

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
STATE OF MISSOURI**

In Re:)
)
AGENTS NATIONAL TITLE INSURANCE) **Market Conduct Examination**
COMPANY (NAIC #12522)) **No. 333555**
) **NAIC MATS NO. MO-HICKSS1-127**

ORDER OF THE DIRECTOR

NOW, on this 25th day of November, 2020, Director, Chlora Lindley-Myers, after consideration and review of the market conduct examination report of Agents National Title Company (NAIC #12522) (hereinafter “Agents”), examination report number 333555, prepared and submitted by the Division of Insurance Market Regulation (hereinafter “Division”) pursuant to §374.205.3(3)(a)¹, does hereby adopt such report as filed. After consideration and review of the Stipulation of Settlement and Voluntary Forfeiture (“Stipulation”), relating to the market conduct examination set out in the caption above, the examination report, relevant work papers, and any written submissions or rebuttals, the findings and conclusions of such report are deemed to be the Director’s findings and conclusions accompanying this order pursuant to §374.205.3(4). Director does hereby issue the following orders:

This order, issued pursuant to §374.205.3(4), §374.280 RSMo, and §374.046.15. RSMo, is in the public interest.

IT IS THEREFORE ORDERED that Agents and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that Agents shall not engage in any of the violations of law and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, and to maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

¹ All references, unless otherwise noted, are to Missouri Revised Statutes 2016 as amended.

IT IS FURTHER ORDERED that Agents shall pay, and the Department of Commerce and Insurance, State of Missouri, shall accept, the Voluntary Forfeiture of \$5,250.00 payable to the Missouri State School Fund in connection with the examination.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 25th day of November, 2020.



Chlora Lindley-Myers

Chlora Lindley-Myers
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
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In Re:)
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COMPANY (NAIC #12522)) **No. 333555**

STIPULATION OF SETTLEMENT AND VOLUNTARY FORFEITURE

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter “the Division”) and Agents National Title Insurance Company (NAIC #12522) (hereinafter “ANTIC”), as follows:

WHEREAS, the Division is a unit of the Missouri Department of Commerce and (hereinafter “the Department”), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State of Missouri;

WHEREAS, ANTIC has been granted a certificate of authority to transact the business of insurance in the State of Missouri;

WHEREAS, the Division conducted a market conduct examination of ANTIC, examination #333555; and

WHEREAS, based on the market conduct examination of ANTIC, the Division alleges that:

1. In one instance, ANTIC charged a risk rate that was different from the risk rate filed with the Department in violation of §381.181¹ and 20 CSR 500-7.100.

2. In numerous instances, ANTIC included exceptions in policies that were generic in form, not specific to the property or the transaction, and not filed with the Department in violation

¹ All references, unless otherwise noted, are to Missouri Revised Statutes 2016, as amended.

of §381.085 and §381.071.

3. In 11 instances, ANTIC included general exceptions in policies that were written differently than the general exceptions filed with the Department in violation of §381.085.

4. ANTIC contracted with lenders allowing them to act in the capacity of a title agent by delegating to them the title search and examination in violation of §381.115.

5. In one instance, ANTIC failed to maintain documentation to show that a search and examination of title was performed in violation of §381.071.3, §374.205, and 20 CSR 100-8.040.

6. In 17 instances, ANTIC failed to issue or deliver the policy to the insured within forty-five (45) days in violation of §381.038.3, and in 13 instances, ANTIC failed to maintain its underwriting files so the examiners could ascertain the issuance date of the policy in violation of §374.205 and 20 CSR 100-8.040(2).

7. In 14 instances, ANTIC's settlement agent failed to timely present deeds for recording in violation of §381.026.1.

8. ANTIC failed to maintain a register of all complaints and to have written complaint handling procedures as required by §375.936(3).

9. In some instances, ANTIC failed to timely provide examiners with requested files and respond to criticisms and formal requests of the examiners in violation of §374.205.2(2).

WHEREAS, the Division and ANTIC have agreed to resolve the issues raised in the market conduct examination as follows:

A. **Scope of Agreement.** This Stipulation of Settlement and Voluntary Forfeiture (hereinafter "Stipulation") embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge

that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Remedial Action.** ANTIC agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain such remedial actions at all times, to reasonably ensure that the errors noted in the market conduct examination and in this Stipulation do not recur. Such remedial actions shall consist of the following:

1. ANTIC agrees to direct its agent to issue a refund to the consumer listed on pages 7-8 of the final report, who was overcharged because of using the incorrect risk rate. In the event ANTIC directs its agent to issue the refund and the agent refuses or does not issue the refund, ANTIC agrees to issue the refund to the consumer. ANTIC further agrees to provide documentation to the Division with proof of said payment. A letter should be included with the refund payment indicating that “as a result of a Missouri market conduct examination,” it was found that a refund was owed on the policy.

2. ANTIC agrees to file with the Department all general and/or standard exceptions that are delineated in the policy in a general manner by reference to general categories and which are not specific to the policy at issue (the specifics being such that they would be ascertained through a search and examination of the records).

3. ANTIC agrees that from the date of the Order approving this Stipulation, it will file standard exceptions on both the policy forms and commitment forms.

4. ANTIC agrees to send a bulletin to agents reminding them not to use exceptions in policies that are written differently than the language of exceptions filed with the Department by ANTIC. As part of its annual agency audits (T-6 review), ANTIC agrees to note any discrepancies, from the files sampled, in the wording of the exceptions appearing in the issued policies and those exceptions approved for use in Missouri.

5. ANTIC agrees to send a bulletin to agents reminding them to use only standard exceptions which have been filed by ANTIC and approved for use by the Department.

6. ANTIC agrees that it will not utilize contractual language with its lenders, which authorizes lenders to perform a search and examination of title and any other functions of a title agent for which a license is required.

7. ANTIC agrees to provide the Division with documentation confirming the discontinuation of the HELOC product.

8. ANTIC agrees that it will send a bulletin to agents reminding them to timely issue/deliver policies to its insured within 45 days as required by §381.038.3 and to maintain the documentation required by 20 CSR 500-7.090. If ANTIC determines in its annual T-6 review that policies are being issued on average more than 60 days after compliance with the requirements of the commitment for insurance, ANTIC will conduct additional quarterly audits until such time as the average policy issuance date is 45 days as required by §381.038.3.

9. ANTIC agrees to maintain its own underwriting records on direct issue transaction in accordance with Missouri law. ANTIC agrees to send a bulletin to agents reminding them to maintain underwriting records in accordance with Missouri law and to make those records available to the Department during future examinations and investigations.

10. ANTIC agrees, if it has not already done so, to set up a register of all complaints and grievances it receives from consumers and maintain that documentation as required by statute and regulation. ANTIC further agrees to establish written complaint handling procedures.

C. **Compliance.** ANTIC agrees to file documentation with the Division, in a format acceptable to the Division, within 90 days of the entry of a final order of any remedial action taken pursuant to Paragraph B to implement compliance with the terms of this Stipulation. Such

documentation is provided pursuant to §374.205.

D. **Ongoing Examination.** ANTIC agrees to pay any reasonable examination fees expended by the Division in conducting its review of the documentation provided by ANTIC pursuant to Paragraph C of this Stipulation.

E. **Voluntary Forfeiture.** ANTIC agrees, voluntarily and knowingly, to surrender and forfeit the sum of \$5,250 such sum payable to the Missouri State School Fund, in accordance with §374.049.11 and §374.280.2.

F. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by ANTIC, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above-referenced market conduct examination.

G. **Waivers.** ANTIC, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights for procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the above-referenced market conduct examination.

H. **Changes.** No changes to this Stipulation shall be effective unless made in writing and agreed to by representatives of the Division and ANTIC.

I. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

J. **Authority.** The signatories below represent, acknowledge, and warrant that they are authorized to sign this Stipulation, on behalf of the Division and ANTIC respectively.

K. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document. Execution and delivery of this Stipulation by facsimile or by an electronically

transmitted signature shall be fully and legally effective and binding.

L. **Effect of Stipulation.** This Stipulation shall become effective only upon entry of a Final Order by the Director of the Department (hereinafter "Director") approving this Stipulation.

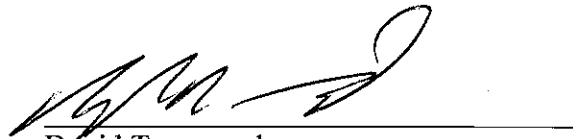
M. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: 11-23-2020



Stewart Freilich
Chief Market Conduct Examiner and
Senior Counsel
Division of Insurance Market Regulation

DATED: 10-30-2020



David Townsend
Agents National Title Insurance Company

STATE OF MISSOURI
DEPARTMENT OF COMMERCE AND INSURANCE



FINAL MARKET CONDUCT EXAMINATION REPORT
Title Insurance Business of

Agents National Title Insurance Company
NAIC #12522

MISSOURI EXAMINATION #333555

NAIC EXAM TRACKING SYSTEM #MO-HICKSS1-127

September 30, 2020

Home Office
1207 W. Broadway, Ste. C
Columbia, MO 65203

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FOREWORD

This is a targeted market conduct examination report of Agents National Title Insurance Company, NAIC #12522. This examination was conducted at the offices of the Missouri Department of Commerce and Insurance (DCI) located in Jefferson City, Missouri as well as the Company's home office.

This examination report is generally a report by exception. However, failure to criticize specific practices, procedures, products, or files does not constitute approval thereof by the DCI.

During this examination, the examiners cited errors made by the Company. Statutory citations are as of the examination period unless otherwise noted.

Where used in this report:

- “Company,” “Agents National,” “Agents National Title Insurance Company,” “ANT,” and “ANTIC” all refer to Agents National Title Insurance Company;
- “CSR” refers to the Missouri Code of State Regulation;
- “DCI” refers to the Missouri Department of Commerce and Insurance, formerly the Department of Insurance, Financial Institutions and Professional Registration;
- “Director” refers to the Director of the Missouri Department of Commerce and Insurance;
- “NAIC” refers to the National Association of Insurance Commissioners; and
- “RSMo” refers to the Revised Statutes of Missouri. All citations are to RSMo (Supp. 2016), unless otherwise specified.

SCOPE OF EXAMINATION

The DCI has authority to conduct this examination pursuant to, but not limited to, §§374.110, 374.190, 374.205, 375.445, 375.938, 375.1009, and Chapter 381, RSMo.

The purpose of this examination is to determine if the Company complied with Missouri statutes and DCI regulations and to consider whether the Company's operations are consistent with the public interest. The primary period covered by this review is January 1, 2016 through December 31, 2018, unless otherwise noted. However, errors outside of this time period discovered during the course of the examination may also be included in the report.

The examination included a review of the following areas of the Company's operations for its title insurance business: underwriting and rating, policyholder service, producer licensing, complaint handling, and operations/management.

The examination was conducted in accordance with the standards in the NAIC's Market Regulation Handbook.

In performing this examination, the examiners only reviewed a sample of the Company's practices, procedures, products, and files. Therefore, some noncompliant practices, procedures, products, and files may not have been found. As such, this report may not fully reflect all of the practices and procedures of the Company. Failure to identify or criticize improper or noncompliant business practices in this state or other jurisdictions does not constitute acceptance of such practices.

COMPANY PROFILE

The Company provided the following company history to the examiners.

ANTIC is a Missouri-domiciled title insurance company formed in 2005 and first licensed in February 2006 offering title insurance products to homebuyers, mortgage lenders, and others involved in real estate transactions. David Townsend, ANTIC's founder and current President and CEO, started the company in 2005 to fill a niche in the title insurance market: An underwriter to serve – not compete with – local and regional title companies and independent producers and to meet the needs of its lender and owner insureds that were not being met by other industry participants. ANTIC is currently licensed in 37 states and the District of Columbia.

ANTIC is an indirect subsidiary of UFG Global LLC, a holding company that generates income through the operations of its wholly and majority-owned subsidiaries. The core business lines of those subsidiaries include forward and reverse residential mortgage origination, commercial mortgage origination, title and escrow services, student loan processing services, registered investment advisory services, broker-dealer services, and other, related capital market services.

ANTIC employees provide accounting, claims and compliance services to its wholly owned subsidiary Gulf Coast Title Insurance Company. Gulf Coast Title is a dormant title insurer licensed solely in Alabama. Intercompany expenses are tracked and paid pursuant to an intercompany agreement with the approval of the Missouri Department of Insurance. There are no current plans for Gulf Coast Title to resume operations or seek licensure in additional states.

ANTIC is a member of the American Title Reinsurance Alliance, a group of title insurance underwriters that maintain reinsurance collectively through Lloyd's of London syndicates. Agents National Title retains the first \$500,000 of liability per transaction and cedes all excess liability to its reinsurers.

EXECUTIVE SUMMARY

The DCI conducted a targeted market conduct examination of Agents National Title Insurance Company. The examiners found the following areas of concern:

- In one file reviewed, the risk rate charged was greater than the filed rate.
- In several instances, the Company's title insurance policies were written and issued with general exceptions to coverage, which were not filed with the Director.
- The Company contracted with lenders requiring the lenders to obtain a search and examination and to issue policies based on such, when the lenders were unlicensed to make determinations of insurability.
- The Company contracted with lenders requiring the lenders to maintain documentation of the search and examination in the lender files contrary to Missouri law.
- The Company engaged in unsound underwriting practices by contracting with unlicensed lenders to determine insurability based on a search and examination obtained by the lenders.
- Seventeen policies were not issued within forty-five (45) days after compliance with the requirements of the commitment for insurance or there was no documentation that the policies were ever delivered.
- The examiners found no evidence in 13 policy files that the policy was issued or delivered within forty-five (45) days after compliance with the requirements of the commitment for insurance.
- In fourteen files reviewed, agents of the Company recorded deeds from the transaction more than five business days after all conditions for policy coverage were satisfied.
- The Company failed to have written complaint handling procedures.
- The Company failed to maintain a record indicating the total number of complaints, the nature of each complaint, the disposition of the complaints and the time it took to process each complaint.

EXAMINATION FINDINGS

I. UNDERWRITING AND RATING

This section of the report provides a review of the Company's underwriting and rating practices. These practices include the use of policy forms, adherence to underwriting guidelines, assessment of premium, and procedures to decline coverage. The examiners reviewed how the Company handled issuing policies to ensure that the Company adhered to its own underwriting guidelines, filed rates, and Missouri statutes and regulations.

Because of the time and cost involved in reviewing each policy/underwriting file, the examiners utilized sampling techniques in conducting compliance testing. A policy/underwriting file is reviewed in accordance with 20 CSR 100-8.040 and the *NAIC Market Regulation Handbook*. Error rates are established when testing for compliance with laws that apply a general business practice standard (e.g., §§375.930 – 375.948 and §375.445, RSMo) and compared with the NAIC benchmark error rate of ten percent (10%). Error rates in excess of the NAIC benchmark error rate are presumed to indicate a general business practice contrary to the law. Errors indicating a failure to comply with laws that do not apply the general business practice standard are separately noted as errors and are not included in the error rates.

An error can include, but is not limited to, any miscalculation of the premium based on the information in the file, an improper acceptance or rejection of an application, the misapplication of the Company's underwriting guidelines, incomplete file information preventing the examiners from readily ascertaining the Company's rating and underwriting practices, and any other activity indicating a failure to comply with Missouri statutes and regulations.

The Company utilizes independently owned agencies to provide its product to Missouri consumers.

The examiners reviewed title and policy files to determine the accuracy of rating and adherence to prescribed and acceptable underwriting criteria.

A. Rates

1. According to the filed rate for HELOC Master Policy certificates (SERFF Tracking #AGTT-126562473), the risk rate is \$75.00 for certificates issued with a loan amount of \$0.00 to \$100,000.00. The risk rate is \$90.00 for certificates with a loan amount of \$100,001.00 to \$250,000.00.. The files provided by the Company did not contain any documentation of the premium charged for the coverage provided under the certificates. The Company stated, "*The premium for the master home equity loan policies (Fred Ostdiek) are flat fees and are disclosed to the insured lenders via contractual exhibits provided as part of our initial disclosure.*" Since there was no references in the files to the amount of premium actually charged, the examiners used data provided by the Company as support for this violation.

According to the Company's data, the following certificate issued under a HELOC Master Policy was charged an incorrect rate, which resulted in an overcharge.

Policy No.	File No.	ProdLast	Effective Date	Policy Amount	Risk Rate	Filed Risk Rate	Over charge
7887-MO-100029	1617656	Fred Ostdiek and Associates LLC	5/4/2018	70,000	\$150.00	\$75.00	\$75.00

Reference: §381.181.1, .2, .3, RSMo, and 20 CSR 500-7.100(2)(A) & (B).

B. Underwriting

1. For the following 87 policies, the Schedule B for both owner’s policy and lender’s policy included exceptions for special assessments and taxes that may vary slightly in wording from one agency to another but that generally read similar to the following:

“The lien of General State and County Taxes for the year ____, due _____. The General City Taxes for the year ____,(due _____.) (and all subsequent years)” Or

“General State and County Taxes for the year ____ and subsequent years.” Or

“Taxes for ____ and thereafter. All Assessments and taxes due in ____ and thereafter.” Or

“All real estate taxes and assessments for ____ and thereafter, none now due and owing.” Or

“Subject to any municipality, special surtax, drainage ditch or improvement taxes. The lien of any general and special taxes or assessments required to be paid in ____ and subsequent years, if any. (None now due and payable).” Or

“All assessments and taxes for the year ____ and all subsequent years for the County of ____ and the City of _____. None now due and payable.” Or

“General taxes for the year ____ and thereafter. Any special taxes at this date entered against said property on the books in the Clerk’s office for the County of ____, State of MISSOURI. NONE NOW DUE AND PAYABLE.”

If tax is due it is generally paid at closing. Under Taxes and Assessments in the Company’s underwriting guidelines, the Company gave a directive to its agents that reads in part:

Taxes and assessments which are due and payable at time of closing are to be listed on the requirements page of the title commitment and are to be paid in full in conjunction with the closing. Taxes and assessments which are not yet due and payable must be shown as an exception to title and may include the notation “*a lien but not yet due and payable.*”

Liens for unpaid taxes are to be shown as exceptions to title on the commitment and final title policy unless paid in full.

Always include an exception in any commitment or policy for any existing lien for taxes or assessments which are due but not paid or are not due and payable.

In this underwriting guideline, the Company has directed its agents to include an exception on all policies for taxes and assessments that are due and not paid or not yet due and payable. If this exception is to be included on all policies, the Company should file the exception with the Department.

On Scheduled B of some policies, the exception is labeled as “general” or “standard” exception. This exception was included in a majority of the policies reviewed, occurring with such frequency to indicate that it is a standard exception.

The Company has adopted this exception as a standard exception by directing its agents to include it on all policies where taxes or assessments are due but not paid or are not yet due and payable. Although the exception is found in a majority of the policies reviewed, it is not a standard exception on Agents’ Form ANTIC06OP or Agents’ Form ANTIC06LP as filed with the Director. These 87 policies contain an exception that is general in nature and not filed as required by the Department.

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx5224	AOR	Loan Policy	Abbey Title Company	10,000	6
xxxxx5141	1750977	Residential Owners	Abbey Title Company	149,900	6
xxxxx3257	4725ARC	Residential Refinance	Arch City Title, LLC	39,0000	8
xxxxx7324	17880	Loan Policy	Barry County Abstract & Title Company	39,300	b
xxxxx1051	1615312	Residential Refinance	Boone-Central Title Company	137,700	1
xxxxx9311	1720029	Residential Lenders	Boone-Central Title Company	156,800	1
xxxxx2493	1721807	Commercial Lenders	Boone-Central Title Company	7,575,000	2
xxxxx7902	1722000	Residential Refinance	Boone-Central Title Company	181,300	1
xxxxx3492	180901F	Owners Policy	Boyd & Boyd, Inc.	186,767	1
xxxxx9856	160164F	Owners Policy	Boyd & Boyd, Inc.	84,000	7
xxxxx5670	160849F	Residential Refinance	Boyd & Boyd, Inc.	125,000	7
xxxxx3358	161513F	Residential Simultaneous Owners/Lenders	Boyd & Boyd, Inc.	54,247	7
xxxxx4844	170725F	Owners Policy	Boyd & Boyd, Inc.	100,400	7
xxxxx3951	20160633	Residential Refinance	CCTITLE, LLC DBA Carroll County Title Co.	80,000	7

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx4878	20170414	Commercial Simultaneous Owners/Lenders	CCTITLE, LLC DBA Carroll County Title Co.	23,500	9
xxxxx3188	11731-AT	Owners Policy	Clinton Abstract & Title Co., LLC	158,000	9
xxxxx8850	84486	Loan Policy	Cole County Abstract, Inc.	600,000	7
xxxxx0396	88835	Owners Policy	Cole County Abstract, Inc.	259,900	7
xxxx4852	15094909	Loan Policy	Continental Title Company	60,000	8
xxxxx6041	15201656	Residential Refinance	Continental Title Company	34,442	1
xxxxx9239	15203828	Residential Refinance	Continental Title Company	185,388	1
xxxxx3824	17301038	Loan Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	663,968	1
xxxxx5185	18328893	Loan Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	298,400	1
xxxxx3277	15094447	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	22,000	8
xxxxx2307	16209051	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	106,000	1
xxxxx6633	16211190	Residential Owners	Continental Title Holding Co, Inc. d/b/a Continental Title Company	154,000	5
xxxxx0454	16213994	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	115,000	1
xxxxx8730	16214247	Owners Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	180,000	5
xxxxx1486	16217544	Owners Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	430,000	5
xxxxx5068	16217943	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	111,672	1
xxxxx9399	16224181	Owners Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	159,000	5
xxxxx2604	16224924	Owners Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	184,900	2
xxxxx1989	16233461	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	263,000	1

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx0807	16258302	Loan Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	210,000	1
xxxxx7724	16258478	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	83,000	1
xxxxx9082	17274856	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	67,000	1
xxxxx5322	17285009	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	10,7290	1
xxxxx9155	12-577-15	Commercial Refinance	Crawford County Title Company	1,485,855.06	7
xxxxx5496	2017-442	Commercial Lenders	Hart Abstract & Title, LLC	80,000	5
xxxxx4144	A18055	Owners Policy	Hendricks Abstract & Title Company	239,900	7
xxxxx3105	A17051	Loan Policy	Hendricks Abstract & Title Company	83,000	7
xxxxx5827-1	228783-1	Owners Policy	Insight Title Company, LLC	30,000	7
xxxxx9274	230245-1	Owners Policy	Insight Title Company, LLC	300,000	6
xxxxx3609	221957-1	Owners Policy	Insight Title Company, LLC	460,000	14
xxxxx8661	225770-1	Owners Policy	Insight Title Company, LLC	780,000	8
xxxxx2330	5414	Loan Policy	Integrity Title Company, LLC d/b/a All County Title Company	406,000	5
xxxxx6674	STL-42836-18	Loan Policy	Integrity Title Solutions	329,000	11
xxxxx6539	STL-26638-16	Residential Refinance	Integrity Title Solutions	107,100	8
xxxxx7641	STL-29596-16	Residential Refinance	Integrity Title Solutions	145,043	10
xxxxx2248	STL-30234-16	Residential Refinance	Integrity Title Solutions	94,500	8
xxxxx0954	STL-30256-16	Owners Policy	Integrity Title Solutions	452,500	11
xxxxx2037	STL-30755-16	Residential Refinance	Integrity Title Solutions	170,850	10
xxxxx5238	STL-34138-17	Loan Policy	Integrity Title Solutions	315,000	12
xxxxx9094	STL-34234-17	Owners Policy	Integrity Title Solutions	210,000	12
xxxxx0873	STL-34361-17	Owners Policy	Integrity Title Solutions	298,000	10
xxxxx0651	STL-34853-17	Owners Policy	Integrity Title Solutions	50,000	10
xxxxx3355	J1608095	Residential Refinance	Johnson County Title Company	349,589	7

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx1858	h36723	Residential Lenders	KWYK, Inc. d/b/a Hillsboro Title Company	70,000	1
xxxxx3308A	37803	Loan Policy	Lake of the Ozarks Land Title Company	245,000	1
xxxxx5125	16021066	Commercial Refinance	Landmann Title Company	1,098,000	7
xxxxx7558	16041079	Commercial Refinance	Landmann Title Company	255,000	7
xxxxx2590	17071039	Owners Policy	Landmann Title Company	194,000	9
xxxxx4528	16-1447	Residential Lenders	McCaffree-Short Title Company	70,000	7
xxxxx4675	16-2003	Residential Owners	McCaffree-Short Title Company	65,000	7
xxxxx4783	16-2588	Residential Owners	McCaffree-Short Title Company	55,000	7
xxxxx6691	20180117406	Loan Policy	Meyer Title Company	219,500	B
xxxxx8705	20160215627	Loan Policy	Meyer Title Company	68,000	C
xxxxx8671	20161116293	Residential Owners	Meyer Title Company	11,500	B
xxxxx2010	20161116313A	Commercial Owners	Meyer Title Company	385,950	C
xxxxx2327	15243	Loan Policy	Nodaway County Abstract Co.	52,000	6
xxxxx3925	CT010417	Residential Refinance	Osage County Abstract Co.	149,100	9
xxxxx6856	180166A	Loan Policy	Osceola Abstract & Title Company, Inc	80,000	8, 9
xxxxx7147	2017019	Owners Policy	Pelts Title LLC	199,000	8
xxxxx1692	P1707003A	Loan Policy	Pettis County Title Co.	123,499	9
xxxxx2780	1964	Residential Refinance	Security Title Insurance Agency, LLC	168,547	8
xxxxx1827	16-24518	Owners Policy	Security Title, LLC	135,000	5
xxxxx8313	17-24859	Residential Lenders	Security Title, LLC	122,000	4
xxxxx4294	201806112	Owners Policy	Southeast Missouri Title Company	366,000	9
xxxxx1075	201602096	Commercial Owners	Southeast Missouri Title Company	23,000	7
xxxxx5887	15S3102	Commercial Lenders	Specialized Title Services	150,000	2
xxxxx7094	1914-1	Commercial Owners	Sullivan County Abstract Company	288,000	7
xxxxx7874	59694-16	Residential Owners	Sunrise Abstracting & Title Services, Inc	191,400	19
xxxxx8862	03081803-ANT	Loan Policy	Town and Country Abstract Company, Inc	63,636	1

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx7210	01251803-ANT	Owners Policy	Town and Country Abstract Company, Inc	2,000	6
xxxxx4950	07131702-ant	Owners Policy	Town and Country Abstract Company, Inc	15,000	6, 8
xxxxx4866	09251701-ant	Loan Policy	Town and Country Abstract Company, Inc	140,864	1
xxxxx6184	GA4315-18	Owners Policy	Tri-Lakes Title & Escrow	40,000	7

Reference: §381.085, RSMo.

2. For the following 17 policies, the Schedule B included one or more of the following exceptions that were not written specific to the title or property insured by the policy. Each agent/agency may have worded the exceptions a little differently, but the purpose and meaning is the same or similar. The Company used the following exceptions:

- “Unpaid charges, if assessed by the City of _____ for furnishing city services.”
- “Subdivision assessment. None now due and payable.”
- “Sewer assessments. None now due and payable” or “Assessments for maintenance of sanitary sewer system.”
- “Sewer lateral fees. None now due and payable.”
- “Easement, restrictions and assessments of record, and all taxes and assessments that may be levied, imposed or become payable thereafter.”
- “Assessments for road maintenance.”
- “Assessments by a Public Water Supply District.”

These exceptions are not standard exceptions on Agents’ Form ANTIC06OP or Agents’ Form ANTIC06LP as filed with the Director. These 17 policies contained the above exceptions that are general in nature and not filed as required.

These exceptions are different from an exception that reads more specific with book and page; for example, in policy MO-1730873-OP the exception reads:

“Subject to Declaration of Road Maintenance Agreement recorded in Book 953 page 108 in the Lincoln County Records.”

An exception with this amount of detail shows that a search was performed, it was found that road maintenance assessments are applicable and affect the title and property being insured, and provides the insured with the information needed to know what affects the title and property. In this case, the insured would know exactly where to find the terms and provisions of the Declaration of Road Maintenance Agreement and any assessments the property may be subject to. Assessments are recorded and should include details specific to the title.

Under Taxes and Assessments in the Company’s underwriting guidelines, the Company gave a directive to its agents that reads in part:

Taxes and assessments which are due and payable at time of closing are to be listed on the requirements page of the title commitment and are to be paid in full in conjunction with the closing. Taxes and assessments which are not yet due and payable must be shown as an exception to title and may include the notation “*a lien but not yet due and payable.*”

Always include an exception in any commitment or policy for any existing lien for taxes or assessments which are due but not paid or are not due and payable.

The Company has adopted this standard exception by directing its agents to include it on all policies in which taxes and assessments are due but not paid or not yet due and payable. As such, the Company should have filed the exception with the wording in its underwriting guidelines.

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx5224	AOR	Loan Policy	Abbey Title Company	10,000	7
xxxx3257	4725ARC	Residential Refinance	Arch City Title, LLC	390,000	14, 15
xxxxx3824	17301038	Loan Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	663,968	8, 9, 10
xxxxx5185	18328893	Loan Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	298,400	9, 10, 11
xxxxx5068	16217943	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	111,672	5, 6, 7
xxxxx4179	16220201	Residential Owners	Continental Title Holding Co, Inc. d/b/a Continental Title Company	2,500	7, 8, 9
xxxxx2604	16224924	Owners Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	184,900	4, 5, 6
xxxxx0807	16258302	Loan Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	210,000	14, 15, 16
xxxxx9082	17274856	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	67,000	6, 7, 8
xxxxx5322	17285009	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	107,290	6, 7, 8

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxxx827-1	228783-1	Owners Policy	Insight Title Company, LLC	30,000	6, 8
xxxxx9274	230245-1	Owners Policy	Insight Title Company, LLC	300,000	7, 8
xxxxx3609	221957-1	Owners Policy	Insight Title Company, LLC	460,000	13, 15
xxxxx8661	225770-1	Owners Policy	Insight Title Company, LLC	780,000	7, 9
xxxxx1858	h36723	Residential Lenders	KWYK, Inc. d/b/a Hillsboro Title Company	70,000	3, 4, 5
xxxxx2780	1964	Residential Refinance	Security Title Insurance Agency, LLC	168,547	12, 13
xxxxx5887	15S3102	Commercial Lenders	Specialized Title Services	150,000	3, 4

Reference: §§381.071 and 381.085, RSMo.

3. For the following 40 policies, the Schedule B included one or more of the following exceptions that are not specific to the title or property insured by the policy.

- Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by the commitment. *(Note: This exception was filed in 2009, but the Schedule B was replaced by the 2014 filing and this exception was not included)*
- Loss or damage by reason of there being recorded in the Public Records, any deeds, mortgages, lis pendens, liens or other title encumbrances subsequent to the commitment date and prior to the effective date of the final Policy.

The first of these exceptions was filed on the Company's commitment forms in effect during the review period but was not shown on the Company's Policy Forms ANTIC06OP and ANTIC06LP filed with the Director. The second of these exceptions was not filed. These 40 policies contain exceptions that are general in nature and not filed as required.

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx3257	4725ARC	Residential Refinance	Arch City Title, LLC	390,000	6
xxxxx7324	17880	Loan Policy	Barry County Abstract & Title Company	39,300	a
xxxxx9856	160164F	Owners Policy	Boyd & Boyd, Inc.	84,000	1
xxxxx5670	160849F	Residential Refinance	Boyd & Boyd, Inc.	125,000	1
xxxxx3358	161513F	Residential Simultaneous Owners/Lenders	Boyd & Boyd, Inc.	54,247	1
xxxxx8850	84486	Loan Policy	Cole County Abstract, Inc.	600,000	1
xxxxx0396	88835	Owners Policy	Cole County Abstract, Inc.	259,900	1

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx4852	15094909	Loan Policy	Continental Title Company	60,000	1, 7
xxxxx3277	15094447	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	22,000	1, 7
xxxxx0198	2016072710	Residential Refinance	Copper Title LLC	256,715	1
xxxxx8748	2017013647	Residential Refinance	Copper Title LLC	50,000	2
xxxxx7105	2017054223	Residential Refinance	Copper Title LLC	80,000	2
xxxxx3105	A17051	Loan Policy	Hendricks Abstract & Title Company	83,000	1
xxxxx6674	STL-42836-18	Loan policy	Integrity Title Solutions	329,000	1
xxxxx6539	STL-26638-16	Residential Refinance	Integrity Title Solutions	107,100	1
xxxxx7641	STL-29596-16	Residential Refinance	Integrity Title Solutions	145,043	1
xxxxx2248	STL-30234-16	Residential Refinance	Integrity Title Solutions	94,500	1
xxxxx0954	STL-30256-16	Owners Policy	Integrity Title Solutions	452,500	1
xxxxx2037	STL-30755-16	Residential Refinance	Integrity Title Solutions	170,850	1
xxxxx5238	STL-34138-17	Loan Policy	Integrity Title Solutions	315,000	1
xxxxx9094	STL-34234-17	Owners Policy	Integrity Title Solutions	210,000	1
xxxxx0873	STL-34361-17	Owners Policy	Integrity Title Solutions	298,000	1
xxxxx0651	STL-34853-17	Owners Policy	Integrity Title Solutions	50,000	1
xxxxx2227	1803-1613	Loan Policy	Mercer County Title Company	58,500	1
xxxxx8705	20160215627	Loan Policy	Meyer Title Company	68,000	1
xxxxx8671	20161116293	Residential Owners	Meyer Title Company	11,500	1
xxxxx2010	20161116313A	Commercial Owners	Meyer Title Company	385,950	1
xxxxx2780	1964	Residential Refinance	Security Title Insurance Agency, LLC	168,547	6
xxxxx1827	16-24518	Owners Policy	Security Title, LLC	135,000	3
xxxxx8313	17-24859	Residential Lenders	Security Title, LLC	122,000	3
xxxxx7094	1914-1	Commercial Owners	Sullivan County Abstract Company	288,000	1
xxxxx2995	62151	Owners Policy	Sunrise Abstracting & Title Services, Inc	227,000	1
xxxxx0097	62482	Owners Policy	Sunrise Abstracting & Title Services, Inc	137,000	1
xxxxx6615	63095	Owners Policy	Sunrise Abstracting & Title Services, Inc	25,000	1
xxxxx5856	63637	Owners Policy	Sunrise Abstracting & Title Services, Inc	15,000	1

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx1445	58977-16	Residential Owners	Sunrise Abstracting & Title Services, Inc	22,500	1
xxxxx7874	59694-16	Residential Owners	Sunrise Abstracting & Title Services, Inc	191,400	1, 19
xxxxx0838	60965-17	Owners Policy	Sunrise Abstracting & Title Services, Inc	110,300	1
xxxxx3472	61235	Residential Refinance	Sunrise Abstracting & Title Services, Inc	260,000	1
xxxxx4916	61779-op	Owners Policy	Sunrise Abstracting & Title Services, Inc	139,000	1

Reference: §381.085, RSMo.

4. For the following seven policies, the Schedule B included one or more of the following exceptions that are not specific to the title or property insured by the policy.

- Any lease, grant, exception or reservation of mineral rights appearing in the public records.
- Mineral Rights not examined.
- This Policy on the herein-described property should not be construed as insuring the mineral estate to the property nor the environmental status to the property.

These exceptions are not standard exceptions on Agents' Form ANTIC06OP or Agents' Form ANTIC06LP as filed with the Director. These seven policies contain exceptions that are general in nature and not filed as required.

The filed form does include a mineral rights exception, but not the exceptions that are listed below. Additionally, one of the exceptions below includes the phrase, "*appearing in the public records.*" If the lease, grant, exception or reservation of mineral rights appears in the public record, a proper search would reveal it, and the exception should have been written specific to include book and page. If the Company knows of an interest against the title, it is required to show it before issuing the policy. In the seven policies, since the Company did not file the general exception, it appears that something was known or found, but not listed in enough detail to show what was affecting the title.

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx5185	18328893	Loan Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	298,400	8
xxxxx5068	16217943	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	111,672	4
xxxxx9082	17274856	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	67,000	4

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx5322	17285009	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	107,290	4
xxxxx7147	2017019	Owners Policy	Pelts Title LLC	199,000	13
xxxxx2780	1964	Residential Refinance	Security Title Insurance Agency, LLC	168,547	11
xxxxx2377	15-9492	Loan Policy	Southern Land Title Co LLC	17,500	7

Reference: §381.085, RSMo.

5. The following 12 policies contain the exception listed below, which appears to be used as a general exception by Continental Title. Since Continental Title added this exception to all its policies in our sample, the exception is found to be a standard exception for this agency,, as it was not seen in policies issued by other agents in our sample, except for one, Town and Country Abstract Company.

- Tenancy rights, either month to month or by virtue of written lease of any party now in possession of the premises in question.

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx4852	15094909	Loan Policy	Continental Title Company	60,000	11
xxxxx9239	15203828	Residential Refinance	Continental Title Company	185,388	4
xxxxx3277	15094447	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	22,000	15
xxxxx2307	16209051	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	106,000	5
xxxxx6633	16211190	Residential Owners	Continental Title Holding Co, Inc. d/b/a Continental Title Company	154,000	9
xxxxx0454	16213994	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	115,000	8
xxxxx8730	16214247	Owners Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	180,000	7
xxxxx1486	16217544	Owners Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	430,000	14

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx9399	16224181	Owners Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	159,000	12
xxxxx1989	16233461	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	263,000	6
xxxxx7724	16258478	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	83,000	5
xxxxx4950	07131702-ant	Owners Policy	Town and Country Abstract Company, Inc	15,000	9

Reference: §381.085, RSMo.

6. The following seven policies contain exceptions that include the phrase, “*appearing in the public record*” or “*now of record*” and “*if any.*” This exception is general in nature and indicates the exception is to items that are recorded. This exception is inappropriate as a proper search should reveal these items. This exception should be more specific to the title and property insured showing exactly what is affecting the title or property with book and page of the recording. It appears these exceptions have been added to policies as a “catchall.” If the Company knows of an interest against the title, it is required to show it before issuing the policy.

In the following instances, the Company did not file the general exception and it appears that something was known or found, but not listed in enough detail to show what was affecting the title. These exceptions are general in nature and should have been filed with the Department or written more specific.

- Covenants, conditions and restrictions, if any, appearing in the public records.
- Any easements or servitudes appearing the in public records.
- Subject to existing building lines, easements, conditions, restrictions, zoning regulations, etc., now of record, if any.
- Subject to all dedications, covenants, reservations and restrictions on use of record.

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx5185	18328893	Loan Policy	Continental Title Holding Co, Inc. d/b/a Continental Title Company	298,400	6, 7
xxxxx5068	16217943	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	111,672	2, 3, 4

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx9082	17274856	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	67,000	2, 3
xxxxx5322	17285009	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	107,290	2, 3, 4
xxxxx8748	2017013647	Residential Refinance	Copper Title LLC	50,000	1
xxxxx9155	12-577-15	Commercial Refinance	Crawford County Title Company	1,485,855	14
xxxxx2780	1964	Residential Refinance	Security Title Insurance Agency, LLC	168,547	9, 10

Reference: §§ 381.071, and 381.085, RSMo.

7. The following seven policies contain exceptions that are general in nature and some include the phrase, “*if any.*” A proper search should reveal these items. These exceptions should be written more specific to the title and property insured showing exactly what is affecting the title or property with book and page of the recording. It appears these exceptions have been added to policies as a “catchall”. These exceptions are general in nature and should have been filed with the Department or written more specific. Additionally, the Arbitration Clause should not be listed as an exception, the filed policy should be used instead.

- Subject to rights-of-way and easements for utilities, public roads, drainage ditched, subdivision restrictions, covenants, conditions and easements. (1)
- Rights of ways, Easements and Utilities, Private and Public Roadways all as used and established. (4)
- Terms, Conditions, if any, contained in the conveyance to the proposed insured.(2)
- Roads, ways, streams or easements, if any, not shown by the Public Records, riparian rights and the title to any filled -in-lands (1)
- The Arbitration Clause, shown under Paragraph 13 of the Loan Policy, is hereby deleted (1)

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx7147	2017019	Owners Policy	Pelts Title LLC	199,000	9
xxxxx6691	20180117406	Loan Policy	Meyer Title Company	219,500	A
xxxxx8705	20160215627	Loan Policy	Meyer Title Company	68,000	A
xxxxx8671	20161116293	Residential Owners	Meyer Title Company	11,500	A, E
xxxxx2010	20161116313A	Commercial Owners	Meyer Title Company	385,950	A, F, G
xxxxx1827	16-24518	Owners Policy	Security Title, LLC	135,000	4
xxxxx3355	J1608095	Residential Refinance	Johnson County Title Company	349,589	14

Reference: §381.085, RSMo.

8. The following 11 policies contained general exceptions that were worded differently than the exception filed with the Director. General Exceptions should be used as filed.

Policy No.	File No.	Policy Type	ProdLast	Policy Amount	Exception #
xxxxx5420	20152922	Commercial Lenders	Black Creek Abstract & Title, LLC	161,500	2, 6
xxxxx3850	20173360	Residential Owners	Black Creek Abstract & Title, LLC	85,000	
xxxxx6856	180166A	Loan Policy	Osceola Abstract & Title Company, Inc	80,000	1, 4
xxxxx7147	2017019	Owners Policy	Pelts Title LLC	199,000	1, 2, 11
xxxxx1827	16-24518	Owners Policy	Security Title, LLC	135,000	1c
xxxxx8313	17-24859	Residential Lenders	Security Title, LLC	122,000	1c
xxxxx4633	15-9297	Loan Policy	Southern Land Title Co LLC	113,007	5
xxxxx2377	15-9492	Loan Policy	Southern Land Title Co LLC	17,500	5
xxxxx7915	16-9622	Loan Policy	Southern Land Title Co LLC	158,720	5
xxxxx7210	01251803-ANT	Owners Policy	Town and Country Abstract Company, Inc	2,000	3
xxxxx4950	07131702-ant	Owners Policy	Town and Country Abstract Company, Inc	15,000	3

Reference: §381.085, RSMo.

9. A license is required to conduct the business of title insurance in the state of Missouri. The business of title insurance includes the title search and examination and the determination of insurability. The Company contracted with lenders, who are not licensed title agents or agencies, to obtain the title search and examination. The contract provides for the lender to determine insurability. The contract states in part, *“Subject to the conditions of coverage set forth in this Paragraph 2.2, Lender may close the loan using Title Information obtained through its own sources or review Property Report, if applicable and, at its election, it may also incorporate the Borrower Agreement into its loan application or its loan closing documents, In the event Lender elects to make such a loan, Lender may include the Mortgage Lien as an Insured Mortgage by satisfying the following conditions of coverage:*

Paragraph 3.1 of the contract between ANT, the lender, and the title agency gives the lender the sole responsibility to review some of the items listed as conditions of coverage under paragraph 2.2 of the contract.

In Paragraph 3.4 of the contract, ANT agrees to allow the policy to be issued without a traditional search of the Public Records

Section 381.115.8, states in part that if the insurer delegates the title search to a third party, the insurer must first obtain proof that the third party is operating in compliance with rules and regulations established by the director.

Section 381.071.1(2) requires that no title insurance policy shall be written unless and until the title insurer, title agent or agency has caused to be made a determination of insurability of title in accordance with sound underwriting practices. The Company nor its title agent or agency has the search and examination in their files, therefore, it appears they did not review the search, perform the examination or determine insurability. Leaving the determination of insurability to the lender, who is not licensed, is not a sound underwriting practice.

The Company contracted with lenders to perform tasks that required a license, when the lenders were not licensed.

Reference: §§381.115.4, & .8, and 381.071.1(2), RSMo.

10. For the following files, there is no evidence that a search was actually performed. Section 381.071.1 (1) requires the title insurer, title agent or agency to cause a search of title to be made prior to writing a title insurance policy.

Section 381.071.3 requires that the evidence of the examination of title and determination of insurability be preserved and retained in the files of the title insurer or its title agent or agency for a period of not less than fifteen years after the title insurance policy has been issued. The Company contracted with lenders to maintain documentation of the search and examination in the lender files. The Company or its agents are required to maintain these records. The Company was unable to provide the search and examination.

Paragraph 4.3 of the contract between ANT, the lender, and the title agency requires the lender to acknowledge and agree that coverage under the ANT Master Loan Policy is conditional upon its retention and replication of the full and complete Title information, including evidence of compliance with applicable statutory requirement, along with other underwriting documents pertinent to insurability.

Section 381.071.1(2) states that no title insurance policy shall be written unless and until the title insurer, title agent or agency has caused to be made a determination of insurability of title in accordance with sound underwriting practices. The Company nor its title agent or agency has the search and examination in their files, therefore, it appears they did not review the search, perform the examination or determine insurability. Leaving the determination of insurability to the lender, who is not licensed, is not a sound underwriting practice.

Policy No.	File No.	ProdLast
xxxxxxxx0028	24158	Fred Ostdiek and Associates LLC
xxxxxxxx0028	24381	Fred Ostdiek and Associates LLC
xxxxxxxx0028	25291	Fred Ostdiek and Associates LLC
xxxxxxxx0029	1617656	Fred Ostdiek and Associates LLC

Reference: §§381.071.3, 381.071.1(1)&(2), RSMo, 374.205 and 20 CSR 100-8.040

II. POLICYHOLDER SERVICE

This section of the report tests the Company’s compliance with statutes and regulations regarding accurately and timely processing policy transactions. These practices include the timely issuance or delivery of policies, and timely recording of deeds and security instruments for real estate closings. The examiners reviewed the Company’s title policy files to ensure policies were issued/delivered to insureds timely, and deeds were recorded timely, in accordance with Missouri law.

A. Policy Issuance

1. A title insurer, title agent or agency shall issue each title insurance policy within forty-five (45) days after compliance with the requirements of the commitment for insurance, unless special circumstances as defined by rule delays the issuance. For the following 17 policies, the policy was issued/delivered more than forty-five (45) days after the requirements of the commitment of insurance were met and no special circumstances could be ascertained from the underwriting file.

Policy No.	File No.	Policy Type	ProdLast	Effective Date	Date policy issued/delivered	Date of closing	# of days from last req met and issuance	# of days policy issued late
xxxxx4878	20170414	Simultaneous Owners/Lenders	CCTITLE, LLC DBA Carroll County Title Co.	5/2/2017	6/26/2017	4/28/2017	55	10
xxxxx8850	84486	Loan Policy	Cole County Abstract, Inc.	8/18/2016	1/17/2018		517	472
xxxxx6041	15201656	Residential Refinance	Continental Title Company	12/29/2015	8/7/2019	12/22/2015	1,317	1,272
xxxxx3277	15094447	Residential Refinance	Continental Title Holding Co, Inc. d/b/a Continental Title Company	8/31/2015	1/31/2017	7/31/2015	519	474
xxxxx4475	120398	Simultaneous Owners/Lenders	Fidelity Abstract & Title	4/29/2016	6/22/2016	4/29/2016	54	9
xxxxx3249	120412	Residential Owners	Fidelity Abstract & Title	4/1/2016	6/13/2016	3/30/2016	73	28
xxxxx2330	5414	Loan policy	Integrity Title Company, LLC d/b/a All County Title Company	3/26/2018	7/2/2018	3/23/2018	98	53
xxxxx6539	STL-26638- 16	Residential Refinance	Integrity Title Solutions	3/30/2016	6/6/2016	3/25/2016	68	23
xxxxx4528	16-1447	Residential Lenders	McCaffree-Short Title Company	4/20/2016	9/2/2016	4/13/2016	135	90

Policy No.	File No.	Policy Type	ProdLast	Effective Date	Date policy issued/delivered	Date of closing	# of days from last req met and issuance	# of days policy issued late
xxxxx4783	16-2588	Residential Owners	McCaffree-Short Title Company	7/5/2016	11/17/2016	6/23/2016	135	90
xxxxx2227	1803-1613	Loan Policy	Mercer County Title Company	3/13/2018	6/30/2018	3/13/2018	109	64
xxxxx2327	15243	Simultaneous Owners/Lenders	Nodaway County Abstract Co.	1/5/2016	3/22/2016	1/4/2016	77	32
xxxxx4633	15-9297	Simultaneous Owners/Lenders	Southern Land Title Co LLC	11/12/2015	1/15/2016	11/10/2015	64	19
xxxxx7915	16-9622	Simultaneous Owners/Lenders	Southern Land Title Co LLC	3/16/2016	5/5/2016	3/15/2016	50	5
xxxxx4025	17090137	Owners Policy	Truman Title, Inc.	12/21/2017	2/26/2018	12/20/2017	67	22
xxxxxxxx0028	24158	Master Home Equity Loan Policy Certificate	Fred Ostdiek and Associates LLC	12/9/2016	11/21/2019		1077	1032
xxxxxxxx0028	24381	Master Home Equity Loan Policy Certificate	Fred Ostdiek and Associates LLC	5/10/2017	11/21/2019		925	880
xxxxxxxx0028	25291	Master Home Equity Loan Policy Certificate	Fred Ostdiek and Associates LLC	6/9/2017	11/21/2019		895	850

Reference: §381.038.3, RSMo.

2. For the following 13 policies, the date of issuance was not maintained in the underwriting file or by the Company. Every insurer transacting business in this state shall maintain its books, records, documents, and other business records in a manner so that the practices of the insurer may be readily ascertained during the market conduct examinations. There is no evidence in the file that the policies were issued/delivered to the insured.

Policy No.	File No.	Policy Type	ProdLast	Effective Date
xxxxx7324	17880	Loan Policy	Barry County Abstract & Title Company	12/18/2017
xxxxx3951	20160633	Residential Refinance	CCTITLE, LLC DBA Carroll County Title Co.	8/26/2016
xxxxx1270	2018010039	loan Policy	Copper Title LLC	2/6/2018
xxxxx6254	2018101503	Loan Policy	Copper Title LLC	11/16/2018
xxxxx0198	2016072710	Residential Refinance	Copper Title LLC	9/26/2016
xxxxx3805	2016103358	Residential Refinance	Copper Title LLC	12/6/2016
xxxxx8748	2017013647	Residential Refinance	Copper Title LLC	2/24/2017
xxxxx7105	2017054223	Residential Refinance	Copper Title LLC	6/13/2017
xxxxx5232	123204	Owners Policy	Fidelity Abstract & Title	11/20/2018
xxxxx4144	A18055	Owners Policy	Hendricks Abstract & Title Company	10/31/2018

Policy No.	File No.	Policy Type	ProdLast	Effective Date
xxxxx1858	h36723	Residential Lenders	KWYK, Inc. d/b/a Hillsboro Title Company	12/13/2016
xxxxx7147	2017019	Simultaneous Owners/Lenders	Pelts Title LLC	3/2/2017
xxxxx7094	1914-1	Commercial Owners	Sullivan County Abstract Company	12/17/2015

Reference: §381.038.3, §374.205, RSMo, and 20 CSR 100-8.040(2).

B. Recording of Deeds

Section 381.026.1 states “The settlement agent shall present for recording all deeds and security instruments for real estate closings handled by it within five business days after completion of all conditions precedent thereto unless otherwise instructed by all of the parties to the transaction.”

From the review of the sample of 119 files, the following 14 files reflected a recording date exceeding the five business day limit. No unsatisfied conditions were readily apparent from the review of the file. Agents of the Company failed to timely record all deeds and security instruments.

Policy No.	File No.	ProdLast	Effective Date	Date of closing	Date deed recorded	#of days recorded late
xxxx4852	15094909	Continental Title Company	12/28/2015	12/15/2015	12/28/2015	3
xxxxx5185	18328893	Continental Title Holding Co, Inc. d/b/a Continental Title Company	11/16/2018	11/7/2018	11/16/2018	1
xxxxx2307	16209051	Continental Title Holding Co, Inc. d/b/a Continental Title Company	3/3/2016	2/24/2016	3/3/2016	1
xxxxx0454	16213994	Continental Title Holding Co, Inc. d/b/a Continental Title Company	5/10/2016	5/2/2016	5/10/2016	1
xxxxx5068	16217943	Continental Title Holding Co, Inc. d/b/a Continental Title Company	9/7/2016	4/22/2016	9/7/2016	90
xxxxx4179	16220201	Continental Title Holding Co, Inc. d/b/a Continental Title Company	6/17/2016	5/25/2016	6/17/2016	11
xxxxx1989	16233461	Continental Title Holding Co, Inc. d/b/a Continental Title Company	10/7/2016	9/27/2016	10/7/2016	3

Policy No.	File No.	ProdLast	Effective Date	Date of closing	Date deed recorded	#of days recorded late
xxxxx5322	17285009	Continental Title Holding Co, Inc. d/b/a Continental Title Company	8/16/2017	8/7/2017	8/16/2017	2
xxxxx7105	2017054223	Copper Title LLC	6/13/2017	6/5/2017	6/13/2017	2
xxxxx7641	STL-29596-16	Integrity Title Solutions	9/8/2016	8/25/2016	9/8/2016	5
xxxxx4783	16-2588	McCaffree-Short Title Company	7/5/2016	6/23/2016	7/5/2016	2
xxxxx6856	180166A	Osceola Abstract & Title Company, Inc	4/24/2018	4/13/2018	4/24/2018	2
xxxxx7874	59694-16	Sunrise Abstracting & Title Services, Inc	9/2/2016	8/23/2016	9/2/2016	3
xxxxx4916	61779-ob	Sunrise Abstracting & Title Services, Inc	11/1/2017	10/30/2017	12/12/2017	24

Reference: §381.026.1, RSMo.

III. COMPLAINT HANDLING

This section of the report provides a review of the Company’s complaint handling practices. These practices include maintaining a complaint handling procedure and a complete record of all complaints received for a period of not less than three years, which includes the number of complaints, their classification by line of insurance, the nature of each complaint, the disposition of these complaints, and the time it took to process each complaint. A complaint is any written communication primarily expressing a grievance. The examiners reviewed how the Company handled complaints to ensure that the Company was adhering to its own guidelines and Missouri statutes and regulations. The examiners reconciled the complaints the Company provided to the list of complaints received by DCI.

1. The examiners asked for the Company’s written complaint handling procedures, guidelines and manuals for collecting and handling complaints. The Company provided the names of the people that are responsible for monitoring the mail, fax, and email correspondence, and the statutory language of the requirement to maintain complaint handling procedures, but did not provide any information on the process that is in place to handle complaints. The Company also states that agents are authorized to handle complaints and that anything that the Company is directly responsible for, such as claims, are forwarded to Agents National. Any written communication primarily expressing a grievance that is title insurance related should be forwarded to the Company, not just claim related complaints. It appears no written procedure existed prior to our request. The Company failed to maintain complaint handling procedures and authorized its agents to handle complaints on its behalf.

Reference: §§375.936(3) and 375.934, RSMo.

2. The examiners requested the Company’s complaint register. The Company did not provide a complaint register, but did provide a copy of the complaints it received during the examination timeframe. The Company failed to maintain a record indicating the total number of complaints, the nature of each complaint, the disposition of the complaints, and the time it took to process each complaint.

Reference: §§375.936(3) and 375.934, RSMo.

IV. CRITICISMS AND FORMAL REQUESTS TIME STUDY

This study is based upon the time required by the Company to provide the examiners with the requested material or to respond to criticisms. Missouri law requires companies to respond to criticisms and formal requests within 10 calendar days. In the event an extension was requested by the Company and granted by the examiners, the response was deemed timely if it was received within the subsequent time frame. If the response was not received within that time period, the response was not considered timely.

A. Criticism Time Study

Calendar Days	Number of Criticisms	Percentage
Received within the time limit including any extensions	2	25%
Received outside time limit including any extensions	6	75%
Total	8	100%

Reference: §374.205.2(2), RSMo.

B. Formal Request Time Study

Calendar Days	Number of Requests	Percentage
Received within the time limit including any extensions	7	59%
Received outside time limit including any extensions	5	41%
Total	12	100%

Reference: §374.205.2(2), RSMo.

EXAMINATION REPORT SUBMISSION

Attached hereto is the Division of Insurance Market Regulation's Final Report of the examination of Agents National Title Insurance Company (NAIC #12522), Examination Number 333555. This examination was conducted by Martha Long JD, CIE, MCM, Examiner-in-Charge, Julie Hesser, Examiner, Dana Whaley, Examiner, and John Meyer, Examiner. The findings in the Final Report were extracted from the Market Conduct Examiner's Draft Report, dated February 11, 2020. Any changes from the text of the Market Conduct Examiner's Draft Report reflected in this Final Report were made by the Chief Market Conduct Examiner or with the Chief Market Conduct Examiner's approval. This Final Report has been reviewed and approved by the undersigned.

9/30/2020

Date



Stewart Freilich
Chief Market Conduct Examiner

FORMAL WRITTEN RESPONSE TO FINAL REPORT #333555

RE: Agents National Title Insurance Company Formal Written Response to Final Report
Market Conduct Examination #333555

DATE: November 15, 2020

This document constitutes Agents National Title Insurance Company's ("Agents National Title") response to and partial disagreement with certain findings asserted by the Missouri Dept. of Commerce and Insurance (the "Department") in connection with the Final Report issued in connection with Market Conduct Examination #333555 (the "Examination"). Agents National Title is extremely appreciative of the professionalism and diligence demonstrated by the Department and its examiners in connection with the Examination and looks forward to continuing to exhibit a commitment to compliance for the benefit of our policyholders.

- **"In one filed reviewed, the risk rate charged was greater than the filed rate."**

Agents National Title does not dispute this finding. Agents National Title's investigation determined that the insured lender reported the same transaction twice to Agents National Title's policy-issuing agent, and Agents National Title's policy-issuing agent inadvertently charged two premiums in connection with the same loan and same insuring certificate. Neither Agents National Title nor the policy-issuing agent discovered the overcharge prior to the Examination. Once Agents National Title determined that two premiums were charged to the insured lender in connection with the same insuring certificate, Agents National Title promptly instructed its policy-issuing agent to refund the overcharge, which the policy-issuing agent did.

- **"The Company's title insurance policies were written and issued with general exceptions to coverage, which were not filed with the Director."**

Agents National Title respectfully disputes this finding in part. In several instances, the Department determined that Agents National Title used "general" tax exceptions on its policies, such as exceptions for "Taxes and assessments for the year(s) _____", without first having filed those exceptions with the Department.

The Department has alleged that Agents National Title's use of various tax exceptions on Schedule B of its policies violated § 381.085(4), RSMo., which provides as follows:

"Any term or condition related to an insurance coverage provided by a title insurance policy or any exception to the coverage, except exceptions ascertained from, or affirmative coverages offered as a result of, a search and examination of records relating to a title or inspection or survey of a property to be insured, may only be included in the policy after the term, condition or exception has been filed with the director as provided herein."

Agents National Title asserts two rebuttals to this finding. First, Agents National Title did in fact file various tax exceptions for use prior to the Examination period, including the following:

- *Taxes and assessments for the year(s) ____, plus any penalties and interest which may accrue.*
- *Taxes and assessments for the fiscal year ending ____, plus any penalties and interest which may accrue.*
- *Lien for ____ taxes and any penalties and interest. Taxes paid through ____ quarter.*

Second, Agents National Title respectfully disputes that the tax exception at issue constituted a general exception such as to trigger the filing requirement under § 381.085(4), RSMo. Agents National Title's underwriting guidelines require that the tax exception in question appear on the policy if the title examiner has confirmed that taxes and assessments not yet due and payable have attached as a lien to the property and have not been paid or are not to be paid out of the closing proceeds. In Missouri, real estate taxes attach as unrecorded liens to real property on January 1st of each year before the amount to be secured by the lien is known, are assessed and billed in the fall, and are due and payable on December 31st. The exception in question is only required if the agent has confirmed the property taxes for the current year have not been paid as of the closing date or are not to be paid in whole out of the closing funds. Because the tax exceptions at issue were not general exceptions, Agents National Title respectfully disagrees that the use of such tax exceptions violated § 381.085(4), RSMo.

- **“In 14 files reviewed, agents of the Company recorded deeds from the transaction more than five business days after all conditions for policy coverage were satisfied.”**

Agents National Title respectfully disputes this finding. The Department alleges that Agents National Title's agents failed to timely record documents in connection with certain real estate closings in connection with which the Company's policies were issued in violation of § 381.026, RSMo, which provides in relevant part:

“The **settlement agent** shall present for recording all deeds and security instrument for **real estate closings handled by it** within five business days after completion of all conditions precedent thereto unless otherwise instructed by all of the parties to the transaction.” [emphasis added].

In fact, however, Agents National Title does not offer or perform closing or settlement services in Missouri and did not provide such services in connection with any of the files cited by the Department. Agents National Title is not compensated for the provision of settlement services performed in connection with transactions in which its policies are issued, and nothing in the statute provides that title insurance underwriters who do not perform settlement services are liable for the failure of documents to be timely recorded.

Agents National Title is proud to stand behind its policies, including provisions of its policies that provide coverage for matters arising between the dates on which the document(s) creating insured

interest(s) are created and the dates on which such documents are recorded in the Public Records. However, Agents National Title is not liable for extracontractual damages and respectfully disputes that the cited statute provides an avenue for the Department to assert regulatory liability against Agents National Title in connection with settlement services that Agents National Title did not perform and for which Agents National Title was not compensated.

- **“The Company failed to have written complaint handling procedures” and “The Company failed to maintain a record indicating the total number of complaints, the nature of each complaint, the disposition of the complaints and the time it took to process each complaint.”**

Agents National Title respectfully disputes this finding in part. Beginning in 2006, when Agents National Title began writing title insurance, and through the date of the Examination, Agents National Title had received a total of fourteen complaints in connection with its policies issued nationwide. Agents National Title takes policyholder complaints extremely seriously: It maintained during the Examination period and continues to maintain comprehensive files in connection with each complaint, including information necessary to determine the date of receipt of each complaint, the nature of each complaint, and the resolution of each complaint. In response to the Examination, Agents National Title has created a single database for tracking certain information with respect to complaints in compliance with § 375.936(3) and 375.934, RSMo.