SOUTHERN TITLE
INSURANCE CORP.

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FOR IMMEDIATE RELEASE: *Southern Title Suspends Issuance of New Policies*

Southern Title Insurance Corporation, a regional title underwriter based in Richmond, VA, announced that it would voluntarily suspend issuance of new title policies effective as of September 15, 2011 and will focus continuing efforts on the resolution of claims received on previously issued policies.

Despite a an influx of new agents, new market opportunities and a solid management team, Southern Title has continued to incur higher than normal claims arising from policies issued by now-cancelled agents in the years between 2005 and 2008. That situation, in conjunction with a substantial recent agent defalcation, made a suspension of operations the most prudent course of action.

"We're incredibly proud of our employees, and the effort they've invested in the operational transformation of Southern Title. However, until we understand the full magnitude of those claims and defalcations, the decision to suspend operations was a difficult but necessary one," said Gene McCullough, President of Southern Title.

The Directors and Officers of Southern Title are confident the company is solvent and there is adequate surplus to pay all current and future claims of current policyholders. Southern Title's suspension of issuing new policies does not in any way hinder or affect Southern Title's commitment to pay current or future claims on existing title policies.

Southern Title has worked in conjunction with the Virginia Bureau of Insurance throughout this process. Southern Title agents have been notified that their authority to act on behalf of Southern Title under their Issuing Agency Contract has been terminated and their authority shall be limited to taking such actions as are necessary to finalize transactions that previously closed.

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