

General Instructions for Completion and Submission of a Policy Authorization Request

Each Southern Title Insurance Corporation policy-issuing agent (“PIA”) has a maximum liability limit established by their agency contract. Each PIA must obtain prior approval to issue a commitment, binder, or policy in excess of that limit.

In addition, each PIA must also obtain prior approval to issue a commitment, binder, or policy on a transaction wherein one or more of the owners of the PIA or one or more of the employees of the PIA are a buyer, seller, or borrower, either directly or indirectly.

The form can also be used by a PIA wanting written approval of insuring an unusual underwriting risk – no matter what the policy amount is going to be. This form is also used occasionally if a customer has insisted on using a different company for reinsurance or has established a reinsurance limit different from our current self-imposed limit.

Finally, the form is used in some states where the PIA must get prior approval to insure over a broken priority and/or to provide affirmative coverage or, in Texas, Express Insurance.

The “TO:” Section – Each PIA has a specific office designated to approve these forms. For instance, in the Western Region, all forms are sent to the Austin office and all agents who are serviced by the Knoxville Office send the forms there. But some agents on the East Coast send their forms directly to a designated person in one of STIC’s branch offices whereas others send them to Richmond. Those East Coast PIA’s who are to send the form to a STIC Branch Office will be advised to do so; otherwise, send the forms to Richmond.

The “FROM:” Section - This is the name and contact information for the PIA submitting the form. Some of our agents have customized the standard form (available in Word format) by adding the contact information so that it is automatically there each time the form is used.

The “PROPOSED INSURED(S)” Section - Please fill this in so that we will know who will be insured, the amount of coverage for each policy and, if you assign policy numbers to files before issuing, the proposed policy numbers. Yes, most or all of this information should be on the commitment that you submit to us along with this form but some of this information is frequently omitted from the commitment and this is our method of making sure we get what we need to grant approval.

The “TYPE OF PROPERTY/TYPER OF ORDER” Section – Please check the appropriate boxes so we will know what type of property is being insured and what type of order is being processed.

The “REASON FOR REQUEST” Section - Check one or more boxes to indicate why you are submitting the form for approval. Check “Other” when it is either an order involving an owner or employee of the PIA or none of the other boxes apply, and explain that briefly (i.e. Agency owner is borrower/owner, etc.).

The “EXTRA HAZARDOUS RISK” Section – Check any box that applies, indicate which policies (“O” and/or “M”) and explain where required.

The “REINSURANCE” Section – Indicate your customer’s instructions concerning reinsurance of the transaction, if any.

The “DOCUMENTS SUBMITTED” Section – Let us know what documents you have sent to us for review with the form.

The “SIGNATURE AND CERTIFICATION” Section – The person signing and submitting this form must be familiar with the examination of the title and the nature of the order in order to certify to the 3 statements in that paragraph and that they have answered the questions on the back of the form.

The “BASIS OF CERTIFICATION” Section - We want to know who examined the title and how far back in the chain of title they examined. So, if your search went back to the year 1950 (that being the oldest document in the chain that you examined), that is what you should put in the blank (not the last or most recent document in the chain). If you relied on a previous **OWNERS** policy, (we do not accept loan policies or commitments), for part of your examination, check the box and attach a copy. If there is some other basis, check the box and be specific about it.

The Questions – Each question must be answered or indicate “n/a”. Provide the documents or explanation where required by your answer.