

**Virginia Title Insurance Examination**  
**Series 11-04**  
**75 scored (10 pre-test) questions – Two-hour time limit**

**1.0 Insurance Regulation**

**26% (20 items)**

**1.1 Licensing**

Definitions

- Agent/Producer (38.2-1814.1, 1820, 1822)
- Designated Licensed Producer (38.2-1820(B)(2))
- Sell, solicit, negotiate

Types of Licenses

- Agents
- Non-resident
- Business entities (38.2-1800, 1820, 1822 (C) (E))
- Exceptions (38.2-1821.1)

Maintenance and duration

- Maintenance of license
- Continuing education (38.2-1866, 1868.1 through 1873)
- Fictitious names (38.2-1822(E))
- Change of address (38.2-1826)
- Required reporting (38.1-1826)

Disciplinary actions

- License suspension, revocation or denial (38.2-1821, 1831, 1832)
- Penalties (38.2-218, 219, 1823, 1831)

**1.2 State regulation**

General powers - Commissioner of Insurance (38.2- 200)

Appointment

- Agent appointment (38.2-1825, 1833)
- Cancellation of appointment (38.2-1833 through 1834.1)
- Termination notification (38.2-1825, 1833 through 1834.1)
- Felony convictions/administrative actions (38.2-1826)

Unfair and prohibited practices

- Rebating (38.2-509)
- Misrepresentation (38.2-502, 512)
- Defamation (38.2-504)
- False advertising (38.2-503)
- Unfair discrimination (38.2-508)
- Kickbacks and referrals (38.2-4614, 1821.1(B) 8)

Licensee responsibilities (producer and/or title settlement agent)

- Real Estate Settlements/Real Estate Settlement Agents (55.1-900 through 55.1-1016; 14VAC5-395)
- Fiduciary responsibilities and trust accounts (38.2-1813, 4601.1)
- Commissions and compensation (38.2-1812)
- Negotiated Premium Rates (38.2-4608 (E))
- Statutory Notice to Buyers (38.2-4616)
- Retention of Records (38.2-1809(B))
- Examination of books and records (38.2-515, 1317, 1809(A))
- Consumer privacy regulation (38.2-613.2)
- Escheatment (55.1-2500, 55.1-2544; 14VAC5 395-50D)

**1.3 Federal regulation**

- Real Estate Settlement Procedure Act (RESPA) (12 USC Chapter 27)
- USA PATRIOT Act (USA PATRIOT Act Section 326, 352(a) (2001))

**1.4 Agents and general rules of agency**

- Agent/Insurer relationship
- Authority, powers, and responsibilities of agents

## **2.0 Real Property**

**30% (22 items)**

### **2.1 Concepts, principles and practices**

Insurable interests in real property

Fee simple

Life estate

Leasehold

Recording and race-notice

Search and exam

### **2.2 Acquisition and transfer of real property**

Methods of transfer

Deeds

General Warranty

Special Warranty

Quitclaim

Deeds of trust/mortgages

Assumption deeds

Foreclosure

Bankruptcy

Chain of title

Adverse possession

Leases

Decedents' estates

Testate

Intestate

Types of ownership

Tenants in common

Joint tenancy

Tenants by the entirety

Divorce, effects on tenants by the entirety

### **2.3. Ownership and legal capacity of parties/entities**

Individuals

Corporations

Limited liability companies

General partnerships

Limited partnerships

Trusts

Fictitious names

Power of attorney

### **2.4. Legal descriptions**

Platted/subdivision plat

Metes and bounds

## **3.0 Title Insurance**

**27% (20 items)**

### **3.1 Title Insurance Principles**

Risks covered by title insurance

Error searching public record

Hidden off-record title risks

### **3.2. Title Insurance Forms**

Types

Commitments

Schedule A

Schedule B-1, Requirements

Schedule B-II, Exceptions

Conditions

- Endorsements
- Loan, Owner's, and Enhanced protection policies
  - Insuring provisions
  - Schedule A
  - Schedule B – I Exceptions from coverage
  - Schedule B – II Subordinate matters
  - Exclusions from coverage
  - Conditions
  - Endorsements
    - ALTA 4-06, 4.1-06 – Condominium
    - ALTA 5-06, 5.1-06 – Planned Unit Development
    - ALTA 8.1-06, 8.2-06 – Environmental Protection Lien
    - ALTA 13-06, 13.1-06 – Leasehold
    - ALTA 32-06, 32-06 and ALTA 33-06 –Construction Loans
- Other related documents
  - Closing protection letters
  - Notice of availability of title insurance

**4.0 Title Exceptions and Procedures for Clearing Title**

**17% (13 items)**

**4.1 Types of Liens and Encumbrances**

- Mortgage or Deeds of Trust liens
- Judgment liens
- Taxes and assessments
- Federal income tax liens and judgment liens
- Estate tax liens
- Environmental and other governmental liens
- Mineral rights
- Covenants, conditions and restrictions
- Easements and rights-of-way
- Homeowner's/Condominium association liens
- Financing statements

**4.2. Special Problem Areas and Concerns**

- Access
- Mobile Homes
- Lis pendens
- Mechanic's liens
- Riparian rights

**4.3. Principles of clearing title**

- Certificates of Satisfaction
- Affidavits
- Releases
- Subordinations
- Statute of limitations
  - Judgments
  - Deeds of trust
- Indemnification letter/treaty