ALTA’s Best Practices -- Sample Policies and Procedures

Pillar #1 – **Required Licenses and Registrations**

**INSERT LAW FIRM NAME HERE**

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| **Policy** | | **Best Practice Pillar #1: LICENSING -- Establish and maintain current License(s) as required to conduct settlement services.** | | |
| **Name of Procedure** | | ***Law Firm Filings and Business Licenses***  [***NOTE: This procedure is stricter than the ALTA Procedure for Pillar #1 because of NC state law requirements under N.C.G.S. 58-26-1(a) and Chapter 84 requiring independence of law firms from title insurance agencies.]*** | | |
| **Reference Number** | | 1.01 Required licenses and registrations | | |
| **Applicable Parties** | | **INSERT LAW FIRM NAME HERE**  Practice Manager  [Third Party Service Providers – Attach Addendum] | | |
| **Effective Date** | | Highlight this text, then type effective date here | | |
| **Supporting Documentation** | | Add to, delete and/or modify the sample text below to describe documentation that evidences your firm’s compliance with this best practice. Delete the preceding sentence and this one before finalizing.   * [Articles] filed with NC Secretary of State * Firm Trade Name Approval from State Bar * Firm’s Registered Organization Approval from State Bar * [Partnership Agreement, Operating Agreement, ByLaws, and all amendments] * Most current Annual Report filed with NC Secretary of State * Most current state and local Business Licenses | | |
| **Procedures** | | Add to, delete and/or modify the sample text below to describe the procedure followed by your firm to assure compliance with this best practice. Delete the preceding sentence and this one before finalizing.  The Firm maintains current filings with the NC Secretary of State, NC State Bar, NC Bar Association, NC Department of Revenue and [local city / county requirements]  The Firm’s Trade Name / Registered Organization Name has been filed with the NC State Bar.  ANNUALLY, the Firm’s Practice Manager will:   * Verify required business licenses * [Local] * NC Secretary of State, [www.secretary.state.nc.us/Corporations/](http://www.secretary.state.nc.us/Corporations/) * NC Department of Revenue, [www.dor.state.nc.us/taxes/license/](http://www.dor.state.nc.us/taxes/license/) * Confirm annual filings with NC Secretary of State for firm [if professional limited liability company, professional limited partnership or professional corporation] * Maintain an electronic or paper file with a log of licenses, expiration dates, annual reporting and copies of licenses for quick reference (verifying payment of all fees and maintaining required CLE) * State Bar, [www.ncbar.gov](http://www.ncbar.gov) * NC Bar Association & Section memberships, [www.ncbar.org](http://www.ncbar.org) * [Other professional associations required by firm] * Verify current contact information for firm on each license and membership. * Calendar renewals   WITHIN 30 DAYS OF ANY CHANGE, the Firm’s Practice Manager will:   * Confirm filing of any amendments or changes in firm status or individual membership or licensure. * Immediately notify the NC State Bar, the NC Bar Association, any title insurance underwriter(s) with whom the firm or attorney are approved, the Firm’s malpractice carrier and [other] if an attorney dies or leaves the firm. | | |
| **Approved by / Date** | | Highlight this text, then type name of person approving here | | Highlight this text, then enter date of approval here |
| **Policy** | **Best Practice 1: LICENSING -- Establish and maintain current license(s) as required to conduct settlement services.** | | | |
| **Name of Procedure** | ***Individual Attorney Licenses*** | | | |
| **Reference Number** | 1.01 Required licenses and registrations | | | |
| **Applicable Parties** | **INSERT LAW FIRM NAME HERE**  Practice Manager  [Third Party Service Providers – Attach Addendum]  See *Individual Attorney Licenses* on attached Addendum | | | |
| **Effective Date** | Highlight this text, then type effective date here | | | |
| **Supporting Documentation** | Add to, delete and/or modify the sample text below to describe documentation that evidences compliance with this best practice. Delete the preceding sentence and this one before finalizing.  Copy of Attorney NC State Bar License  List of attorneys with NC State Bar License numbers ([www.ncbar.gov](http://www.ncbar.gov)) and NC Bar Association membership numbers ([www.ncbar.org](http://www.ncbar.org)) and next renewal due dates on attached Addendum  Individual attorney verification of Certified Specialist with NC State Bar, if any, [www.ncbar.gov](http://www.ncbar.gov)  Individual attorney verification of current membership and sections with American Bar Association, [www.americanbar.org](http://www.americanbar.org)  Individual attorney verficiation of privilege license with NC Department of Revenue, <http://www.dor.state.nc.us/taxes/license/> | | | |
| **Procedures** | Add to, delete and/or modify the sample text below to describe the procedure followed by your firm to assure compliance with this best practice. Delete the preceding sentence and this one before finalizing.  At the time an attorney joins the firm (whether as members, partner or associate), the Practice Manager will confirm they are currently licensed and in good standing with the NC State Bar. The professional liability / malpractice (and other affected) insurance carriers will be notified and the attorney will be added to the coverage. (See Best Practice #6)  The Practice Manager will establish a list of individual attorney licensees in the firm.  ANNUALLY, the Practice Manager will:   * Assure all attorneys maintain ongoing CLE and other requirements * Confirm approval status with title insurance underwriters * Maintain an electronic or hard copy folder with a log of licenses, expiration dates and copies of licenses for quick reference * Verify current contact information for individual on each license. * Calendar license renewals   WITHIN 30 DAYS OF ANY CHANGE, the Firm’s Practice Manager will:   * Confirm filing of any amendments or changes in firm status or individual membership or licensure. * Immediately notify the NC State Bar, the NC Bar Association, any title insurance underwriter(s) with whom the firm or attorney are approved, the Firm’s malpractice carrier and [other] if an attorney dies or leaves the firm. | | | |
| **Approved by / Date** | Highlight this text, then type name of person approving here | | Highlight this text, then enter date of approval here | |

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| **Policy** | **Best Practice 1: LICENSING -- Establish and maintain current license(s) as required to conduct settlement services.** | |
| **Name of Procedure** | ***Notary Commissions*** | |
| **Reference Number** | 1.01 Required licenses and registrations | |
| **Applicable Parties** | **INSERT LAW FIRM NAME HERE**  Practice Manager  [Third Party Service Providers – Attach Addendum]  See *Individual Notary Commissions* on attached Addendum | |
| **Effective Date** | Highlight this text, then type effective date here | |
| **Supporting Documentation** | Add to, delete and/or modify the sample text below to describe documentation that evidences compliance with this best practice. Delete the preceding sentence and this one before finalizing.  Copy of Notary Commissions  List of notaries with NC commission ID numbers with the NC Secretary of State, <http://www.secretary.state.nc.us/notary/thepage.aspx>, and expiration dates/next renewal due dates on attached Addendum | |
| **Procedures** | Add to, delete and/or modify the sample text below to describe the procedure followed by your firm to assure compliance with this best practice. Delete the preceding sentence and this one before finalizing.  **For Individual Notary Commissions and Filings:**  The Firm has established firm requirements for which attorneys and staff must be duly commissioned notaries. At the time a NC commissioned notary joins the firm, the Practice Manager will confirm they are currently commissioned and in good standing with the NC Secretary of State.  At the time a new employee joins the firm in a position requiring a notarial commission, the Practice Manager will assure the person takes the necessary training, examination (if required) and obtains their commission with the NC Secretary of State.  The Practice Manager will establish a list of commissioned notaries in the firm, along with their commission expiration dates and will maintain an electronic or hard copy folder with a log of licenses, verification of contact information for each on their commission, reminder system for expiration/renewal dates and copies of commissions for quick reference  The Firm has mandatory procedures for assuring compliance with the notary statutes, including:   * maintaining current commissions, * compliance with personal appearance of signatories and other requirements for acknowledgments, * compliance with personal appearance of signatories, swearing or affirmation for jurats, * secured protection of notarial seals in locked drawers in exclusive possession of the notary at all times not in use by the notary, * assuring the current edition of the Notary Public Guidebook is available in the office, and * notification to the Practice Manager in the event of any notice of violations of the notary statute by a notary with the firm. | |
| **Approved by / Date** | Highlight this text, then type name of person approving here | Highlight this text, then enter date of approval here |

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| **Policy** | **Best Practice 1: LICENSING -- Establish and maintain current license(s) as required to conduct settlement services.** | |
| **Name of Procedure** | ***Paralegals*** | |
| **Reference Number** | 1.01 Required licenses and registrations | |
| **Applicable Parties** | **INSERT LAW FIRM NAME HERE**  Practice Manager  [Third Party Service Providers – Attach Addendum]  See *Individual Paralegal Certifications* on attached Addendum | |
| **Effective Date** | Highlight this text, then type effective date here | |
| **Supporting Documentation** | Add to, delete and/or modify the sample text below to describe documentation that evidences compliance with this best practice. Delete the preceding sentence and this one before finalizing.  Copy of paralegal certifications  List of paralegals with NC State Bar Paralegal ID numbers ([www.nccertifiedparalegal.gov/](http://www.nccertifiedparalegal.gov/)), NC Paralegal Association ([www.ncparalegal.org](http://www.ncparalegal.org)) and/or NC Bar Association Paralegal Division ([www.ncbar.org](http://www.ncbar.org)) and next recertification due dates on attached Addendum. | |
| **Procedures** | Add to, delete and/or modify the sample text below to describe the procedure followed by your firm to assure compliance with this best practice. Delete the preceding sentence and this one before finalizing.  At the time a paralegal joins the firm, the Practice Manager will confirm they are currently certified and in good standing with the NC State Bar (including verifying payment of all fees and maintaining required CPE).  The Practice Manager will establish a list of individual paralegal certifications in the firm.  ANNUALLY, the Practice Manager will:   * Assure all maintain ongoing CPE and other requirements * Maintain an electronic or hard copy folder with a log of licenses, expiration dates and copies of licenses for quick reference * Verify current contact information for individual on each certification and membership. * Calendar license renewals | |
| **Approved by / Date** | Highlight this text, then type name of person approving here | Highlight this text, then enter date of approval here |

**[NOTE: ALTA Assessment Procedures 1.01 related to licensure of the Firm and the Individuals by the NC Department of Insurance are not applicable to a NC approved attorney because of the statutory prohibition on the closing attorneys serving as title agents or underwriters, NCGS 58-26-1.]**

# ALTA BEST PRACTICE 1 - ADDENDUM

# Required Licenses and Registrations

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| **Practice Manager** | Insert Name of Practice Manager |
| **Person Responsible for Plan Maintenance:** | Practice Manager |
| **Next Review Due (should be prior to the earliest renewal date set forth below):** | Insert Next Review Date |
| **Next Review Date Tickler Added to Practice Manager’s Calendar: (Insert Yes when added)** | State Yes when added |
| **Comments:** | Add Comments, if any |

**LAW FIRM: (Any changes in Firm name should be reflected in this chart)**

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| Name | Type of Entity |  |  |  |
| INSERT LAW FIRM NAME HERE |  |  |  |  |

**INDIVIDUAL ATTORNEY LICENSES (List includes current/active as well as prior/inactive Attorneys)**

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| --- | --- | --- | --- | --- | --- | --- | --- |
| Name | NC State Bar License # | NC State Bar Next Renewal Due | NC Bar Association Membership # | NC Bar Association Next Renewal Due | [ABA, Specialization or other] | Current Status: Active or Inactive | Malpractice  Coverage  Confirmed |
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**INDIVIDUAL NOTARY COMMISSIONS (List includes current/active as well as prior/inactive Notaries)**

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| --- | --- | --- | --- | --- | --- | --- |
| Name | NC Notary Commission # | NC Notary Commission Next Renewal Due |  |  |  | Current Status: Active or Inactive |
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**INDIVIDUAL PARALEGAL CERTIFICATIONS (List includes current/active as well as prior/inactive Paralegals)**

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| Name | NC State Bar Certification # | NC State Bar  Next Renewal Due |  |  |  | Current Status: Active or Inactive |
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**NOTE: FOR FIRMS WITH ATTORNEYS LICENSED IN MULTIPLE STATES, THE ABOVE POLICIES AND PROCEDURES AND CHECKLISTS SHOULD BE MAINTAINED FOR ALL STATES APPLICABLE.**

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| **Review/Revision History for All Required Licenses and Registrations:**  Each time the above information pertinent to Required Licenses and Registrations is:   * Reviewed for accuracy and no changes made, enter the date of the review, the person doing the review and a brief description such as “Reviewed by \_\_\_\_\_\_\_\_\_\_\_\_. No revisions needed.” * Reviewed for accuracy and revision(s) made, enter the date of the revision(s), the name of the person making the revision(s), and a detailed description of the change(s) such as “Reviewed by Sally Doe. Employment status of Notary Elizabeth Watson updated to Inactive.” | | |
| Date of Review/Revision | Person Reviewing/Revising | Description |
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**ADDENDUM: THIRD PARTY SERVICE PROVIDERS**

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| Name of Service Provider  Principals  Address | | | Service Provided  (Attach contract to electronic file, especially Non-disclosure agreement) | | Firm Employee Responsible for Regular Review of Service Provider | Last Renewal Date | Next Renewal Date | |
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| **Review/Revision History of Relationship with Third Party Service Providers:**  Each time the above information pertinent to Third Party Service Providers is:   * Reviewed for accuracy and no changes made, enter the date of the review, the person doing the review and a brief description such as “Reviewed by \_\_\_\_\_\_\_\_\_\_\_\_. No revisions needed.” * Reviewed for accuracy and revision(s) made, enter the date of the revision(s), the name of the person making the revision(s), and a detailed description of the change(s) such as “Reviewed by Sally Doe. John Wilson removed as Wire Initiator and added as Wire Approver.” | | | | | | | |
| Date of Review/Revision | Person Reviewing/Revising | | Description | | | |
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