

WFG Underwriting Bulletin



To: All WFG Policy Issuing Agents; All WFG Title Examiners, Escrow Officers and Employees
From: Underwriting Department
Date: May 6, 2024
Bulletin No.: NB 2024-06
Subject: Claims Warning – Embassy & Consular Notarizations

We hate claims, not because we hate to write checks – that’s the business we’re in as an insurer. We hate claims because a claim means we’ve let down one of our customers. They didn’t get the property interest they thought they were buying. While our customers are glad to have the financial resources of WFG covering their loss, they would much rather have had “perfect” title and no claim. And we really hate it when we or one of our agents has to pay a claim arising from an avoidable closing or escrow error.

It's embarrassing to admit, but one of WFG’s direct offices just paid a policy limits claim on the scenario below. We share this in hopes that we can all learn from their experience.

Many United States Embassies around the world provide notarization services for American citizens travelling abroad and for foreign nationals involved in U.S. transactions. These used to be considered the “Gold Standard.”

Few criminals would risk having their pictures and IDs entered into a State Department database and having to be cleared by two armed Marines, all before they even get in to see the Notary.

Unfortunately, we are now seeing forged/photo shopped embassy notarizations being used as part of Identity Theft Frauds. So in addition to the red-flags applicable to other Vacant Land – Unoccupied Properties as outlined in Bulletin [NB 2024-04](#), and steps to mitigate risk in those transactions, we have another layer of checking to do when a Deed is purportedly being notarized at a US Embassy or US Consulate.

- US Embassy and US Consulate notarizations are not (yet) done electronically. The original executed documents must make it back to your office for closing – often days later.
 - It’s a major red flag if one of the signatures on an embassy notarization looks like a computer generated font or indicates it was e-signed.
 - Ask the signatory to send you a copy of the executed documents by email and use those to start validation.

- Google the name of the notary. We've had claims in which the notary was the actual Ambassador to the country in question, others in which it was a high ranking official at the embassy. We assure you, someone with the title Ambassador, Chief of Staff, Chief of Mission, Country Director, or any other high-sounding title is not personally notarizing documents. Use your common sense, and look for any alternative contact information for the notary (even a private message through Facebook or LinkedIn)
- Use the few days of lead time to try to call the embassy directly and verify the notarization. The embassy/consulate should at least be able to verify that the consular official whose name is listed was an employee at that location who took acknowledgements when the document was allegedly "notarized." That simple question has actually caught some frauds. The notarizing official had left the post for a different one in DC several years prior to the date the document was allegedly notarized.
- Confirm that the location of the embassy or consulate corresponds with the location of the taxpayer, the return address on the express delivery package bringing original documents back to you, and where funds are to be sent. A major mismatch in any of those is a red flag that must be investigated further.
- Be especially mindful and/or suspicious when the seller proceeds are being wired to an entirely different country or to a bank a great distance from where the seller resides or signed the deed.
- Compare the signatures to any other examples you may find in the land records. Contact the closer for the last transaction and ask to compare the information you have with theirs. They may have direct contact information.

Please note – these steps are in addition to those set forth in Bulletin [NB 2024-04](#). Your best protection is to make direct contact with the owner at the tax roll address from Last Year, or an independently obtained phone number.

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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.