

# WFG Underwriting Bulletin



To: All New Mexico Policy Issuing Agents of WFG National Title Insurance Company  
From: New Mexico Underwriting Department  
Date: March 3, 2016  
Bulletin No. NM2016-03  
Subject: 2016 Title Insurance Regulations: Escrow Officer License and Definitions of Escrow Officer and Agent

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## **2016 Order of the Superintendent of Insurance Effective October 1, 2016**

### 1. Requirement for Escrow Officers to be licensed.

NMAC §13.14.2.10 was revised to repeal the prior provision for solicitor's licenses and to require that "the escrow officer shall be licensed as a title agent". Although most escrow officers are already licensed as agents, now all must be so licensed by October 1, 2016.

### 2. Definition of Escrow Officer

NMAC §13.14.1.11(E) was added to provide a definition of "Escrow officer" as "an individual associated with a title insurance agent who is responsible directly or indirectly for the escrow closing and settlement functions of a real estate transaction." The agent must determine which employees may be considered escrow officers under the regulation. Certainly anyone who signs WFG title insurance products, conducts closings, signs escrow disbursement checks and supervises the preparation of closing documents and title insurance forms should be considered escrow officers.

### 3. Definition of Agent

NMAC §13.14.1.8 was amended to define a title insurance agent as: "A person licensed as a title insurance agent in New Mexico including a corporation, partnership, joint venture, limited liability company, affiliate, direct operation, or other business entity in New Mexico (except for title insurers authorized under the laws of New Mexico to transact as insurer the business of title insurance) that hold themselves out as being engaged in the business of title insurance. A sole proprietorship entity may also be referred to as an agent."

There is no longer a difference between a title agent and a title agency under the regulatory definitions. However, it is not reasonable to expect every employee of a title company to comply with such regulations that require an agent to own, operate or control a title plant, to retain title and escrow records or to submit annual experience reports. Those are the responsibilities of the company and not the individual employee who may be licensed.

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