

WFG Underwriting Bulletin



To: All Louisiana Policy Issuing Agents of WFG National Title Insurance Company
From: WFG Underwriting Department
Date: April 3, 2020
Bulletin No.: LA 2020-08
Subject: Temporary Suspension of Legal Deadlines – COVID-19

This bulletin supplements NB 2020-06 for Louisiana transactions. In connection with the statewide public health emergency related to COVID-19, Governor John Bel Edwards issued Proclamation JBE 2020-30, suspending all legal deadlines, including prescriptive and preemptive periods, until at least April 13. Yesterday, that order was extended until at least April 30 (41-JBE-2020). Courts across the state have also issued their own orders addressing closures with varying dates.

In light of these suspensions, you may not rely upon prescription to insure over an encumbrance, title issue or other adverse matter if the prescriptive period would have expired on or after March 11, 2020, when the state of emergency was declared. It is possible that the period of suspension will be extended again beyond April 30, and that legislation will follow.

This guideline applies even though documents may still be filed with the clerk in some capacity during this period. And it remains in effect until further notice. But it does not apply to matters where the prescriptive period expired prior to March 11.

Let's consider an example. A recorded money judgment dated March 20, 2010 would have prescribed under normal circumstances had it not been revived and reinscribed prior to March 20, 2020. However, because of the temporary suspension of prescriptive periods, you must treat it as an active and open inscription and require on your commitment that it be satisfied and released.

This suspension will also affect lien-filing periods, namely those arising out of the Private Works Act. If you have a closing on new construction and the lien period did not run prior to March 11, then guidelines provided in LA 2016-03 as amended by LA 2019-05 will apply.

If you have any questions about the suspension or a particular matter, please do not hesitate to contact underwriting counsel.

NOTE: This Bulletin is for the sole purpose of establishing underwriting positions and policies reflecting WFG National Title Insurance Company's best business judgment. The information contained in this Bulletin is intended solely for the use of employees of WFG National Title Insurance Company, its title insurance agents and approved attorneys. Disclosure to any other person is expressly prohibited unless approved in writing by the WFG National Title Insurance Company's Underwriting Department.

The Agent may be held responsible for any loss sustained as a result of the failure to follow the standards set forth above.