

June 2014

Official Publication of the
American Land Title Association

TitleNews

Email Encryption: Locking Down Data a Business Necessity

With Regulatory Requirements and Cyber Threats Pushing Title Professionals to Protect NPI when Sending via Email, Finding an Easy-to-Use Solution is Key to Successful Deployment



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June 16-17	DC National Harbor, MD
June 16-18	Texas San Antonio, TX
June 18-20	South Dakota Deadwood, SD
June 19-22	New England (CT, ME, MA, NH, RI, VT) Bretton Woods, NH
July 10-12	Pacific Northwest (ID, MT, OR, WA) Cle Elum, WA
July 13-15	Michigan Mackinac Island, MI
August 6-9	Kansas Manhattan, KS
August 14-15	Minnesota Walker, MN
September 8-9	Ohio Columbus, OH



Look at What You're Missing
in this month's Digital Issue



Tackling Email Encryption

The digital edition of TitleNews includes a recorded webinar discussing why email encryption is important, different delivery options that are available and how to select a solution that meets your needs.

Go to www.alta.org to get your copy of Digital TitleNews Today!

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TitleNews is published monthly by the American Land Title Association. United States and Canadian subscription rates are \$30 a year (member rate); \$100 a year (nonmember rate). For subscription information, call 800-787-ALTA.

Send address changes to *TitleNews*, American Land Title Association, 1828 L Street, N.W., Suite 705, Washington, D.C. 20036.

Anyone is invited to contribute articles, reports, and photographs concerning issues of the title industry. The Association, however, reserves the right to edit all material submitted. Editorials and articles are not statements of Association policy and do not necessarily reflect the opinions of the editor or the Association.

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Adapting to Change a Constant Process for Successful Companies

For years, Nokia and Motorola ruled the cell phone industry—back when cell phones were just phones. Then the smartphone was developed and the market leaders changed. Thinking about the lightning-speed evolution of cell phones makes me recall the early Bag Phone we used on our family farm. (It had great reception out on the tractor, by the way.)

I purchased my first cell phone in 1991. It was mounted by the gear shift in my car and had a speaker by the visor. This was pretty cool for a while. In 2001, Blackberry became my device of choice for more than a decade until I switched to an iPhone a year and a half ago. (I bought it for the camera.) While I'm talking about the devices that have been my cell phones, I'm actually talking about an evolution in a product line.

With each new device, we've constantly had to adapt to take advantage of new technologies. The same way we've had to adapt to changing cell phone technology, companies must constantly modify their business practices for securing non-public personal information (NPI). Even though you may have a system in place now, you must remain vigilant in protecting your company and your customers from thieves looking to steal financial information. Implementation of the Consumer Financial Protection Bureau's new integrated mortgage disclosures in August 2015 will require title agents and lenders to share NPI in order complete the new Closing Disclosure. It will be vital for title professionals to have systems in place to help ensure the integrity of the data. According to a new data breach report from Verizon, two out of three of all breaches exploit weak or stolen passwords. The report concluded that organizations must realize that no one is immune from a data breach.

To help title professionals implement processes to enhance data security, the cover article in this month's edition walks through some of the factors to consider when selecting an email encryption solution. We also share how one small company found a viable option that didn't break the bank and disrupt workflow. Additionally, we have an article on how to develop strong passwords.

While no system or password is impenetrable, implementing ALTA's Best Practices and documenting the policies and procedures you follow to show you are taking steps to protect data is a no-brainer. This may seem daunting to some, but technology has changed the way we work and share information. Successful companies will meet the challenge. ALTA is here to help make adapting to change a little more palatable.



A handwritten signature in black ink that reads "Michelle Korsmo". The signature is fluid and cursive.

- Michelle Korsmo, ALTA chief executive officer

ALTA Urges Support to Stop Eminent Domain Scheme

ALTA joined 13 other groups in a letter urging members of the Senate Committee on Banking to support an amendment to the Housing Finance Reform and Taxpayer Protection Act (S. 1217), which would eliminate a threat posed by a new eminent domain scheme that could devastate investor confidence in the mortgage market. The amendment was proposed by Sens. Pat Toomey (R-Pa.) and Tom Coburn (R-Okla.).

Numerous communities across the country are considering entering into an agreement with

an investment fund that envisions using a municipality's eminent domain power to acquire performing but underwater mortgage loans held by private-label mortgage-backed securities (PLS). The investment fund would then refinance the loans through programs administered by the Federal Housing Administration (FHA).

ALTA believes these actions would severely impact the return of private capital to the mortgage markets, and would therefore undermine any chance of success of the new system as envisioned in S. 1217.

Scam Alert: Fraudsters Try to Poach Hotel Rooms for ALTA Annual Convention in Seattle

ALTA has learned that a company known as a room-block poacher is contacting people who may be looking to make reservations for the 2014 Annual Convention, which will be held Oct. 15-18 at the Westin in Seattle.

In emails and on phone calls, Exhibition Housing Services indicates that rooms are almost sold

out at the Westin. In order to reserve a room, the company requires a 25-percent deposit and a form to be completed. Ignore phone calls and emails from this company. Hotel contracts are all handled directly by ALTA. You should only respond to phone calls or emails that come directly from ALTA.

ALTA Asks FHA to Mirror FHFA's Rule on Transfer Fee Covenants

ALTA and five other trade groups urged the Federal Housing Administration (FHA) to synchronize its regulatory treatment of transfer fee covenants with the Federal Housing Finance Agency (FHFA).

In a letter to FHA Commissioner Carol Galante, ALTA said that the FHFA's final rule on transfer fee covenants establishes a clear, national standard protecting homeowners from equity-stripping private transfer fees while preserving the superiority of state and local governments over land-use standards.

Any conflicting federal standard on transfer fee covenants by FHA will cause

confusion in the market and require community associations to amend governing documents.

Fees that increase the costs of housing can disenfranchise those who wish to purchase property; however, fees that provide a direct benefit to homeowners and improve the property are legitimate and should be permitted.

Joining ALTA on the letter were the National Association of Realtors, National Association of Home Builders, Mortgage Bankers Association, Institute of Real Estate Management and Community Associations Institute.

Title Professionals in Nebraska, Alaska Earn ALTA Designation

ALTA awarded National Title Professional (NTP) designations to Deborah Scott of Omaha Title and Escrow Inc. in Omaha, Neb., and Crystal J. Peltola of Alaska USA Title Agency LLC in Anchorage, Alaska.

"I congratulate both of these dedicated and qualified women," said ALTA President Rob

Chapman. "Their hard work and efforts are invaluable contributions to the land title industry. As we celebrate their work, I also encourage other members of the land title industry to apply for the NTP designation."

To apply for the NTP designation and for more info, visit www.alta.org/ntp.

Revisions to CPLs, Short Form Policy Published as Final

The following forms have passed through the comment period and have been published in final on the ALTA website in the “Recently Approved Forms - Final Publication” section:

- *ALTA Closing Protection Letter - Multiple Transactions (04-02-14)*
- *ALTA Closing Protection Letter - Single Transaction (04-02-14)*
- *ALTA Endorsement 40-06 Tax Credit - Owner's Policy (04-02-14)*
- *ALTA Endorsement 40.1-06 Tax Credit - Defined Amount - Owner's Policy (04-02-14)*
- *ALTA Short Form Expanded Coverage Residential Loan Policy (04-02-14)*

The ALTA Board of Governors approved recommendations to adopt the two new endorsements and make revisions to two closing protection letters and a short form policy. Several comments were accepted and publication headers have been updated, so it is important that the final publications be downloaded.

Pursuant to the comment period, the revised ALTA CPLs have been modified to clarify jurisdiction and application

of law in Paragraph 13.

Also pursuant to the comment period, the new ALTA Endorsement 40.1 (Tax Credit - Defined Amount - Owner's Policy) has been modified to remove the signature block for the insured.

In addition, the ALTA Forms Committee has posted Technical Corrections to existing forms (see the “Recent Technical Corrections” section):

- *ALTA Endorsement 29-06 Interest Rate Swap Endorsement - Direct Obligation (2-3-10)*
- *ALTA Endorsement 29.1-06 Interest Rate Swap - Additional Interest (2-3-10)*
- *ALTA Endorsement 29.2-06 Interest Rate Swap Endorsement - Direct Obligation - Defined Amount (08-01-11)*
- *ALTA Endorsement 29.3-06 Interest Rate Swap Endorsement - Additional Interest - Defined Amount (08-01-11)*

Contact Kelly Romeo, ALTA's staff liaison to the ALTA Forms Committee, at kromeo@alta.org with questions.

2013 Title Premium Volume Increases 11.5 Percent

Title insurance premium volume written in 2013 increased 11.5 percent compared to 2012, according to ALTA's Year-end and Fourth-quarter Market Share Analysis.

The title insurance industry generated \$12.7 billion in title insurance premiums in 2013. During the fourth quarter of 2013, the industry reported \$3 billion in title insurance premiums, down slightly when compared to the same quarter the previous year.

“The title insurance industry continued to strengthen over the past year as the housing market maintained its recovery in 2013,” said Michelle Korsmo, ALTA's chief executive officer. “Overall, 47 states and the District of Columbia reported increases in title insurance premiums written during 2013 when compared to 2012.”

Here's a look at some of the data from the market share report:

States Generating Most Title Insurance Premiums in 2013

- Texas (\$2 billion, up 19.2 percent from 2012)
- California (\$2 billion, down 4.5 percent)

- Florida (\$1 billion, up 25 percent)
- New York (\$991 million, up 20 percent)
- Pennsylvania (\$567 million, up 12 percent)

States Reporting Largest Percent Increase from 2012 to 2013:

- North Dakota (31 percent)
- West Virginia (28 percent)
- Florida (25 percent)

During Q4 of 2013, 13 states saw increases in title insurance premium compared to Q4 2012.

States with Highest Percent Increase in Q4 2013 Compared to Q4 2012

- North Dakota (23 percent)
- New York (20 percent)
- South Carolina (17 percent)
- Vermont (12 percent)

Market Share

- Fidelity Family (33 percent)
- First American Family (27 percent)
- Old Republic Family (15 percent)
- Stewart Family (12 percent)
- Independent underwriters (13 percent)

Photo Contest Winners

Last month ALTA announced a “Show Us How You Work” photo contest asking for photos of your desk, office or workspace. We had several entries and we’re excited to share the best this month! Have your own photo to submit? Tweet to us using the hashtag [#ALTAdesk](#) and we’ll retweet the best ones! Mosley Title in Arkansas took an interesting approach with a fisheye lens. Check out their best three submissions below.



2nd Place Photo Contest Winner

This photo comes to us from Jo Anne Reed of American Abstract and Title in Iowa. Jo Anne says “I’m cluttered and I have to have toys around me—little pieces of my kids and grandkids.”

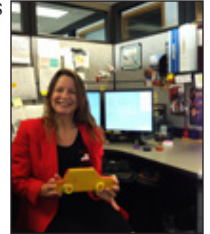


Photo Contest: Honorable Mention

Our Honorable Mention photo comes from ALTA Twitter follower [@KLVincbey](#). Thanks for participating!



Caption Contest Winner



Remember this photo from ALTA’s Business Strategies Conference? We asked you to send us the best caption imaginable and we had several entries. Our winning caption comes from Nicholas P. Timpanaro with Fortune Title Agency in New Jersey. With so much attention being spent on our lender clients and the ALTA Best Practices, Nick’s caption reads: “Look out, there’s a lender on the loose!”

ALTA Best Practice:

Information and Data Privacy



What it means from a customer's point of view:

“My non-public personal information is being protected.”

What it means for you:

fntg.com/bestpractices

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Email Encryption: Locking Down Data a Business Necessity

With Regulatory Requirements and Cyber Threats Pushing Title Professionals to Protect NPI when Sending via Email, Finding an Easy-to-Use Solution is Key to Successful Deployment

A little over a year ago, Wisconsin Title Closing & Credit Services started using Barracuda's cloud-based system for spam filtering and to block viruses. Meanwhile, the title company was unsuccessfully searching for an email encryption solution. That's when Linda Tojek, Wisconsin Title's information systems manager, stumbled on an email encryption tool included in Barracuda's spam and virus firewall product. As the company used the email service to set up white lists for client domain names, Tojek discovered the system provided custom filtering that allowed for email encryption. >>

By Jeremy Yohe



Tojek said the title company's production software provider had just set up encryption for documents before she discovered the Barracuda option. Performing encryption through the production software was cumbersome. First, it required the user to specify which documents needed encryption. Then, a password had to be requested and sent to the receiver. The company needed a better solution for itself and its customers.

“The option we found is so seamless. We've received responses from some of our lenders that this is a great way to send documents containing non-public personal information.”

“The option we found is so seamless,” Tojek said. “We've received responses from some of our lenders that this is a great way to send documents containing non-public personal information (NPI).”

While Wisconsin Title discovered an option that works well for its staff and customers, finding an email encryption solution that integrates with normal workflow, can easily be used by staff and received by customers—and is still affordable—continues to be an issue for title and settlement companies.

Regulatory Requirements

Today's regulatory environment and the increasing threat of cyber breaches requires NPI be sent

securely, but the requirement to protect financial information isn't new. The importance of safeguarding data gained traction at the federal level in 1999 with the passage of the Gramm-Leach-Bliley Act (GLB). Specifically, the legislation requires institutions dealing with financial information—including title and settlement companies—to ensure they're handling it “in a safe and secure fashion.” In 2003, privacy safeguards promulgated

by the Federal Trade Commission (FTC) required companies to create an information security program outlining procedures to protect customer information. The Consumer Financial Protection Bureau's (CFPB) third-party service provider bulletin issued in 2012 reiterated prior regulations, but brought the entire issue to a crescendo.

“The CFPB reinforced the message that lenders are 100-percent liable for the actions of their service providers,” said Scott Fairbanks, regional sales manager at GreenFolders. “Title agents, as third-party providers to lenders, are held to that same standard.”

The third pillar of ALTA's “Title Insurance and Settlement Company Best Practices,” provides guidance on safeguarding NPI. The Best Practices define NPI as “personally identifiable data such as information provided by a customer on a form or application, information about a customer's transactions, or any other information about a customer which is otherwise unavailable to the general public.”

NPI includes first name or first initial and last name coupled with any of the following: date of birth, Social Security number, driver's license number, state-issued ID number, credit card number, debit card number or other financial account numbers.

This definition is consistent with the definition used by the FTC for GLB compliance. Title professionals should take a look at the types of documents they produce or access in a typical transaction to determine whether they contain NPI. According to Fairbanks, a close look at commonly handled documents will help to determine whether encryption is appropriate.

So, what exactly does encryption mean? At a high level, email encryption is a process by which emails are secured to prevent unauthorized access. There are multiple methods by which this can be done.

“Picture standard email as if you are creating a letter, putting it in an envelope and sending it through the postal service,” Fairbanks said. “If someone intercepts the letter, they can easily open up the message and read it because it's in plain text. A secure or encrypted email would take that message—that letter—and encrypt it, using a complex set of algorithms so that any unintended

recipients wouldn't be able to read that. Another set of algorithms allows it to be deciphered on the other end. You can think of email encryption as being an armored truck delivering that message right to the intended recipient."

How It Works

To secure a connection between a company's computer or device and an email provider, a connection encrypted with Secure Socket Layer (SSL) and Transport Layer Security (TLS) will need to be established. These are the same protection protocols used when consumers access bank accounts or make online purchases. If SSL/TLS encryption is active the website address (URL) will begin with https instead of http. There should be additional indication, such as a notification next to the address bar or a padlock icon on the status bar at the bottom of the browser window, depending on the browser.

If Microsoft Outlook or an email app on a mobile device is used to check email, it's advised to configure the program to use SSL/TLS encryption. To do this, open the email program or app and navigate to the settings menu. The account will likely be labeled as a POP/SMTP, IMAP/SMTP, HTTP or Exchange account. Look for an option to activate encryption. It's usually in the advanced settings.

Encrypting the connection is just a first step; protecting individual messages during transit is another challenge. To accomplish this, you can use email encryption features built into an email service or specialized software can be downloaded.

Many forms of message encryption, including S/MIME



(Secure/Multipurpose Internet Mail Extensions) and OpenPGP (Pretty Good Privacy), require a security certificate to be installed on the computer. Public keys—essentially random-looking strings of characters—must be exchanged between parties before encrypted messages can be sent and received.

For Wisconsin Title, Tojek explained that when they send an encrypted email the recipient receives a separate notification containing a link to the Barracuda Message Center. This secure service must be accessed with a web browser using HTTPS. The recipient must create a password before logging in to the message center for the first time. Future access is authenticated with the same password. Once recipients are logged in, they are able to view all encrypted messages that are sent to them. Recipients are able to reply to the emails or download them to store on their computer. Any replies are also sent via the Barracuda Message Center.

Whether the information is included in the email or an attachment, the system will encrypt

all outgoing messages that include Social Security or credit card numbers. A predefined filter can be set up to encrypt emails that contain two or more of the following data types: credit card number, expiration date, date of birth, Social Security number, driver's license number, street address or phone number. The system is also compliant with HIPAA requirements.

"I was skeptical because it said it could encrypt Social Security numbers within an attachment," Tojek said. She tested the encryption ability by randomly including properly formatted Social Security numbers in Word and PDF documents.

"Sure enough, the system scanned the documents, found the Social Security number and encrypted the email," she said. "We don't have to do anything on our side. Other than setting up encryption rules, it's seamless."

Data Sharing Fuels Need

An issue on the horizon that will drive the need for encryption solutions to protect NPI is the

SOME THINGS ARE IMPORTANT TO KNOW.

HOW TO BUILD A FIRE:

1. Ensure your fire-building area has proper ventilation unless you want a smoky ambiance.
2. Locate some tinder. Anything from a newspaper to small twigs works. Just pile up a few handfuls without stopping to read the paper.
3. Layer in kindling. Think airy... just a few pieces with lots of room between them. Try for a tipi or criss-cross short sticks.
4. Top everything off with four or five pieces of firewood.
5. Strike a (hopefully) long-handled match to light the tinder in a few places. You can blow lightly on the tinder now, add more tinder pieces or just wait and hope for the best.
6. Your kindling will catch the drift from the tinder, and then you can add more kindling, or firewood, as needed. Don't smother things...leave space for air and marshmallows.

HOW TO GIVE A KILLER COMPLIMENT:

1. Keep an open eye or ear for a complimenting opportunity. You might even file away future compliment material based on conversations you overhear.
2. Be specific! Don't just offer a vague, "lookin' good today." Give enough details that it supports step one, and offers a truly uplifting moment!
3. Wrap things up with a question to prove you're sincere. You might ask if others have noticed, or how they attained their awesome new status... anything that proves you're polite and interested works well.

HOW TO SAVE TIME AND MONEY:

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4. Quickly and easily order each service with just one click from inside of your RamQuest title production solution.
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August 2015 implementation of the CFPB's new integrated mortgage disclosures. A five-page Closing Disclosure will replace the HUD-1 Settlement Statement and final Truth-in-Lending disclosure. In the final rule for the disclosures, the CFPB said the creditor is responsible for delivering the Closing Disclosure form to the consumer, but creditors may use settlement agents to provide the Closing Disclosure, provided that the settlement agents comply with the final rule's requirements.

While it's still uncertain which entity will complete the form and provide it to the consumer, many believe settlement agents will be responsible for the information contained in their systems (generally pages two and three of the Closing Disclosure). Meanwhile, creditors will be responsible for preparing information contained in their system (generally, pages one, four and five). After preparing their respective parts, either the lender or settlement agent would combine and provide the completed Closing Disclosure to the consumer. This option would require both creditors and the settlement agents to each prepare and safeguard the information currently under their control, as they do now under TILA and RESPA.

"I would venture to say that the majority of settlement agents have sent a settlement statement through a standard email channel," Fairbanks said. "We are approaching a time where that will no longer be acceptable because standard email can be intercepted, is not secure and is not compliant."

Threats Lurk

Business practices and regulatory pressures may be pushing companies toward solutions to protect NPI,

TitleNews Extra

Best Practices: Tackling the Challenge of Email Encryption

but criminal acts are making the move a necessity as well. Many small title companies and law offices lack IT staff to implement encryption processes for email, but a couple of recent events highlight the urgency to implement them.

First, title professionals should be aware of a new email fraud scheme by which hackers target consumers and steal earnest money. In this scheme, the fraudsters intercept emails from title agencies providing wire transfer information for borrowers to transmit earnest money for an upcoming transaction. The scammers then alter the title company's bank account information, replacing it with their own. The unsuspecting borrowers would then wire their down payments directly to the fraudsters. The emails appear to be genuine and contain the title agency's email information and/or logos and branding. This scam is similar to an email hacking scheme perpetrated against real estate agents earlier this year.

In these scams, the hackers monitor email traffic of the title agency or

customer to gain knowledge of the timing of an upcoming transaction. While these scams target earnest money, an altered email could conceivably be used by any party to the transaction, including the title agent themselves, to cause misdirection of funds.

In addition, a major new security vulnerability called Heartbleed was discovered in April that exposed millions of passwords, credit card numbers and other NPI to potential theft by computer hackers. The security flaw was found in a type of software called OpenSSL, which is used on servers to encrypt sensitive information to protect people's privacy. The bug allowed hackers to scrape a server's memory and collect data such as usernames, passwords and credit card numbers. Heartbleed impacts websites as well as email servers.

Selecting the Right Solution

These attacks and schemes illustrate the importance of using encrypted email to send private information, including account

numbers. Technological advancements have made email encryption easier, making it much less difficult for title professionals to protect their clients' NPI. Greg McDonald, CEO of Cloudstar Nationwide Services, recommends picking a solution that causes the least amount of disruption to a company's customers and staff. When looking for a solution, McDonald said title agents may want to consider asking their underwriters because they have some shared liability and have a vested interest in the industry's success.

Underwriters will sometimes partner with email encryption providers that will offer discounts to agents. McDonald cautioned agents not to blindly follow their underwriters' advice, however, because the recommended solutions may not support mobile integration or Transport Layer Security, which is a protocol that encrypts and delivers mail securely.

Software and IT vendors also are valuable sources for recommendations. Companies with the luxury of having an IT department should involve staff when researching options.

There are many different encryption providers in the market, but according to McDonald, "they all do one thing—they encrypt email."

The main question title professionals will want to ask is whether a vendor can deliver a message directly to a customer's mailbox without asking him or her to log in to a secure portal. Another key question is how a system works on mobile devices.

"When title agents are emailing customers—and in many cases, even the bank—about 65 percent of them are going to retrieve messages on a mobile device," McDonald said.

Five Tips for Selecting Email Encryption

Get into compliance with the third pillar of ALTA's Best Practices and protect yourself against breaches that can result in non-public personal information (NPI) being exposed through email. Even if email is hacked, if it is encrypted, it is considered protected. Here are five tips for selecting an email encryption solution:

Tip 1: If the Solution Feels Too Complicated, It Probably Is

Employees must be able to easily conduct business using the email encryption tool or they'll turn to less-than-secure methods. And there must not be any additional burdens placed on the recipient. Ease-of-use is of utmost importance—for the user and the recipient.

Tip 2: Look for Policy-based Gateway Filtering

NPI can be exposed through the email itself or in associated file attachments. Look for a solution that can filter messages and a wide variety of file attachment formats. The technology should be able to combine pattern matching and exact matching to specific data lists when scanning for NPI that you don't want leaving the company in an unencrypted state.

Tip 3: Require Easy Handling of File Attachments

A solution must let users easily send large files with NPI as email attachments without getting IT involved, while still maintaining compliance and control. Without this capability, workers often use unauthorized file sharing services. Most of these services do not encrypt the data, thus exposing the company to risk.

Tip 4: Make Sure You Can Demonstrate Compliance

Eliminate solutions that cannot provide extensive logging and reporting. These tools are necessary to help manage operations, as well as provide details for audits and proof of compliance. Effectiveness cannot be proven if it cannot be measured. This is a must have.

Tip 5: Ensure Secure Inbound Communication

Robust email encryption solutions provide a way for customers or business partners to start a secure email exchange without the need to install or use complicated encryption software of their own. Look for a solution that provides a secure portal through which outsiders can initiate secure inbound messaging.

Bob Janacek is CTO and co-founder of DataMotion, which offers solutions for delivering email and files securely, helping real estate settlement organizations get into compliance with ALTA Best Practices.

“When title agents make a choice on how they’re going to encrypt email, it’s impacting their customers, it’s impacting their vendors and it’s impacting their employees.”

Some options include open-source or free data encryption tools such as TrueCrypt, or file-zipping tools, which have encryption as an option. Support for these tools often requires a fee.

Some operating systems also include encryption tools, such as Bitlocker in Windows 7. HTTPS Everywhere is a commonly available extension for Google Chrome and Mozilla Firefox.

Web-based email services such as Gmail and Yahoo may not offer the protection title professionals need, according to Bob Janacek, chief technology officer at DataMotion. While these services may have increased security, he warned that emails may not necessarily be encrypted. Instead, companies will need to use special encryption applications.

Shopping Around

The cost for an email encryption solution varies and is based on the service provided. Fairbanks said increased competition in this space has helped drive down rates for encryption providers.

“A few years back, many companies decided these solutions didn’t make sense financially and risked getting slapped on the wrist if they got caught,” he added. “You’ll find now that there are some very, very affordable options here, whether they’re offered at a per-transaction cost or a per-user cost. It’s very affordable.”

Any solution must work well with a company’s software and IT vendors, as well as its own operation. McDonald cautioned against



signing a long-term contract because technology changes. His advice: Shop around.

The most secure and expensive email encryption options are hardware based, with an average cost of \$30,000 to \$40,000. There are also cloud-based services in the range of \$100 per year that can be easily implemented by small companies.

“Sometimes, quite frankly, people are getting ripped off. So, definitely do your homework,” he said.

McDonald expects a quality product to not require a long-term contract and be in the range of \$3 to \$9 per-month, per-user. “It really depends on the features,” he added. “The low-end of the spectrum will not have many features—the high-end will offer many features.”

According to Tojek, the cost for her company’s encryption service wasn’t much more than if the company hosted its own server.

“The cost is well worth it to us as there is one less piece of hardware that we need to deal with in house, as well as making sure the filtering is updated properly,” she said. “Because this is cloud-based, the

updates for any threats are practically instantaneous.”

Smaller businesses may want to consider a similar path followed by Wisconsin Title and bundle email encryption with other security services, like data-loss prevention, anti-spam and antivirus protection. Many cloud-based email encryption providers can add additional security services for a modest fee.

At the end of the day, however, ease of use is the number one tenet of email encryption.

“The encryption needs to work where you work on mobile devices, desktops and laptops,” Janacek said. “The more encryption can be integrated into your normal workflows, such as a ‘send secure’ button inside your email client, the more end users will take advantage of it.” ■



Jeremy Yohe is ALTA’s director of communications. He can be reached at jyohe@alta.org.

DIY: How to Develop Hacker-proof Passwords

While Nothing is Iron-clad, Risk Can Be Mitigated

BY DAVID BAKER

With all the publicity about the Heartbleed security bug, many people are rethinking their online security and trying to come up with hacker-proof passwords. But is there really such a thing as “hacker-proof”? At the very least, you can lengthen the odds that anyone would get access to your email, your bank account, your credit card information and your online business accounts. Here’s how.

How Passwords Are Stored

Your bank, your credit card company, and the other sites you use don’t actually know your password. They don’t even want to know your password. What they store in their database is something called a “hash,” which is essentially your password’s digital thumbprint. When you set up an online account, the server takes your password and runs it through what’s called a “hash algorithm.” The result looks something like this:

5f4dcc3b5aa765d61d8327deb882cf99

It’s this gobbledygook—and not the password itself—that gets stored in the server’s database. When you log in, the server hashes the password you enter and compares that to the hash stored in its database. If the hashes

match, they know you’ve entered the correct password.

Hash algorithms aren’t secret, however. In fact, they’re well known. Though it would take millions of years for hackers to calculate all possible hashes for all possible passwords, they’ve already done this for the obvious ones. So if you really want your accounts to be compromised, your best bet is to use an obvious password.

How to Create Bad Passwords

Just for fun, let’s assume that you want your important online accounts to be compromised. Here are some of the most effective passwords to accomplish this goal:

- The name of any person, real or fictional, living or dead
- The name of any place, such as the city or state you live in or the street where you live
- Any word in any dictionary, in any language
- A common phrase like “iloveyou” or “letmein”
- Any of the above, with common character substitutions (@ for A, zero for O, etc.)
- Repeated characters or well-known patterns (“aaaaaaaaa” or

“1234567890”)

- Any of the above, with the letters reversed

If you use any of the strategies above, it’s just about guaranteed that anyone who wants to rip you off can do so at any time. On the other hand, if you want to create hacker-proof passwords, read on for some good strategies.

Best Practices for the Best Passwords

There are two basic rules regarding bulletproof passwords:

- 1 The longer and the more random, the better.
- 2 A different password for every account or website.

Many people will see this and think, “There’s no possible way that I can remember a separate super-long password for every website or account I use!” That’s true. The trick is creating a formula that allows you to combine a few password components in a way you can remember. If you can recall the pieces and the pattern, you can create long, unique passwords and keep both personal and client information safe.

Here are some building blocks you might consider:

Pick a base that you won’t forget.
[BASE]

This is what, a few years ago, many people would consider a “password.” It should be a moderately long word, or perhaps an amalgamation of a couple of different words. By themselves, “Rocinante” or “ChickenFeet” would

Password Tips

A Strong Password Should:

- be at least 8 characters in length
- contain both upper and lowercase alphabetic characters (e.g. A-Z, a-z)
- have at least one numerical characters (e.g. 0-9)
- have at least one special character (e.g. ~ ! @ # \$ % ^ & * () - _ + =)

A Strong Password Should Not:

- spell a word or series of words that can be found in a standard dictionary
- spell a word with a number added to the beginning and/or the end
- be based on any personal information such as family name, pet, birthday, etc.
- be based on a keyboard pattern (e.g. qwerty) or duplicate characters (e.g. aabbccdd)

The following are vital suggestions for using passwords

- Do not share your password with anyone for any reason.
- Change your passwords periodically—at least every three months.
- Do not write your password down or store in an insecure manner. Never store a password in an unencrypted electronic file or use the “save my password” feature on websites for important passwords.
- Do not use automatic logon functionality on websites or devices.
- Avoid reusing a password.
- Avoid using the same password for multiple accounts or sites.
- If you have an in-home Internet router, change the default password. Each router has a basic default username and password combination. This makes it easier for hackers to break into your network.

be terrible passwords, but we’re just getting started.

Use words that change with the times. [TIMEWORD]

Security experts suggest changing passwords every couple of months. What if you chose a different 10-letter word for each quarter of the year? For example, you could use “squeezeable” from January to March, then switch to “unmuzzling” for April through June, leaving “skyjacking” and “complexify” for the third and fourth quarters.

Use some letters from the name of the website or service. [URLSNIPPET]

Though it’s never a good idea to use a website URL as your entire password, you can use some letters from a website as a way to make each of your passwords unique to each site. You might take the first five letters,

the consonants and then the vowels, or something similar. Whatever strategy you choose, just make sure it will work both for long and short domains.

Throw in a random number that you won’t forget. [RANDNUM]

By itself, a number or date makes a lousy password. But a memorable number can be a great addition to a password algorithm. You might choose 1989 (the year the Berlin Wall fell) or 753BC (the year Rome was founded) or perhaps 1905 (the year Einstein published his special theory of relativity). Just make sure it’s a number you won’t forget.

Glue the elements together in a way you’ll remember.

Note that you don’t have to use all of the strategies above. But let’s assume that you wanted to. There are

lots of ways we could put together the elements of your password:

- [BASE] + [TIMEWORD] + [URLSNIPPET] + [RANDNUM]
- [TIMEWORD] + [BASE] + [RANDNUM] + [URLSNIPPET]
- [RANDNUM] + [URLSNIPPET] + [BASE] + [TIMEWORD]
- [URLSNIPPET] + [BASE] + [TIMEWORD] + [RANDNUM]

Say you’re using “Snuffleupagus” as your base, “unmuzzling” as your time word and “1776” for your random number. Then suppose that your “URL snippet” strategy involves taking the whole domain of the URL and putting the first letter (capitalized) at the end. Assuming you’re using the first algorithm above and this password is for your PayPal account, you’d end up with the following:


Snuffleupagusunmuzzling
paypalP1776

Now you might be thinking, “Whoa—33 characters is a lot!” That’s true, but you only have to remember four things. By combining them you’re able to have a unique password for every single site you use.

According to the website howsecureismypassword.net, it would take a desktop computer a tredecillion years to crack the password above. (That’s a 1 followed by 42 zeroes). Add an exclamation point on the end and a hacker would need 109 quattuordecillion years to get in. Since both of these numbers are way more than a trillion trillion times the age of the known universe, you can be pretty certain that your PayPal account is pretty safe. ■



David Baker is an award-winning playwright, marketing wonk and technology blogger. He can be reached at me@bakerdavid.com.



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Four Closing 'Pain Points' Identified in CFPB Report

ALTA CEO Participates in Forum Addressing Mortgage Closing Process

The Consumer Financial Protection Bureau (CFPB) published a report that finds that many consumers are frustrated by the short amount of time they have to review a large stack of complex closing documents when finalizing a mortgage.

The report is the culmination of research conducted over the past year. In January 2014, the CFPB published a Request for Information about the challenges consumers face when closing on a home (See the May 2014 edition of *TitleNews*). The request asked for input from market participants, consumers and other stakeholders on ways to encourage the development of a more streamlined, efficient and educational closing process that would be beneficial to consumers.

The report is the latest component of the CFPB's "Know Before You Owe" mortgage initiative, which is designed to improve the home-buying experience for consumers. In November 2013, the Bureau issued a rule requiring two new easier-to-use

mortgage disclosure forms that clearly lay out the terms of a mortgage for a homebuyer. The first form is a Loan Estimate, which provides a summary of the key loan terms and estimated loan and closing costs. The second form is a clearer Closing Disclosure, which offers a detailed accounting of the transaction. The new disclosures must be implemented in August 2015.

The CFPB's closing report outlined four major pain points for consumers during the process:

- **Not enough time to review:** Many consumers are frustrated by the short amount of time they have to look over the closing documents. Often, they do not see the paperwork until they arrive at the closing table. Consumers reported feeling pressure to rush through the paperwork and sign—even when they did not understand the terms.
- **Overwhelming stack of paperwork:** When consumers close on a home, they often face stacks of paperwork. Some of the forms are intended to help consumers better understand the costs and risks of their mortgages. Other forms are included by lenders as a result of their legal risk assessments. Remaining forms



▲ Boston, MA: Field Hearing on Know Before You Owe: Mortgages
Photo Credit: Consumer Financial Protection Bureau

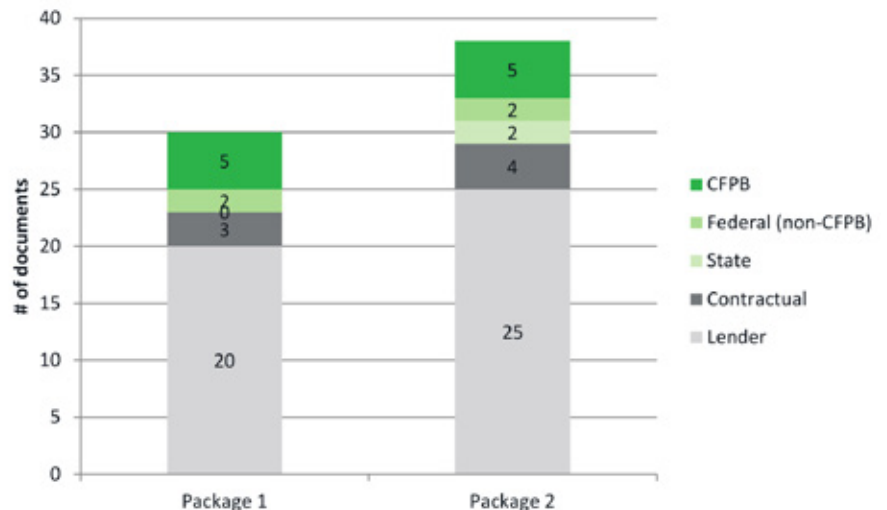
may fulfill federal, state and local government requirements. The volume of paperwork varies from lender to lender.

- **Complexity of documents:** Most closing documents are full of legalese and technical jargon. The terms and acronyms are unknown to most consumers. In addition to having little time to read through and understand a large stack of paperwork, consumers often complained that they had little help from the others in the room.
- **Errors in documents:** Consumers also mentioned that they found errors in their closing documents. Those errors often led to delays as closing agents had to redo the entire closing package.

According to the CFPB’s research, two root causes drive these problems. First, the closing package is large and complex due to the high number of federal, state, and local regulations requiring disclosures, as well as additional documents added by lenders and investors as part of their risk management processes. Second, the closing process has a high level of variability due to the number of stakeholders involved and the fact that neither documents nor practices are uniform across transactions. This variability often leads to increased confusion and errors.

The report references a quote from Neal Wolin, former deputy secretary of the Treasury, describing his closing: “The documents are literally impenetrable Here I was—former general counsel of the Treasury, former general counsel of a Fortune 100 financial services company—asking my lawyer to help me through 100 pages of incomprehensible, turgid gobbledegook.”

Documents Controlled by Each Actor in Sample Closing Packages



Source: Consumer Financial Protection Bureau

The CFPB identified two potential solutions that could contribute to improving the closing process. The first is electronic closings, which the bureau said has the potential to address challenges by shifting the closing experience toward a more paperless process. In addition, the CFPB said reducing and simplifying the closing package is a second option to consider. However, the CFPB recognizes that many stakeholders own or regulate the majority of the closing documents. The volume and complexity of the documents and actors involved create barriers that limit opportunities for direct CFPB action. Additionally, the need for action at multiple levels of government would likely take considerable time to bear fruit. As a result, the CFPB indicated it will not focus its efforts on this solution over the next year.

It should be noted that the CFPB believes that any solutions that are developed should not:

- remove language or documents that help the consumer understand key information
- implement technologies that eliminate opportunities for consumers to ask questions/ gain information or remove the “ceremony” of the closing process that indicates the importance of the transaction (i.e., a faster closing or a remote closing is not necessarily a better closing)

The CFPB held a public forum in April to release the report and discuss efforts to improve the mortgage closing process. The event kicked off with featured remarks by CFPB Director Richard Cordray. Housing and Urban Development Secretary Shaun Donovan concluded the event with additional comments.

“Mortgage closings are often fraught with anxiety,” Cordray said. “We are convinced that we can make important improvements in the closing process. We have taken action to address some of the problems

consumers face, but more needs to be done.”

ALTA CEO Michelle Korsmo joined CFPB staff and consumer and industry groups to discuss the closing process during the forum. She said that ALTA members strongly support efforts to identify and alleviate the pain points consumers experience during the home closing process. She added that technology can help better prepare consumers for closing, allowing them to be more active participants.

“While we are focused on technology and the ability for us to receive, sign and return and retain electronic documents, we cannot lose sight of the importance of personal interaction during the closing process,” Korsmo said. “At the end of the day, consumers are not buying a home from a computer.”

Improving the closing process through technology by providing electronic documents in advance to the homebuyer will help give consumers more time to digest the information about their purchase prior to the closing. Korsmo said ALTA agrees with the CFPB that any implementation of new technology in the home-closing process should not reduce opportunities for consumers to ask for information or replace the ceremony of the closing process which indicates the importance of the transaction.

“Based on our members’ unique vantage point working with all the parties at the closing table, the bureau should not only focus on technological innovations but also on improving consumer education about the closing process,” Korsmo said. “The new integrated mortgage disclosure forms that the CFPB

CFPB to Launch E-closing Pilot Program

In addition to releasing a report highlighting consumer pain points in the closing process, the Consumer Financial Protection Bureau (CFPB) released guidelines for an e-closing pilot project.

In its report, the CFPB identified e-closings as a potential solution to improve the closing process. The pilot project, which will launch later this year, is designed to enable the CFPB to better understand the role that e-closings can play in addressing consumers’ pain points. The pilot program is open to settlement agents, lenders and technology companies that are using a digital solution for closings.

Because e-closings offer both benefits and risks, the CFPB’s pilot project will evaluate whether e-closings can increase efficiency, foster consumer understanding and minimize surprises at the closing table.

The CFPB accepted proposals for participation in the pilot program through May 14. To be considered, a company had to demonstrate it could manage document and data transfer; had a secure technology platform enabling transparent, collaborative workflow; offered the ability to accept e-signatures from the borrower on the closing documents; could create an audit trail for the transaction; and could strip, mask or minimize access to sensitive data fields not necessary for analysis, including specific types of personally identifiable information.

The CFPB will work with participants to test many e-closing features, including those that may:

- **Enable consumer understanding:** The CFPB plans to test whether educational materials like document summaries, term definitions or process explanations that can be reviewed prior to the closing table help improve the process for consumers. The bureau also plans to evaluate whether the order of the documents changes the consumer experience.
- **Incentivize early document review:** The CFPB plans to study various technologies that would let consumers see the entire package of closing documents ahead of time. Within this pilot, the bureau would like consumers to have at least three business days prior to closing to review the stack of documents. The bureau wants to evaluate how early review of the documents may impact the closing process.
- **Facilitate error detection:** The CFPB wants to test tools that will help both industry members and consumers spot errors and discrepancies in the closing documents. Such a tool could help consumers easily find the differences between their original estimate and their closing disclosures, preventing last-minute surprises.

developed and will be implemented in August 2015 will help ensure the personal interaction and explanation remains part of the closing experience for consumers.

“We look forward to continuing to work on this important initiative with Director Cordray and staff at the CFPB on this important consumer initiative,” she added. ■

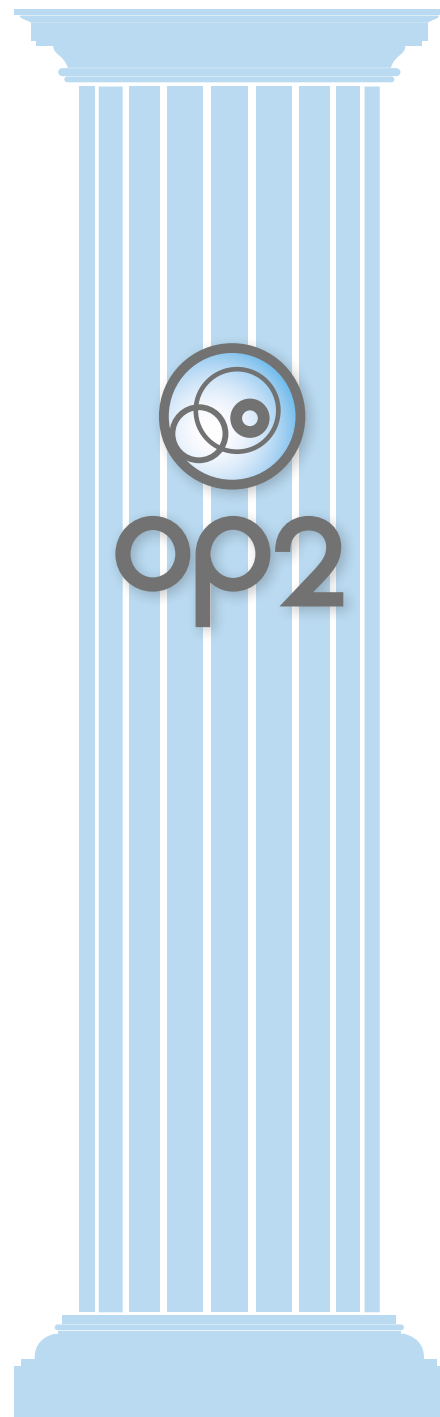
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Stewart Expands Offerings to Lenders with Several Acquisitions

Deals Include DataQuick Title, LandSafe Title and QC Audit Firm Wetzel Trott

During the first quarter of 2014, Stewart announced several acquisitions to expand its title operations and enhance its service offerings to mortgage lenders.

Stewart entered into a definitive agreement with DataQuick Lending Solutions to acquire its collateral valuation, settlement services, and the title and closing business operations. Stewart also has an agreement to purchase LandSafe Title from Bank of America. In addition, Stewart also acquired Wetzel Trott Inc., a Michigan-based company specializing in quality control reviews for residential lenders.

“We continue to see opportunity through the mortgage value chain and were able to take advantage of the shifting market for attractive acquisitions to expand our offerings to mortgage lenders,” said Matt Morris, Stewart’s chief executive officer. “Combined with the existing Stewart Lender Services operations, we are well positioned as one of the strongest providers in the mortgage services market.”

The acquisitions, with an aggregate purchase price of \$39.9 million

once completed, are expected to add approximately \$150 million of annualized revenues, according to Morris.

The DataQuick Title transaction represents a significant expansion of Stewart’s mortgage services offerings and centralized title operations, while expanding Stewart Title’s retail office footprint. The deal gives Stewart’s title operations two additional processing centers in the United States, a suite of complementary branch operations and a platform to grow its centralized title services.

The deal also broadens Stewart’s bundle of mortgage service offerings to include collateral valuation products including appraisal, broker price opinion and hybrid valuation products. In a release, the company said the valuation products will complement Stewart’s existing product lines in support of home equity and first mortgage lending as well as, default and capital markets activities.

“This transaction further emphasizes our focus on growth, and expansion of our ability to meet the needs of mortgage lenders,” said Jason Nadeau, group president of Stewart.

“With the title operations we are adding a centralized platform that has been providing services to the nation’s top lenders for more than 20 years.”

Stewart believes the agreement to acquire LandSafe also will help grow business in its lender channel. LandSafe Title was an affiliated settlement service provider of Bank of America providing title and closing products and services in support of the bank’s residential mortgage originations and servicing businesses. Bank of America acquired LandSafe Title when it purchased Countrywide in 2008.

Meanwhile, Nadeau said the deal for Wetzel Trott strengthens Stewart’s quality control audit and due diligence offerings for the mortgage origination and servicing space.

Wetzel Trott performs origination and servicing quality control reviews on conventional and government loans in accordance with the requirements of Fannie Mae (FNMA), Freddie Mac (FHLMC), Housing and Urban Development (HUD), the Veterans Administration (VA), the Federal Home Loan Banks (FHLB) and private investors. Wetzel Trott also provides its web-based, workflow origination quality control software for sale on a hosted basis.

Wetzel Trott’s quality control service and software round out Stewart’s due diligence offerings which include mortgage due diligence, credit risk management, loan review, servicing oversight, securitizations, and regulatory compliance services for private, GSE and government entities.

Florida Title Company Grows Footprint with Acquisition

Tampa Bay, Fla.-based Hillsborough Title recently expanded into the Sarasota-Bradenton market with the acquisition of Cornerstone Title.

This is the fourth acquisition in four months for Hillsborough Title, according to company president and CEO Aaron M. Davis.

“Cornerstone Title has a great reputation,” Davis said. “In my investigation of the Sarasota/Manatee County area, Cornerstone Title’s name kept coming up as one of the premier agencies. Its quality of service, agency marketing, and moral and ethical

values are in perfect alignment with our agency’s core values. Cornerstone Title has a strong foothold in the Lakewood Ranch area, and is a strategically placed office for the convenience of our Realtor and builder clients.”

Mary Howard, founder of Cornerstone Title, will continue to serve as relationship manager for the local operation, which will retain the Cornerstone Title name.

Hillsborough Title now has 14 locations in Pinellas, Hillsborough, Polk, Pasco and Manatee counties and a staff of more than 110 employees.

First American Title Partners with Clarifire

Clarifire and First American Title Insurance Company’s Mortgage Services Division have announced an integration that allows Clarifire software users to automate orders of First American title products. Standard Property Reports, ALTA Loan Policies/ALTA Endorsements and Mortgage Priority

Guarantees can now be delivered directly to Clarifire user dashboards.

The new feature helps to improve title-related workflow and simultaneously captures images, data and ordering activities, creating reduced cycle times and robust audit trails—both very important to Clarifire’s customer base.

MBA Cuts 2014 Loan Forecast to \$1.05 Trillion

The Mortgage Bankers Association has cut its 2014 loan origination forecast for the second time.

With loan application volume significantly behind where it was last year, the MBA’s chief economist said loan origination volume for the year is expected to come in around \$1.05 trillion.

Mike Fratantoni said purchase orders should rebound in the second half of the year and continue to grow in 2013. Even if rates

continue to drop, he does not expect an increase in refinance activity.

Refinance volume is expected to remain in the \$100 billion range per quarter for the next couple of years, according to Fratantoni.

He attributed the reduced activity in the purchase market to the lack of homes and the Qualified Mortgage rule and ability-to-repay requirements, as lenders pulled back on product offerings.

Title Financial Corp. Increases Footprint in Wyoming and Idaho

Idaho-based Title Financial Corp. expanded its presence in Wyoming and added another office in Idaho.

The new acquisitions increase TFC’s coverage area to 58 counties in Idaho, Montana, Washington and Wyoming.

On April 30, TFC announced the acquisition of Laramie County Abstract & Title Co. in Cheyenne, Wyo. The move into southeastern Wyoming broadens TFC’s

footprint to five counties in Wyoming with offices in Jackson, Gillette, Buffalo and Cheyenne. Laramie County Title & Abstract has provided title and escrow services for over 65 years in Laramie County.

TFC also expanded in Idaho. In February, Caribou Land Title Inc., now First American Title Co., joined TFC. First American Title Co. now provides title and escrow services in 29 Idaho counties.

Wells Fargo Top Commercial/Multifamily Originator in 2013

Wells Fargo was the top commercial/multifamily originator in 2013, according to commercial/multifamily data prepared by MBA. Nine different companies were at the top of the 11 lists reporting total originations by investor groups:

- Wells Fargo topped the list of total origination volumes
- J.P. Morgan Chase & Company and Eastdil Secured were the top originators for commercial mortgage-backed securities
- Bank of America Merrill Lynch and PNC Real Estate were the top originators for commercial bank loans
- MetLife Real Estate Investors and Prudential Mortgage Capital were the top originators for life insurance companies
- Wells Fargo and Walker & Dunlop were the top originators for Fannie Mae
- CBRE Capital Markets Inc. and Berkadia were the top originators for Freddie Mac
- Red Mortgage Capital LLC and Greystone were the top originators for FHA/Ginnie Mae
- TIAA-CREF and JLL were the top originators for pension funds
- CBRE Capital Markets and HFF were the top originators for credit companies
- KeyBank and Eastdil Secured were the top originators for REITS, Mortgage REITS and Investment Funds
- Mesa West Capital and Meridian Capital Group were the top originators for specialty finance
- Wells Fargo and HFF were the top originators for the “other investors” category

LodeStar Software Solutions Partners with Fidelity National Title Group

LodeStar Software Solutions has partnered with Fidelity National Title Group (FNTG) to provide its compliance solutions to FNTG agents. These tools include LodeStar’s Home

Affordability and Good Faith Estimate calculators. The software generates HUD-1 forms and provides usage statistics to be leveraged as a revenue growth tool by the agents.

CFPB Releases Guide to Complete Integrated Mortgage Disclosures

The Consumer Financial Protection Bureau (CFPB) has released a 96-page guide that includes instructions on how to complete the new three-page Loan Estimate and five-page Closing Disclosure.

The Closing Disclosure will replace the HUD-1 and final Truth-in-Lending (TIL) disclosure, while the Loan Estimate will replace the GFE and early TIL. The final rule and new disclosures apply to most consumer mortgages, but do not apply to commercial transactions, home-equity lines of credit, reverse mortgages, or mortgages secured by a mobile home or by a dwelling that is not attached to land. The new forms go into effect Aug. 1, 2015.

The guide, titled “TILA-RESPA Integrated Disclosures: Guide to the Loan Estimate and Closing Disclosure,” provides a line-by-line explanation and highlights common situations that may arise when completing the forms.

The guide is recommended for any organization that originates closed-end residential mortgages, as well as settlement service providers, software providers and other companies serving as business partners to creditors. However, it should be noted that the CFPB states that the guide summarizes instructions for completing the forms but is not a substitute for the RESPA-TILA rule.

“Only the rule and its Official Interpretations can provide complete and definitive information regarding its requirements,” the CFPB said. The Official Interpretation of the final rule includes detailed explanations of many of the rule’s requirements. These explanations are found after the text of the rule and its appendices. The interpretations are arranged by rule section and paragraph.

The guide can be found on ALTA’s website at www.alta.org/cfpb.



Consumer Financial
Protection Bureau

people on the move

Idaho-based TitleOne Names New CEO and President

TitleOne Corp. announced several executive promotions, including the naming of Mark Tidd as chief executive officer for the title and escrow company.

Tidd, who currently serves as president, will continue to work with the senior management team on the company's strategic direction and growth. Tidd co-founded TitleOne in 2000 and has worked in service-related industries for 25 years—with 20 years as a title industry executive.

Under Tidd's leadership, TitleOne has opened

offices in the Treasure Valley, Eastern Idaho and Coeur d'Alene areas. The company also recently acquired Land Title and Escrow in the Magic Valley region.

Additionally, TitleOne promoted Doug Brigham to president. He now has operational oversight of 13 TitleOne offices located across the state. Brigham joined TitleOne in 2008 and has been instrumental in the expansion of TitleOne offices in eastern Idaho, northern Idaho and the Magic Valley.

The Fund Appoints Simmons as President and CEO

Attorneys' Title Insurance Fund, a Florida-based bar-related title services provider, appointed John Simmons as president and chief executive officer. Simmons had served as interim president and CEO since March 2013.

Simmons has more than 30 years of experience in

the title and legal fields. He started his career at a national underwriter's direct operation in Rockville, Md., and later served as a title plant manager in Fort Lauderdale, Fla. Simmons also was an active Fund title agent in Boca Raton, Fla., for 13 years.

Title Resources Names Southwest Regional Manager

Title Resources named Jason Bragg as senior vice president and southwest regional manager. He joined Title Resources in February

2012 as SVP Texas agency manager and has worked in the title and underwriting industry since 2003.

Stewart Names New Southern California Division President

Stewart Title of California announced the promotion of Loretta Granger Medrano to the position of division president of the company's southern California operations. She will be responsible for the continued growth of

southern California operations, including San Diego and Orange County. Medrano has more than 38 years of experience in the title industry, with a strong background in county and regional operational management.

North American Title Names Southeast Region Underwriting Counsel

Michael T. Bates joined North American Title Insurance Co. (NATIC) as its new southeast region underwriting counsel. He will handle the states of Tennessee, Alabama, Mississippi, North Carolina and South Carolina. Bates spent 18 years as an underwriting counsel, most recently for the southern region of a regional title insurer.

He previously worked for another title insurance company for 10 years, holding several positions, including general counsel. In 1984, Bates founded a full-service, multi-underwriter title agency and settlement operation in Nashville, Tenn., and served as its president and chief operating officer until 2002.

Former CFPB Senior Counsel Joins Law Firm

Richard Horn, former senior counsel and special advisor with the Consumer Financial Protection Bureau (CFPB), has joined the Dentons law firm as a partner in its Washington, D.C., office. Working in Dentons' capital markets group, Horn will advise clients on federal and state regulatory compliance

issues, including those related to consumer finance and residential mortgages. At the CFPB, he most recently led the final rulemaking for the new integrated disclosures under the Truth in Lending Act and the Real Estate Settlement Procedures Act, including the design and consumer testing of the disclosures.



Celebrating 25 Years of Service to ALTA Members and the Title Industry!

Times were tough for title professionals in the 1980s. Like today, E&O insurers were either ceasing to offer coverage or raising rates dramatically. To respond to this crisis, ALTA members created Title Industry Assurance Company (TIAC) to provide a long-term stable E&O market for its members.

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Best Practices to Develop a Successful State Lobby Day

Regulations don't come from one place, they come from many. Having professional and personal relationships with your state legislators gives you an opportunity to educate and influence the decisions that they make.

A lobby day shows the scale and magnitude of your state organization, as well as the commitment to participate in the legislative process. It matters to legislators that business owners and community leaders, like you, are willing to take time out of their day to talk with them. I want to share some of my best practices that may inspire you.

There are some key success factors in having an effective state level lobby day.

Leadership buy-in: If you don't believe in it and your board members don't believe in it, it's not going to happen.

Ask for help: Build a team. It could be state association staff, your lobbyist, committee leaders, general members or volunteers.

Have a plan: After you know the team, you can make decisions on who is going to do what and you can make a timeline of what needs to happen. You can use that plan to educate membership on details of the event and what to expect.

Have an owner: One person—possibly two—needs to know everything that is going on, who is doing it and whether or not it's been done. This most likely will be your lobby day chair.

Be flexible: This is not a perfect process. You will get some meetings, you'll lose some meetings and you'll still be making appointments the morning of the event. Your planning and hard work up front have put you in a position to be successful, so a few changes are no need to panic.

Get excited: You need to pre-sell it. You need to sell it to get members there and sell it while you're doing it. Your excitement and the enthusiasm of your volunteers and committee members will radiate the success and importance of the time that your members are investing.

You may be asking yourself what are things you can do right now to take steps toward your own state's lobby day or making your current lobby day better? Here are a few:

Make it an agenda item at your next board meeting.

Express your interest to your lobbyist and instill confidence in them that you're not taking over their turf.

Set a date that will work for a lobby day and let your membership know about it.

When meeting with your legislature, don't forget to make a personal connection. Let them know about your company (number of offices and staff size) and how market conditions have impacted local business. Personal anecdotes go a long way.

The bottom line is you can do it. Use the ALTA model. You don't have to reinvent the wheel.



— Devon Irby, H.B. Wilkinson Title Company

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of New
Regulations
isn't Easy.

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ALTA

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What's in the e-Kit?

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