

WFG Underwriting Bulletin



To: All Virginia Policy Issuing Agents of WFG National Title Insurance Company
From: WFG Underwriting Department
Date: February 6, 2016
Bulletin No. VA 2017-02
Subject: Virginia Bureau of Insurance Guidance - Prohibition Against Rebating / Electronic Recording

By letter dated January 4, 2017 addressed to registered settlement agents in Virginia (the “Letter”), the Bureau of Insurance responded to inquiries regarding the apparent offering of free home warranties or other things of value in exchange for settlement services. In addition, the Bureau addressed the permissibility of utilizing third party vendors for the electronic recordation of settlement documents.

The Bureau’s Letter warns that the offering or giving of a free home warranty, home inspection or other thing of value, is an impermissible rebating practice by a settlement agent even if not expressly conditioned on the purchase of title insurance.

When using a third party vendor for electronic recording, the Letter cautions a settlement agent against permitting a third party to debit the settlement agent’s main escrow account for recording fees. The Letter suggests that paying such fees by escrow check or establishing a separate escrow account for Virginia only recording funds would be permissible.

A copy of the Bureau’s January 4, 2017 letter is attached [HERE](#).

NOTE: This Bulletin is for the sole purpose of establishing underwriting positions and policies reflecting WFG National Title Insurance Company’s best business judgment. The information contained in this Bulletin is intended solely for the use of employees of WFG National Title Insurance Company, its title insurance agents and approved attorneys. Disclosure to any other person is expressly prohibited unless approved in writing by the WFG National Title Insurance Company’s Underwriting Department.