

# WFG Underwriting Bulletin



To: All Louisiana Policy Issuing Agents of WFG National Title Insurance Company  
From: WFG Underwriting Department  
Date: January 9, 2023  
Bulletin No.: LA 2023-01  
Subject: Cott Systems Outage

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Cott Systems, which provides search and recording services for many parish clerks, experienced a cyberattack late last month. Although Cott had restored access briefly last week, its services are once again unavailable. The Union Parish Clerk of Court has posted updates from Cott [here](#). Due to the continuing uncertainty as to the restoration of these services, there is a significant risk associated with closing and insuring titles in those parishes where documents are not being recorded or where land records are inaccessible for examination or not being updated.

You should contact your local clerk of court's office to confirm the status of its operation. If you have a transaction in any parish in which you cannot record instruments or update a prior search, you may proceed with your closing subject to all of the following requirements:

1. An owner's policy must contain the exception stated below. You must insert the last effective date of the commitment (i.e., most recent update or records certification date) where indicated. If the commitment was previously issued, a revised commitment with the exception listed on Schedule B-II must be issued to the buyer prior to closing. You may note that the exception applies to the owner's policy only. No homeowner's policies may be issued.

"Any defect, lien, encumbrance, adverse claim, or other matter created by or arising out of the full or partial suspension of services of the Office of the Clerk of Court or other recording office in the parish where the Land is located, including, but not limited to, (i) an inability to search the Public Records after [*insert last effective date of the commitment*], or (ii) any delay in recordation of the deed or other instrument vesting title in the Insured in the Public Records."

2. All sellers in a sale transaction and all borrowers in a refinance transaction must execute the standard Seller/Borrower Affidavit and Indemnity Agreement. [Attached is a copy.](#)
3. All parties (sellers and buyers, or borrowers) must sign the Clerk's Office Closure Affidavit and Indemnification. [Attached is a copy.](#)

**NOTE:** This Bulletin is for the sole purpose of establishing underwriting positions and policies reflecting WFG National Title Insurance Company's best business judgment. The information contained in this Bulletin is intended solely for the use of employees of WFG National Title Insurance Company, its title insurance agents and approved attorneys. Disclosure to any other person is expressly prohibited unless approved in writing by the WFG National Title Insurance Company's Underwriting Department.

**The Agent may be held responsible for any loss sustained as a result of the failure to follow the standards set forth above.**

4. Execution of Clerk's Office Closure Affidavit and Indemnification must be listed as a requirement on Schedule B-I of the commitment. If the commitment was issued previously, a revised commitment with this requirement must be issued prior to closing.
5. The lender must acknowledge in writing that it understands the clerk's office is not currently recording documents and/or updating its electronic records, and that neither you nor WFG can certify when normal operations will resume. This written acknowledgement, which can be an email, must be retained in your closing file.
6. Review closing instructions carefully. If they require "prompt" recording, recording within a certain period of time or prior to disbursement, do not close without an amendment to permit recording after the clerk's office resumes normal operations.
7. You may not close without specific written underwriting approval if your transaction involves any of the following:
  - a. construction or renovation financing
  - b. a non-traditional or non-institutional lender
  - c. judgments, liens, more than 2 mortgages, tax sales, notice of bankruptcy or notice of seizure against the seller or borrower
8. If you are unable to satisfy minimum statutory search and exam standards with public records certified within 30 days of closing, you may not close without specific underwriting approval.
9. You must safeguard the original executed documents and record them as quickly as possible when the clerk's office resumes normal operations. If you can record documents 'manually' in person or by overnight delivery, you must do so.
10. After the clerk's office resumes normal operations and the documents have been recorded, you must update your title search. If the exam reflects any unpermitted encumbrances, transactions or other adverse matters which could affect the insured title, please notify underwriting counsel immediately.

Please discuss these requirements with your parties, including lender, as early as possible and prior to closing. We will consider deviations to these requirements on a case by case basis. These requirements only apply where and when the clerk's office is not operating normally. We urge you to keep in communication with your local clerks of court. If you have any questions or concerns, please contact underwriting counsel.

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