

## **American Land Title Association Policy Licensing Initiative to Strengthen Industry**

**Washington, D.C., September 4, 2009** — In a move aimed at strengthening the land title industry by protecting the association's top industry product, the American Land Title Association has launched an initiative to license the use of its uniform title insurance policy forms.

“ALTA's uniform policy forms have become the ‘gold standard’ throughout the lending and legal communities. Because land title insurance coverage is standardized, the secondary market readily accepts mortgages that carry title insurance. This has greatly contributed to the growth of demand for title insurance across the country,” said Mike Pryor, president of ALTA.

A license to use ALTA's policy forms will be provided free to all ALTA members. Companies that are not members of the association will be required to pay an annual licensing fee of \$195 to write on ALTA policy forms.

To launch the program, ALTA is granting a free ALTA membership to all non-members for the remainder of 2009. In 2010, those companies must choose to either continue their ALTA membership or purchase the yearly license from ALTA to write on the policy forms.

“A lot of agents think the forms belong to their underwriters,” stated Pryor. “But the truth is, our trade association created the standardized forms and filled a unique role bringing the industry together to eliminate the confusion and chaos of disparate coverage. In turn, this has built a bridge to broader market availability for title insurance.”

In addition, Pryor said this program will bring together the land title community and strengthen efforts to protect its business interests.

“As I have traveled across the country speaking to title professionals, one thing is clear,” said Pryor. “The land title industry is at a critical juncture where we have the opportunity to step up and show home buyers, lenders, and our communities how we have made our land recordation system the best in the world; or, we can sit back and watch our life's work be altered completely by a stroke of a legislative pen or a regulatory change.

“Licensing of the policy forms will reduce the drain of critical resources to the association and protect the value of ALTA forms far into the future. “ALTA is doing more than ever to carry the banner for our industry. We want to keep up that level of advocacy on behalf of our members and for all in the title business. And, we want to do it in an environment where all beneficiaries share in the cost,” Pryor continued.

ALTA has already begun to serve the current needs by ramping up its grassroots network; rolling out several new communications vehicles, including the Advocacy and Grassroots Updates, News You Can Use, and TitleNews Online; dramatically increasing the size of its political action committee; tripling the number of in-house registered lobbyists; hiring outside

lobbying talent to augment in-house effectiveness; commissioning new industry research to demonstrate the value of the industry to policymakers; increasing its collaboration with state land title associations to enhance their ability to counter hostile legislation and regulation; increasing its involvement with the National Association of Insurance Commissioners (NAIC) title insurance working group; and spearheading the creation of a RESPA Implementation Taskforce to work with HUD on the new RESPA rule.

“We probably can’t make members out of everyone, but we can at least get everyone in the industry to get a little more connected and a little more involved,” said Pryor. “The \$195 license fee is a minimal investment in a product that is an integral part of our business each day. The value of the forms far exceeds the license fee. This program will be a small step toward reestablishing a level playing field for all industry participants,” Pryor concluded.