



NATIONAL UNDERWRITING BULLETIN

FROM: Underwriting Department

DATE: August 20, 2012

TO: All Policy Issuing Agents of WFG Title Insurance Company and
WFG National Title Insurance Company

BULLETIN No.: NATIONAL - 08202012

SUBJECT: CYBER FRAUD ALERT

PROHIBIT ALL OUT-GOING INTERNATIONAL WIRES FROM TRUST/ESCROW ACCOUNTS

Recently an agent had their bank escrow/trust accounts illegally accessed by unknown persons from overseas. This was due to a security patch that the bank had failed to install in their computer system allowing potential hackers to access bank accounts and create falsified wiring instructions.

We highly recommend that to protect yourself you submit written instructions to your bank(s) to prohibit any and all international wires from all trust accounts opened and maintained by or on behalf of a WFG agent without your explicit, in-person authorization where appropriate identification can be presented to the bank.

Additional steps that you can take to ensure the security of your accounts:

- Maintain one dedicated computer for all on-line banking only. Do not allow this computer to be used for any other purpose other than accessing your banks on-line system. Do not surf the internet or allow emails on this computer.
- Place a block on all escrow accounts for international wires. Set dollar limits for all wires or even daily limits depending on the size or volume of your agency.
- Always have a call back system in place to also include emails and text messages. Limit the personnel that can approve outgoing wires and ensure that a second person is to be notified by the bank.
- Change passwords regularly (30-90 days) and shut the computer down at the end of business each day.
- Consider adding a cyber-theft endorsement to your existing fidelity policies and possibly raise the limits. Discuss with your insurance carrier.

- If possible, consider reconciling all outgoing and incoming wires daily.
- Discuss with your bank what type of fraud detection and protection it has to confirm and monitor on-line activity. Also, discuss how with them how you will be protected from possible losses should any funds be illegally diverted.
- If bank is not cooperative and/or they do not have very good cyber security, consider changing banks immediately. Unfortunately many small local community banks may not be able to afford the proper computer security in which case you may want to consider the larger national banks.
- Protect these escrow accounts as required as if it were your own money.
- Always treat these accounts as if they have already been compromised to assure that even if for some reason a cyber-thief got access to your password they cannot still initiate any fund transfers.

We hope that you found this information useful. Please contact your WFG Agency Representative should you have additional questions.

WFG National Title Insurance values our business relationship with you and is constantly seeking new ways to help you ensure your success. Thank you!

NOTE: This Bulletin is intended for use by title issuing offices, title insurance agents and approved attorneys of WFG National Title Insurance Company and any reliance by any other person or entity is unauthorized. This bulletin is intended solely for the purpose of underwriting policies of WFG National Title Insurance Company.