

# Pillar #5 – Policy production, delivery, reporting and premium remit

Effective Date	Approved By ( <i>Manager</i> ):	Approval Date
July 13, 2015	Lisa Hannah Walker	July 28, 2015

## Applicable Parties:

Employees, Temporary Employees, Service Providers (Vendors, Contractors, Couriers, and 3rd parties) who have access to settlement documents that are to be or have been recorded and individuals responsible for production, delivery, reporting and remittance of title insurance policies and premiums.

## Supporting Documentation

- Employee Tracking Log

## Revision History:

Version Number	Revision Date	Approved By	Summary of Changes

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## **PO 5.01 – Title Policy Production and Delivery Policy**

Title policies are issued and delivered to customers in a timely manner to meet statutory, regulatory, or contractual obligations.

### **PR 5.01(a) – Title Policy Production and Delivery Procedure**

If all terms and conditions are satisfied at settlement, then within 30 days of settlement prepare and deliver to customer all title insurance products according to requirements in file instructions (e.g. lender instruction, escrow instructions).

If all terms and conditions are not satisfied at settlement, then within 30 days of satisfaction of terms and conditions, prepare and deliver to customer all title insurance products according to requirements in file instructions (e.g. lender instruction, escrow instructions).

### **PR 5.01(b) – Delivery Methods**

Delivery of title insurance products is completed immediately following policy production and each file has an auditable trail regarding who sent the title products by 1 of the following 4 methods below:

#### **1. By email:**

- a. Original title insurance products are sent to the customer by email with a record of who sent the email, what product was sent, when, and to which email address;

#### **2. By US Mail:**

- a. Prepare paper originals with original policy jackets.
- b. Prepare appropriate envelopes with verified postal addresses. (Addresses are verified with the Client at closing as to the address where the original deed and Owner's Title policy is to be sent.)
- c. Record on a log who prepared the mail, what products were sent, when, and to which postal address.
- d. Place in US Mail with correct postage; or

#### **3. By Courier (FedEx/UPS):**

- a. Prepare paper originals with original policy jackets.
- b. Prepare appropriate air bills with verified physical delivery addresses.
- c. Record on a log who prepared the package, what products were sent, when, and to which address.
- d. Place in correct box for pickup.
- e. Place/scan copy of air bill in file for file tracking.

#### **4. In Person:**

- a. Original title insurance products are given to a customer and an acknowledgement of receipt is signed at that time.

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### **PR 5.01(c) – Review open files and backlog**

All open files with a settlement date more than 30 days prior are reviewed at least monthly to determine if title insurance policies have been issued. If not, review and follow up with appropriate parties of all outstanding requirements from the commitment. Once all requirements are met immediately issue all title insurance products.

### **PR 5.01(d) – Verify for Compliance**

Management verifies at least monthly that the closing date (or the date that the last requirement of the commitment in the file was satisfied) was less than 30 days before policy issuance date. In the event files consistently exceed this procedure, management takes appropriate remediation steps to reduce the backlog.

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## **PO 5.02 – Policy Reporting**

The Company reports title policies (including a copy of the policy) to its underwriter(s) by the last day of the month following the month of the settlement date or based on statutory, regulatory, or contractual obligations, whichever is earlier.

## **PR 5.02 – Policy Reporting Procedure**

The Company identifies deadlines for policy reporting based on statutory, regulatory or contractual reporting requirements.

The Company verifies that all title insurance products for transactions which settled in the prior calendar month are included unless the last requirement for the commitment in the file was not satisfied. Transactions falling outside of the prior calendar month where terms and conditions of the title commitment were satisfied in the prior month are included.

### **Electronic Reporting**

An electronic copy of all title insurance products is placed in the designated file system for transmission to the appropriate underwriter.

On or before the underwriter deadline, the Company transmits the applicable report(s) to the underwriter along with copies of all title insurance products included on the report(s).

AND/OR

### **Physical Reporting**

A physical copy of all title insurance products is made and placed in a holding area for transmission to the appropriate underwriter.

On or before the underwriter deadline, the Company sends the applicable report(s) to the underwriter along with copies of all title insurance products included on the report(s).

### **PO 5.03 – Remittance Processing Policy**

The Company remits the correct portion of the premium collected to the underwriter by the last day of the month following the month of the settlement date or based on statutory, regulatory, or contractual obligations, whichever is earlier.

### **PR 5.03 – Remittance Processing Procedure**

The Company identifies deadlines for remittance of premiums based on statutory, regulatory or contractual requirements.

- 1) Determine correct remittance amount for each underwriter.
- 2) Prepare appropriate transmittals with verified address to accompany payments.
- 3) Remit payment to each underwriter for all underwriter portions of premiums due.
- 4) As applicable, log information for tracking and audit purposes.
- 5) When the statements for the prior month remittance are available, management reviews the statements and researches any outstanding balances. Any overpayment is promptly researched and, if due to a customer, is immediately refunded.

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