

Date: November 22, 2013
To: All Texas Agents
From: David Hays, Vice President/Underwriting Counsel
RE: NOTICE OF TERMINATION OF COLLECTION OF THE POLICY GUARANTY FEE

EFFECTIVE JANUARY 1, 2014 – COLLECTION OF THE POLICY GUARANTY FEE WILL TERMINATE

The Texas Title Insurance Guaranty Association board of directors voted and approved a termination of the \$2.00 policy guaranty fee. Effective January 1, 2014, agents shall no longer include the \$2.00 policy guarantee fee on the settlement statement. Please notify all associates affected by this change and make the appropriate modifications to your closing procedures as of January 1, 2014.

Agents will continue to collect and timely remit the \$2.00 policy guarantee fee through December 31, 2013. In the event an agent is unable to update a settlement statement reflecting the \$2.00 policy guarantee fee for a closing scheduled to close at the end of December 2013, the closing for which is postponed and rolls into the first week of January 2014, the agent should refund the fee to the appropriate party(ies).

In addition, the time for determining the final date on which the \$2.00 policy guaranty fee shall be collected is the recording/policy date. If closing occurs at the end of December but recording/policy date will reflect January 1, 2014, or later, the policy guaranty fee shall not be included on the settlement statement.

If you have additional questions, please contact the FNTI underwriting department.