

ALABAMA DEPARTMENT OF INSURANCE

Title Insurance Agent Examination

Content Outline

Section	Description	Questions on Exam
	Part I - Regulatory Compliance	50
1.1	Alabama Title Insurance Act	10
1.2	ALDOI Insurance Regulation, Chapter 482-1-148	8
2	The GAO Report	2
	Impact of the Dodd-Frank Act; NAIC Data Points Overview; Matters for Congressional Consideration; Recommendations for HUD Action; Recommendations for State Insurance Regulators / NAIC	
3	Consumer Financial Protection Bureau	3
	The Dodd-Frank Act and the CFPB; Regulatory Impact of the Act; Contacting the CFPB; State and Federal Coordination and Cooperation on Enforcement; CFPB Bulletin 2012-03; 2015 Treatment of Title Insurance under the TRID Rule; 2015 CFBB e-Closing Pilot Project; 2020 Taskforce Report Section 3.5 RESPA Settlement Service Packaging; 2022 Freddie Mac and Fannie Mae on "ATO" Letters; Reminder 2007 GAO Report on the Title Insurance Industry; CFPB Enforcement Actions; The (Potential) Writing on the Wall	
4	RESPA	5
	CFPB Statement on Compliance Aids; Federal Acts and Rules (RESPA, TILA, and TRID); RESPA Section 9 Overview; RESPA Section 8 Overview; CFPB Guidance October 7, 2020; RESPA Section 8 FAQs; RESPA Section 8 Gifts and Promotional Activity; RESPA Section 8 Marketing Services Agreements	
5	Affiliated Business Arrangements	3
	Creating and Operating a Viable AFBA; AFBA Checklist; Affiliated Business Disclosure; HUD Statement of Policy 1996-2	
6	HUD SOP 1996-4 // Insurer-Agent Remuneration Practices	2
	Core Title Services; Limited Agent Compensation; Alabama Title Insurance Act Definitions; HUD Statement of Policy 1996-4	
7	Gramm-Leach-Bliley Act	9
	The Privacy Rule; Sample Privacy Notices; GLBA Exceptions to Opt-Out Provisions; CFPB Data Security Enforcement Action; Safeguards Rule; Sharing TRID Closing Disclosures under GLBA	
8	Rules of Agency	5
	Fiduciary Relationship - Title Insurers and Title Agents; Agency Contracts; Closing Protection Letter	
9	Industry Ethics	3
	Bringing Ethics and Values to the Bottom Line; ALTA-From Ethics to Initiatives to Best Practices; Gallup Poll on Honesty/Ethics; Ethics 101; Ethical Decision-Making; Asking Yourself the Right Questions; Southeast Land Title Association Code of Ethics	

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	Part II - Industry Information	40
10	Industry History and Evolution	1
	From Title Assurance to Title Insurance; In Support of the American Dream; A brief History Lesson; the American Recording System; Industry Evolution (Watson v. Muirhead); the Growth of the Industry; a History Lesson not Learned	
11	Title Insurance 101 and Title Forms	2
	Recent Industry Challenges; Casualty Insurance vs. Non-Casualty Title Insurance; Title Insurance as a non-casualty Product; Covered Risks; Expanded Risk Policies; Indemnification vs. Guarantee; Reliance on the Chain of Title; Claims Settlement Recovery and Subrogation Rights; Claims Settlement and Proof of Loss; Insurable Title vs. Marketable Title; Coinsurance and Reinsurance; ALTA Form Commitments, Policies, Endorsements, Generally; Forms Revisions (an Historical Perspective; ALTA 2021 Policy Forms; Title Insurance Commitment; Owner's Title Insurance Policy; Loan (Mortgagee) Title Insurance Policy; Title Insurance Endorsements; ALTA Policy Endorsements; Closing Protection Letter	
12	ALTA 2021 Title Insurance Commitment	7
	Title Insurance Commitment; Risk Rate and Related Services Fees; Alabama Title Insurers to File Rates with ALDOI; Commitment Review	
13	ALTA 2021 Owner's Policy	20
	Covered Risks; Exclusions from Coverage; Conditions; Schedule A; Schedule B	
14	ALTA 2021 Loan Policy	10
	Covered Risks; Exclusions from Coverage; Conditions; Schedule A; Schedule B, Parts I and II	

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Section	Description	Questions on Exam
	Part III - Title Search and Examination	35
15	Title Search and Examination	10
	The Title Process; Abstract of Title / Title Search; Title Search 101; Where to Search Title; Types of Instruments and Information; Locations of Instruments and Information; Basic Title Search; Confirming the Property Description; "Grantoring" Forward; Foreclosure Fraud; Running the Name Index; Judgment Lien Search	
16	Source of Title	10
	Real Property; Personal Property; Title to Real Property; Types of Estates; Types of Tenuancies; Sources of Title; Deeds and Conveyance of Title; Deeds Executed by Third Parties; Types of Deeds; Deeds without Warranties; Other Types of Deeds; Wills, Inheritance, and Escheat; the Probate Process; Tax Deeds; Foreclosure; Bankruptcy	
17	Liens and Encumbrances	10
	Liens and Encumbrances; Monetary Encumbrances; Judgments and Liens; Statutes of Limitation; Mechanics' Liens; Alabama Timeline and Summary for Liens and Encumbrances; Non-monetary Encumbrances; Easements as Encumbrances; Minor Survey Violations; Access; Public Roads; Water Rights; Mineral Estates	
18	Surveys and Legal Descriptions	5
	Platted Lands; Survey Coverage under the 2006 ALTA Form Policies; Underwriting Guidelines on Survey Coverage; Nature and Type of Encroachment; Extent of Encroachment; Standard Survey Exception vs. Specific Survey Exception; Metes and Bounds Descriptions; U.S. Rectangular Survey System; Longitude and Latitude; Prime Meridian and Equator; Principal Meridians and Base Lines; Guide Meridians and Standard-Parallel (Correction) Lines; Range Lines, Township Lines, and Townships; Township Sections; Section Lands; Standard Measurements; Survey Certifications	

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Section	Description	Questions on Exam
	Part IV - Settlement / Escrow	25
19	The Settlement Process	8
	Industry Investigations, Class Action Suits, etc.; Escrow as a Fiduciary Relationship; The Settlement Process; Pre-closing (Processing) Procedures; Closing Procedures and the "TRID" Rule; Other Closing Considerations; Notaries Public; Electronic Notarization; Remote (On-line) Notarization; Uniform Laws Governing Electronic Transactions; e-Recording; Marking up the Title Commitment; Post-closing Procedures; Prepaid Interest, Taxes and Insurance; Document Preparation and Closing; FIRPTA; Escrow Responsibilities; Closing Disclosure Certification and the U.S. False Claims Act; Title/Closing Agent Liability; Fraud Committed by Lenders; Fraud Perpetrators; Get it in Writing; Source of Funds; Paying R.E. Agents at Closing Table; Understand what is "TRID-Required" vs. "Industry-Driven"; Sample Forms	
20	Real Estate Contracts	4
	Parties; Property Description; Fixtures / Personal Property; Purchase Price; Deposit / Receipt of Escrow Funds; Financing Terms; Settlement Date and Location; Title Insurance / Settlement Services / Choice of Provider; Alabama - Availability of Title Insurance; Occupancy / Possession; Expenses, Prorations; Brokerage Fee, Settlement Statements; Terms / Times / Expiration / Acceptance; Closing Date; Risk of Loss; Inspections / Reports / Damages / Repairs; Default; Miscellaneous Terms and Provisions; Conveyance / Marketable (Merchantable) Title; Closing Documents / Recording Fees; Taxes and Assessments; TRID Rule Impact on Brokers, etc.	
21	The TRID Rule	4
	Sample Loan Estimate; Sample Closing Disclosure; Sample Seller's Closing Disclosure; Terminology; Creditor Liability; Title Insurance Premium; CFPB FactSheet TRID Title Insurance Disclosures	
22	UPL Issues	4
	Federal Perspective; Administrative (Non-UPL) Practices; the Unauthorized Practice of Law; 2012 Update Regarding Compliance with Loan Closing Instructions; Recent Industry Challenges	
23	Cybersecurity	5
	Cyberthreats Impacting Title (Settlement) Agents; DocuSign Advisory on Phishing; FBI Advisories on Internet Crimes; A Chain is only as Strong as its Weakest Link; Industry Cyberfraud Example; Escrow Accountability; Electronic Funds Transfers; Cybersecurity Policies and Procedures for Wire Transfers; Notifying Customers of Your Wire Transfer Policy; Cyberliability Insurance; FINCEN Geographic Targeting Order (FL SB-264) Conveyances to Foreign Entities	
	Total Questions on Exam	150
	Maximum Time allowed to complete exam in minutes	180
	Minimum Correct for Passing Score	105

Outline approved 9/21/2017 for examinations beginning January 1, 2018

Revised 7/24/2023 for examinations beginning January 1, 2024