



TransUnion Title Insurance
16700 Valley View, Suite 275
La Mirada, CA 90638
Tel 714.452.1300
Fax 714.452.1301

UNDERWRITING BULLETIN

Bulletin No.: CA10-005

March 12, 2010

Free and Clear Refinances and high proceeds refinances.

TransUnion Title Insurance Company, and the rest of the industry, is being presented with extraordinary numbers of claims on properties that had no liens of record and full cash out refinance transactions insured. Identity thieves are targeting such properties with some success. Other refinance transactions, sometimes with fraudulent reconveyances and/or fraudulent demands, are also generating high loss claims.

As a result, until further notice, refinance transactions on free and clear properties are now considered Unusual Risk issues and must be submitted to Underwriting for approval. Until further notice, refinance transactions that generate net proceeds to the borrower of greater than \$100,000 are now considered Unusual Risk issues and must also be submitted to Underwriting for approval.

Prior to submission, some or all of the following steps must be taken:

1. Comply with procedures and concerns previously covered in Underwriting Bulletins 09-005, 10-001 and 10-002.
2. Send an inspector to the property to determine possession and occupancy.
3. Independently determine contact information for the borrower and make direct contact to determine if the transaction is genuine. "Independently" means NOT using contact information supplied by the escrow, broker or lender.
4. Obtain signatures for comparison from other property the borrower may own.
5. If the property was previously dealt with by your company, retrieve the old file for information.

Intentional disregard of the matters contained in this Bulletin may cause any loss sustained under the terms of a policy to be allocated entirely to the Agent.