

COVID-19 Bankers Title Business Impact - Updated as of 03.23.2020

As we prepare for the wide range of outcomes related to this unprecedented time regarding COVID-19, we want to assure you that our highest priorities are the health and safety of our customers, partners, clients and employees.

We are monitoring the federal and state guidance and are prepared to implement extensive business continuity measures to ensure uninterrupted service levels through the duration of this ever-evolving situation.

To-date we have implemented the following:

- Thorough sanitary practices have been employed in our physical office to reduce the risk to customers and employees.
- We have locked our doors at the Roanoke office and installed a doorbell. Pick-ups and deliveries will be conducted at the door.
- We are asking that anyone who has been out of the country in the last 14 days, been diagnosed or in close contact with someone who has been diagnosed with COVID-19, been advised by a doctor to stay home or shown symptoms of COVID-19 to contact us prior to closing or visiting our office.
- Only those signing documents will be permitted in the closing room.
- We will restrict client's access to just the closing room and essential staff.
- Ask those attending the closing to keep a 6 ft distance where possible.
- Provide disposable pens for closing or allow clients to bring their own blue ink pen.
- Completely disinfect the closing area after a closing.

Additional Areas of Business Impact and Change:

- Turn times on title only files may be extended beyond our normal service standards due to the current high volume of incoming orders and staffing. We appreciate your understanding and our team will do its best to accommodate the urgency of each request.
- **With the unprecedented volume of new settlement orders, we request a minimum 30 day turn time from receipt of order to closing date.** Our team will continue to work diligently to meet all timelines and target dates, while providing a positive client experience. We appreciate your flexibility to extend target close dates should the need arise.
- For the safety of our closers, we request that all closings take place in a professional office environment during our regular business hours of 8:30 am to 5:00 pm unless otherwise approved.

To the extent that our services rely on third-party and government entities, we will adapt and respond accordingly. We have seen city and county governments shut down in various capacities, including the courthouses, clerk's offices and other departments integral to our operations. This may impact our ability to obtain title searches as well as promptly record documents. We have the ability to e-record with clerk's offices that accept e-recordings and will adapt to the processes required by offices that do not handle recordings this way. This change in procedures could slow down our timelines and we are asking that you be patient with us as we navigate these new challenges.

To our Lender and Settlement Provider partners, Bankers Title along with our underwriter, Investors Title, remain committed to protecting our insureds through this uncertain time. Investors Title has adopted the following general guidelines in order to insure a transaction:

1. **No Interruption in Operations:** To the extent that the Recording Offices remain open for all necessary functions in order to perform a thorough and complete title examination and recordation, there is no change in the underwriting for these transactions.

2. **Partial Interruption in Operations:** In cases where there is an interruption in some of the operations of the Recording Office, Investors Title will insure transactions during the period of time such offices are closed in accordance with the ALL of the following criteria:
- The certifying attorney or agent must be able to perform a title examination, including an update of the title at the time of recordation. If the necessary Recording Offices have records available online (even if the office is closed), this element will be met. If satisfactory title information exists, but the recordation of real estate documents (including any mortgage and deed) is not possible because the Recording Office is closed and is not accepting electronic filings, Investors Title, where permitted by law or regulation, will insure the title if these conditions are met:
 - The policy will not exceed \$2 million;
 - You secure our customary title affidavits in addition to this **Gap Indemnity Agreement**;
 - The title examination does not show that the seller/borrower is subject to any outstanding involuntary or statutory liens (such as judgment liens, tax liens, or mechanic's liens), lawsuits or bankruptcy;
 - The insured mortgage is not a construction mortgage and there has been no recent construction; and
 - All insureds acknowledge in writing that recording and the return of the original deed and mortgage will be delayed until the Recording Office is open and that neither Investors Title nor its title agents can provide any estimate as to the date of recordation of such title documents in the land records. Satisfactory acknowledgments by lenders may be indicated through closing instructions or by email confirmation.
 - **The title commitment will contain the following:**

The recording of deeds, deeds of trust and other instruments affecting legal title and record ownership of the land may be delayed during the State of Emergency thereby causing a delay or inability to refinance or sell the Land, obtain a building permit for the Land, or sell the insured mortgage on the secondary market. Loss or damage due to such delay during the State of Emergency does not fall within insured closing protection coverage provided to the proposed insured.

Further, for transactions in Virginia, the following applies:

- **Disbursing funds prior to recording:** In 1-4 family residential transactions Va. Code §55.1-903 requires parties providing funds in a residential transaction to agree in a separate writing to the disbursement of funds prior to recordation. Accordingly a copy of this **Virginia Disbursement Authorization Form** must be executed. If a lender does not agree to accept title insurance coverage rather than recordation prior to disbursing funds, whether residential or commercial, you cannot close a transaction with a loan.
- **Title Search:** Search online to the extent possible. If an online search is not possible and the clerk's office prohibits examiners from having access to the land records, we cannot prepare a commitment.
- **Electronic Recording:** Lender must confirm in writing that they will accept electronically recorded loan documents. If they will not and the clerk's office only allows e-recorded documents, we cannot insure the transaction as the settlement agent cannot comply with lender instructions.
- **Purchase Transactions:** the buyer should not be given possession until documents are delivered for recording.

We understand this does not cover all possible scenarios. For all transactions not clearly outlined above, we will work with you and underwriting counsel at Investors Title to find a possible solution.