California offers a copy of its title insurance brochure for any assistance it may provide in deliberating on the NAIC Title Shopping Tool guide.

http://www.insurance.ca.gov/01-consumers/105-type/95-guides/03-res/Title-Insurance.cfm#whatistitleinsurance

I. Comments on the Best Practices for Insurance Regulators -

Distributed at the NAIC Title Task Force meeting with a draft consumer shopping tools guide, were proposed best practices for regulators aimed to encourage consumers to shop for title insurance and consult the NAIC guide in the process. The challenge to encourage consumers, who are engaged in a large buy sell or loan transaction, to give attention to the title insurance component and shop for title insurance, is not new. However, insurance regulators have many important consumer protection functions and must often do a cost benefit analysis before undertaking new activities, such as marketing a brochure. The internet and other social media resources are wisely included in the best practice suggestions for distribution of these materials.

With these thoughts in mind, as friendly suggestions, it is recommended that the best practices be retitled to

- **Best Regulatory Practices for Promoting Title Insurance Shopping by Consumers.**

Further, starting with the third bullet, following the word "should," I suggest the word "consider" be added and the grammar changed so that the bullets read for example -

- State DOIs should consider including....
- State DOIs should consider designing....
- State DOIs should consider working....

This will permit state departments to assign resources appropriately under the circumstances present in their state.

II. Comments on the Draft Consumer Shopping Tool and Best Practices Guide -

As you know, a number of consumer representatives spoke out with concern about this draft at the last Task Force meeting.

I too have some concerns. I am concerned that the statement at the bottom of the first text page under the heading **Buying or Refinancing Property** "When you buy or refinance a home, you will need to decide whether to buy title insurance" is misleading. Title insurance is often required by contract in a buy/sell and refinance transaction. Although the statement in the shopping tool draft may be referring to an owner's policy as opposed to a lender's policy, it does not say that.
Similarly, I am concerned on the third page about the statement that a consumer may be convinced to "give up your right to choose a title agent or company." I don't believe this comports with legal requirements.

On the second text page under the heading Two Types of Title Insurance - Lender's and Owner's Policies there should be more of a discussion about the differences between Lender's and Owners policies before discussing the differences between basic and enhanced policies and policy endorsements. There should be a sentence on exclusions and encouraging a reading of the policy regarding what it covers. Instead the brochure says what the policy will not cover, rather than explaining policies often exclude items like easements, boundary line disputes. I don't know if a title commitment is provided in all states, nor am I certain it shows what will not be covered (exclusions) in the policy.

I think the use of the word "claims" in reference to mechanics liens is a little confusing, and mechanics liens should be described as an example in that sentence.

I recommend the section entitled The Difference Between Title and Homeowners Insurance be moved up to an earlier page.

I recommend the references to closing protection letters be removed as this product is not regulated in our state, and the statements made in the draft are not accurate under our state law, for example there is often no fee associated with these letters.

I recommend that shopping tools guide include a recommendation that consumers retain their title insurance policy and related transaction records as long as they own their home and for seven years thereafter, or some other reasonable time.