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BOARD, ABSTRACTERS, AND ABSTRACTS 1005.0300

CHAPTER 1005

BOARD OF ABSTRACTERS

BOARD, ABSTRACTERS, AND ABSTRACTS

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1005.0100 DEFINITIONS.

Subpart 1. **Scope.** For the purposes of these rules, the following terms have the meanings given them.

Subp. 2. **Abstract of title.** "Abstract of title" shall mean a compilation in orderly arrangement of the materials and facts of record affecting the title to a specific piece of land, issued under a certificate certifying to the matters therein contained.

Subp. 3. **Abstract office.** "Abstract office" shall mean a place of business wherein abstracts of title are made and compiled.

Subp. 4. **Board.** "Board" shall mean the Board of Abstracters.

Subp. 5. **Licensed abstracter.** "Licensed abstracter" means any official, person, firm, or corporation obtaining licenses pursuant to the terms of Minnesota Statutes 1976, sections 386.61 to 386.76, and includes present duly qualified and acting county recorders not now prohibited by law from the business of making abstracts; and any person, firm, or corporation engaged in the business of making abstracts of title and issuing certificates showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not.

Statutory Authority: *MS s 386.63 subd 3*

1005.0200 BOARD MEETINGS.

Subpart 1. **Annual meeting.** The board shall hold its annual meeting on the first Tuesday in May of each year. Examinations shall be conducted by the board or its authorized representatives at each annual meeting.

Subp. 2. **Emergency meetings.** The board may schedule an emergency meeting and conduct an examination for good cause shown for any applicant upon 30 days written notice to the applicant and board members.

Subp. 3. **Special meetings.** The board may hold special meetings at such other times as may be necessary and as it may determine.

Subp. 4. **Call of meetings.** All meetings shall be called by the secretary-treasurer.

Statutory Authority: *MS s 386.63 subd 3*

1005.0300 ABTRACTER'S LICENSE AND BOND OR INSURANCE.

No person, firm, or private corporation shall engage in the business of making abstracts of title and issuing certificates showing ownership of, or interest in, or liens upon any lands in the state of Minnesota, whether registered or not, without first obtaining a license and a bond or abstracter's liability insurance policy pursuant to Minnesota Statutes 1976, sections 386.61 to 386.76 for each county in which he is doing business as an abstracter.

Statutory Authority: *MS s 386.63 subd 3*

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1005.0400 TEMPORARY LICENSE.

Subpart 1. **Qualifications.** The board may, upon application to it by any person succeeding to the ownership of any abstract business by any means other than by purchase, or any person who, by reason of the incapacity of any licensed abstracter owner of any abstract business, is required to assume the operation of such abstract business, grant to such person, without examination, a temporary license.

Subp. 2. **Supporting documents.** Each application for a temporary license shall be accompanied by an affidavit setting forth the applicant's name, address, occupation, length of and place of employment, and his experience in preparing, compiling, and selling abstracts of title.

Subp. 3. **Fee.** The fee for such temporary license shall be \$25.

Subp. 4. **Expiration.** Such license shall expire six months after its date or upon the expiration of 60 days after the next regularly scheduled examination which could be taken by the applicant, whichever period is longer. The board shall notify such applicant by mail of the time and place of such examination.

Statutory Authority: *MS s 386.63 subd 3*

1005.0500 CHANGE OF NAME ON LICENSE.

A change of name on a license must be accompanied by payment of \$50 even though an examination may be waived.

Statutory Authority: *MS s 386.63 subd 3*

1005.0600 EMPLOYING LICENSED ABSTRACTERS.

Every person, firm, or private corporation engaged in the business of abstracting in one county only shall have in its employ a person who is a licensed abstracter. Every person, firm, or private corporation engaged in the business of abstracting in more than one county in this state shall have at least one person who is a licensed abstracter for each county in which it maintains an abstract office, provided that no person may satisfy this requirement for more than one abstract office. No licensed abstracter may fulfill the requirements of this part for more than one company at any one time. Every person, firm, or private corporation engaged in the business of abstracting shall comply with the requirements of this part within six months after the effective date of these rules.

Statutory Authority: *MS s 386.63 subd 3*

1005.0700 STANDARDS OF CONDUCT.

The methods, acts, or practices set forth herein shall be standards of conduct governing the activities of abstracters under this part. The failure to comply with said standards shall constitute grounds for denial, suspension, or revocation of the license of such person, or censure of said abstracter. An abstracter shall:

A. refrain from using his name or certification on an abstract, the preparation of which he was not directly responsible for;

B. refrain from engaging in any discriminatory practices prohibited by law in the conduct of his business;

C. employ competent abstracters and employees;

D. provide proper training and instruction for all employees; and

E. refrain from splitting fees, or accepting or paying referral fees for abstracting services.

Statutory Authority: *MS s 386.63 subd 3*

1005.0800 FRAUDULENT, DECEPTIVE, OR DISHONEST PRACTICES.

The methods, acts, and practices contained herein or similar thereto shall be presumed fraudulent, deceptive, or dishonest if engaged in by the abstracter or his agent and shall constitute grounds for denial, suspension, or revocation of the license of the abstracter:

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A. making any material misstatement in the application for a license or in any information furnished to the board;

B. causing to be published advertising, whether written or printed communication or any communication by recorded telephone message, radio, television, picture, or similar means, which is misleading or inaccurate in any material manner;

C. procuring, or attempting to procure, an abstracter's license for himself or any person by fraud, misrepresentation, or deceit;

D. violating any law, rule, regulation, or ordinance of this state or any of its political subdivisions, including the state Board of Abstracters, or the United States government, or any agency thereof relating to the practice of abstracters;

E. making a false statement as to the existence or amount of the bond or abstracter's liability insurance policy filed with the board;

F. representing that he has a license or bond or abstracter's liability insurance policy when he, in fact, does not;

G. falsifying an abstract of title, or any entry therein, or the certification of an abstract; and

H. engaging in any other conduct which constitutes dishonest actions in his practice as a licensed abstracter which endangers the interest of the public.

Nothing contained herein shall limit the authority of the board to take formal action against an abstracter for the use of fraudulent, deceptive, or dishonest activities of a type not specifically described herein.

Statutory Authority: *MS s 386.63 subd 3*

1005.0900 DISCLOSURE.

Every abstract of title to real property in the state of Minnesota shall contain the following disclosure affixed to or stamped on a prominent place on the abstract of title:

"This abstract of title is a history of the record title of the property described therein and does not represent that the title is good and marketable."

Statutory Authority: *MS s 386.63 subd 3*

1005.1000 ABSTRACTER'S LIABILITY INSURANCE POLICY.

Liability policies as provided pursuant to Minnesota Statutes, section 386.66 must be written by an insurer authorized to do business in the state of Minnesota.

Statutory Authority: *MS s 386.63 subd 3*