



Piloted by: ROBERT Q. WILLIAMS, P.A.

Best Practices Manual

2020



Trusted & Verified

Mission Statement

This Best Practices Manual has been developed by Seaplane Title, LLC in accordance with the guidelines set forth by the American Land Title Association and in compliance with both the Gramm-Leach Bliley Act and the Consumer Financial Protection Bureau established under the Dodd-Frank Act. The goal of this manual is to outline the policies and procedures set forth by Seaplane Title, LLC in our commitment to protect the security of the consumers and continue to provide professional quality services to our clients.

Introduction

Seaplane Title, LLC's Best Practices Manual follows the guidelines of the American Land Title Association which was developed in order to "help members illustrate to consumers and clients the industry's professionalism and best practices to ensure a positive and compliant real estate settlement experience."¹ The compilation of this manual draws from previous designed policies and procedures active within Seaplane Title, LLC in further compliance with the new regulatory environment, Seaplane Title, LLC is also an approved settlement agent with Secure Settlements, Inc.

¹ [http://www.alta.org/bestpractices/docs/ALTA Title and Settlement Company Best Practices.pdf](http://www.alta.org/bestpractices/docs/ALTA_Title_and_Settlement_Company_Best_Practices.pdf)

LICENSING

Best Practice One

Definition:	<i>Establish and maintain current license(s) as required to conduct the business of title insurance and settlement services.</i>
Scope:	These policies and procedures are for all of Seaplane Title, LLC (hereafter referred to as “The Company”) locations. These procedures are to be followed by all employees and independent contractors, where applicable.
Procedures:	<p>The Company maintains active agency (business entity) licenses as well as agent (employee, attorney, owner and notary) licenses in accordance with state specific regulations.</p> <p>A listing of the current licenses is available in the Appendix A.</p> <p>A tracking report is maintained by the Office Manager as a monitoring control and periodically reviewed to ensure the appropriate business professionals are licensed and renewed when necessary.</p> <p>Licensed individuals, along with their active licenses, have been communicated to our underwriter. The underwriter is notified when a licensee becomes inactive.</p> <p>Licensed individuals maintain the necessary continuing education requirements including any necessary ethics requirements. Documentation is maintained to evidence the requirements have been met.</p> <p>The Company maintains and has on file the appropriate ALTA Policy Forms License.</p>

ESCROW/TRUST ACCOUNTING

Best Practice Two

Definition:	<i>Adopt and maintain appropriate and effective escrow controls to meet legal requirements for safeguarding of client funds.</i>
Scope:	These policies and procedures are for all of Seaplane Title, LLC (hereafter referred to as “The Company”) locations. These procedures are to be followed by all employees and independent contractors, where applicable.
Procedures:	<p>Escrow funds and operating accounts are separately maintained.</p> <p>The Company maintains 2 accounts: 1 Operating Account and 1 Escrow Account for real estate and mortgage loan transactions. Escrow funds the Company maintains under a fiduciary capacity are not commingled with the Company’s operating funds or an employee or manager’s personal account.</p> <p>Escrow Accounts Trial Balance Reports.</p> <p>A trial balance report depicting the balance of a particular customer’s funds can be produced for each escrow account at any time. This report depicts all individual customer file balances that do not have a zero balance. On a monthly basis, the Bookkeeper reconciles the trial balance report to the bank balance and reconciled book balance, creating a “three way” reconciliation.</p> <p>Trial balance reports are produced for each escrow account maintained by the Company.</p> <p>Escrow Account Reconciliations.</p> <p>It is the responsibility of the Bookkeeper to reconcile the escrow account. Account receipts and disbursements are reconciled daily (two-way). Monthly, a three-way reconciliation between the bank records, book records and trial balance is performed. This reconciliation is completed within five business days of receipt of the bank statement.</p>

A listing is kept of all escrow accounts. This listing includes dormant accounts.

Escrow account reconciliations are performed by the Bookkeeper who does not have check signing authority or the capability/authority to perform wire transfer transactions.

Each month escrow account reconciliations are reviewed by the Company management and evidence of the review is documented. The escrow account reconciliations are available to the title insurance underwriter at any time requested.

Escrow account reconciling items are clearly noted on the reconciliations. These reconciling items are followed up and addressed by the Bookkeeper within 5 business days of completion of the reconciliation so as to not carry over on the reconciliations from month to month.

An officer of the Company reviews and signs off on all 3-way reconciliations within five business days.

Escrow Accounts are properly labeled and maintained in insured institutions.

Escrow bank accounts are appropriately designated as “escrow” accounts. This designation is noted in the original banking agreements as well as on our check stock, deposit slips, and bank statements. Unless mandated by state regulation or directed by a customer with a signed agreement, escrow accounts are maintained with insured financial institutions.

Dormant file balances.

Customer files that continue to hold funds after the settlement date are reviewed periodically to determine if any disbursements have been made. Approval by an officer of the Company is required for any disbursement from an inactive escrow. An inactive escrow is defined as any escrow which has had no activity for the past six months. This approval is documented and maintained.

Banking Transactions conducted by authorized employees.

	<p>Via agreements with financial institutions, The Company management authorizes employees for escrow account transactions. Wire transaction initiation and approval levels are set by the Company and reviewed for changes in staff routinely. Former employees are immediately deleted as signatories and authorized wire transfer individuals. A list of authorized individuals is maintained by the Bookkeeper and periodically reviewed by an officer of the Company. The setup and modification of online banking permissions is administered by the banking institution and must be authorized by an officer of the Company.</p> <p>Authorized check signers and wire individuals do not do not maintain the escrow accounting records or perform the escrow account reconciliations.</p>
--	--

PRIVACY AND INFORMATION SECURITY

Best Practice Three

Definition:	<i>Establish a privacy and information security program to ensure Seaplane Title, LLC maintains written protocols for the protection of data and Non-Public Personal Information (NPI).</i>
Scope:	These policies and procedures are for all of Seaplane Title, LLC (hereafter referred to as "The Company") locations. These procedures are to be followed by all employees and independent contractors, where applicable.
Procedures:	<p>The Company has a comprehensive security program designed to insure that all necessary information security safeguards are in place and adequately address GLBA requirements. All employees of the Company are expected to contribute to this program and report incidents that may affect the security of the Company's information systems.</p> <p>The following policies are addressed within the Company's Information Security Policy Manual.</p> <ul style="list-style-type: none">• Controlled access to physical and electronic storage as well as secure destruction of physical documents.• Secure transmission of information• Monitoring of third party service providers access• Physical entry controls to prevent unauthorized access• Network guidelines and access controls including restrictions on user authentications and authorizations• Remote access controls and restrictions• Up to date virus management software and firewall controls against malicious software, viruses and unauthorized websites• Real time disaster recovery imaging of all servers with additional onsite backup• Business Continuity Plan for disaster preparedness• Security Incident Reporting and Resolution• Background checks on all personnel• Training of employees to ensure compliance with program• Restrictions and the appropriate uses of the Company's systems



FACTS
**WHAT DOES OLD REPUBLIC TITLE
DO WITH YOUR PERSONAL INFORMATION?**

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and employment information • Mortgage rates and payments and account balances • Checking account information and wire transfer instructions <p>When you are no longer our customer, we continue to share your information as described in this notice.</p>
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Old Republic Title chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Old Republic Title share?	Can you limit this sharing?
For our everyday business purposes - such as to process your transactions, maintain your account(s), or respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes - to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes - information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes - information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For non-affiliates to market to you	No	We don't share

Questions

Go to www.oldrepublictitle.com (contact Us)

Who we are	
Who is providing this notice?	Companies with an Old Republic Title name and other affiliates. Please see below for a list of affiliates.
What we do	
How does Old Republic Title protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. For more information, visit http://www.OldRepublicTitle.com/newnational/Contact/privacy .
How does Old Republic Title collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> • Give us your contact information or show your driver's license • Show your government-issued ID or provide your mortgage information • Make a wire transfer <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes - information about your creditworthiness • Affiliates from using your information to market to you • Sharing for non-affiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. See the "Other important information" section below for your rights under state law.</p>
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Our affiliates include companies with an Old Republic Title name, and financial companies such as Attorneys' Title Fund Services, LLC, Lex Terrae National Title Services, Inc., Mississippi Valley Title Services Company, and The Title Company of North Carolina.
Non-affiliates	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> • Old Republic Title does not share with non-affiliates so they can market to you
Joint marketing	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • Old Republic Title doesn't jointly market.

Other Important Information

Oregon residents only: We are providing you this notice under state law. We may share your personal information (described on page one) obtained from you or others with non-affiliate service providers with whom we contract, such as notaries and delivery services, in order to process your transactions. You may see what personal information we have collected about you in connection with your transaction (other than personal information related to a claim or legal proceeding). To see your information, please click on "Contact Us" at www.oldrepublictitle.com and submit your written request to the Legal Department. You may see and copy the information at our office or ask us to mail you a copy for a reasonable fee. If you think any information is wrong, you may submit a written request online to correct or delete it. We will let you know what actions we take. If you do not agree with our actions, you may send us a statement.

Affiliates Who May be Delivering This Notice

American First Abstract, LLC	American First Title & Trust Company	American Guaranty Title Insurance Company	Attorneys' Title Fund Services, LLC	Compass Abstract, Inc.
eRecording Partners Network, LLC	Genesis Abstract, LLC	Kansas City Management Group, LLC	L.T. Service Corp.	Lenders Inspection Company
Lex Terrae National Title Services, Inc.	Lex Terrae, Ltd.	Mara Escrow Company	Mississippi Valley Title Services Company	National Title Agent's Services Company
Old Republic Branch Information Services, Inc.	Old Republic Diversified Services, Inc.	Old Republic Exchange Company	Old Republic National Title Insurance Company	Old Republic Title and Escrow of Hawaii, Ltd.
Old Republic Title Co.	Old Republic Title Company of Conroe	Old Republic Title Company of Indiana	Old Republic Title Company of Nevada	Old Republic Title Company of Oklahoma
Old Republic Title Company of Oregon	Old Republic Title Company of St. Louis	Old Republic Title Company of Tennessee	Old Republic Title Information Concepts	Old Republic Title Insurance Agency, Inc.
Old Republic Title, Ltd.	Republic Abstract & Settlement, LLC	Sentry Abstract Company	The Title Company of North Carolina	Title Services, LLC
Trident Land Transfer Company, LLC				

SETTLEMENT POLICIES AND PROCEDURES

Best Practice Four

Definition:	<i>Adopt standard real estate settlement policies and procedures that ensure compliance with Federal and State Consumer Financial laws.</i>
Scope:	These policies and procedures are for all of Seaplane Title, LLC (hereafter referred to as "The Company") locations. These procedures are to be followed by all employees and independent contractors, where applicable.
Procedures:	<p>The Company's use of software and technology allows us to track a file through each step of the closing process and provide complete transparency of the work being done on each file. As such we are able to verify that each part of the closing process adheres to accurate company procedures and that checks and balances are in place to monitor these procedures. A full listing of settlement procedures is attached as Appendix B. These include:</p> <ul style="list-style-type: none">• Obtaining proper information required prior to closing• Up to date access to premium rate information• Complete review of closing instructions• Proper processing of mortgage payoffs• Accurate disbursement of proceeds and handling of escrow funds• Timely and accurate recording guidelines

TITLE POLICY PRODUCTION

Best Practice Five

Definition:	<i>Adopt and maintain appropriate procedures for the production, delivery, reporting and remittance of title insurance policies designed to meet both legal and contractual obligations.</i>
Scope:	These policies and procedures are for all of Seaplane Title, LLC (hereafter referred to as “The Company”) locations. These procedures are to be followed by all employees and independent contractors, where applicable.
Procedures:	<p>Policy Inventory</p> <p>The Company receives its policy inventory directly from the insurer via the electronic policy application. A Serialized Forms Report is available in the application to track and monitor all of the electronic policy numbers allocated to the Company.</p> <p>The following items are included in the Serialized Forms Report:</p> <ul style="list-style-type: none">• The electronic policies received by the Company• The file number associated with each policy number• Voided policies• All policy numbers assigned, but not yet reported to the insurer• Any policy issued, but not yet reported to the insurer <p>In addition to the Serialized Forms Report, The Company has a tracking system that identifies files that have closed for which policies have not been issued.</p> <p>Electronic policy stock is limited to authorized users with login and passwords.</p> <p>We are able to reconcile our policy inventory records with the insurer’s records.</p>

	<p>Policy Issuance</p> <p>Policies are issued to customers (lenders and/or purchasers) within 30 days after the transaction is disbursed. Electronic logs are maintained within the software system to monitor all orders that have closed and disbursed in which final policies have not been issued.</p> <p>Premium Remittance and Policy Reporting</p> <p>In accordance with contractual or statutory obligations on a monthly basis, The Company reports to the insurer all title insurance policies (including endorsements), premiums and other fees as contractually obligated. Reporting is performed via electronic upload through the insurer's electronic reporting software. Physical copies of all policies submitted via electronic upload are maintained within the respective files.</p> <p>Premium remittance is handled simultaneously with the electronic upload of policies to the insurer. A paper check is mailed to the insurer along with an invoice for the premium. We are able to reconcile the premiums and fees we charged to our customers with the premiums and fees remitted to the insurer.</p>
--	--

PROFESSIONAL LIABILITY INSURANCE

Best Practice Six

Definition:	<i>Maintain appropriate levels of professional and fidelity coverage to ensure the financial capacity to stand behind the professional services provided.</i>
Scope:	These policies and procedures are for all of Seaplane Title, LLC (hereafter referred to as “The Company”) locations. These procedures are to be followed by all employees and independent contractors, where applicable.
Procedures:	<p>The consistently maintains all levels of insurance as required by underwriters and lenders and that is comparable to the complexity, nature and scope of our operations. The Company is required, in accordance with Florida law, to carry and maintain errors and omissions as well as surety bond for transactions that do not have title insurance. The Secretary/Treasurer of the Company is responsible for tracking and renewal of all insurance coverages. The Company furnishes copies of all insurance policies and applicable bonds to their title underwriter(s), including all endorsements, and proof of payment of the current premium.</p> <p>Professional Liability Insurance Coverage – Errors and Omissions</p> <p>The Company carries professional liability insurance for errors and omissions in accordance with The Company’s contractual obligations in the amount of \$1,000,000 per occurrence with a \$1,000,000 aggregate limit issued by Greenwich Insurance Company, a company acceptable to our title insurance underwriter. This comprehensive liability policy has a deductible of no more than \$5,000 per loss.</p> <p>Fidelity/Surety Bond Coverage</p> <p>The Company carries Fidelity Bond coverage of \$50,000.00 and Surety Bond coverage of \$35,000.00 in accordance with the Company’s contractual obligations.</p>

	<p>When requested by the customer or required by state regulation, the Company will issue an insurer's Closing Protection Letter (CPL) in connection with the settlement funds and issuance of a title insurance policy. This CPL will be issued via the insurer's automated Closing Protection Letter system. When required by state regulation the Company will set aside funds in a statutory indemnity fund to cover fidelity losses not otherwise covered by the protections afforded by the insurer.</p>
--	--

CONSUMER COMPLAINTS

Best Practices Seven

Definition:	<i>Adopt and maintain procedures for receiving and addressing consumer complaints so that any instances of poor service or non-compliance do not go undiscovered.</i>
Scope:	These policies and procedures are for all of Seaplane Title, LLC (hereafter referred to as “The Company”) locations. These procedures are to be followed by all employees and independent contractors, where applicable.
Procedures:	Seaplane Title, LLC is very sensitive to any complaints that are made. The nature of the complaint determines to which appropriate personnel the complaint will be forwarded for immediate resolution. This resolution will always include a follow up to not only the consumer, but also their loan officer, to ensure that it is agreed that the issue has been resolved. In certain cases, the complaint will also result in verbal follow-up with an employee regarding the circumstances causing the complaint and a review of the Company’s policies and procedures.

APPENDIX A – LICENSING

STATE	AUTHORIZED AGENT	AGENT LICENSE & EXPIRATION DATE
Florida	Robert Q. Williams	Florida Bar #026138 (no expiration)
Florida	Cynthia L. Chavis	Florida Title Agent License Number #W242608 Expiration: 1/31/2022

APPENDIX B – SETTLEMENT POLICIES & PROCEDURES

Software

- DoubleTime
- Closing Insight
- Citrix Sharefile
- Right Signature

General Guidelines

- We acknowledge that Lenders expect full disclosure of all receipts and disbursements in accordance with written mutual instructions.
- All sets of Closing Instructions are collected and reviewed prior to closing.
- If any one set of Closing Instructions is adverse to another set of Closing Instructions – we obtain ***in writing from all parties*** consent to the changes made to correct the adverse matters ***prior*** to closing.
- The closing is performed in accordance to all instructions from:
 - a) Lender Closing Instructions
 - b) Title Commitment
 - c) Purchase Agreement
 - d) Any other misc. agreements (Escrow Agreements, etc.)
- Follow all HUD/TRID Regulations in preparation of the Closing Disclosure/HUD Settlement Statements and be sure that ALL disbursement checks MATCH EXACTLY as to what is shown on the Closing Disclosure/HUD Settlement Statement.

Specific Detailed Guidelines

Disbursement of Buyer/Borrower Proceeds:

- Any amount shown on the HUD-1 Settlement Statement or Closing Disclosure Form [funds due from Buyer/Borrower] must come into your escrow/trust account from the borrower or be disbursed to your borrower as shown in Section D.
- Any funds received by any other party must reflect on a separate line designating the source of funds.
- Borrower proceeds from a refinance, if any, are only paid in strict compliance with the written closing instructions providing by the funding lender. Pre-closing consent is obtained from the lender on any request to pay additional parties. If such consent is given, the changes are listed on a separate line of the HUD-1 or Closing Disclosure Form.

Disbursement of Seller Proceeds:

- Seller proceeds are not assigned or otherwise; and are disbursed to Seller; as defined in the HUD-1. Where the Seller requests the proceeds to be paid otherwise, pre-closing clearance is obtained by us.
- Multiple disbursements to the same payee are not acceptable especially when asked to disburse in increments of \$10,000 or less as this may be perceived as participation in a money laundering scheme.
- If Lender disapproves of any requested disbursement the Seller or Borrower, as appropriate, is notified in writing.
 - a) Where directed or allowed by Lender, we will accept written instructions.
 - b) Deposit proceeds directly into a bank account on behalf of the principals.
 - c) Cut separate checks or send a wire in the name of each individual seller or borrower.

Mortgage Payoff:

- Payoff Statements should only be accepted directly from the lender being paid off – NEVER from an individual who delivers it to you.
- Must be in writing and should reference loan number and property address in addition to borrower's name.
- On ALL on home equity lines of credit must obtain a signed "closing letter" from the borrower to the lender requesting that the credit line be closed.
- Include sufficient detail on payoff check or wire to identify the property and borrower.
- If property is in foreclosure, make certain you have accounted for all attorney's fees and court costs.
- Sellers are never to deliver their own payoff check. Payoff checks or wires for payoffs must be delivered in a manner in which the date and time of receipt can be documented.

Escrowed Funds Disbursement:

- Approvers' and/or check signers' responsibilities on external disbursements are to ensure the payment amounts are supported, proper vendors are paid, and disbursements have been properly authorized by the escrow officer.
- A check that has been issued, processed in the accounting records, but subsequently lost, stolen or returned to the Company are "voided".
 - a) If the original check has been returned, mark it "VOID", remove the signature portion of the check and adjust the accounting for the appropriate file.
 - b) If the check has been lost or stolen, first determine if the check has cleared the bank by calling the bank.

- c) If it has not cleared the bank, a stop payments should be placed on the check and a confirmation number should be received.
- d) NO check may be reissued until it has been determined that it has not cleared the bank or been deposited through electronic means.
(Once a check has been tendered and given to the customer/vendor, it is not allowed to be wired until at least 24 hours has passed and it can be confirmed that the check was not deposited/cashed by electronic means.)

- Wire transfer authority is to be centralized within a limited number of management, accounting or administration employees.
- Customers are to communicate all wire transfer requests in writing.
- In all cases or initiation of wire transfer one of the authorized employees is to input the wire transfer information into the online banking system; which shall be subsequently approved by authorized Approvers, and verified by a representative with the Correspondent Banking Department of the bank.

Pricing Procedures:

- On each title order, online calculators through DoubleTime software are used to insure correct fees are being charged for policy premiums, state specific fees, and endorsements. A copy of each rating worksheet is in corresponding file.
- On a consistent basis, the “Rates and Remittances” language is reviewed with all personnel responsible for rate and split calculations, policy issuance and policy reporting. When rate change bulletins are issued, the reviews are immediate in order to insure that proper rate changes are made.

Recording Procedures:

- Documents are submitted or shipped for recording to the proper recording office within 2 business days of settlement.
- Shipments of documents for recording are tracked.
- We verify that recording actually took place and maintain recording information for each documents in each file.
- When notice is received that a document has been rejected, the document is treated as a “new closing” and all effort is made to resolve the problem immediately submit for re-recording within 2 days. If a solution is not forthcoming, we consult with our underwriting and develop a strategy to mitigate immediately.

Title Policy Production and File Maintenance:

- Title insurance searches and exams are made with due regard to recognized title insurance underwriting practices and in accordance with our Underwriter's bulletins, manuals and other instructions, including any state or federal applicable requirements.
- Each title order or transaction is maintained and contains all documents upon which we relied to make our determination of insurability, including, but not limited to: affidavits, maps, lien waivers, surveys, title reports, searches, examinations, together with a copy of each commitment, policy, endorsement and other title assurance issued.
- We also maintain in our closing file for each transaction, without limitation, closing statements, disbursement worksheets, copies of all checks disbursed and receipted, deposit slips, escrow agreements and any other instrument or documents executed or created at Closing. We keep the physical file as well as a copy in our electronic filing system that allows tracking and future review.
- Copies of closing files are preserved in accordance with applicable state document retention guidelines (7 years), or in the case of a legal hold order, in accordance with instructions of our Underwriter.
- In the event we destroy or disseminate the files for any reason, it is done so securely and in such a way that we shall maintain and protect any confidential/private information contained in such files in accordance with applicable state and federal law.
- When claims are filed and the Underwriter requests a copy of the file in question, or when files are requested for other reasons, we promptly search for and provide the requested documentation.