

Agency Escrow Accounting Standards EscrowTRAX User Guide

Title Insurers

State regulatory divisions, financial institutions, national groups, and others rely on Title Insurance underwriters to develop programs and practices designed to mitigate escrow losses that have and could affect the real estate settlement industry. To meet these needs, The Fidelity National Title Group family of underwriters continuously provides guidelines to assist our agents in safeguarding their escrow trust accounts. Those with weak internal controls run the risk of experiencing sizable losses. Assisting agents in managing and minimizing areas of risk is a duty of utmost importance to the underwriter. The process of identifying, understanding and assessing risk factors is vital in determining how well we are performing our responsibilities to the industry.

The key to properly serving our agency network starts with our commitment. It is our intention to provide the very best of guidance to our agents. The following Agency Escrow Accounting Standards, based on those established by the American Land Title Association (ALTA) and The Fidelity National Title Group family of underwriters are provided to our agents in an effort to properly inform them of their fiduciary duties and requirements.

We have also included information in response to the Consumer Finance Protection Bureau's (CFPB) concerns for the consumer and all escrow account activities in our settlement industry. In 2013, ALTA published seven "Title Insurance and Settlement Companies Best Practices", with one Best Practice focusing specifically on Escrow Accounting. Additional details surrounding this Best Practice are discussed later in this manual.

Title Insurance Agents

The establishment and maintenance of sound accounting systems and related internal control procedures is essential to properly safeguard the assets of any company and its customers and to assure a prompt, accurate accounting of the business transactions. The Agency Escrow Accounting Standards that follow should not be considered as "all inclusive" and as such, the controls implemented should be tailored for an individual escrow accounting environment. At a minimum, sufficient controls must be implemented and monitored in order to provide reasonable assurance that assets are adequately safeguarded and that proper escrow accounting records are maintained.

Title insurance agencies and real estate attorneys / law firms provide services that reflect the unique nature of real estate transactions. Services provided vary from one area of the country to another and may include acting as escrow agent, obtaining releases, and conducting the actual closing or settlement. However, the essential purpose is the same, i.e., to assist the parties in real estate transactions by insuring that the acquisition or transfer of property interest can be achieved with a maximum degree of efficiency, security and safety.

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The escrow holders have fiduciary responsibility for prudent processing, safeguarding and accounting for funds entrusted to them by the consumers. Accordingly, this responsibility results in significant exposure to losses from inadvertent or intentional failure to execute their duties properly. Usually, when an agent furnishes settlement services, it is acting as an independent business entity with full responsibility for the transaction. However, if a title insurance policy is issued in connection with the transaction, the underwriter also may become liable for settlement related losses. In that case, our liability does not reduce the agent's liability to the parties, and the agent may also be liable to us.

All responsibility ultimately rests on the agency owners. Simply put, the escrow trust account reconciliations and settlement file documentation should be completed, reviewed and approved by an agency manager and/or owner on a regular basis. It is recommended that, irrespective of size, agents must give serious consideration to segregating the responsibilities of employees.

Conclusion

While we cannot eliminate all escrow related losses, we can and must increase our efforts to minimize the conditions under which such losses may occur. It is vital to the underwriter and its agents to be sure settlement functions are handled properly and prudently and that all employees involved with settlement services, directly or indirectly, understand and comply with these accounting standards.

The servicing of our agency network may include comprehensive audits on overall operational and accounting procedures, as well as Quality Assurance reviews focusing on escrow account reconciliations. In order to satisfy the minimum requirements of these programs you should have implemented most, if not all, of the following Agency Escrow Accounting Standards and the ALTA Best Practice #2 on Escrow Accounting.

Because these matters are of such great importance to both of us, we urge you to call on us if we can be of any assistance. If there are any portions of the material that are not clear, or if you have any questions or concerns on the subject, we have Agency personnel ready to assist you.

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Agency Escrow Accounting Standards

- 1) All bank accounts used for holding funds pursuant to an insured real estate settlement transaction must be styled as an “Escrow” or “Trust” account. The words “Escrow account” or “Trust account” must appear in the signed bank agreement, on the bank statement, on disbursement checks, and deposit slips. Such accounts are to be utilized only for escrow or trust settlement transactions. This is essential for maintaining coverage by the Federal Deposit Insurance Corporation (FDIC) at the customer level. Operating funds are never to be comingled with escrow funds. ****Also an ALTA Best Practice***
- 2) Maintain all escrow funds, including sweep / interest bearing accounts, in financial institutions whose deposits are insured by the FDIC. If a sweep account is used, the funds should be invested in United States government backed securities (if permissible by your state). FDIC accounts with proper styling will ensure each customer has coverage with a maximum of \$250,000. ****Also an ALTA Best Practice***
- 3) Signature cards for the accounts should be obtained and updated regularly. The cards should reflect the number of signers required on the account. Two signatures are recommended on all escrow accounts where personnel levels permit. In some instances, state regulations may *require* two signatures. ****Also an ALTA Best Practice***
- 4) Prepare a monthly escrow trial balance for each escrow account (and any other fiduciary account) which, at a minimum, lists all open escrow balances and reconcile the totals to the check register or book balance. ****Also an ALTA Best Practice***
- 5) The agent’s accountant or bookkeeper is responsible for ensuring that the balances in the accounts listed on the escrow trial balance are supported by detailed transactions posted in their corresponding file ledgers and account register. Two individuals should approve any escrow adjustments to the accounting records. This includes erroneous postings, stop payments and transfers between accounts.
- 6) Perform a monthly “Three-way” reconciliation of the bank balance, book / register balance, and escrow trial balance for each escrow bank account, and any other fiduciary account. Reconcile the prior month before the end of the current month. Consider reconciling deposit and disbursement activity daily. ****Also an ALTA Best Practice***
- 7) Three-way reconciliations are to be prepared by someone unassociated with the receipt or disbursement function, not an authorized account signatory and not authorized to initiate wire transactions. The individual preparing the bank reconciliations should initial and date the reconciliations when completed. ****Also an ALTA Best Practice***

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- 8) A manager or supervisor should approve the three-way reconciliation. The manager, owner or designee must review the reconciliations to ensure exceptions as previously described are being cleared promptly, procedures are in place to consistently address all exceptions, and the reconciliations are being done on a monthly basis. A signature and the date of review should be noted on the reconciliation to evidence this review. If this is not possible or practical, then another employee should review the reconciliation.
- 9) Include the following detailed procedures when reviewing the three-way reconciliation. All corrective measures should be completed prior to completion of the next reconciliation:
 - a) Research and resolve all stale dated outstanding deposits on the outstanding deposit report. Outstanding deposits should clear within three business days.
 - b) Research and resolve all overdrawn files on the trial balance:
 - i) Reimburse valid outstanding deposits, file shortages and other escrow account shortages with operating account funds immediately upon discovery. Bank service charges should be debited from the operating account, not escrow accounts.
 - ii) Make the appropriate corrections to files overdrawn due to posting errors.
 - c) Research all stale dated outstanding disbursements. Immediate attention should be given to stale dated disbursements payable for the following categories. Require management approval when voiding and reissuing checks and wires:
 - i) Document recordation > 30 days old
 - ii) Mortgage payoffs > 14 days old
 - iii) Taxes and hazard insurance premiums > 90 days old
 - iv) Underwriter premium / fees > 90 days old
 - v) Disbursements to other lienable entities > 90 days old
 - d) Research all adjustments that were required to bring the account in balance. Post corrections to the proper file so the adjustment can be cleared on the next reconciliation.
 - e) Research the trial balance for unusual and / or inactive file balances. Inactive file balances held longer than six months may be considered as dormant funds. All balances in non-closing / miscellaneous files should be identified and posted to their corresponding closing file number:
 - i) Review the file ledger and corresponding file documentation to identify the balance. If applicable, immediately disburse funds to the appropriate parties. Make necessary posting corrections if errors are detected.

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- ii) Non-closing/miscellaneous files should only be used to post minor bank discrepancies and fees. The bank should be notified immediately upon discovery of errors. Immediately fund all fees and instruct the bank to deduct future fees from the operating account.
 - iii) Segregate, limit access and require management approval for disbursements from all files required to hold funds until properly resolved.
 - iv) Maintain adequate Escrow Agreements signed by the corresponding parties if funds are to be held in escrow for a specific period of time.
 - v) If you are unsuccessful in locating the proper owners and unable to disburse remaining funds, adhere to your State Escheatment Laws regarding the reporting of Unclaimed Property. ****Also an ALTA Best Practice***
- f) Research inactive escrow accounts to ensure all funds are properly disbursed to the appropriate parties so the account can be closed. We do not recommend transferring funds to active escrow accounts. However, if you choose to do so, they must be done on an individual file basis to ensure the funds are properly accounted for.
- 10) Hold funds collected for underwriter premiums in trust and do not commingle with operating accounts. If a separate bank account is used to hold premium it should be named appropriately. A two-way reconciliation is acceptable. However, strong consideration should be given to performing three-way reconciliation on a monthly basis to manage policy completion and remittance on a customer level, per file basis. All premiums should be remitted to the underwriter on a monthly basis. ****Also an ALTA Best Practice.***
- 11) Hold funds collected for document recordation in trust and do not commingle with operating accounts. If a third party is contracted to provide electronic recording services, a separate recording account must be used to limit the vendors accessibility to settlement funds collected for recording purposes. This separate account should be named appropriately. A two-way reconciliation is acceptable. However, strong consideration should be given to performing three-way reconciliation on a monthly basis to manage timely recordation and refunding of overages on a customer level, per file basis. ****Also an ALTA Best Practice.*** Recordation fees should be received by the appropriate recording office in a timely manner.
- 12) Perform a three-way reconciliation on all other escrow trust related accounts on a monthly basis. Examples of such could include accounts used to transact or hold wires, settlement funding; construction escrows; earnest money deposits, etc. ****Also an ALTA Best Practice***

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- 13) If an interest-bearing escrow account is used, the corresponding transactions must be included in the register, book and trial balance. Interest activity must be posted immediately following receipt of the monthly statement or other documentation reporting the interest accrued. Create a unique file name in the register to post these transactions.
- 14) Implement the following internal controls and segregation of duties when permissible. Adhere to all industry and local regulations:
- a) Prevent account and file shortages by confirming all funds have been collected and deposited prior to disbursement. Consider the following procedures as well:
 - i) Become familiar with your local “Collected Funds” regulations which generally require deposited funds to be available prior to disbursement.
 - ii) Become familiar with your local regulations on acceptance of personal checks.
 - iii) The person(s) actually making the deposit should not have access to the accounting system or be a signatory on the account.
 - iv) The person(s) responsible for escrow accounting functions and preparing the escrow deposit must only receive escrow-funding instruments that have been restrictively endorsed.
 - v) Verify all deposits are posted to the register according to your validated deposit receipts on a daily basis. The timely updating of accounting records will allow for the identification and correction of files that still require collection of funds.
 - vi) Use two employee signatures on all escrow checks and avoid the use of signature stamps.
 - vii) Verify all checks are posted to the register when the checks are prepared. The timely updating of accounting records will also allow for the identification and correction of files with erroneous checks or remaining funds requiring disbursement.
 - viii) Maintain Wire Transfer logs to monitor all incoming and outgoing wire activity. Ensure proper usage of the software when posting wires, so that they are appropriately identified as such within the register. Perform these processes daily.
 - ix) The person(s) responsible for initiating wires should not be able to authorize wires. Generally, your authorized check signatories, managers or owners should be to only person(s) able to authorize wires.
 - x) Verbally confirm all bank wire information on payoff statements received from third parties.
 - xi) Prepare a file ledger prior to and after the posting of all transactions to confirm available funds.
 - xii) Make arrangements with your bank to be immediately notified when the account has a significantly low balance or is overdrawn.

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- xiii) Require management approval for any transfers of funds between closing files or escrow accounts. Document transfers between closing files in all corresponding files. Normally, funds should not be transferred between escrow files. When an individual is a party in two different transactions, it is better to disburse from one file and receipt into the other so there is a paper trail of the transaction. If a transfer of funds between files is necessary, the Office Manager should instruct their personnel to document the nature of the transfer in detail within the corresponding file ledgers. The Manager should approve all transfers by documenting the actual file ledger or within the software system.
- xiv) Utilize positive pay or reverse positive pay for bank accounts. Usage of positive pay will detect erroneous and / or unauthorized disbursements when discrepancies are found between the check presented and its corresponding information within your accounting system. The automated fraud detection tool will assist in performing a daily reconciliation. ****Also an ALTA Best Practice***
- b) Retain all escrow account documents and accounting records relating to the bank reconciliations. Include copies of all checks, wire documentation, deposit checks/slips, and receipts with your copies of the reconciliations. If your bank does not return actual canceled checks with bank statements, then imaged copies of all checks must be available, or the agency must obtain a signed acknowledgement from their bank that they will be provided upon request. The copies must meet the following criteria:
- i) All checks must be clearly legible.
 - ii) Include both sides of every check so that endorsements can be verified.
 - iii) Ensure that it is unmistakable which front and back images belong together.
- c) Adhere to your local regulations regarding escrow account record retention.
- d) Once the account is no longer in use and at a zero balance request a final statement from your bank indicating "Closed Account" and submit to your underwriter(s).
- e) Include related file numbers directly on all escrow checks and deposit slips to provide a clear and direct connection between the documents and the related file.
- f) Safeguard unused check inventory in a secure location such as a locked room or filing cabinet. Limit access to authorized individuals.
- g) Remove signature blocks from voided checks or otherwise render them ineffective.
- h) Discourage the receipt of cash. If cash is received, issue a signed, pre-numbered receipt.

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- i) The agency accountant, bookkeeper or other individual independent of the closing transaction should confirm and verify all deposits and disbursements on a daily basis.
- j) Employees other than the escrow closer must be responsible for following up on pending mortgage conveyances/releases/satisfactions. The person paying off the lien, and/or waiving the title exceptions must not have the additional responsibility of following-up on pending conveyances/releases/satisfactions. The lack of an independent review and follow-up procedure may result in improper payoffs remaining undetected.
- k) Escrow personnel should not be able to access the title areas of a computer system. Under no circumstances should escrow personnel have the ability to clear or waive title exceptions without the approval of a title examiner.
- l) Open a new escrow / trust account anytime the agency obtains or changes their closing software system. If a new account is not opened, all prior transactions would have to be transferred from the old to the new software. Opening a new account is the simplest solution to this issue and will ensure both old and new accounts are properly reconciled in their corresponding software system.
- m) Computer systems accessibility, security and backup procedures should be restrictive and formalized. System logins and passwords should be unique to each employee. Passwords should be changed at regular intervals. Backups should be automatically performed daily, and copies should be maintained offsite. Management of these procedures should be done by an individual that specializes in technology and is independent of the escrow closing and accounting functions.

We recognize small businesses often do not have sufficient staff or resources to provide for a complete segregation of duties and comprehensive internal control environment. As a result the day-to-day supervision by a manager and/or owner provides an important control over all escrow related activities. All controls in use should be formally documented and continuously reviewed to ensure your employees are adequately trained and aware of their responsibilities. Finally, consideration should also be given to contracting with an independent third party to reconcile all accounts. This will help mitigate some the operational risks that can occur with limited personnel.

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ALTA Best Practices on Escrow Account Controls

Lenders are understandably concerned about the proper disbursement of loan funds held in the escrow trust accounts of third party settlement agents. Title insurance underwriters issuing Closing Protection Letters (CPLs) to lenders also have a vested interest in the methods used by their policy issuing agents to safeguard and disburse funds held in escrow trust accounts.

On January 2, 2013, the American Land Title Association published the ALTA Title Insurance and Settlement Company Best Practices for its membership, to address the need for lenders to know more about the companies with whom they do business and processes they have in place to protect consumers. The Best Practices is a way to highlight the strong business practices employed by title and settlement companies that protect lenders and consumers.

In connection with the establishment of the Best Practices, ALTA assembled a Best Practices task force comprised of 16 agent and underwriter ALTA members. The task force will be charged with monitoring the various real estate settlement processes itemized in the Best Practices, developing compliance standards and procedures and providing the ALTA membership with timely information and advice. ALTA will also produce sample policies for members to adapt to help them implement the Best Practices in their business.

To that end, on July 19, 2013, ALTA released its Title Insurance and Settlement Company Best Practices Version 2.0, refining the guidelines it had established with the initial release of the Best Practices on January 2, 2013. In addition, an Assessment Procedures and Certification Package was published to round out the Best Practices Framework and provide an objective and uniform method of determining and certifying whether an agent meets the Best Practices standards. Best Practice #2 surrounding Escrow Account Controls and its purpose is as follows:

Best Practice #2: Adopt and maintain appropriate written procedures and controls for Escrow Trust Accounts allowing for electronic verification of reconciliation.

Purpose: Appropriate and effective escrow controls and staff training help title and settlement companies meet client and legal requirements for the safeguarding of client funds. These procedures ensure accuracy and minimize the exposure to loss of client funds. Settlement companies may engage outside contractors to conduct segregation of trust accounting duties.

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The following are the specific procedures set forth to meet this Best Practice. You will find that many of these controls are already integrated in the previously documented Agency Escrow Accounting Standards:

1. Escrow funds and operating accounts are separately maintained.
 - Escrow funds or other funds the Company maintains under a fiduciary duty to another are not commingled with the Company's operating account or an employee or manager's personal account.
2. Escrow Trust Accounts are prepared with Trial Balances.
 - On at least a monthly basis, Escrow Trust Accounts are prepared with trial balances ("Three-Way Reconciliation"), listing all open escrow balances.
3. Escrow Trust Accounts are reconciled.
 - On at least a daily basis, reconciliation of the receipts and disbursements of the Escrow Trust Account is performed.
 - On at least a monthly basis, a Three-Way Reconciliation is performed reconciling the bank statement, check book and trial balances.
 - Segregation of duties is in place to help ensure the reliability of the reconciliation and reconciliations are conducted by someone other than those with signing authority.
 - Results of the reconciliation are reviewed by management and are accessible electronically by the Company's contracted underwriter(s).
4. Escrow Trust Accounts are properly identified.
 - Accounts are identified as "escrow" or "trust" accounts. Appropriate identification appears on all account-related documentation including bank statements, bank agreements, disbursement checks and deposit tickets.
5. Outstanding file balances are documented.

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6. Transactions are conducted by authorized employees only.
 - Only those employees whose authority has been defined to authorize bank transactions may do so. Appropriate authorization levels are set by the Company and reviewed for updates annually. Former employees are immediately deleted as listed signatories on all bank accounts.
7. Unless directed by the beneficial owner, Escrow Trust Accounts are maintained in Federally Insured Financial Institutions.
8. Utilize Positive Pay or Reverse Positive Pay, if available in the local marketplace, and have policies and procedures in place that prohibit or control the use of Automated Clearing House transactions and international wire transfers.
9. Background Checks are completed in the hiring process. At least every three years, obtain Background Checks going back five years for all employees who have access to customer funds.
10. Ongoing training is conducted for employees in management of escrow funds and escrow accounting.

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Agency Escrow Trust Account Reconciliation Submission Guidelines

As an industry leader and in response to these suggested controls, we have decided to implement procedures designed to increase the review of escrow activities and account reconciliations. Currently, we contractually require that all agents reconcile their bank accounts on a monthly basis, and we appreciate your diligence in doing so.

In order to maintain the highest standard of quality among our agents, we have initiated a Quality Assurance Reconciliation Review program, consisting of monthly submission and review of your escrow trust account reconciliations by Company personnel specializing in agency escrow trust accounting. This process will allow us to confirm timely reconciliation and help possibly detect any serious deficiencies that we can work together to correct.

If your Agency is selected to participate in this program, we ask that you provide the reconciliations of all open escrow trust accounts to Fidelity National Title Group's National Agency Support Services, Quality Assurance Department. Generally speaking, the prior month should be reconciled and submitted by the end of the current month.

The following reconciliation reports are required for each account submission. Detailed guidelines and sample reports to follow:

- Escrow Trial Balance Report
- Outstanding Deposits / Deposits in Transit Report
- Outstanding Disbursements Report
- Register / Book Report
- Complete Bank Statement copies including check images (if applicable)
- "Three Way" Reconciliation Summary Report

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1. Escrow Trial Balance: A trial balance is a listing of all open files as of some specific point in time, usually as of month end or bank statement date. This report shows the amount of funds held for each respective customer. Trial balances should be prepared as of the ending bank statement date and should agree with the Adjusted Bank balance after some routine reconciling items detailed below. The Escrow Trial Balance total should also match the Register / Book Report total as of the ending bank statement date.

A trial balance is of vital importance because it documents all customer related liability claimed against the escrow trust account balance. In simple terms, it answers the question "Whose money are you holding?" The trial balance may be identified by other names depending on your software system, but its requirement runs through most State Department of Insurance regulations, State Bar rules, American Bar Association guidelines and control guidelines endorsed by the American Land Title Association.



Escrow Trial Balance

2. Outstanding Deposits / Deposits in Transit: Outstanding deposits are those funds which may or may not been received, been posted (added) to the register, BUT have not cleared the bank account. The funds in question will be included in the Escrow Trial Balance total and will have to be **added** to the ending bank statement balance in order to bring the two into agreement. The report should clearly list all items with their corresponding posting dates, amounts and file numbers. These deposits should not be more than a few business days old.
3. Outstanding Disbursements: Outstanding disbursements are those escrow funds already issued or initiated by the agent by check, debit and/or wire, BUT have not yet cleared the bank account. The funds in question will no longer be included in the Escrow Trial Balance total and will have to be **deducted** from the ending bank statement balance in order to bring the two into agreement. The report should clearly list of all items with their corresponding check/wire numbers, posting dates, payees, amounts, and file numbers. Excess stale dated outstanding items generate concern, particularly those payable for mortgage payoffs, liens, recordings, underwriter premiums and property taxes.



Outstanding
Transactions

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- 4. Bank Statement:** We require complete copies (including deposit/check images) of bank statements for the period reconciled to review beginning, daily and ending balances, transactional activity, overdrafts, NSF charges and returned items. Statement copies of all escrow trust and interest bearing/sweep accounts must be provided until the account is officially closed. The Beginning and Ending Bank Balances should match the totals shown on the Reconciliation Summary Report. The Ending Bank Balance should be adjusted to account for all outstanding transactions. This Adjusted Bank Balance total should match the Escrow Trial Balance and Ending Register / Book Balances.
- 5. Register / Book Report:** This report generally lists all transactions (deposits, disbursements, voids) posted to the accounting software. It is commonly known as and compared to the “checkbook” for personal accounts. The Register / Book report should be prepared to include all transactions posted during the reconciled month. The ending balance of this report should match the Escrow Trial Balance and Adjusted Bank Statement balance.



Register / Book
Report

- 6. Reconciliation Summary Report:** This is a single page summation of the report totals described in items #1 through #5, and all other adjustments, if applicable. This Reconciliation Summary Report should clearly illustrate the matching of the (1) Adjusted Ending Bank Statement Balance, the (2) Register/Book Balance and the (3) Escrow Trial Balance totals as of the same date, to complete the “Three Way” reconciliation process. If adjustments are needed to bring the account in balance, then a detailed listing should be provided, along with explanations of each item.



Reconciliation
Summary Report

Your accounting software system may also prepare other reports as a part of its reconciliation package. Some examples could be Cleared, Voided Transactions and Adjustments. Please submit these reports as well with the required reports since they are useful in resolving potential discrepancies and account exceptions previously mentioned.



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Fidelity National Title Group has developed a new application within the AgentTRAX suite designed specifically for a convenient submission process for our Agents. The site will allow all Agents to securely upload their account reconciliations to Company personnel. Access to the site is restricted to Agents and designated Agency employees. Usage of this website will also ensure your Agency is provided with direct and timely feedback on the status of your accounts. The website application is located in the agentTRAX suite of applications menu as **EscrowTRAX**.

Please note, our current reconciliation email accounts ops-flescrowrecs@fnf.com and ops-escrowrecs@fnf.com will be shut down once all agents have been properly transitioned to EscrowTRAX.

Please use the following business addresses if you wish to send reconciliations via regular mail:

For Florida licensed agents:

Fidelity National Title Group
Florida Agency Administration | Quality Assurance
2400 Maitland Center Parkway | Suite 200
Maitland, FL 32751

For agents licensed in all other states:

Fidelity National Title Group
National Agency Support Services | Quality Assurance
601 Riverside Avenue
Building 5 | 7th Floor
Jacksonville, FL 32204

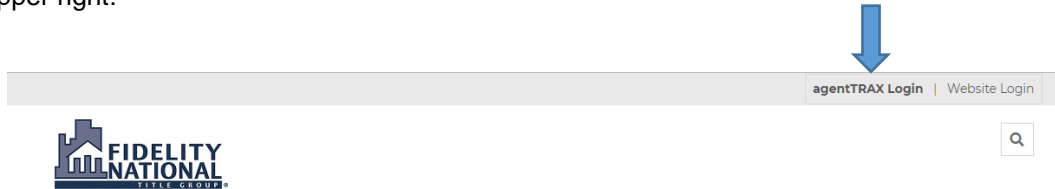
Thank you again for your cooperation and diligence in helping us preserve the public's trust in our industry. For questions regarding this Agency Escrow Accounting Standards manual, our Quality Assurance Reconciliation Review program or the following user guide for EscrowTRAX, please contact your local Agency Account Manager or National Agency Quality Assurance at EscrowTRAX@fnf.com. Finally, for additional information regarding ALTA's Best Practices, we encourage you to visit <https://www.alta.org/best-practices/>

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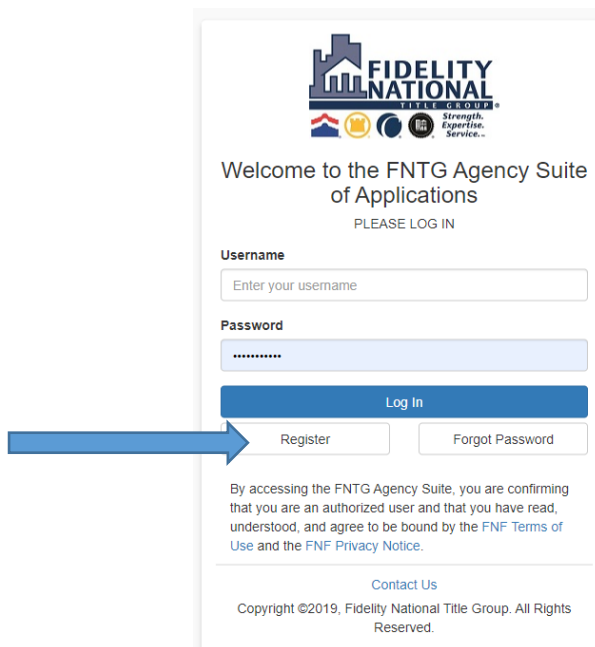
ESCROWTRAX Overview

EscrowTRAX is the online application through the agentTRAX suite of applications for FNTG agents to submit/upload required reconciliation documentation for all bank accounts.

If you do not have a user account for agentTRAX, go to NationalAgency.fnf.com and click on the agentTRAX login link located in the upper right:



And then on the register button at the bottom left of the login screen



Provide your email address and click next. You will complete all fields on the registration form. Fill in the noted information for the following fields:

- **Select Role** – pick Agent/Approved Attorney
- **Permissions** – uncheck HLA Requester
- **Agent Representative** – Select Unknown from the dropdown
- **Additional/Special Instructions** – enter in the following text – **“Registering for EscrowTRAX – Please forward to EscrowTRAX@fnf.com for review and approval”**

The registration will be reviewed and approved. You will be sent an email verification - click on the link in the email and you will be on your way.

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New Account Set Up

The bank account must be set up by internal FNTG personnel prior to the submission of any reconciliation. If you have a new account that you need to submit reconciliation documents for please provide the following information to EscrowTRAX@fnf.com:




- Bank Name
- Last four digits of the bank account number
- Office location
- Date the account was opened
- Account Type (escrow, clearing, construction, IOLTA, etc.)

NOTE: If you have been submitting your reconciliation documents to FNTG for your account already – you do not need to supply this information. This is strictly for a new account that has not ever been reviewed by FNTG

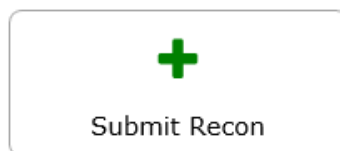
Submitting a Reconciliation

Log into agentTRAX and select EscrowTRAX from the applications menu. The reconciliations that have been previously submitted will appear in the Listings grid along with the status of the submission.

Actions (located in the far right column):

-  - Navigates to the applicable reconciliation and allows for editing based on status
-  - Shows the history of the submitted reconciliation
-  - Deletes the submitted reconciliation

To upload a new reconciliation for review, select:



Search by customer number or customer name and select the appropriate customer.

Select the appropriate bank account from the dropdown. If you are unable to locate the correct bank account you can click on the "Can't Find Your Bank Account?" link and the following information will appear reminding you of what information and where to send to get the account set up for reconciliation review:

Can't Find Bank Account?

If you are unable to locate the bank account that you need to upload your reconciliation document for please send an email to EscrowTrax@fnf.com with the following information:

- Bank Name
- Last 4 digits
- Agent office location (if applicable)
- Open date
- Account type

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After selecting the bank account, enter the Reporting Period and any applicable notes:

SUBMIT RECONCILIATION

Customer Number

Foley & Lardner LLP
DBA: Florida Title Agency-FTA
Customer Number: **4660**

Bank Account

[Can't Find Your Bank Account?](#)

Reporting Period

Notes

These are the submission notes.

969 characters remaining



[Link to EscrowTrax User Manual](#)

If there is a reconciliation record for the account for the same accounting period, the following will be displayed:

EXISTING RECON FOUND

We have found an existing recon for this period and bank account:

[Click to Edit Recon](#)

Recon ID: 50160

Recon Period: October 2019

Created By: Pavan.Deshikachar@fnf.com

Created On: 08/30/2019

Click on the "Click to Edit Recon" link to navigate to that submitted reconciliation to make any necessary edits.

Otherwise, change the reporting period and click on:

[Next Step: Upload Documents →](#)

The account information and notes will be displayed at the top of the upload screen for reference. Notes are available for further editing if needed.

Click on "Select files" to attach one or more documents to be uploaded.

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SUBMIT RECONCILIATION



Last 4 Bank Number	Bank Name	Customer Number	Recon Period
0010	1st National Bank of Hughes Springs 1st National Bank of Hughes Springs 1st National Bank of Hughes Springs & 1st National Bank of Hughes Springs & 1st National Bank of Hughes Springs & 1st National Bank of Hughes Springs & 1st National Bank of Hughes Springs & 1st National Bank of Hughes Springs & 1st National Bank of Hughes Springs & 1st National Bank of Hughes Springs	4660	January 2016

Notes
These are the submission notes.

969 characters remaining

Save Note

Attach Documents to Reconciliation

Select files... (Limit 20)

Document Upload Notes

The following are the minimum required documents for each reconciliation:

1. "Three Way" Reconciliation Summary
2. Escrow Trial Balance or a Customer / File Balances Report
3. Outstanding Deposits / Deposits in transit Report
4. Outstanding Disbursements Report
5. Complete Bank Statement copies including check images
6. Other (Registers/Book Reports)

Submit Reconciliation ↕

Click on "Submit Reconciliation" once all documents have been uploaded.

The submitted reconciliation documents will go through an initial review to determine if all necessary documentation has been submitted.

If there is NO missing information and the reconciliation is ready for detailed review, the status is updated to ACCEPTED you will receive the following email:

To: [Uploaded by – original upload of recon]
 Cc: [Reviewed by] [Flagged Agency Contact]
 Subject: Reconciliation Upload [Bank Name] [Account No] [month/yr]

Body:



The upload for the reconciliation referenced has been successfully uploaded and is in the queue for final review.

If any additional information is needed, we will contact you via email during the review process.

If you have any questions or concerns, please do not hesitate to reach out to escrowtrax@fnf.com

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If there is any information missing the status is updated to Pending Acceptance and you will receive the following email:

To: [Uploaded by – original upload of recon]
Cc: [Reviewed by] [Flagged Bert Contact]
Subject: Reconciliation Upload [Bank Name] [Account No] [month/yr]

Body:



The upload for the reconciliation referenced above contained the following issue(s):

Missing Bank Statement

Missing Trial Balance

Details: [Most Recent Missing Item Note]

Please click [here](#) [link back to upload request] to upload any applicable new documents to complete this escrow submission. If you have any questions or concerns, please do not hesitate to reach out to [Reviewed by]

Note: The email link will take you directly to the reconciliation record that has additional items needed.

Once you have uploaded any documents to a reconciliation that is in the status of Pending Acceptance, the status is updated to **PENDING REVIEW** indicating that it is ready for the preliminary review again.

The initial review will be completed and once it is determined that all initial documentation has been received the detailed review will be initiated. The status of the reconciliation will be updated to **ACCEPTED.**



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Detailed Review

Once a reconciliation record is in the status of **ACCEPTED** it is ready for the detailed review by FNTG personnel. If additional information or documentation is needed to complete the review, you will receive an email that will include ALL items needed. The status will be updated to **IN PROCESS**.

To: [Uploaded by – original upload of recon]
Cc: [Reviewed by] [Flagged Bert Contact]
Subject: Reconciliation Review [Bank Name] [Account No] [month/yr]

Body:



We have initiated our review of the above referenced reconciliation and note the following issues/questions:

<u>Exceptions Reviewed</u>	<u># of Items/Files</u>	<u>Review Summary</u>
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[Insert any item that is flagged as Significant]

Additional Items needed to complete review:

[User entered information in popup presented when email was requested or NONE if no information is entered]

Please click [here](#) [link back to upload request] to upload any new applicable documents needed to complete this reconciliation review. If you have any questions or concerns, please do not hesitate to reach out to [Reviewed by]

After you have uploaded the further requested documents from the detailed review, the status will be updated from **IN PROCESS** to **RESPONSE RECEIVED**. This will alert FNTG personnel that the reconciliation is ready for further review.

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Once the detailed review is completed and no significant items are remaining you will receive the following email:

To: [Uploaded by – original upload of recon]
Cc: [Reviewed by] [Flagged Bert Contact]
Subject: Reconciliation Review [Bank Name] [Account No] [month/yr]

Body:



We have completed our review of the above referenced reconciliation and no significant exceptions were noted.

If you have any questions or concerns, please do not hesitate to reach out to escrowtrax@fnf.com

Reconciliation Status

The Reconciliation Listings grid will be populated with all submitted reconciliations that are in any status other than Complete.

- **Submitted** – Initial status assigned when reconciliation upload is created. All fields are editable and document upload is active for internal and external users. The initial review to verify that all necessary documents have been provided has not been completed.
- **Pending Acceptance** – Status assigned once FNTG personnel has reviewed the reconciliation for completeness. FNTG personnel has indicated any missing items and notified the agent. All fields are locked down for update by the external user other than document upload.
- **Pending Review** – Status assigned once a new document is uploaded by an agent/external user to Pending Acceptance requests.
- **Accepted** - Status assigned when FNTG personnel reviews and Accepts the reconciliation upload. External users are no longer able to update the fields or upload documents. Internal FNTG personnel will be able to update and upload docs. This status further indicates that the reconciliation is ready for detailed review.
- **In Process** – While reviewing the submitted reconciliation FNTG personnel has the ability to save the review and send comments to the agent/external user. The agent/external user is allowed to upload additional documents.
- **Response Received** – Status assigned once the agent/external user responds by uploading the additional information requested by the FNTG personnel.
- **Completed** – Status assigned when FNTG personnel selects the COMPLETED button on the EscrowTRAX Tracking/Review screen.

Once the status is **Completed**, we allow the agent/external user to upload new documents. If they do, the status is changed back to **Submitted** to allow the review process to start over.