

Pillar #6 – Professional Liability Insurance

Effective Date	Approved By (<i>Manager</i>):	Approval Date
July 14, 2015	Lisa Hannah Walker	July 16, 2015

Applicable Parties:

Employees, Management, Owner, Principal or other individual responsible for the selection, oversight, and maintenance of professional liability insurance, errors and omissions insurance, fidelity coverage or surety bonds for the Company.

Supporting Documentation

- Company Tracking Log
- Employee Tracking Log
- Proof of Coverage (*Policy/Declaration Page, Binder, Surety Ride/Bond*)

Revision History:

Version Number	Revision Date	Approved By	Summary of Changes

AN INDEPENDENT POLICY-ISSUING AGENT OF FIRST AMERICAN TITLE INSURANCE COMPANY

First American Title Insurance Company makes no express or implied warranty respecting the information presented and assumes no responsibility for errors or omissions. First American, the eagle logo, First American Title, and firstam.com are registered trademarks or trademarks of First American Financial Corporation and/or its affiliates.

©2014 First American Financial Corporation and/or its affiliates. All rights reserved. | NYSE: FAF

PO 6.01 Professional Liability Insurance and Fidelity Coverage

The Company maintains appropriate insurance to assure the financial capacity to stand behind its services, including complying with any applicable insurance requirements under state law and/or underwriting agreements.

PR 6.01(a) Establish Professional Liability Insurance and Fidelity Coverage

ESTABLISH INSURANCE

- 1) Identify minimum insurance requirements (e.g. E&O, Fidelity, Surety Bond, Notary, Legal/Bar) for each state on Tracking Log.
 - a. State (e.g. Department of Insurance website, Attorney Licensing website)
 - b. Underwriter (UW Agreements)
 - c. Customer (Business Source Contracts/Service Level Agreements)
- 2) Document minimums for items below on Tracking Log.
 - a. E&O/Professional Liability
 - b. Fidelity Insurance/Indemnity Fund
 - c. Surety Bond (note risk factors: scope of ops, volume, offices #, employees and controls)
 - d. Third Party/Independent Contractors
 - e. Other
- 3) Apply for coverage using established minimums.
 - a. E&O/Professional Liability
 - b. Fidelity Insurance/Indemnity Fund
 - c. Surety Bond
- 4) Verify that E&O/Professional Liability covers all professional services offered by the Company
 - a. Title Agent
 - b. Title Abstractor
 - c. Searcher
 - d. Escrow Officer
 - e. Settlement Agent
 - f. Foreclosing Agent
- 5) Obtain proof of or apply for appropriate coverage for independent contractor providers, as appropriate, and store copy in a single physical or electronic location.
- 6) Verify insured name listed on the E&O/Professional Liability or named insured endorsement matches the name on contracts and underwriting agency agreement(s), including any applicable DBA's.
- 7) Upon approval, add necessary information to Tracking Log.
- 8) Place a copy of coverage in a single location.

Evidence: All required Bonds and Insurance either meet or exceed minimum requirements by the State of Alabama or CT's underwriter. Current bonds and policies available upon request.

PR 6.01(b) Maintain Professional Liability Insurance and Fidelity Coverage

AN INDEPENDENT POLICY-ISSUING AGENT OF FIRST AMERICAN TITLE INSURANCE COMPANY

First American Title Insurance Company makes no express or implied warranty respecting the information presented and assumes no responsibility for errors or omissions. First American, the eagle logo, First American Title, and firstam.com are registered trademarks or trademarks of First American Financial Corporation and/or its affiliates.

©2014 First American Financial Corporation and/or its affiliates. All rights reserved. | NYSE: FAF

Maintain Insurance – Annual

- 1) Perform an annual review to determine the current legal minimum of insurance requirements with appropriate state entities (e.g. department of insurance, department of financial services websites)
- 2) Evaluate coverage(s) based on risk factors such as:
 - a. Scope of operations
 - b. Volume of transactions
 - c. Number of offices and employees
 - d. Internal controls and procedures
- 3) Update new established minimums, if any,
- 4) Include updates in Tracking Log
- 5) Repeat steps to “Establish Insurance”

Maintain Insurance - Monthly

- 1) Perform a monthly review of all insurance coverage(s) for any that may be expiring within the next 30 days
- 2) Identify any coverage that is expiring and renew
 - a. Follow steps to “Establish Insurance”
- 3) Update any applicable coverage(s) with any new hire or termination or new professional services contractors from the previous review period
- 4) Update Tracking Log
All Bonds and Insurance coverage is logged and maintained on a weekly basis. All current policy and bond coverage is available upon request.

Evidence: Company Tracking Log (Available upon request)