

MINUTES OF SPECIAL MEETING  
OKLAHOMA ABSTRACTORS BOARD  
December 10, 2009

1. A special meeting of the Oklahoma Abstractors Board (OAB) was called to order by Chairman Beard at 10:00 a.m. on December 10, 2009, at the Oklahoma Finance Authority, 5900 N. Classen Court, Oklahoma City, OK.
2. The Secretary called roll. Attending were Gary Baer, Herschel Beard, Jerald Stringer, Dennis Hall, Linda Carpenter, Glenda Mittasch and David Riley. Absent was Mike Harris who has an excused absence and Monica Wittrock who will be a few minutes late. It was determined that seven members were present at the time of roll call and that a quorum was present. Also attending were John Crittenden, Assistant Attorney General, Terri Parrish, Inspector, and Glynda Reppond, Executive Director. 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 November 12, 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: Herschel Beard. Chairman Beard expressed condolences on behalf of the Board on the loss of Ms. Carpenter's daughter and that a thank you note had been received for the flowers that the Board had sent to the service. He also reported that John Crittenden, Glynda Reppond and he met with the State Auditor, Steve Burrage, and their attorney, Michelle Day, on November 12th concerning the disputed monies held by the Auditor's office for the period July 1, 2006 through December 31, 2006. Mr. Burrage seemed to have no knowledge of the contents of our letters nor have any interest in resolving the issues. The OAB was told that there was nothing he could or would do. The conclusion is that this is now a dead issue.

Ms. Wittrock joined the meeting at this time.

5. Committee Reports:

Budget and Finance – Jerald Stringer. Mr. Stringer gave an update on the budget and presented the OSF Form "FY2010 Operating Budget Comparison by Department and Account", the OAB P&L Statement which covers each month from the beginning of the fiscal year for comparison purposes, and a Transaction List for the month of November, 2009. He reported that the operating budget was \$4,601.58 under budget for the month of November. A motion was made by Monica Wittrock and seconded by Linda Carpenter to approve the budget report as presented. Vote: Unanimously approved.

Rules and Regulations – Monica Wittrock.

Ms. Wittrock reported that a Rules meeting would be held after the Board meeting this afternoon. She handed out the proposed agenda for the meeting which contains a projected time line for the new rules to go into effect. If the schedule can be adhered to, the earliest date the new rules could go into effect would be April 25<sup>th</sup>. She then made a motion for the Board

to declare the need for rulemaking and to open the rulemaking process. The motion was seconded by Gary Baer. Vote: Unanimously approved.

Ms. Wittrock will be submitting the Notice of Intended Rulemaking within the next few days and the public comment period will run from January 15 through February 16<sup>th</sup> with the public meeting to be held on February 16, 2010.

Licensing and Testing – Linda Carpenter. Ms. Carpenter reported that the next test will be on January 7, 2010, in the agency office. Ms. Mittasch also reported that she has been reviewing the study guide and test materials from the last OLTA school and the OAB test. She is trying to determine if either the questions or the test are ambiguous or misleading or if they need to change how and what they teach at the OLTA licensing school. She and Ms. Carpenter will try to make recommendations by the January meeting.

Enforcement Committee – David Riley. Mr. Riley presented the list of Rate Sheets changes, which include Crawford Abstract & Title, Rogers County Abstract Company, Muskogee Abstract & Title Company, Pioneer Abstract & Title of Muskogee, Grand River Abstract & Title Company, and Southern Abstract Company and made a motion on behalf of the Enforcement Committee to approve the list. Gary Baer seconded the motion. Vote: Unanimously approved.

Mr. Riley then presented the list of inspection reports of regular certificate holders which have been completed by Inspector Parrish in October. This list includes Delaware County Abstract Company, Grand River Abstract Company, Vinita Title & Abstract Company, Ottawa County Abstract Company, and Photo Abstract Company, and made the motion on behalf of the Enforcement Committee, which was seconded by Glenda Mittasch, that they be approved with the requested recommendations. Vote: Unanimously approved.

Mr. Riley then presented a list of applications for renewal of permits to develop an abstract company submitted by Atoka Land Abstract Company, LLC, with no requirements; and LeFlore Title Company, Inc., Arbuckle Title & Abstract in Love County and Arbuckle Title & Abstract in Carter County, all three with the requirement of performing substantial progress towards completion before the next renewal date. Mr. Don Plank spoke to the Board requesting that Arbuckle Title & Abstract in Carter County not be approved citing Arbuckle was requesting very few final gap reports and final abstracting reports on any of their closing orders and suspected that they had issued title insurance on those orders. Ms. Wittrock stated that she would be looking into the matter because Arbuckle is an agent of First American and she will advise the Board as to the resolution. Mr. Crittenden advised the Board that these were two issues that should be handled separately, reissuance of the permit and Mr. Plank's complaint. After discussion, a motion was made by the committee and seconded by Dennis Hall approving all four permit applications listed subject to administrative review by the Executive Director, and making sure all compliance issues were met and appropriate fees paid. Vote: Unanimously approved.

6. Inspections – Terri Parrish. Ms. Parrish reported that in November she inspected Harmon County Abstract Company, Jackson County Abstract Company, Daniels Abstract Company, Great Plains Investments, LLC dba Baileys Abstract & Title Company, and Crawford Abstract & Title Company. In December she will be visiting American Guaranty Title Co.,

Warranty Title & Abstract Co., American Guaranty Title Co., and Capitol Abstract & Title Co. She also proposed to visit Oklahoma City Abstract & Title Co., American Eagle Title Insurance Co., American-First Abstract Co., Cleveland County Abstract, and Soloman Abstract Co.

7. Executive Director's Report: Director Reppond reported she had attended the Internet Review Board and they had approved the internet fees which will be charged when the online licensing goes into effect. She also reported that she had heard from the Oklahoma Ethics Commission and the Board members would need to file their yearly report sometime in the first quarter of 2010. She will send the Board a link to the Ethics Commission website for their convenience. She also reminded the Board members that in June the positions of the members from District 5, Mike Harris, and 6, Herschel Beard, the real estate member, Dennis Hall, and the banking member, Jerald Stringer, would be up for appointment.
8. Application for Licenses and Certificate Renewals (including rate changes): A list of new applicants for Abstract Licenses, as well as a list of Certificate of Authority renewals which include Murray County Abstract & Title, Inc., Buffalo Land Abstract Company, Logan County Abstract Company, Greer Guaranty Abstract Company, Cimarron County Abstract Company, Okfuskee County Abstract Company, Wagoner County Abstract Company, Albright Abstract & Title Guaranty Company, Guarantee Abstract Company, Solomon Abstract Company, Inc., Stephens County Abstract Company, Duncan Abstract Company, Jackson County Abstract, Daniels Abstract Company and Grant County Abstract were then submitted to the Board. After discussion, a motion was made by Linda Carpenter and seconded by Monica Wittrock approving all listed subject to administrative review by the Executive Director, and making sure all compliance issues were met and appropriate fees paid. Vote: Unanimously approved.

Transfer of Certificate of Authority – Mr. Riley then requested the transfer of ownership of the named companies below as follows: American Guaranty Title Insurance Company, the owner of one hundred percent (100%) of the issued and outstanding stock of American Guaranty Title Company, will dividend all of the American Guaranty Title Company stock to American Guaranty Holding Corp., the parent of American Guaranty Title Insurance Company. American Guaranty Holding Corp. will simultaneously then be merged into Old Republic National Title Holding Company, the result of which would be that ORNTHC would own one hundred percent (100%) of the issued and outstanding stock of American Guaranty Title Company and American-First Abstract Company. Simultaneously, American-First Abstract Company will then be merged into American Guaranty Title Company, and the name of the surviving entity, American Guaranty Title Company, will be changed to Old Republic Title Company of Oklahoma. All requirements for transfer have been met by the applicants. A motion was made by Monica Wittrock and seconded by Gary Baer to transfer said certificates as reported above. Vote: Unanimously approved.

9. Old Business :
  - a. Legal Counsel Report - AG Crittenden reported that nothing new had been filed in the Latimer County cases. He will report further on that next month. Last month a question was raised as to the definition of what “free access” means in the OAB statute. After researching the matter, he found there is not a definition per se in Black’s Law Dictionary but the statute essentially says that words used in any statute

are to be understood in their ordinary sense except when a contrary intention plainly appears. After discussion concerning the relationship between some County clerks charging the abstract companies \$1.00 per page under the Open Records Act, and because the abstract company should have access to the documents without using the Open Records Act, the Board asked Mr. Crittenden to look further into the meaning of “free access” and make a recommendation at the January meeting on how to proceed.

10. New Business:

- a. Ethics Policy – Director Reppond presented the proposed Ethics Policy. After discussion, it was believed that the last page was not attached so a motion was made by Gary Baer and seconded by Dennis Hall to table this item until the next meeting. Vote: Unanimously approved.
- b. Application for Permit to Develop Abstract Plant –American Eagle Title & Abstract, LLC.

American Eagle Title & Abstract, LLC. was represented by attorney Ron Barbar of Barbar & Bartz. Speaking on behalf of Tulsa Abstract & Title was Jim Inhofe. All non-attorneys were sworn in and Director Reppond presented her report confirming that American Eagle had met the requirements of the OAB for receiving a permit. Mr. Barbar spoke on behalf of American Eagle requesting that the permit be granted. Mr. Inhofe spoke regarding the need of another abstract plant in Tulsa County as well as the ability to build a new plant. Mr. Baer questioned Mr. Dittman concerning the availability of federal and bankruptcy records. After further discussion, the following motion was made:

I, Gary Baer, move that the Board now find that American Eagle Title & Abstract Co., LLC. in Tulsa, Oklahoma, applicant for a permit to develop an abstract plant in Tulsa County, Oklahoma, has complied with the requirements for a permit to develop an abstract plant, including the following:

- 1) Complied with the Oklahoma Abstractors Act and Rules of the Board, including OAB 5:11-3-3; 11-3-4; 11-3-5; and 11-7-1;
- 2) Paid the applicable fee of \$3,200.00;
- 3) Will provide adequate bond for county records in the amount of \$100,000.00 before issuance of the permit;
- 4) Provided affidavits from the County Clerk and District Court Clerk for Tulsa County certifying the availability and status of records; and
- 5) Pursuant to Section 34 of the Oklahoma Abstractors Act, this Board shall issue a permit to develop an abstract plant to any applicant who has complied with the provisions of the Oklahoma Abstractors Act,

and that now the Board grant applicant a permit to develop an abstract plant in Tulsa County, Oklahoma. The motion was seconded by Glenda Mittasch. Vote: Gary Baer, Yea; Herschel Beard, Yea; Linda Carpenter, Yea; Dennis Hall, Yea; Mike Harris, absent; David Riley, Yea; Jerald Stringer, Yea; Monica Wittrock, abstain; and Glenda Mittasch, Yea. The motion passes with seven yeas and one abstention.

11. Visitors' Comment Period: No comments were heard.

12. January Meeting: The December meeting will be held Thursday, January 14, 2010, at 10:00 a.m. at the Oklahoma Finance Authority, 5900 N. Classen Court, Oklahoma City, OK.

13. The meeting was adjourned by Chairman Beard.

Respectfully submitted,

Glynda Reppond  
Executive Director