

Dear Stewart Partners,

Thank you for joining us again this week. We are grateful for your partnership with Stewart and are confident this update will provide valuable information for your practice. In this week's update, we have some updates on the passage of the Remote Online Notarization ("RON") law in Massachusetts, and the Silicon Valley Bank takeover, and an informative article on Non-Title Recorded Agreements for Personal Services. Also included in our "In Case You Missed It" section are a few items that bear repeating, specifically, a webinar on ALTA Best Practices featuring Stewart's own Tara Smith, President of Agency Services, a wire fraud update highlighting a recent local wire fraud, and a reminder to patch your Apple devices.



Update: Remote Online Notarization in Massachusetts

In last week's Update, we let you know that the law making Remote Online Notarization (a/k/a RON) legal in Massachusetts was on Governor Healey's desk waiting to be signed. The Governor did sign the bill on March 29, 2023, and it is part of Chapter 2 of the Acts of 2023. You can read a copy of the law here: [Remote Notarization \(a/ka RON\) Law in MA.](#)

While some of the amendments to the current notary law, MGL c. 222, go into effect in late June, the sections which pertain to Massachusetts notaries, as well as the deadline for the Secretary of State to implement regulations pertaining to RON, don't go into effect until January 1, 2024. We will be issuing an Underwriting Bulletin in the future which will contain additional information – stay tuned!



Update: Silicon Valley Bank (formerly Boston Private Bank & Trust Company)

In our March 22, 2023 Midweek Update, we included information on the FDIC takeovers of Silicon Valley Bank and Signature Bank. Stewart also issued a bulletin on the subject, which you can read here: <https://www.virtualunderwriter.com/en/bulletins/2023-3/sls2023004.html>.

Recently it was announced that First-Citizens Bank & Trust Company, headquartered in Raleigh, North Carolina, had agreed with the FDIC to assume all of the deposits and loans

of Silicon Valley Bridge Bank, N.A., the successor entity to Silicon Valley Bank. In a press release on March 26, 2023, the FDIC announced that branches of the former Silicon Valley Bridge Bank would reopen under the First-Citizens Bank & Trust Company name as of Monday March 27, 2023. You can read the press release here: [FDIC Press Release on Silicon Valley Bridge Bank](#). First-Citizens Bank & Trust is *not* related to Citizens Bank, N.A., which is headquartered in Providence, Rhode Island.

Please continue to follow the guidelines set forth in Stewart's March 21, 2023 bulletin linked above, including the need to confirm payoff and wiring instructions and obtaining discharges in a timely manner. Please also contact an underwriter prior to issuing any endorsements to a loan policy where Boston Private Bank or Silicon Valley is the Insured. Finally, we expect fraudsters to continue their attempts to use the recent news on bank failures to try to scam people out of their money. KnowBe4's blog post about anticipated business email compromise (BEC) scams relating to Silicon Valley Bank can be read here: <https://blog.knowbe4.com/silicon-valley-bank-social-engineering>.



Non-Title Recorded Agreements for Personal Services (“NTRAPS”)

The American Land Title Association (ALTA) is actively advocating for the passage of laws on a state level that would prohibit the recording of Non-Title Recorded Agreements for Personal Services or “NTRAPS” in the public record. On a local level, we have seen so-called performance mortgages recorded by MV of Massachusetts LLC (or MV Realty) in several counties in Massachusetts. In response, the Massachusetts Attorney General's office filed suit against MV of Massachusetts and its related entity MV Realty PBC, LLC in Suffolk Superior Court alleging the defendants violated MGL c. 93A because of unfair and deceptive practices, usury, and the unlicensed practice of law.

In late February 2023 the Court issued a preliminary injunction prohibiting MV Realty from certain advertising practices, as well as entering into any new agreements to be secured by a Mortgage or any other filing in the Registry of Deeds. The injunction also prohibits MV from exercising a power of sale in any mortgage in Massachusetts. The Court also ordered MV Realty to “cease encumbering” properties in the following cases: (a) if the mortgagee's name is incorrectly listed as “MV Realty of Massachusetts, LLC” instead of “MV of Massachusetts, LLC”; (b) if the mortgage was recorded when MV was asserting in any of its marketing material that it would not place a lien on property; (c) if the final mortgage document was not reviewed by a Massachusetts licensed attorney; and (d) if the mortgage was “originated without the presence of a Massachusetts licensed attorney at the closing and/or signing of the mortgage.” A review of the records at many of the Massachusetts registries shows that since the injunction was entered, numerous discharges have been recorded; however, many discharges are in the name of the non-existent MV Realty of Massachusetts, LLC, even if the mortgage was granted to MV of Massachusetts LLC. If you encounter an unreleased or incorrectly discharged mortgage to one of the MV entities in your chain of title, or a similar memorandum purporting to secure performance of an exclusive agreement to list the property for sale, please reach out to a Stewart underwriter for guidance.

You can read more about ALTA's efforts and its model act on the prohibition of unfair service agreements here: <https://www.alta.org/advocacy/ntraps.cfm>



In Case You Missed It:

Best Practices: As mentioned in an earlier edition of the New England Regional Update, ALTA hosted a webinar on March 8th featuring Tara Smith, Stewart's President of Agency Services, regarding updates to the ALTA Best Practices. The webinar features valuable information regarding changes to the Best Practices and how they may impact your operation. To view the recorded webinar, follow this link: [ALTA - ALTA Webinars](#)

Wire Fraud: On March 6th Tiziano Doto, Agency Services Manager and Underwriting Counsel for Massachusetts and Rhode Island, circulated a Wire Fraud Update. As stated in the update, we all continue to receive information from many sources about wire fraud. We know it seems repetitive and, so much so, that we may tend to tune it out. Know, however, that the threat is real. Stewart was alerted to a recent fraud event where both the lender's attorney and seller's attorneys were hacked, a payoff statement was altered, and lender's counsel wired the payoff without confirmation of the wire instructions resulting in a loss of funds. If verification of wire instructions by way of a phone call to a bank number that does not show up on the payoff statement is not your standard practice, beware! To read more about the incident, follow this link: [Wire Fraud Email Update](#)

Patch your Apple Devices ASAP: Speaking of fraudsters, one way to help protect yourself is to keep the software on your electronic devices up to date. On March 27, 2023, Apple issued an update for its iOS software, as well as its operating systems and the Safari browser. Purportedly Apple is aware that one of the vulnerabilities addressed by these new patches may already have been actively exploited. If you use an iPhone, iPad, or Mac, you'll want to update your software as soon as possible. More information on the updates can be found here: <https://support.apple.com/en-us/HT201222>



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