



The Nation's First GSE-Compliant E2E AOL-Based, Fully Insured Loan Closing Platform

TITLE INSURANCE CYBER INSECURITY; OPINION & EDITORIAL

By Theodore Sprink, November 27, 2023

Real estate industry observers will find Fidelity National Financial's (FNF's) SEC filing of a "Cyber Incident" a public admission of a Cyber Protection failure, to be one of the more ironic developments in real estate history.

As many real estate experts are aware, the title industry has utilized its standing as a monopoly, and its incestuous relationship with a powerful Washington D.C. lobbyist, to launch and sustain a tasteless assault on innovation, competition, consumer choice and lower closing costs, by claiming that any alternative to title insurance is unsafe to lenders, sellers, buyers, borrowers, and investors.

The title industry has made patently false statements that alternatives to title insurance are uninsured. A library of disinformation, misrepresentations and fabrications, denigrating alternatives to the title insurance, (90% of title policies are produced by a monopoly of four corporate conglomerates), can be viewed at ALTA's "TAN" link.

And now, in an unbelievably ironic twist, FNF has reported to the SEC its Cyber Protection failure, which may potentially affect lenders, Realtors, sellers, buyers, borrowers and investors...and stockholders...with a breach that may expose to cyber thieves customer loan applications, credit history, bank accounts, routing numbers, social security numbers, financial statements, street addresses and parcel numbers.

The title industry has engaged in an extensive strategy to influence Senators and members of the House of Representatives to pressure multiple Federal Agencies to prohibit Freddie Mac and Fannie Mae, purchasers of mortgage loans, from accepting safe, reliable low-cost alternatives to title insurance.

This monopolistic conduct opposes FNMA's "Equitable Housing Finance Program", which is vigorously advocated by firms offering alternatives to title insurance. The title insurance industry's obsession to restrict alternatives, innovation, competition, and consumer choice is done so at the expense of minority and first-time home buyers, whose representatives recognize that the cost of title insurance and actual risk is uncorrelated, and represent a barrier to the American dream of home ownership.

The Wall Street Journal, New York Times, Washington Post, Los Angeles Times, New York Post, Sacramento Bee, Chicago Sun-Times, USA Today and other publications can be expected to fully report the extent of potential damages related to FNF's Cyber Protection failure, of the magnitude reported to the SEC. The SEC, FTC, NAIC, FHFA, FHA, NAR, MBA, FNMA and FHLMC can be expected to investigate the extent of potential damages to lenders, Realtors, investors, sellers, buyers, borrowers...and FNF stockholders.

Because "title-centric" real estate publications are doing little to report and explain the significant irony of FNF being discovered as potentially more unsafe than available alternatives to title insurance, following are a few questions skilled journalists should be asking, to discover the truth of FNF's reported "cyber incident".

1. Has FNF estimated reduction in transection volume and revenue as a result of the Cyber Protection failure?
2. Are lenders accepting FNF orders, if they fear a spread of FNF's Cyber Protection failure into their systems?
3. Are Realtors recommending FNF, given FNF's Cyber Protection failure, and potential spread to their systems?
4. Does FNF anticipate billions of dollars in class action lawsuits by investors, stockholders, and customers?
5. How is FNF Cyber Protection described by FNF? Who is the vendor? What is the backup? Who insures it?
6. What public statements concerning Cyber Protection did FNF's Board make in SEC 10K and 10Q filings?
7. Does FNF have Cyber Protection policies and procedures? Were policies and procedures violated?

8. Does FNF's Cyber Protection failure extend to all seven of its national brands?
9. Does FNF's Cyber Protection failure extend to all 4,500 title insurance agents and their client data?
10. Are title insurance agents expected to pursue remedies related to FNF's Cyber Protection failure?
11. Has FNF's Cyber Protection failure delayed or canceled escrows and scheduled closings?
12. Have FNF escrow funds been frozen or stolen as a result of FNF's Cyber Protection failure?
13. Has FNF identified source of breach? Is this a data-ransom or a data re-sale breach?
14. Has FNF notified lenders, sellers, buyers, borrowers, and investors of its Cyber Protection failure?
15. Does FNF's breach include loan applications, credit, bank account, social security numbers, FSs?
16. Has FNF notified lenders, sellers, buyers, borrowers, and investors of Cyber Protection failure?
17. Will FNF compensate customers/victims of Cyber Protection failure, or deny and defend potential lawsuits?
18. How will customers/victim damages be determined based on FNF Cyber Protection failure?
19. Will FNF's Cyber Protection customer/victims be required to file suit against FNF to enforce coverage?
20. Is the DOJ, FTC, and SEC investigating title insurance as a monopoly?
21. Does DOJ, FTC, and SEC project Cyber Protection failure to three other title insurance monopoly members?
22. Why is there not a national Federal Agency regulating title insurance?
23. Why is title insurance lobbyist ALTA silent on FNF's Cyber Protection failure?
24. Why are real estate publication "journalists" simply reprinting FNF's vague statements?

Alternatives to title insurance are safe, reliable and low-cost. *iTitleTransfer's* is a Scottsdale, Arizona-based PropTech innovator provides a Fully Insured Loan Closing Platform which reduces consumer closing costs by up to 65% and reduces lender internal costs up to 50%. Lenders and Realtors can now advocate consumer choice of settlement services, in a manner fully consistent with Fannie Mae's Equitable Housing Finance Program.

Despite disinformation distributed by the title insurance monopoly's lobbyist, *iTitleTransfer's* Fully Insured Loan Closing Platform provides the following transactional insurance coverages:

• <i>Lender</i>	<i>Covered</i>
• <i>Borrower</i>	<i>Covered</i>
• <i>Successor-of-Interest</i>	<i>Covered</i>
• <i>Seller Warranty</i>	<i>Covered</i>
• <i>Loan Amount</i>	<i>Covered</i>
• <i>Life of Loan</i>	<i>Covered</i>
• <i>One-Time Flat Fee</i>	<i>Covered</i>
• <i>National Service</i>	<i>Covered</i>
• <i>Fraud</i>	<i>Covered</i>
• <i>Forgery</i>	<i>Covered</i>
• <i>Lien Priority</i>	<i>Covered</i>
• <i>Gap</i>	<i>Covered</i>
• <i>Duty to Defend</i>	<i>Covered</i>
• <i>Escrow/CPL</i>	<i>Covered</i>
• <i>Cyber</i>	<i>Covered</i>
• <i>Excess/Umbrella</i>	<i>Covered</i>

iTitleTransfer's Fully Insured Loan Closing Platform includes Search and Examination, Proprietary Risk Scoring, Curative Services, Insured Attorney Opinion Letter (issued from a firm in the same state as the property), Document Preparation, Escrow, Date Down, eNotary and eSign, eRecording, Loan Closing and Deed Monitoring.

It is time lenders and Realtors to embrace innovation, competition, consumer choice and lower closing costs.

