



UNDERWRITING BULLETIN - TEXAS

No. 20 (Corrected)

DATE: June 12, 2012

RE: Search Guidelines

Our general search guidelines are as follows:

1. When you have an owner policy issued by a licensed Texas underwriter insuring the party now vested in title:

A. Your search should begin 60 days before the date of the prior policy. The prior policy must cover the same property you are examining. If your company issued the prior owner policy, you may start your search with the plant date of the last commitment.

B. The purchaser's/borrower's name should be checked for federal abstracts of judgment* (20 year search), Texas Workforce Commission liens, also known as wage earners' liens (20 year search), and pending bankruptcies.

C. Conveyance should be by general warranty deed when you have an arm's length sale between private persons or entities.

2. When you do not have an owner policy issued by a licensed Texas underwriter insuring the party now vested in title:

A. Platted subdivision property and you have a base in your plant:

i. You may use your base as a starter.

ii. The purchaser's/borrower's name should be checked for federal abstracts of judgment* (20 year search), Texas Workforce Commission liens, also known as wage earners' liens (20 year search), and pending bankruptcies.

iii. Conveyance should be by general warranty deed when you have an arm's length sale between private persons or entities.

B. Platted subdivision property and you do not have a base in your plant:

i. Your search should begin on or before January 1, 1979, (Sect. 2501.004, Texas Insurance Code), and further back if necessary to reach the last complete conveyance by general warranty deed, or such greater period of time as is necessary to determine ownership and appropriate liens, encumbrances upon or defects in the title.



ii. The purchaser's/borrower's name should be checked for federal abstracts of judgment* (20 year search), Texas Workforce Commission liens, also known as wage earners' liens (20 year search), and pending bankruptcies.

iii. Conveyance should be by general warranty deed when you have an arm's length sale between private persons or entities.

C. Acreage:

i. Your search should begin on or before January 1, 1979, (Sect. 2501.004, Texas Insurance Code), and further back if necessary to reach the last complete conveyance by general warranty deed. Additionally, your search should encompass whatever additional period of time is necessary, in your opinion, to find all pipeline easements, access easements, etc., which affect title.

ii. The purchaser's/borrower's name should be checked for federal abstracts of judgment* (20 year search), Texas Workforce Commission liens, also known as wage earners' liens (20 year search), and pending bankruptcies.

iii. Conveyance should be by general warranty deed when you have an arm's length sale between private persons or entities.

Mineral Search

These guidelines apply in addition to the rules set out above.

- If you do not intend to insure the mineral estate, either insert the mineral exclusion in the property description on Schedule A, or place the general mineral exception on Schedule B. See Procedural Rule P-5.1 for the promulgated wording. You may still put on Schedule B any mineral estate exceptions found in your search.

Note: Merely putting "surface only" in the property description is not sufficient to exclude mineral coverage from the policy.

- If you intend to insure the mineral estate, you must have a plat that is complete from 1900, or earlier, and you must show on Schedule B all items your search uncovers which affect the mineral estate.

* An abstract of a judgment entered in a federal court in which the United States or an agency or department of the United States was the plaintiff is a super priority lien.

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