

WFG Underwriting Bulletin



To: All New Mexico Policy Issuing Agents of WFG National Title Insurance Company
From: New Mexico Underwriting Department
Date: March 4, 2016
Bulletin No. NM2016-04
Subject: 2016 Title Insurance Regulations: Definitions of Bona Fide Order

2016 Order of the Superintendent of Insurance Effective March 1, 2016

A. Definition of Bona Fide Order

NMAC §13.14.1.8(C) now broadly defines "bona fide order", as required under NMAC §13.14.5.8, as (this is a recap - not the complete text):

(1) Receipt of a fully executed purchase agreement, either the original or a copy, for the sale of real property, supported by earnest money or other consideration; or,

(2) A title order delivered in writing, electronically or orally:

a. for a new or refinance loan, to be secured by a lien on real property, from a lender or its representative, including a mortgage broker; or,

b. from a lender or its representative, regarding foreclosed, REO real property; or,

c. from a listing real estate agent or owner where there is a signed listing agreement for sale of the real property that is the subject of the title order; or,

d. Any other type of order for title insurance which the receiving title insurance agent reasonably believes will lead to a closing of the sale or financing of real property in due course.

(3) **Please note this requirement re "TBD's"!** If a title order is missing one or more terms you shall issue a commitment with those terms denominated as "to-be-determined" or "TBD" with an additional requirement as follows: **"This title commitment is not effective until schedule A is completed and the company reserves the right to amend and supplement this commitment with additional information, requirements and exceptions based upon the provision of additional information."** (Emphasis added)

(4) A title order to determine the status of title indicating an intention to file for judicial foreclosure on an existing mortgage or deed of trust, quiet title suit or other litigation in the future, with no present intention to purchase a title insurance policy, is not a "bona fide order for title insurance". A title order while a judicial foreclosure, quiet title suit or other litigation is pending shall be considered a "bona fide order for title insurance" under the circumstances.

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