



Carolina Update

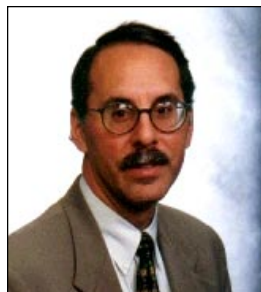
NCLTA's Exclusive Report to its Members

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President's Message

By Bryan D. Rosenberg



Traditionally, the President's Message has been a method of bringing focus to the objectives of the current leadership of the Land Title Association. I would like to start this message by highlighting how much my predecessors have accomplished. Since being appointed to the Executive Committee of the N.C. Land Title Association (NCLTA), I have witnessed first hand the large amount of work and information that is funneled to the right person or committee by just a few individuals. The Executive Committee in general and the past Presidents in particular, have served on numerous other committees within the Land Title Association and within the industry in general to achieve the objectives of our Association. Our members contribute time for our Association and through the Real Property Council, the Register of Deeds Association, Legislative Committees, and others; they also contribute to the growth, changes, and governance of the practice of real estate in North Carolina.

As described in our mission statement, "the North Carolina Land Title Association provides a forum for the collection, study, and dissemination of information relating to the title insurance industry. In conjunction with its Underwriter, Agent, Attorney, and Associate Members, the Association attempts to educate and inform its own membership, the general public, and the Real Property Section of the North Carolina Bar of prob-

lems, improvements, and new trends in the delivery of real property legal and title services." One of the first goals this year is to fulfill this mission as it relates to Closing Protection Services in North Carolina. This is another example of the efforts of our membership.

Right around Labor Day, the North Carolina Title Insurance Rating Bureau (NCTIRB) announced that it had successfully negotiated a premium for Closing Protection Services (commonly referred to as Insured Closing Letters) and that the new rate would go into effect on October 1 (see related article on page 3). Although NCTIRB is not in any way related to NCLTA, our mission statement certainly includes an educational role in getting the word out about the change – and there wasn't much time.

Immediately, the Executive Committee formulated a plan to use multiple methods to disseminate this information. We realized that there was no one single method available to get the word to everyone so we took a multi-pronged approach. We recognized that we had to get the word out to all of the offices of all of the underwriters, all of the agents of the underwriters, all Approved Attorneys, and then all of the other people who are affected by the change. This includes companies that provide rate quoting software, Realtors™, lenders, mortgage bankers, and, of course, consumers. This only included the in-state people. There were also many people outside the state of North Carolina who would be interested to know of the change and who had to be contacted.

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New Officers Elected

During the August 9, 2003, annual membership business meeting, regular members of the association elected the following officers for the 2003-2004 term on the Executive Committee:

- President: Bryan Rosenberg, Fidelity National Title Insurance Co.
- Vice President: Gary Whaley, Investors Title Insurance Co.
- Treasurer: Sarah Friede, Statewide Title Co.
- Secretary: Jonathan Parce, Stewart Title Guaranty Co.

(Gary Whaley had been appointed Treasurer a month earlier by the Executive Committee to fill the vacancy created when Holly Alderman had resigned to go into private practice.)

Christopher Burti will continue on the Executive Committee as Immediate Past President.



2003-2004 NCLTA Executive Committee members (l. to r.), Gary Whaley, Chris Burti, and Sarah Friede, "set the stage" for the upcoming year. (Not pictured: Bryan Rosenberg, Jonathan Parce, David Shearon, and Steve Rogers.)

The Attorney Section members re-elected David Shearon, the incumbent Attorney Section Representative. Subsequently, F. Stephen Rogers was appointed as General Counsel by President Rosenberg.

Carolina Update is the official publication of the North Carolina Land Title Association. It is distributed quarterly to title insurance company members, attorney members, and other persons interested in the title insurance industry. Readers are encouraged to submit articles to the newsletter. The opinions and statements of guest writers do not necessarily reflect the policies or opinions of NCLTA.

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Title Underwriters and Agents:

Please check your state and/or national company's web link(s) with the association's web site, www.nclta.org under "Directory." If you have changes, please send them to Executive Director Penney De Pas at exec@nclta.org so that the links may be updated.

Around the State

Tammy Nicholson has joined NCLTA as additional Directory Listing member. She is an attorney with **Fidelity National Title Insurance's** Raleigh office. The company has moved its Raleigh offices to: Wachovia Capitol Center; 150 Fayetteville St. Mall, Suite 1140; Raleigh, NC 27601. The mailing address and phone/fax/email information remains the same.

Chicago Title Insurance Company's Greensboro branch has moved its offices to: 230 N. Eugene Street, Greensboro, NC 27401; P.O. Box 2657, Greensboro, NC 27402-2657; Telephone: (336) 665-1314 or (800) 445-9983; Facsimile: (336) 665-9652 or (888) 542-0192.

Leon "Chip" Killian has left Moore & Van Allen to join the law firm of Nelson, Mullins, Riley, and Scarborough in Raleigh.

T. Karlton Knight has joined the firm of Brock, Scott & Ingersoll, PLLC, in Asheville. He was formerly with **Fidelity National Title Insurance's** branch office in Asheville.

Ed Urban of the Charlotte branch of **The Title Company of North Carolina** is recuperating at home from a heart attack. Cards, thoughts, and prayers are welcome.

Insurance Commissioner Approves Insured Closing Premium Rate

The North Carolina Title Insurance Rating Bureau (a separate entity from the N.C. Land Title Association) has filed, and the NC Department of Insurance has approved, a premium for insured closing protection. The Rating Bureau is charged with the task of setting appropriate rates for risks covered, to assure the financial responsibility of industry members, and it is obvious that no charge for insured closing protection is not appropriate for the risk incurred. Therefore, **a charge of \$.50 per thousand from \$0.00 to \$100,000.00 and \$.10 per thousand from \$100,001.00 to \$500,000.00 became effective October 1, 2003.** The combination of premiums for title insurance and insured closing services is *one undivided charge* pursuant to N.C.G.S. § 58-26-1(d).

This action is consistent with the provisions of the Model Title Insurance Act which was sponsored by the National Association of Insurance Commissioners and provides for a charge for insured closing protection. That group recognized closing protection as a significant risk category for which the insurer must be compensated.

Members should note that the charge for closing protection is a premium and subject to the regulation of the Department of Insurance including sanctions for intentional deviation from filed rates.

NCLTA 2003 Convention Manuscript Order Form

Please send me the following manuscripts:

- "The Art of the Law: A Workshop in Professionalism for Lawyers" *And* "The Snake Pit: Substance Abuse and Abuse of the Profession," Jay Reilly, Anna Marie Thatcher and Graham Thatcher @ \$12.50 ea. = \$ _____
- "Real Property Section Update," including "Proposed Authorized Practice Advisory Opinion on the Role of Layperons in the Consummation of Residential Real Estate Transactions," Barry D. Mann @ \$10.00 ea. = \$ _____
- "ALTA Government Affairs Issue Update," Ann vom Eigen, Charlene Nieman, and Christina Nelson @ \$ 2.50 ea. = \$ _____
- "Caveat Emptor and the Disgruntled Buyer," Margaret Shea Burnham @ \$10.00 ea. = \$ _____
- Total Package — One of each manuscript listed above. @ \$35.00 ea. = \$ _____

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Please make checks payable to "NCLTA" and enclose with your order.

Mail to: NCLTA, 1500 Sunday Drive, Suite 102, Raleigh, NC 27607-5151.

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“Sorry You Missed It ... !”

Although there was a small attendance at the Williamsburg Lodge for the 2003 annual convention, those members and guests who participated found that they were well informed and entertained. Even the ‘serious’ speakers delivered their presentations with levity.



Barry Mann

Barry Mann gave an update on the NC Bar Association’s Real Property Section, spending most of his time discussing the “Proposed Authorized Practice Advisory Opinion on the Role of Laypersons in the Consummation of Residential Real Estate Transactions” and the Proposed Formal Ethics Opinion dated October 16, 2002, concerning “Delegation to a Nonlawyer Assistant of Certain Tasks Associated with a Residential Real Estate Closing.” Mann also addressed recently passed legislation: S.629 (Subordination and Simultaneous Recording Priority), H.1006 (Manufactured Housing), and H.393 (Exception to Tax Certification). He announced that an amended Future Advances Statute was in the works and that S.974 requiring private roads be disclosed had made crossover.



Margaret Shea Burnham

He also announced that the third edition of the Forms Binder (a three-volume set of 300 forms) is available on CD-Rom for editing or in hard-copy. The Bar Association is currently seeking a Consumer Protection Attorney as the position was left vacant when Anne Winner resigned after five years in that position. During that time, 134 complaints had been received and investigated.

In “Caveat Emptor and the Disgruntled Buyer,” **Margaret Shea Burnham** encouraged closing attorneys to put their due diligence checklists in writing. She observed that the buyer tends to win only those cases wherein a) there is a new home *and* if the implied warranty from the builder is not waived, 2) if the acreage has an odd square footage, or 3) if there is a material misrepresentation by the seller and/or Realtor™.

ALTA representative **Mark Bilbrey** indicated that the HUD-proposed RESPA rule is still a big issue. The one-package approach proposed by HUD, including a RESPA Section 8 exemption, was tantamount to telling the consumer that he does not need to be told anything. ALTA still maintains that HUD has



Mark Bilbrey

no statutory authority to make such a ruling; it must have Congressional approval. ALTA has proposed a two-package approach—one with lender service fees and the other with settlement service fees. The current chair of the Senate Banking Committee is Senator Shelby, a title agent. Forty thousand letters were sent in protest to HUD’s initial ruling which Secretary Martinez withdrew.

Bilbrey also reviewed the status of the Radian Lien Protection Insurance case. Radian missed the fact that most states have monoline insurance laws. Since California was the largest potential market, Radian tried to amend the California title insurance laws, and they appealed the lower court’s decision that Radian could sell their policy if they go through proper monoline procedures and insurance rules.

Bilbrey announced that ALTA was working with Ervin-Bell to create a public awareness campaign about title insurance; a marketing kit will be available at the ALTA Convention in October. Recent federal legislation concerns privacy issues, the U.S. Patriot Act (a proposed rule from the Department of the Treasury to catch terrorists and money laundering), and HR758 (interest on escrow and checking accounts). Bilbrey also encouraged members to participate in TIPAC as well as the Title Industry Assurance Corporation for required errors and omissions insurance. The Land Title Institute (LTI) is offering a virtual seminar—five sessions on video or CD. ALTA has also developed the “Title Triumph Game” as an additional learning tool. Finally, Bilbrey announced that Frank Abignale and Ken Hardy would be featured speakers during the ALTA convention at the Phoenix Biltmore, October 22-26.

United General Title’s **Robert “Bo” Edwards** mixed his message with overheads, banjo, and guitar. He emphasized that title insurance’s traditional role has been that of “gatekeepers” through the due diligence function. Now market pressures are creating more risk with “quicker, faster, cheaper.” Focusing on three specific cases, Edwards showed how three of the four issues insured by title insurance had been addressed in unusual manners:

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“Sorry You Missed It ... !”

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- A “right to access” title claim was settled by a fist fight in the courtroom between two friends who had become plaintiff and defendant.
- A tax lien was “reincarnated” to seize a decedent’s property through a tax sale because income taxes had not been filed. A court order approved the sale of the house to pay for the estate taxes on inherited investments.
- The “marketability of title” was affected by the encroachment of a wall to keep a neighbor’s dog off another owner’s property. The restrictive covenants were reinstated as a matter of law even though equitable enforcement had lapsed.

The “Art of the Law” by **Periakto Productions, LLC**, was both entertaining and enlightening. It was noted that professionals in positions of perceived power, such as politicians, clergy, lawyers, and doctors, are often the butt of jokes to help people who feel helpless and who demonstrate a lack of control or a lack of understanding. Attorneys are also perceived as iconic and viewed with reverence and respect; the public oath they take, however, puts them in a tenuous position. Should they break faith with the public, that position becomes flawed. It was suggested that lawyer-client relations should be based on the attorney always acting courteously, sympathetically, and respectfully as an advocate, advisor, and strategist who has a working knowledge of both the law and the justice system: “a clear eye, sympathetic ear, good advice, and an invoice.”

In presenting “The Snake Pit—Substance Abuse and the Abuse of the Profession,” Periakto Productions dramatized three personal stories of substance abuse and depression by attorneys; reviewed the statistics that rate depression, suicide, and alcoholism as more frequent among attorneys than any other profession; and shared information about North Carolina’s Lawyer Assistance Program (see related article on page 13).

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Convention delegates mingle during opening reception

Thanks to Our 2003 Convention Sponsors

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Chris Burti presents golf prizes to Robert Bauchle, Mark Bilbrey, and Larry Johnson



Thanks to the Sponsors of the Real Property Section Annual Convention

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Stewart Title of the Carolinas
Surety Land Title
The Title Company of NC

Words of Appreciation to Outgoing NCLTA President Chris Burti

by Sarah M. Friede

[Ed.Note: Traditionally, the incoming President of our association presents the outgoing President with a plaque of appreciation at the end of the annual business meeting and makes a few comments about the accomplishments and leadership demonstrated during the previous year. Since the audience at the 2003 annual business meeting was very small and the presentation of the plaque had defaulted to the Secretary, Sarah Friede, we thought it worthwhile to reprint Sarah's comments in the newsletter.]

Due to the absences of the Vice President and Past President this morning, and the very recent appointment of our Treasurer last month, it has fallen to me to present this year's President with a token of the Association's and the Executive Committee's appreciation for his service as a leader. It is an unexpected privilege and honor that has landed in my lap.

Prior to becoming a member of the Executive Committee, I wondered how much of the annual thank-you and plaque was a mere formality and what, if anything, the President of NCLTA actually *did*. I can tell you that serving on Chris Burti's Executive Committee was an honor, that this thank you is only the merest of tokens, and that Chris has embodied everything that we could ask for in a President.

One of my favorite movies is "The American President," with Michael Douglas and Annette Benning. At the climax of the movie, Michael Douglas's character as the president is finally responding to a series of attacks from his political rival, and he says that his opponent "has suggested that the Presidency is to a certain extent about character. I am here to tell you that the Presidency is *entirely* about character." That is exactly the way I feel about Chris's leadership of NCLTA.

Chris has never shied away from leadership positions. In addition to serving on NCLTA's Executive Committee, Chris has chaired the golf tournament for several years; he serves on the Real Property Section Counsel and is its Legislative Committee Co-Chair; and he has facilitated several legislative initiatives, including and especially the manufactured housing bill in its initial passage and its technical corrections. This is in addition, of

course, to his job as Vice President for Statewide Title and his ongoing responsibility as town attorney for the town of Farmville.

As a leader, Chris is a consensus builder and is open to different opinions and strategies. Yet he is willing to make decisions – including tough decisions – when that is the most effective way to move forward. Gracious, friendly, and unpretentious, he puts people at ease but is as tough a negotiator as there ever was. His main concern is doing the right thing, upholding the high ethical standards of this industry and our profession, and always, always, supporting and advocating the North Carolina approved attorney system.

His graciousness and generosity extend even to loaning the parlor of his suite for use as a children's activity room during this convention, for which I know quite a few families are truly grateful. His political savvy extends from the inner workings of the State House to the public relations aspects of doing what is in the best interests of all others with whom he comes in contact, in order to ensure that truly mutually beneficial relationships are forged and nurtured.

It is with great pride and true personal pleasure that I present you with this plaque. It is truly only the merest token of thanks for – in the words of Periaktos Productions – the conscience, collegiality, civility, and integrity that you have brought to the NCLTA Presidency.



NCLTA Secretary Sarah Friede (r.) presents outgoing NCLTA President Chris Burti with a plaque of appreciation for his service.

Update from Land Records Task Force

By Sarah M. Friede and Nancy S. Ferguson

The NC Land Records Joint Task Force (Task Force) now has members from the Real Property Section of the NC Bar Association (RPS), the NC Association of the Registers of Deeds (NCARD), the NC Surveyors Association (NCSA), NCLTA, the Institute of Government, and the Land Records Division of the Secretary of State.

As of September 24, the Task Force had responses from 62 counties to its recent survey regarding recording practices & procedures around the state. The survey results will be posted on the RPS website. Although we are pleased to have received so many responses, nearly 40% of our counties are still unrepresented. The goal of this survey is to provide everyone associated with professionally maintaining the integrity of land records to have a resource for answers to questions about local rules. The results are not intended to be a guide for independent paralegals looking to cover the breadth of the state, but rather are to be available to attorneys and their employees. If you see *no* information posted for your county on the RPS web page and would like to contribute, please contact NCLTA headquarters (exec@nclta.org) and a survey will be sent to you.

The biggest news at the Task Force was that electronic cancellation of deeds of trust is available now in Mecklenburg County, to be followed shortly by Randolph County. On September 25, the Mecklenburg County Register of Deeds Office successfully recorded six (6) electronic satisfactions from Charter One in Virginia. The first document had minor glitches and was satisfied manually; the second was posted in automatic mode, with the satisfaction completed, recorded and returned to Charter One within 20 seconds; the last four were accepted as a packet, processed and returned to Charter One in about a minute! They were to "batch" 50-100 satisfactions a week or more later, but results were not obtained prior to press time for this newsletter. (Initially, only deed of trust cancellations will be electronically recorded, but once any kinks in the system are worked out all documents should be able to be recorded electronically.) Mecklenburg County has contracted with a software vendor to provide a template for institutional lenders to

complete and return with a digital signature that will be automatically verified by the Digital Signature Trust, an independent warehouse of digital signatures. Once the digital signature on the cancellation has been verified, the data in the template will automatically populate the Registry's database and will be available for viewing in the chain of title as a TIFF image.

Electronic recording should reduce the rejection rate of cancellations and satisfactions, and eventually will reduce problems such as Hyde and Dare County are facing in the aftermath of a natural disaster, when it becomes impossible to record and maintain paper documents because the entire registry is under water.

Existing uncanceled deeds of trust, identifying noteholders for payoffs, and obtaining reliable payoffs are growing problems in all 50 states. Because North Carolina does not mandate recorded assignments, it can be difficult to track noteholders. The Mortgage Satisfaction Act committee of the National Conference of Commissioners on Uniform State Laws (NCCUSL, most widely known for the UCC) is on "fast track" in drafting a uniform satisfaction. Nancy Ferguson is an official observer on the committee and has a draft of the current, circulating version. Any uniform satisfaction or cancellation document adopted will probably include a self-serving statement indicating that the party executing the document is the holder of record. The three biggest issues to tackle when drafting this document will be 1) how does the settlement agent (attorney) get the payoff, 2) how does the settlement agent verify the accuracy of the information (the "reliable payoff"), and 3) how do the parties obtain timely record satisfaction (by the lender or by the settlement attorney/agent, if the lender fails to act). Schedule: Nov. 7 meeting (draft currently available), anticipated spring meeting (draft anticipated in mid-January), and final reading at NCCUSL in August 2004 (draft anticipated by mid-June 2004). If any NCLTA member would like to read the draft version and comment, contact Nancy Ferguson, at fergusonn@ctt.com or 800-445-9983.

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Update from Land Records Task Force

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In addition, Ann Shaw, Register of Deeds of Randolph County, has recently been invited as an Observer of the NCCUSL eRecording Committee, another critical committee. It is actively researching standards for mandatory forms, and procedures (pull vs. push of recording fees from trust / escrow accounts to the registries), compliance with varying indexing standards, and notary acknowledgment forms for all 50 states.

Several members of the Task Force are active in the Property Records Industry Association (PRIA) looking at varying local laws in an effort to create national standards in many areas, including especially eRecording and UCC.

NCARD's recently adopted Revised Guidelines for Charging the Non-standard Document/Instrument Fee permit non-standard documents accompanied by the approved cover sheet NOT to be charged the non-standard fee. The coversheet, as it was approved, needs to state the document type and the draftsman, as well as the address if local regulations require it. The guidelines, as well as membership in NCARD, are voluntary and all Registers do not choose to follow them. Not all registries will recognize the cover sheet as a "save" for non-standard documents, and some do not follow the original guidelines at all. NCARD is negotiating with DMV and others about other forms, to be filed locally, that do not comply with the recording standards.

Cover sheet standards are critical, however. Issues include: Should / must all parties be named on the cover sheet for indexing and compliance with the recording standards for the transaction to be appropriately indexed (a question on sheriff's deeds, trustee's deeds, subordinations, for example)? Is the coversheet a permanent part of the document or just an "extra" like the trailer page that many Registers use to add on recording information? Therefore, would a future reference back (such as a cancellation) refer to the cover sheet or the first page of the document? If this is just an "extra", should a recording fee be charged for the cover sheet? Virginia statute requires that the surname of each party be indicated clearly (for example, by capitalizing or underlining) to indicate it differently than the rest of the name.

The Task Force also discussed the ever-growing problem of trying to index properly ethnic names that present a challenge to those of us accustomed to Western European names. The indexing example discussed at length were persons from Mexico, Central and South America, Egypt, and Eastern countries whose names often have indicators and connectors in their names and whose signatures are different from the typed name on the document. Should this be legislated (as are the Minimum Standards currently), in the N.C. Administrative Code or just left to local convention (the case now)? Many local recording clerks may be confused regarding how to index, as may the attorneys, paralegals, and public that research using these records. A proposed cover sheet for all documents presented for recording, much like the one that is optional under the Revised Guidelines for Non-Standard Documents, could resolve the issue if the form included a specifically defined space for surname, as well as given name, for indexing (discussed above).

Rex Minneman, of the Land Records Division of the Secretary of State's office, announced that the Land Records Advisory Committee is going to be reinstated after its inactivity since some years ago due to loss of funding. This Committee could then revisit updates of the Minimum Standards for Indexing Real Property Instruments (November 1996).

The Task Force discussed changes to the priority statutes (G.S. 47-18 and 47-20) regarding simultaneous recordings and the potential effects on standard practice at Registries around the state. The revisions should serve to clarify priority problems with documents recorded at the same time, but should not change the way Registers are handling multiple documents related to the same transaction.

The Task Force intends to continue communicating regarding legislative initiatives, areas needing to be addressed, and any matter affecting the real estate industry in North Carolina toward joint resolutions of our mutual concerns for the benefit of the industry, the public, and our public records. Input from our constituents' membership is welcome.

In Memoriam

Jack Lindon Donnell, 1922-2003

President, Carolinas Land Title Association, 1969-70
NCLTA General Counsel, 1985-87
NCLTA Honorary Member, 1988-2003

In the fall of 1977 I was fortunate that one of my friends and peers, Ed Urban (now local Charlotte counsel for The Title Company of North Carolina), chose to move to “greener pastures” than what Jefferson-Pilot Title could provide. Ed’s departure allowed me, an inexperienced lawyer, the honor and pleasure of working next to and under the guidance of one of the leaders in the land title industry, Jack Lindon Donnell.



Jack Donnell (r.) receives his Honorary Member plaque along with Bruce Boney in 1990.

As I have done during his lifetime, upon the death of Jack I once again reflected on the good fortune that fell upon me in 1977 to have succeeded Ed Urban there at the old Jefferson-Pilot. I marvel at the legacy Jack leaves behind in our industry as well as a member of the human race. We all would do well to seek a legacy, a mark in life, such as Jack with the loving and longstanding help of his wife, Ann, was able to achieve. His legacy was not limited to, but certainly included, humor, integrity and compassion.

He had many friends, friends of longstanding. At his funeral at Starmount Presbyterian church here in Greensboro,



the minister invited members of the congregation to volunteer experiences with Jack. There were several testimonies. The one I savor most came from a very new member of the church. The gentleman described how when he first attended, the first person to greet him was Jack. After a warm welcome from Jack, and I am sure Ann too, the man joined the church and would not forget their warmth.

Jack was faithful and devoted to Wake Forest University, where he graduated from law school. He was a perpetual season ticketholder in both football and basketball. In spite of that loyalty he hired me, a Tar Heel. In retrospect, maybe it was to “stick the needle in” from time to time. Monday mornings we would greet each other to work and, as fans do, reflect on the events of the weekend. He never was obnoxious in the least, but I was never sure exactly what he meant when he said referring to the familiar Carolina landmark, “Well did you drink at the (Old) Well this weekend?” Did he mean the precious Old Well was a place where drunks congregated? Did he mean returning to Chapel Hill distorted my senses? Whatever the point exactly, he gently reminded me that Chapel Hill was like many places, more special to some than others.

After Jack retired from Jefferson-Pilot in 1985, he worked “part-time” for several years at the law firm where he began his legal career, now known as Smith Moore LLP. He had a way of depreciating himself, even though he was as sharp as any lawyer I knew, and continuously demonstrated an ability to find simple as well as sometimes fundamental errors when attorneys asked him to review documents. He was a wonderful mentor to the attorneys there at Smith, Moore. Even though he suffered a heart

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In Memoriam

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attack in the early 1980s his health was generally good for his 81 years. However, after returning from a doctor's appointment one day, he discussed with the Smith, Moore staff a condition his physician discovered. It seems the condition affected the mind and was known by the acronym: CRDT. People in hearing distance expressed worried looks and one asked timidly, "What is it (the condition) called?" Jack responded, "Can't Remember a Damn Thing."

Another feature of Jack's personality was integrity. Some of you will remember better than I some of the issues affecting our business during Jack's era. As I recall the statutory regulation of title insurance rates changed during his time as president at Jefferson-Pilot and the issue of premium kickbacks certainly existed. Jack steered the company away from temptations to take advantage of the situation. Had he so desired to use statutory ambiguities and regulatory indifference opportunistically to gain market share and income, given the familiarity of the Jefferson-Pilot name he likely would have benefited corporately and individually. But he looked at the rules of the industry that were required by statute. Then he asked the question: what is right or wrong? The answer may not have been exactly clear. Nevertheless, he guided the company to stay clear of violations. Integrity was more important than material gain. In fact under his leadership, Jefferson-Pilot, a small regional underwriter, was known for honesty, sound underwriting and, to the satisfaction of the Jefferson-Pilot leadership, consistent profitability. Further, Jefferson-Pilot was a leader in keeping the marketplace free of coercion and barriers to free choice. Largely, this corporate personality was a reflection of Jack Donnell.

(At the risk of leaving someone out) among those he trained and mentored are such familiar names as:

- Gene McElroy, who led Chicago Title to prominence in North Carolina,
- Carl "Wally" Wallace, who though out of the title industry now, was long associated with Investors Title,
- Ed Urban, mentioned above,
- Patrick McNeely, now in private practice utilizing much of what he learned from Jack,
- Randy Sauls of ATI Title agency in Goldsboro, and
- Steve Rogers of Commonwealth Land Title of NC.

Having talked with these men, I know they uniformly look on their days with Jack with satisfaction, both professionally and personally. Even in death, his spirit lives on in the members of the "fraternity" of us who learned under his direct supervision, and more importantly in all those who knew him.

**— Joseph M. Ritter,
Fidelity National Title Insurance Co.,
Greensboro**



(l. to r.) Joe Ritter, Steve Rogers, and Randy Sauls recall Jack Donnell and their days working at Jefferson-Pilot Title Insurance Co.

Summary of Executive Committee and Annual Business Meetings

The North Carolina Land Title Association's Executive Committee met for a little over an hour on August 7, 2003, but covered quite a few agenda items during its meeting. Executive Director Penney De Pas reported that a "Waiver of Notice, Action without Meeting, and Resolution of Officer Appointment" had been unanimously signed by the members of the Executive Committee, approving the waiver of notice, consent to action with meeting, and ratifying the appointment of Gary Whaley as Treasurer of the Association to fulfill the remaining term of Holly Alderman and carry out the duties of the Treasurer's office until a successor is elected by the membership. President Burti welcomed Whaley to the Executive Committee and thanked him for his willingness to step into the office vacated recently by Alderman, including re-appointment to the Real Property Section Council on which Whaley had just completed a three-year term.

President Burti summarized recently passed legislation (see related article on page 4) as well as items carried over into the 2004 Short

Session. Reports were received on regulatory issues, membership (see New Members below), the NC Joint Land Records Task Force (see article on page 8), nominations, standard forms, and the 2003 convention.

During the annual business meeting of the membership, President Burti announced that Whaley had been appointed Treasurer the previous month and that Executive Director De Pas would present the June 30, 2003, interim and the December 31, 2002, audited financial reports. Woody Harrison announced that the Attorney Section had re-elected David Shearon as its representative and summarized the attorneys' discussion.

A written report by NCLTA Lobbyist Anne Winner was distributed. General Counsel Larry Johnson highlighted the key legislation—subordination, reporting priorities, and manufactured housing technical corrections.

Committee reports were presented. Bob Plyler and Maurice Hull won the NCLTA door prize drawings while Derek Taylor won the OnStaff door prize.

Executive Director Penney De Pas reported that the association has 10 Underwriter, 9 Agency, 65 Attorney, 5 Associate, and 2 Honorary Members. There was a decline in Agency membership from 14 the previous year—mostly new agency members who did not renew. She reported that convention attendance this year totaled 66 versus 98 for last year at the Sheraton Atlantic Beach. Attendance was comprised of 5 teens, 7 youth, 11 complimentary (speakers, staff), 17 spouses/guests, and 26 members. She thanked the companies that jointly sponsored the Real Property Section annual convention social events and reminded members that the annual convention would be held at The Boar's Head Inn in Charlottesville, VA, in mid-September (September 16-18) rather than early August next year in order to avoid conflicts with school and college openings. The 2005 annual convention will also be held in mid-September at the Grove Park Inn, Asheville.

Secretary Sarah Friede presented outgoing President Chris Burti with a plaque of appreciation (see article on page 7).

Welcome New Members

During the August 7th meeting, the Executive Committee approved the following new members:

Attorney

Donald C. Hudson
McGeachy, Hudson and Zuravel, Attorneys
555 Executive Place (28305)
P.O. Box 87249
Fayetteville, NC 28304
(910) 485-8020
fax (910) 485-2505
email: dchudson7@mindspring.com

Associate

Cindy D. Shay
Wishart, Norris, Henninger & Pittman, PA
6832 Morrison Blvd.
Charlotte, NC 28211
(704) 516-5549
Fax (704) 364-0569
Email: Cindy.Shay@wnhplaw.com

Mental Health and Substance Abuse Assistance for Attorneys

Statistical data suggests that lawyers are more at risk for suicide than any other profession or vocation. Fifteen percent of people who have a serious depression may eventually commit suicide or may indulge in alcoholism or other chemical addictions. The North Carolina State Bar has two *confidential* outreach programs to provide confidential help to all North Carolina lawyers and judges. The *Lawyer Assistance Program* (www.nclap.org) is designed to help lawyers find a way to address a wide range of health and personal issues, including most commonly: alcohol/drug abuse, stress/burnout, depression, anxiety, compulsivity disorders of all kinds including those involving food, sex, gambling, and the Internet. To address these issues, the Lawyer Assistance Program provides assessment, referral, intervention, education, advocacy, and peer support services through two programs—FRIENDS for depression and other mental health problems; PALS for alcoholism and other addictions.

Even if you do not need help yourself, you may know a colleague, associate, employer, or someone else who is in need of help. Your duty to your profession and your colleague is simply to bring confidential help to bear.

Both alcoholism and depression are brain diseases and the most frequent underlying conditions for suicide. Often the person suffering from these illnesses has no awareness that s/he is ill. Both these underlying conditions can either be prevented or mitigated by timely intervention and treatment.

Symptoms of alcoholism and depression are similar, including:

- Feeling depressed, sad, or anxious most of the day
- Neglecting one's family and losing interest in activities once enjoyed
- Losing or gaining weight
- Changes in sleep patterns
- Feeling drained of energy
- Financial difficulties
- Increase in health problems
- Feelings of worthlessness and guilt
- Isolation from friends
- Reduced ability or inability to concentrate

You may contact Don Carroll or Ed Ward of the Lawyer Assistance Program toll-free and confidentially as follows: Don Carroll, (800) 720-7257, nclap@bellsouth.net; Ed Ward, (877) 627-3743, eward@ncbar.com.

President's Message

In very short order, we had memos drafted, an article written for *Lawyers Weekly*, an article for the *Campbell Law Observer*, a discussion started on various ListServes, and software companies developing new rate tables. Recently I was at the Real Property Council Meeting, and the question was asked whether everyone had heard about the new rate structure. Everyone in the room had – but not all the same way.

This organized and comprehensive communication of important information that affects all of the membership of our association is a tribute to the value that we bring. This is an example of why anyone who has a real and meaningful interest or involvement in real property transactions in North Carolina should be a member of our

association. We continue to strive to bring value to the membership, and this is but one example of the accomplishments we have had and will continue to have over the years. We continue to self evaluate and modify our mission and policies to make sure we are bringing value to the membership and continuing to expand the appeal of membership in our association.

If you know anyone who does NOT yet know about the new rate structure for Closing Protection Services or doesn't know what pending legislation is going to affect their practices/business or any of the many other things we do, then you should tell them the best move they can make today is to join the North Carolina Land Title Association.

Convention Calendar

**ALTA 2003
Annual Convention**
October 22-25, 2003
Arizona Biltmore
Resort & Spa
Phoenix, AZ

**ALTA 2004
Federal Conference**
April 19-21, 2004

**NCBA Real Property
Section 2004
Annual Convention**
May 7-8, 2004
Pinehurst Resort
Pinehurst, NC

**NCLTA 2004
Annual Convention**
[www.nclta.org/
convention.html](http://www.nclta.org/convention.html)
September 16-18, 2004
The Boar's Head Inn
Charlottesville, VA
www.boarsheadinn.com

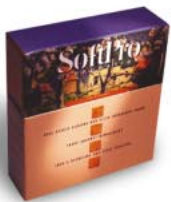
**ALTA 2004
Annual Convention**
October 6-9, 2004
The Westin
Copley Place
Boston, MA

**NCLTA 2005 Annual
Convention**
September 15-17, 2005
The Grove Park Inn
Asheville, NC
www.grovecparkinn.com

continued from page 1

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