

MINUTES OF SPECIAL MEETING
OKLAHOMA ABSTRACTORS BOARD
August 13, 2009

1. A special meeting of the Oklahoma Abstractors Board (OAB) was called to order at 10:00 a.m. on August 13, 2009, at 2401 NW 23rd Street, Suite 60B, Oklahoma City, Oklahoma.
2. The Executive Director called roll and announced that all current members were in attendance except for Gary Baer, who would be a few minutes late, and that a quorum was present. The Chairman announced that notice of the meeting and posting of the agenda had been done in accordance with the Open Meeting Act.
3. The minutes of the special meeting of the OAB conducted July 9, 2009, were then distributed and, after review, a motion was made by Dennis Hall and seconded by David Riley to accept the minutes as presented. Vote: Unanimously approved.
4. Chairman's Report: The Chairman reported that he was asked to speak at the summer meeting of OLTA at Western Hills and update them of the Board's activities. Approximately 60 people attended and he gave them various facts and figures, such as how many certificates and licenses had been issued, how the inspections were coming along, and various activities by the Board. He reported that he had good responses on the positive work the Board had been doing on behalf of the industry.
5. Committee Reports:

Budget and Finance – Jerald Stringer. Mr. Stringer gave an update on the budget and presented an OSF Form "FY2010 Operating Budget Comparison by Department and Account" and a P&L Statement and Transaction List for the month of July, 2009. He discussed the OSF form from the State and told the Board members that if they would like any other type of report, to advise him and it would be generated. A motion was made by Linda Carpenter and seconded by Monica Wittrock to approve the budget report as presented. Vote: Unanimously approved.

Rules and Regulations – Monica Wittrock. Ms. Wittrock reported that a conference call with the committee had been held on Monday, August 10th and she passed out copies of the agenda for the meeting that will be held immediately after this Board meeting. She explained that the Uniform Abstract Certificate and the rate sheets for both page and time based filing will be discussed in the meeting this afternoon. The OLTA Uniformity Committee has been invited and will attend the meeting.

Licensing and Testing – Linda Carpenter. Ms. Carpenter announced that the last test was held July 30th at 1:00 p.m. in the OAB office. Six persons took the test and all six passed. The next test will be held September 3, 2009, at 1:00 p.m. in the OAB office. Glenda Mittasch, who in charge of the October OLTA abstract licensing school in Tulsa, will consult with Director Reppond concerning giving the test at the completion of the course.

Mr. Baer joined the meeting at this time.

Enforcement Committee – David Riley. Mr. Riley reported that a request had been made by Richard Shults and Todd Cone of Title Abstract in Nowata. They requested the Board to approve four employees of Claremore Abstract & Title to temporarily work under the Certificate of Authority of Title Abstract to bring that plant into compliance pursuant to the mandate of the Enforcement Committee in February, 2009. A motion was made by Monica Wittrock and seconded by Dennis Hall to approve Title Abstract entering into an employment arrangement with the four employees of Claremore Abstract for a period not to exceed three weeks from today's date. Vote: Unanimously approved. A letter will be sent to Title Abstract giving them permission to hire these abstractors on a contract basis for a period of twenty-one days and requiring that this letter with the attached list of abstractors be posted in a prominent place to show compliance with the Board's decision.

Mr. Riley then brought up for discussion the matter of what authority the Enforcement Committee has to be able to make requirements of certificate holders. After discussion, David Riley made the motion, and Gary Baer seconded, that Nos. 2 and 4 on the Inspection report notations be actual requirements that the inspector can make of certificate holders after their plant is inspected. Those requirements being: (2) make a good faith effort to locate abstracts and document those efforts; and (4) certificate owners cease requiring an authorization letter from the owner. Vote: 4 yeas, 5 nays. Motion fails.

Monica Wittrock then made a motion, and Dennis Hall seconded, that the word "requirement" in the above failed motion be replaced with the word "recommend" so the motion would read, "the Board add to the list of recommendations the inspector can make of certificate holders after performing an inspection be (2) make a good faith effort to locate abstracts and document those efforts and (4) certificate owners cease requiring an authorization letter from the owner." Vote: Unanimously approved.

Mr. Riley then presented the list of inspection reports which have been completed by Inspector Parrish and requested they be approved, with the exception of Title Abstract of Nowata, with the requested recommendations (a copy of which is filed with these Minutes). He asked that Title Abstract of Nowata be deferred until the Board has been notified that the plant has been updated and brought into compliance, and a new inspection is made at that time. After discussion, a motion was made by Glenda Mittasch and seconded by Gary Baer to approve the inspections with the requested recommendations and deferral of Title Abstract. Vote: Unanimously approved.

6. Inspections – Terri Parrish. Ms. Parrish reported that she had completed inspections and would be presenting reports to the Enforcement Committee for the September Board meeting the following companies: Cheyenne Abstract Co., Sayre Abstract Co., Beckham County Abstract, Greer County Abstract, Stewart Abstract in OKC and permit holder Green Country Abstract and Title. During August, she will be inspecting AAA Abstract, Eastside Abstract, Sequoyah County Abstract & Title, Valley Land Title, Sooner Abstract & Title, and permit holder LeFlore Title Company. In September, she will be inspecting Pushmataha County Abstract, Choctaw County Abstract and Southern Abstract & Title.
7. Executive Director's Report: Director Reppond reported that she had prepared the Informational Technology Plan, the Tangible Property and Hardware/Software Inventory, the semi-annual Allocation and Salary Adjustment Report, the Budget Assumptions, and the 2009 Disaster Recovery, Business Continuity and Continuity of Operations Plans. She attended a Risk

Management seminar in August and, in September, she will be attending an Affirmative Action seminar, and a seminar on the Open Records Act. She, Terri Parrish and Terri McNulty have all signed up for on-going education classes through the State Human Resources Department. Dennis Hall will do the "Message from the Board" for September.

8. Application for License and Certificate Renewals: A list of new applicants for Abstract Licenses and Certificates of Authority was then submitted to the Board. After discussion, a motion was made by Dennis Hall and seconded by Linda Carpenter approving all listed subject to administrative review by the Executive Director, and making sure all compliance issues were met and appropriate fees paid. (A copy of the list will be filed these Minutes.) Vote: Unanimously approved.
9. Old Business : These items of old business were taken out of order.
 - c. Auditor case No. 05-01 re Certificate of Authority Nos. 33, 109, 120, 121, 124, 125, 139, 147 and 148. Last month, attorney John Russell requested the Board review this case and provide closure in some way. John Crittenden explained that when the Board was formed, the Abstractor's Act did not transfer any existing cases from the State Auditor's Office to the OAB. He further recommended that this case not be considered an enforcement action by this Board and the matter be closed from the OAB viewpoint. After discussion, a motion was made by Gary Baer and seconded by David Riley to not consider this as an enforcement action and close the matter. Vote: Unanimously approved.
 - a. Legal Counsel Report - Latimer Co. Abstract & Title Co. v. Oklahoma Abstractors Board and Pioneer Abstract Co. of McAlester, Inc. CV-09-37, CV-08-160, and CV-09-126. Pursuant to the recommendation of John Crittenden, a motion was made by Linda Carpenter and seconded by Monica Wittrock to move into executive session pursuant to 25 O.S. §307B(4). Vote: Unanimously approved.

The Board went into Executive Session at 11:35 a.m.

The Board exited Executive Session at 12:10 p.m. and resumed the regular Special meeting. No action was taken on any issue at this time.

- b. Pioneer Abstract Co. of McAlester's Request to address the Board concerning issuance of Certificate of Authority. Sharon Gotcher Adams, President of Pioneer Abstract, addressed the Board. She stated that it was costing between \$7,000.00 and \$8,000.00 per week to not have her certificate issued. Because her plant has been built using advanced technology for the abstracting industry, she wants the Board to consider rules regarding use of this technology in the future, and also asked that the Board make a decision concerning the issuance of the certificate.

John Russell spoke on behalf of Latimer County Abstract and gave a summary of the Court's action during the August 5th hearing.

Gary Baer addressed the Board concerning the issuance of the Certificate of Authority. He explained to Ms. Gotcher that he knew that the Board considered her application and found that she did in fact build the plant according to the rules that were existing and for

that reason, the Board approved her Certificate of Authority at the July meeting. He further explained that holding up the issuance of the certificate was on counsel's advice that he had made a commitment to the Judge regarding a hearing date and that the Board was respecting that pledge to the Judge by our counsel when they passed the motion to not issue the certificate. That time is now past. There has now been a hearing at the District Court level. The Judge was supposed to render a decision on Monday and has not done that. Therefore, considering that the fact that all statutory requirements have been met, Mr. Baer moved that the Board authorize the issuance of the certificate. Dennis Hall seconded the motion.

Vote: Glenda Mittasch, Yea; Linda Carpenter, Yea; David Riley, Yea; Monica Wittrock, Yea; Mike Harris, Yea; J. Herschel Beard, Yea; Gary Baer, Yea; Dennis Hall, Yea; Jerald Stringer, Yea. The motion passes unanimously.

10. New Business: No new business.

11. Visitor's Comment Period: Carol Johnston addressed the Board and thanked them for their work.

12. September Meeting: The September meeting will be held Thursday, September 10, 2009, at 10:00 a.m. in Shepherd Mall, 2401 NW 23rd Street, Suite 40B (Activities Suite), Oklahoma City, OK.

13. The meeting was adjourned by Chairman Beard.

Respectfully submitted,

Glynda Reppond
Executive Director