

810-5-75-.52.01 Title Service Provider

(1) A title service provider, as defined in §32-8-2, Code of Ala. 1975, may be authorized to act as an agent on behalf of a designated agent upon satisfaction and compliance with the provisions of this rule.

a. Application. The title service provider must complete Form MVT 4-6 Application for Title Service Provider.

b. Memorandum of Agreement. The title service provider must execute a Memorandum of Agreement for Title Service Providers with the department to process title applications.

c. Surety Bond. A title service provider must provide the department a good and sufficient surety bond, executed by the applicant as principal by a corporate surety company qualified to do business in the state as surety, in a sum provided in §40-12-398, Code of Ala. 1975. The bond shall be conditioned upon the faithful performance of its duties as a title service provider under Chapter 8 of Title 32, Code of Ala. 1975. The bond shall be payable to the commissioner and must be in favor of any person who recovers any judgement for any loss as a result of any violation of the conditions of the bond. Bond form MVT 4-3 shall be provided by the department.

d. Power of Attorney. Title service providers must have a signed Power of Attorney (MVT 5-13) on file with the department for each designated agent that grants the title servicer provider the authority to act on their behalf pursuant to Chapter 8 of Title 32, Code of Ala. 1975.

e. Required Classes. The title service provider must complete the department's designated agent classes.

f. Submission of Title Applications. The title service provider shall submit all title applications on behalf of a designated agent through the department's online title system. The title service provider may only submit title applications on behalf of a designated agent or financial institution for which it has a current power of attorney.

(2) An authorized title service provider may act as an agent on behalf of a lienholder who appears on a certificate of title provided, however, that the services performed on behalf of the lienholder may not exceed those that the lienholder could perform on its own.

(3) The department may deny the application or revoke the authority of a title service provider if the title service provider fails to faithfully perform the duties under

Chapter 8 of Title 32, Code of Ala. 1975, or rules promulgated thereunder, or has been convicted of any felony as provided for in §32-8-3, Code of Ala. 1975.

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Authority: §§ Chapter 8 of Title 32, 32-8-2, 32-8-3, 32-8-34, 40-2A-7(a)(5), and 40-12-398, Code of Ala. 1975

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