibited under Section 12404 and 12405.7 of the Insurance Code.

ACKNOWLEDGEMENT OF RECEIPT

I am receipt of the California Compliance Program Guidelines concerning prohibited activities and understand that the effective date is February 15, 1997 for termination of printing, postage, fliers, and joint advertising.

Date

Signature

Associate Name (Print)