



December 4, 2017

Re: Blue Ridge Title

Commonwealth Land Title Insurance Company is an insurance underwriter that issues title insurance products through its own operations and through its authorized independent agents. Pursuant to the terms of an Issuing Agency Contract, Commonwealth added Blue Ridge Title Company as an authorized independent agent of Commonwealth in early February, 2015. In that connection, Commonwealth appointed Ginger Cunningham and another employee of Blue Ridge, as Producers for Commonwealth, and identified them as such in the public records of the North Carolina Department of Insurance.

Thus Blue Ridge, through the two Producers appointed by Commonwealth, was authorized to issue title insurance commitments, policies, endorsements, closing protection letters, and other title assurances, as approved by Commonwealth and all regulatory authorities, until March 24, 2016, when Blue Ridge was terminated as an authorized agent for Commonwealth. In conjunction with that termination, on April 7, 2016, Commonwealth's notice that the previous appointments of Cunningham and the other Producer had been terminated by the Company as of March 24, 2016, was received by the North Carolina Department of Insurance, and since that date, such information has been reflected in the public records of that agency.

The agency and authority of Blue Ridge to issue title insurance commitments, policies, endorsements, closing protection letters and other title assurances on behalf of Commonwealth ended March 24, 2016, upon termination of the Issuing Agency Contract. Subsequent to this termination of authority, and unbeknownst to Commonwealth until late October, 2017, Blue Ridge, though Cunningham, continued to prepare and deliver insurance commitments, policies, endorsements, closing protection letters, and other title assurances in Commonwealth's name.

Blue Ridge fraudulently prepared and delivered these unauthorized insurance products on documents that contained Commonwealth's name and trademarks in order to make North Carolina real estate

closing attorneys and their clients believe Blue Ridge was still an authorized agent of Commonwealth. Blue Ridge charged these attorneys and their clients for the unauthorized and fraudulent insurance products. However, none of the premiums fraudulently charged by Blue Ridge in Commonwealth's name were authorized by or remitted to Commonwealth.

Blue Ridge was not authorized to take any action on behalf of Commonwealth after termination of the Issuing Agency Contract on March 24, 2016. Indeed, all of the title insurance commitments, policies, endorsements, closing protection letters, and other title assurances prepared or delivered by Blue Ridge in the name of Commonwealth after termination of the Issuing Agency Contract are unauthorized, fraudulent, void and unenforceable.

Promptly upon learning of the unauthorized and fraudulent conduct of Blue Ridge, Commonwealth notified the North Carolina Department of Insurance and brought legal action against Blue Ridge and Cunningham. Commonwealth has been working to identify those persons and entities who were provided the unauthorized policies fraudulently created by Blue Ridge. To help ameliorate the situation, Commonwealth has been working with the North Carolina Department of Insurance and the real estate closing attorneys who were provided these unauthorized and fraudulent policies on behalf of their clients by Blue Ridge, to assist these attorneys in obtaining legitimate Commonwealth policies for their clients, subject to meeting Commonwealth's underwriting guidelines.



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