



OLD REPUBLIC

National Title Insurance Company

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Bulletin

To: All Agents, Direct Operations and Attorneys in the State of Texas

From: David W. Rhodes; Senior Underwriting Counsel

Date: 10/11/2005

Re: Insured Closing Letter Procedures
Ban on Use of "Successors and Assigns"

- I. Old Republic National Title Insurance Company has recently made some changes to its online Insured Closing Letter Request site. It is now possible for Agents to save certain essential information such as agent contact, lender name and information, etc. when a request is entered. This allows information to be stored for future transactions, thus saving time and data entry on subsequent requests.

One major change to the online ICL request site allows the agent to choose the branch office or offices to be included in the Insured Closing Letter. Title companies that have multiple branches can access them by using the pull-down menu. Any changes to the branch office information should be brought to the attention of Old Republic.

- II. There have also been some interesting developments in adding the words "Successors and Assigns" or "ISAOA" to the Insured Closing Letter. Lenders often request this language be added to their name in the Insured Closing Letter. The Texas Department of Insurance has indicated that this language may NOT be added to the Insured Closing Letter. The rules governing the issuance of the closing letter provide that if the agent/ underwriter relationship terminates; the Insured Closing Letter must be cancelled by notifying the Lender holder of the letter. Use of the phrase successors and/or assigns makes it difficult if not impossible to notify the lender of the cancellation.

Further discussion with TDI indicates that these words or letters should not be added to a Commitment or a Mortgagee's Title Policy. TDI

Bulletin 157 addresses the language that can be added to Lender's name in Schedule A with which we are all familiar. The bulletin does not specifically address the Commitment question but it does say that said language applies to the Mortgagee policy "...and is for use only with that form".

To recap: you should not include the words "successor and or assigns" or the letters "ISAOA" after Lender's name in any Insured Closing Letter or Commitment. The Lender's name in Schedule A of a Mortgagee policy can be followed by the Bulletin 157 language to read

"ABC Mortgage Company and each successor in ownership of this indebtedness secured by this insured mortgage, except a successor who is an obligor under the provisions of Section 12(c) of the Conditions and Stipulations."

Please call our underwriting counsel with any questions or concerns about these procedures.

888-678-1700

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