

## WFG Underwriting Bulletin



To: All WFG Policy Issuing Agents; All WFG Title Examiners and Officers  
From: WFG Underwriting  
Date: January 9, 2024  
Bulletin No. NB 2024-01  
Subject: LoanDepot Cyber-Incident

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We understand that LoanDepot has suffered a Cyber-Incident, but very few details are available at this time.

There was a post on X (formerly Twitter) indicating that the cyber-incident affected their phone systems, so the usual advice of confirming all details at a known “good” phone number does not apply in this instance.

Our InfoSec experts caution us that it is possible that LoanDepot’s system had been infiltrated some time before any “bad actions” were triggered. That possibility raises concerns about reliance on the information shown on payoff letters received before the incident was announced.

While this is subject to change when we learn more, here is our current guidance:

### **1. New loans where LoanDepot is the new lender.**

For transactions where LoanDepot is the new insured lender, you may close the transaction normally if you have received closing instructions, documents **AND loan proceeds** from LoanDepot **BEFORE JANUARY 3, 2024** authorizing you to close, fund, and record the Mortgage or Deed of Trust.

You should confirm full and final clearance for any incoming funds from LoanDepot with your bank before disbursement. Incoming wires that you expected are probably safe, but you should understand your bank’s policy on reversing a wire.

Closing instructions, documents and loan proceeds from LoanDepot **received AFTER January 3, 2024** should not be relied upon until we have further verified guidance from LoanDepot. **As noted above, there is suggestion that their phone systems have been affected, so telephonic verification of details should NOT be relied upon.**

**NOTE:** This Bulletin should not be interpreted as reflecting negatively upon the character of an individual or entity mentioned herein and 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.**

## 2. Payoffs to LoanDepot.

For transactions involving a payoff of a loan where LoanDepot is the payee, servicer, or lender **payoffs should only be made by check**:

A. First check the following on the payoff letter:

- The payoff letter was received by your office on or before January 3, 2024.
- The Wire instructions on the payoff letter show either:

Mortgage Payoff Authenticated Wire Instructions	
Bank Name:	JPMorgan Chase Bank
Routing Number:	021000021
Acct. No.:	736075778
Beneficiary Name:	Loandepot.com LLC Payoff Clearing

Short Sale Proceeds	
Bank Name:	JPMorgan Chase Bank
Routing Number:	021000021
Acct. No.:	239327569
Beneficiary Name:	loandepot.com

- The mailing address for sending physical checks to LoanDepot should show the same address as in D. below.

If your payoff letter doesn't match these details, please contact WFG Underwriting.

B. Ask your seller/borrower to send you a recent mortgage statement and cross-check the amounts against the payoff. They won't be exactly the same because of interest accruals and fees, but should be reasonably close in amount.

If the seller/borrower does not have a copy of a recent statement, that is not a basis for holding up closing.

C. **Pending further notification, payoffs should NOT be made by wire**, even if the instructions permit or require a wire. Review all instructions carefully.

Even if the payoff requires a Cashier's Check, we recommend sending a normal trust account check because of the difficulty and expense of getting a Cashier's check replaced.

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- D. The check should be sent by overnight delivery service, **with a signature required** to:

LoanDepot  
6531 Irvine Center Drive, Suite 100  
Irvine, CA 92618  
Attention: Payoff Department

- E. When your bank statement comes in, please check the back of any checks paid to LoanDepot for any indication that the payment may have been rerouted or misapplied.
- F. As always, please continue to follow up regarding receipt and recording of the appropriate release/satisfaction/reconveyance.

### **3. Other Outgoing Wire Transfers to LoanDepot**

**Pending further information**, the loan proceeds on any cancelled LoanDepot loan should ONLY be returned to the originating bank account, notwithstanding other directions that may seem to have come from LoanDepot.

Repayment of excess funds or fees payable should be sent by physical check to the address above.

We will provide more guidance as more information is obtained.

If you have any questions relating to this or other bulletins, please contact your WFG underwriter.

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