

UNDERWRITING BULLETIN - TEXAS

No. 38

DATE: February 24, 2014

RE: Policies Issued Not as Part of a Current Transaction

It is permissible to issue an OP or an LP when someone took title or made a loan at some point in the past, instead of as part of a current transaction. These situations are discussed in TDI Bulletin No. 152, dated July 1, 1980, a copy of which is attached.

Some of the common situations where we see these policy requests include:

- Someone purchased property in the past but did not obtain an OP at that time;
- Someone took title through probate or through a divorce; or,
- A lender made a loan against the property in the past but did not obtain a LP at that time.

Nationwide, WFG is experiencing an inordinate amount of claims on polices issued in these types of situations.

Please contact Underwriting when you are asked to issue an OP or an LP which is not part of a current sale or loan transaction.

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