

INSTRUCTIONS FOR COMPLETING THE DISCLOSURE OF FINANCIAL INTEREST FORM (DS-1)

PURPOSE

This form is required under the Title Insurance Act (Act) and has been updated to inform the parties purchasing title insurance products and services, i.e. sellers and buyers, that:

- the parties paying for any title insurance policy have the right to choose their title insurance agent, company, and escrow (closing) service provider [215 ILCS 155/18.1 and 12 USC §2608(a)];
- other consumer protection information is provided to consumers;
- the producers of title business or associates of producers of title business (collectively, “Producer/Associate”) have disclosed the title insurers, title agents or independent escrowee to whom they have referred the seller(s) and buyer(s) [215 ILCS 155/18(b)]; and
- the estimated costs of the title and escrow products and services are disclosed [215 ILCS 155/19].

GENERAL INFORMATION

Except for the signatures for sellers and buyers, the blanks are fillable by clicking on the blank and typing in the required information.

TRANSACTION INFORMATION

Fill in the property address that is the subject of the transaction, the date the disclosure is being made, the names and addresses of the seller(s), buyer(s), title agent, title insurer, and/ or independent escrowee to which the party is being referred.

CERTIFICATION OF DISCLOSURE

This portion is not fillable. Provide signature of the Producer/Associate along with appropriate date.

PURPOSE OF THE FORM – IMPORTANT CONSUMER INFORMATION

This is information for the seller(s) and buyer(s), i.e. nothing to fill in.

ESTIMATE TITLE CHARGES -- DISCLOSURE OF ASSOCIATED BUSINESS INTEREST

Fill in the estimated charges for seller and buyer. The breakdown of charges is derived from the Act. [215 ILCS 155/19]

Fill in name of Producer/Associate above and below [NAME OF PRODUCER/ASSOCIATE]. Fill in the dollar amounts or percentages of the lender's policy and owner's policy title insurance premium that the Producer/Associate will receive in the transaction.

PLEASE NOTE: The Real Estate Settlement Procedures Act provides that, "no person shall give and no person shall accept any portion, split, or percentage of any charge made or received for the rendering of a real estate settlement service in connection with a transaction involving a federally related mortgage loan other than for services actually performed." 12 U.S.C. 2607 (RESPA Section 8(b)).

CERTIFICATION OF DISCLOSURE

The Producer/Associate must check the box if they are also acting as title agent. The signature of the representative of the Producer/Associate and the date are required and can be completed digitally or as follows: /s/John Smith. **The signed disclosure shall be forwarded to the parties prior to the issuance of the title commitment.**

PLEASE NOTE: The Disclosure shall be sent electronically, by U.S. mail, or personal delivery by the Producer/Associate to the seller(s) or buyer(s).

In situations where the Owner's Policy and Lender's Policy are recommended by separate Producers/Associates, two disclosures are required.

PLEASE NOTE:

The Illinois Department of Financial and Professional Regulation (the "Department") has regulatory authority over the title industry. Its authority derives from the Title Insurance Act, Administrative Rules and through the Real Estate Settlement Procedures Act ("RESPA").

ACKNOWLEDGEMENT

Disclosures signed by the seller(s) and buyer(s) should be returned to the Producer/Associate. The Producer/Associate shall send the Disclosures by electronic mail, personal delivery, or by first class U.S. mail to the seller(s) and buyer(s) or their representatives. The Producer/Associate will retain a copy of the electronic mail or letter sent by personal delivery or U.S. mail in its file **for a period of 3 years** to confirm that the Disclosures were sent.

RECORDKEEPING

The Act requires that the Disclosure be provided to the parties paying for title insurance prior to the issuance of the title commitment and that it be maintained by the title insurer, agent or independent escrowee for three years. [215 ILCS 155/18(b)]. The Department recommends that

ALL title entities involved in the transaction, i.e. the Producer/Associate, insurer, agent/agency, independent escrowee, and settlement service provider maintain access to the signed DS-1 Form for their records. This ensures that the entities are properly authorized to complete the transaction.

Questions may be submitted to DFI.Title@illinois.gov.