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**STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE**

December 29, 1986

**Administrative Letter 1986-23**

**TO: ALL COMPANIES LICENSED TO WRITE TITLE INSURANCE IN VIRGINIA  
AND ALL LICENSED TITLE INSURANCE AGENTS IN VIRGINIA**

**RE: TITLE INSURANCE AGENTS EXAMINATION**

During the 1986 Session the Virginia General Assembly amended the Code of Virginia as it relates to title insurance agents' qualifications.

The language in §38.2-1814.1 provides that in addition to being authorized to sell title insurance by a title company, every title insurance agent must comply with additional requirements. Effective January 1, 1987, the State Corporation Commission will implement these requirements for licensure as a title insurance agent.

The purpose of this Administrative Letter is to set forth the aforementioned requirements. They include:

- 1) Every individual agent shall pass an examination that will be given by the Commission. The examination shall cover insurance principles relating to title insurance, search and examination of title to real property, and the duties and procedures of escrows, closings and settlement of real estate transactions;
- 2) Every agent shall annually supply the Commission with adequate proof of financial responsibility in a manner selected by the Commission.

Agents who are authorized agents of title insurance companies licensed to transact title insurance in this Commonwealth as of January 1, 1987 will have until July 1, 1988 to comply with these requirements.

The Bureau of Insurance does not issue study material for the title insurance agents licensing examination. The Bureau does not recommend or endorse any particular textbook, manual, or other study materials. The following list contains publications that have been brought to the attention of the Bureau. However, the list is not exhaustive and is included for illustrative purposes only.

General Insurance

John H. Magee

Richard D. Irwin, Inc. Homewood, Illinois

Insurance Principles and Practices

Robert Riegel and Jerome S. Miller

Prentice-Hall, Inc. Englewood Cliffs, New Jersey

Principles of Insurance

Robert I. Mehr and Emerson Cammack

Richard D. Irwin, Inc. Homewood, Illinois

Questions and Answers on Real Estate

Robert W. Semenow

Prentice-Hall, Inc. Englewood Cliffs, New Jersey

Real Estate Principles and Practices

Alfred A. Ring and Jerome Dasso

Prentice-Hall, Inc. Englewood Cliffs, New Jersey

Title Examination in Virginia

Sidney F. Parham, Jr.

The Michie Company, Charlottesville, Virginia

Title Insurance Handbook

American Land Title Association

Residential Real Estate Transactions (and supplements)

Virginia State Bar Association -

Continuing Legal Education Committee

Enforcement of Liens and Judgments in Virginia (and supplements)

Virginia State Bar Association -

Continuing Legal Education Committee

Fourth Annual Real Estate Practice Seminar Handbook

Virginia State Bar Association -

Continuing Legal Education Committee

Title Insurance - What Every Lawyer Should Know

Virginia State Bar Association

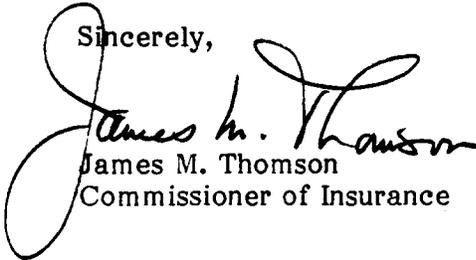
Continuing Legal Education Committee

In order to meet the financial responsibility requirements set forth in §38.2-1814.1, prior to the issuance of a title insurance agent's license and thereafter for as long as the agent's license remains in effect, the applicant shall file and keep in force a bond with the Commission. The bond shall (i) be in favor of the Commonwealth in the penal sum of \$25,000 with authorized corporate sureties approved by the Commission; (ii) be conditioned that the agent will conduct business in accordance with the provisions of the Insurance Code of Virginia; and (iii) not be terminated unless, at least 30 days prior, written notice of the termination is filed with the Commission.

In order to become licensed as a title insurance agent, the following steps must be completed:

1. Form PIN 300, Application for Examination, must be submitted to the Bureau of Insurance for review and approval. For type of examination enter 33.
2. A fee in the amount of \$15.00 in the form of a money order, certified check, cashier's check or insurance company check must accompany the application for examination. (No personal checks will be accepted). Fee must be payable to: The State Corporation Commission.
3. Completion of form entitled "Bond for Title Insurance Agent."
4. Send application, bond form and fee to: The Bureau of Insurance, P. O. Box 1157, Richmond, Virginia 23209.
5. Applications will be acknowledged by an authorization letter which permits the applicant to sit for the examination. This correspondence must be presented at the test location on the date the applicant desires to sit for the examination.

Sincerely,



James M. Thomson  
Commissioner of Insurance

BOND FOR TITLE INSURANCE AGENT  
(To comply with Section 38.2-1814.1 of the Code of Virginia)

KNOW ALL MEN BY THESE PRESENTS, That \_\_\_\_\_ as Principal, and \_\_\_\_\_ Company, a corporation organized and existing under the laws of the State of \_\_\_\_\_, and authorized to do business in the Commonwealth of Virginia, as Surety, are held and firmly bound unto the COMMONWEALTH OF VIRGINIA in the penal sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000) for the payment of which, well and truly to be made, we, and each of us, bind ourselves, our heirs, successors and assigns, jointly and severally, firm by these presents.

SIGNED, SEALED, AND DATED THIS \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the said Principal has applied to the State Corporation Commission of the Commonwealth of Virginia for a license to act as a title insurance agent pursuant to Article 2, Chapter 18, Title 38.2 of the Code of Virginia and, in accordance with Section 38.2-1814.1 thereof, is required to give a corporate surety bond unto the COMMONWEALTH OF VIRGINIA in the penal sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000);

NOW THEREFORE, the condition of this obligation is such that if the said Principal shall conduct business under said license in accordance with the provisions of the laws and regulations of the Commonwealth of Virginia pertaining to title insurance agents, then this obligation shall be null and void; otherwise, to remain in full force and effect;

PROVIDED, this bond shall cover the acts of the Principal during the period beginning on the date such license becomes effective and ending on the thirty-first day of July next succeeding; and in the event shall the Surety's aggregate liability hereunder for all losses exceed the penal sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000);

PROVIDED FURTHER, the Surety may be released from liability for future breaches of the conditions of this bond only after thirty days have elapsed from the giving of written notice to the State Corporation Commission of the Commonwealth of Virginia of its desire to be so released;

IN WITNESS WHEREOF, the said Principal has caused these presents to be signed and the said Surety has caused these presents to be signed by its duly authorized officer or Attorney-in-Fact and its corporate seal affixed on the day and year first written above.

\_\_\_\_\_  
(Principal)

BY \_\_\_\_\_  
(If Principal is Partnership or Corporation)

(SEAL OF SURETY)

TITLE \_\_\_\_\_

\_\_\_\_\_  
(Surety)

COUNTERSIGNED BY:

BY \_\_\_\_\_  
(Officer or Attorney-in-Fact)

\_\_\_\_\_  
(Licensed Virginia Agent of Surety)

Date \_\_\_\_\_