

Exhibit 2012-1
Form T-7, Commitment for Title Insurance

COMMITMENT FOR TITLE INSURANCE (Form T-7)

TEXAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from certain risks to your title.

The commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The commitment is a legal document. You should review it carefully to completely understand it before your closing date.

El seguro de título le asegura en relación a pérdidas resultantes de ciertos riesgos que pueden afectar el título de su propiedad.

El Compromiso para Seguro de Título es la promesa de la compañía aseguradora de títulos de emitir la póliza de seguro de título. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transacción.

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

- **MINERALS AND MINERAL RIGHTS** may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. If the title insurer issues the title policy with an exclusion or exception to the minerals and mineral rights, neither this Policy, nor the optional endorsements, ensure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- **EXCEPTIONS** are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

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- **EXCLUSIONS** are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

- **CONDITIONS** are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at 1-____-____-____ or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION

(Not applicable to the Texas Residential Owner's Policy)

ARBITRATION is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Insurance Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this

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by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

“Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association (“Rules”). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.”

SIGNATURE

DATE

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THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN **SCHEDULE A**, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

COMMITMENT FOR TITLE INSURANCE T-7
ISSUED BY

We (_____) will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

ATTEST:

_____ Secretary

By: _____

Authorized Signatory

CONDITIONS AND STIPULATIONS

1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.

2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements, or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

SCHEDULE A

Effective Date: _____

GF No. _____

Commitment No. _____, issued _____, 20____, ____m.

1. The policy or policies to be issued are:

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- a. OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
(Not applicable for improved one-to-four family residential real estate)
Policy Amount: \$
PROPOSED INSURED:
- b. TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE
ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
Policy Amount: \$
PROPOSED INSURED:
- c. LOAN POLICY OF TITLE INSURANCE (Form T-2)
Policy Amount: \$
PROPOSED INSURED:
Proposed Borrower:
- d. TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE
(Form T-2R)
Policy Amount: \$
PROPOSED INSURED:
Proposed Borrower:
- e. LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN
(Form T-13)
Binder Amount: \$
PROPOSED INSURED:
Proposed Borrower:
- f. OTHER
Policy Amount: \$
PROPOSED INSURED:

2. The interest in the land covered by this Commitment is:
3. Record title to the land on the Effective Date appears to be vested in:
4. Legal description of land:

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorney's fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):

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2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
3. Homestead or community property or survivorship rights, if any of any spouse of any insured. (Applies to the Owner's Policy only.)
4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.(Applies to the Owner's Policy only.)
5. Standby fees, taxes and assessments by any taxing authority for the year _____, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Loan Policy of Title Insurance (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year _____ and subsequent years.")
6. The terms and conditions of the documents creating your interest in the land.
7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)
8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)
9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy of Title Insurance (T-2R). (Applies to Texas Short Form Residential Loan Policy of Title Insurance (T-2R) only.) Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy of Title Insurance (T-2R).
10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):

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SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.
2. Satisfactory evidence must be provided that:
 - a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
 - b. all standby fees, taxes, assessments and charges against the property have been paid,
 - c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, sub-contractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,
 - d. there is legal right of access to and from the land,
 - e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.
3. You must pay the seller or borrower the agreed amount for your property or interest.
4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.

Exhibit 2012-2
Form T-1, Owner's Policy of Title Insurance

OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
Issued by

BLANK TITLE INSURANCE COMPANY

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, BLANK TITLE INSURANCE COMPANY, a Blank corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from:
 - (a) A defect in the Title caused by:
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
 - (d) Any statutory or constitutional mechanic's, contractor's, or materialman's lien for labor or materials having its inception on or before Date of Policy.

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3. Lack of good and indefeasible Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:
 - (a) the occupancy, use or enjoyment of the Land;
 - (b) the character, dimensions or location of any improvement erected on the Land;
 - (c) subdivision of land; or
 - (d) environmental protection

if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.

6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective:
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws by reason of the failure of its recording in the Public Records:
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By: _____

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Form T-1, Owner's Policy of Title Insurance

President

By: _____
Secretary

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:

(i) the occupancy, use, or enjoyment of the Land;

(ii) the character, dimensions or location of any improvement erected on the Land;

(iii) subdivision of land; or

(iv) environmental protection;

or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

3. Defects, liens, encumbrances, adverse claims or other matters:

(a) created, suffered, assumed or agreed to by the Insured Claimant;

(b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

(c) resulting in no loss or damage to the Insured Claimant;

(d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or

(e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.

4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is:

(a) a fraudulent conveyance or fraudulent transfer; or

(b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.

5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

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6. The refusal of any person to purchase, lease or lend money on the estate or interest covered hereby in the land described in Schedule A because of Unmarketable Title.

SCHEDULE A

Name and Address of Title Insurance Company:

[File No.:] Policy No.:

[Address for Reference only:]

Amount of Insurance: \$ [Premium: \$]

Date of Policy: [at a.m./p.m.]

1. Name of Insured:
2. The estate or interest in the Land that is insured by this policy is:
3. Title is insured as vested in:
4. The land referred to in this policy is described as follows:

SCHEDULE B

File No.

Policy No.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of the terms and conditions of the leases and easements, if any, shown in Schedule A, and the following matters:

1. The following restrictive covenants of record itemized below (the Company must either insert specific recording data or delete this exception):
2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
3. Homestead or community property or survivorship rights, if any, of any spouse of any Insured.
4. Any titles or rights asserted by anyone, including but not limited to, persons, the public, corporations, governments or other entities,
 - (a) to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - (b) to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - (c) to filled-in lands, or artificial islands, or
 - (d) to statutory water rights, including riparian rights, or

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- (e) to the area extending from the line of mean low tide to the line of vegetation, or the right of access to that area or easement along and across that area.

5. Standby fees, taxes and assessments by any taxing authority for the year ____, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year.

6. The following matters and all terms of the documents creating or offering evidence of the matters (The Company must insert matters or delete this exception).:

CONDITIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

- (a) "Amount of Insurance": the amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company or other similar legal entity.
- (d) "Insured": the Insured named in Schedule A.
- (i) The term "Insured" also includes:
- (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives or next of kin;
 - (B) successors to an Insured by dissolution, merger, consolidation, distribution or reorganization;
 - (C) successors to an Insured by its conversion to another kind of Entity;
 - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title;
 - (1) If the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) If the grantee wholly owns the named Insured,
 - (3) If the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (4) If the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

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- (ii) With regard to (A), (B), (C) and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": an Insured claiming loss or damage.
- (f) "Knowledge" or "Known": actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": the land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": the estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) below, or (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

When, after the Date of the Policy, the Insured notifies the Company as required herein of a lien, encumbrance, adverse claim or other defect in Title insured by this policy that is not

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excluded or excepted from the coverage of this policy, the Company shall promptly investigate the charge to determine whether the lien, encumbrance, adverse claim or defect or other matter is valid and not barred by law or statute. The Company shall notify the Insured in writing, within a reasonable time, of its determination as to the validity or invalidity of the Insured's claim or charge under the policy. If the Company concludes that the lien, encumbrance, adverse claim or defect is not covered by this policy, or was otherwise addressed in the closing of the transaction in connection with which this policy was issued, the Company shall specifically advise the Insured of the reasons for its determination. If the Company concludes that the lien, encumbrance, adverse claim or defect is valid, the Company shall take one of the following actions: (i) institute the necessary proceedings to clear the lien, encumbrance, adverse claim or defect from the Title as insured; (ii) indemnify the Insured as provided in this policy; (iii) upon payment of appropriate premium and charges therefore, issue to the Insured Claimant or to a subsequent owner, mortgagee or holder of the estate or interest in the Land insured by this policy, a policy of title insurance without exception for the lien, encumbrance, adverse claim or defect, said policy to be in an amount equal to the current value of the Land or, if a loan policy, the amount of the loan; (iv) indemnify another title insurance company in connection with its issuance of a policy(ies) of title insurance without exception for the lien, encumbrance, adverse claim or defect; (v) secure a release or other document discharging the lien, encumbrance, adverse claim or defect; or (vi) undertake a combination of (i) through (v) herein.

4. PROOF OF LOSS.

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS.

(a) Upon written request by the Insured, and subject to the options contained in Sections 3 and 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Sections 3 and 7, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of

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Form T-1, Owner's Policy of Title Insurance

competent jurisdiction and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

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(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay. Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of:

(i) the Amount of Insurance; or

(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

(b) If the Company pursues its rights under Section 3 or 5 and is unsuccessful in establishing the Title, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, all as insured, or takes action in accordance with Section 3 or 7, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

Exhibit 2012-2
Form T-1, Owner's Policy of Title Insurance

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE.

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS.

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT.

(a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION.

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

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Form T-1, Owner's Policy of Title Insurance

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim, shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. Each Commitment, endorsement or other form, or provision in the Schedules to this policy that refers to a term defined in Section 1 of the Conditions shall be deemed to refer to the term regardless of whether the term is capitalized in the Commitment, endorsement or other form, or Schedule. Each Commitment, endorsement or other form, or provision in the Schedules that refers to the Conditions and Stipulations shall be deemed to refer to the Conditions of this policy.

16. SEVERABILITY.

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid and all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM.

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured, and in interpreting and enforcing the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of laws principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT.

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at [fill in].

NOTE: Bracketed [] material optional

Exhibit 2012-3
Form T-2, Loan Policy of Title Insurance

LOAN POLICY OF TITLE INSURANCE (Form T-2)
Issued by

Blank Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 17 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, BLANK TITLE INSURANCE COMPANY, a Blank corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 11, 13 and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from:
 - (a) A defect in the Title caused by:
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Lack of good and indefeasible Title.
4. No right of access to and from the Land.

Exhibit 2012-3
Form T-2, Loan Policy of Title Insurance

5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:

- (a) the occupancy, use or enjoyment of the Land;
- (b) the character, dimensions or location of any improvement erected on the Land;
- (c) subdivision of land; or
- (d) environmental protection

if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.

6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.

7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.

8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.

9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage:

- (a) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
- (b) failure of any person or Entity to have authorized a transfer or conveyance;
- (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized or delivered;
- (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
- (e) a document executed under a falsified, expired or otherwise invalid power of attorney;
- (f) a document not properly filed, recorded or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
- (g) a defective judicial or administrative proceeding.

10. The lack of priority of the lien of the Insured Mortgage over any other lien or encumbrance.

11. The lack of priority of the lien of the Insured Mortgage

- (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory or constitutional mechanic's, contractor's, or materialman's lien for services, labor or material having its inception on or before Date of Policy ; and
- (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.

Exhibit 2012-3
Form T-2, Loan Policy of Title Insurance

12. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.

13. The invalidity, unenforceability, lack of priority or avoidance of the lien of the Insured Mortgage:

(a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws; or

(b) because the Insured Mortgage constitutes a preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws by reason of the failure of its recording in the Public Records:

(i) to be timely, or

(ii) to impart notice of its existence to a purchaser for value or a judgment or lien creditor.

14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the Insured Mortgage in the Public Records.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By _____
President

By _____
Secretary

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:

(i) the occupancy, use, or enjoyment of the Land;

(ii) the character, dimensions or location of any improvement erected on the Land;

(iii) subdivision of land; or

(iv) environmental protection;

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Form T-2, Loan Policy of Title Insurance

or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

3. Defects, liens, encumbrances, adverse claims or other matters:

(a) created, suffered, assumed or agreed to by the Insured Claimant;

(b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

(c) resulting in no loss or damage to the Insured Claimant;

(d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or

(e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.

4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing business laws of the state where the Land is situated.

5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth in lending law.

6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is:

(a) a fraudulent conveyance or fraudulent transfer; or

(b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.

7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

8. The refusal of any person to purchase, lease or lend money on the estate or interest covered hereby in the land described in Schedule A because of Unmarketable Title.

SCHEDULE A

Name and Address of Title Insurance Company:

[File No.:] Policy No.:

Loan No.:

[Address for Reference only:]

Amount of Insurance: \$ [Premium: \$]

Date of Policy: [at a.m./p.m.]

1. Name of Insured:

Exhibit 2012-3
Form T-2, Loan Policy of Title Insurance

2. The estate or interest in the Land that is encumbered by the Insured Mortgage is:
3. Title is insured as vested in:
4. The Insured Mortgage, and its assignments, if any, are described as follows:
5. The Land referred to in this policy is described as follows:
6. This policy incorporates by reference those endorsements selected below:

- T-5 (Leasehold Loan Policy Endorsement)
- T-17 (Planned Unit Development)
- T-19 (Restrictions, Encroachments, Minerals)
- T-19.2 (Minerals and Surface Damage)
- T-19.3 (Minerals and Surface Damage)
- T-28 (Condominium)
- T-31 (Manufactured Housing) referring to manufactured housing unit serial number _____
- T-31.1 (Supplemental Coverage Manufactured Housing Unit)
- T-33 (Variable Rate)
- T-33.1 (Variable Rate--Negative Amortization)
- T-35 (Revolving Credit/Future Advance)
- T-36 (Environmental Protection Lien) Paragraph b refers to the following state statute(s):
- T-39 (Balloon Mortgage)
- T-42 (Equity Loan Mortgage) and subparagraph 2(f) of the Equity Loan Mortgage Endorsement set forth in Procedural Rule P-44.C(2) ___ is ___ is not added.
- T-42.1 (Supplemental Coverage Equity Loan Mortgage)
- T-43 (Texas Reverse Mortgage)
- Section 13 of the Conditions of this policy, which relates to Arbitration, is hereby deleted.

[The Company may insert or preprint all or part of paragraph 6 as applicable and may delete boxes or substitute lines for boxes. The Company also may substitute the following at the beginning of paragraph 6: "This policy incorporates by reference those endorsements shown below:"]

SCHEDULE B

File No.

Policy No.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of the terms and conditions of leases and easements, if any, shown in Schedule A, and the following matters:

1. The following restrictive covenants of record itemized below, but the Company insures that any such restrictive covenants have not been violated so as to affect, and that future violation

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Form T-2, Loan Policy of Title Insurance

thereof will not affect, the validity or priority of the Insured Mortgage (insert specific recording data or delete this exception):

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.

Item 2 of Schedule B is hereby amended to read: "shortages in area".

3. Standby fees, taxes and assessments by any taxing authority for the year ____, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year.

Item 3 of Schedule B is hereby amended to delete: "and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership,"

Item 3 of Schedule B is hereby amended to add the following: "Company insures that standby fees, taxes and assessments by any taxing authority for the year ____ are not yet due and payable."

4. Liens and leases that affect the Title, but that are subordinate to the lien of the Insured Mortgage.

5. (Insert here all other specific exceptions as to superior liens, easements, outstanding mineral and royalty interests, etc.)

[The Company may substitute lines for boxes or delete the boxes and incorporate any applicable change to the exception above in the exception.]

CONDITIONS

1. DEFINITION OF TERMS.

(a) "Amount of Insurance": the amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Section 10 of these Conditions.

(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.

(c) "Entity": A corporation, partnership, trust, limited liability company or other similar legal entity.

(d) "Indebtedness": The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law, and if that obligation is the payment of a debt, the Indebtedness is the sum of:

(i) the amount of the principal disbursed as of Date of Policy;

(ii) the amount of the principal disbursed subsequent to Date of Policy;

(iii) construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the Land or related to the Land that the Insured was and continued to be obligated to advance at Date of Policy and at the date of the advance;

(iv) interest on the loan;

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- (v) prepayment premiums, exit fees and other similar fees or penalties allowed by law;
 - (vi) expenses of foreclosure and any other costs of enforcement;
 - (vii) amounts advanced to assure compliance with laws or to protect the lien or the priority of the lien of the Insured Mortgage before the acquisition of the estate or interest in the Title;
 - (viii) amounts to pay taxes and insurance; and,
 - (ix) reasonable amounts expended to prevent deterioration of improvements; but reduced by the total of all payments and by any amount forgiven by an Insured.
- (e) "Insured": the Insured named in Schedule A.
- (i) The term "Insured" also includes:
 - (A) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is an obligor under the provisions of Section 12(c) of these Conditions;
 - (B) if the Indebtedness is evidenced by a "transferable record," the person or Entity who has "control" of the "transferable record," as these terms are defined by applicable electronic transactions law;
 - (C) successors to an Insured by dissolution, merger, consolidation, distribution or reorganization;
 - (D) successors to an Insured by its conversion to another kind of Entity;
 - (E) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title:
 - (1) If the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) If the grantee wholly owns the named Insured, or
 - (3) If the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity;
 - (F) any government agency or instrumentality that is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the Indebtedness secured by the Insured Mortgage, or any part of it, whether named as an Insured or not;
 - (ii) With regard to (A), (B), (C), (D) and (E) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the Indebtedness as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance or other matter insured against by this policy.
- (f) "Insured Claimant": an Insured claiming loss or damage.
- (g) "Insured Mortgage": the Mortgage described in paragraph 4 of Schedule A.

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(h) "Knowledge" or "Known": actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(i) "Land": the land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(j) "Mortgage": mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(k) "Public Records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(l) "Title": the estate or interest described in Schedule A.

(m) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title or a prospective purchaser of the Insured Mortgage to be released from the obligation to purchase, lease or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured after acquisition of the Title by an Insured or after conveyance by an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) below, or (ii) in case Knowledge shall come to an Insured of any claim of title or interest that is adverse to the Title or the lien of the Insured Mortgage, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

Subject to the provisions of this policy, upon acquisition of all or any part of the Title pursuant to the provisions of Section 2 of these Conditions, when, after the Date of the Policy, the Insured notifies the Company as required herein of a lien, encumbrance, adverse claim or other defect in Title insured by this policy that is not excluded or excepted from the coverage of this policy, the Company shall promptly investigate the charge to determine whether the lien,

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encumbrance, adverse claim or defect or other matter is valid and not barred by law or statute. The Company shall notify the Insured in writing, within a reasonable time, of its determination as to the validity or invalidity of the Insured's claim or charge under the policy. If the Company concludes that the lien, encumbrance, adverse claim or defect is not covered by this policy, or was otherwise addressed in the closing of the transaction in connection with which this policy was issued, the Company shall specifically advise the Insured of the reasons for its determination. If the Company concludes that the lien, encumbrance, adverse claim or defect is valid, the Company shall take one of the following actions: (i) institute the necessary proceedings to clear the lien, encumbrance, adverse claim or defect from the Title as insured; (ii) indemnify the Insured as provided in this policy; (iii) upon payment of appropriate premium and charges therefor, issue to the Insured Claimant or to a subsequent owner, mortgagee or holder of the estate or interest in the Land insured by this policy, a policy of title insurance without exception for the lien, encumbrance, adverse claim or defect, said policy to be in an amount equal to the current value of the Land or, if a loan policy, the amount of the loan; (iv) indemnify another title insurance company in connection with its issuance of a policy(ies) of title insurance without exception for the lien, encumbrance, adverse claim or defect; (v) secure a release or other document discharging the lien, encumbrance, adverse claim or defect; or (vi) undertake a combination of (i) through (v) herein.

4. PROOF OF LOSS.

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS.

(a) Upon written request by the Insured, and subject to the options contained in Sections 3 and 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Sections 3 and 7, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title or the lien of the Insured Mortgage, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

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Form T-2, Loan Policy of Title Insurance

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title, the lien of the Insured Mortgage, or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.
- (i) to pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or

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(ii) to purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of:

(i) the Amount of Insurance;

(ii) the Indebtedness;

(iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy; or

(iv) if a government agency or instrumentality is the Insured Claimant, the amount it paid in the acquisition of the Title or the Insured Mortgage in satisfaction of its insurance contract or guaranty.

(b) If the Company pursues its rights under Section 3 or 5 and is unsuccessful in establishing the Title or the lien of the Insured Mortgage, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

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(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In the event the Insured has acquired the Title in the manner described in Section 2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 8(a) of these Conditions.

(d) In addition to the extent of liability under (a), (b) and (c), the Company will also pay those costs, attorneys' fees and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, or establishes the lien of the Insured Mortgage, all as insured, or takes action in accordance with Section 3 or 7, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title or to the lien of the Insured Mortgage, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

(a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the Amount of Insurance by the amount of the payment. However, any payments made prior to the acquisition of Title as provided in Section 2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.

(b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2 of these Conditions.

11. PAYMENT OF LOSS.

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

12. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right to Recover.

Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title or Insured Mortgage and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the

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Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Insured's Rights and Limitations.

(i) The owner of the Indebtedness may release or substitute the personal liability of any debtor or guarantor, extend or otherwise modify the terms of payment, release a portion of the Title from the lien of the Insured Mortgage, or release any collateral security for the Indebtedness, if it does not affect the enforceability or priority of the lien of the Insured Mortgage.

(ii) If the Insured exercises a right provided in (b)(i), but has Knowledge of any claim adverse to the Title or the lien of the Insured Mortgage insured against by this policy, the Company shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the Insured Claimant of the Company's right of subrogation.

(c) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation includes the Insured's rights against non-insured obligors including the rights of the Insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights. The Company's right of subrogation shall not be avoided by acquisition of the Insured Mortgage by an obligor (except an obligor described in Section 1(e)(i)(F) of these Conditions) who acquires the Insured Mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an Insured under this policy.

13. ARBITRATION.

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

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Form T-2, Loan Policy of Title Insurance

(b) Any claim of loss or damage that arises out of the status of the Title or lien of the Insured Mortgage or by any action asserting such claim, shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. Each Commitment, endorsement or other form, or provision in the Schedules to this policy that refers to a term defined in Section 1 of the Conditions shall be deemed to refer to the term regardless of whether the term is capitalized in the Commitment, endorsement or other form, or Schedule. Each Commitment, endorsement or other form, or provision in the Schedules that refers to the Conditions and Stipulations shall be deemed to refer to the Conditions of this policy.

15. SEVERABILITY.

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid and all other provisions shall remain in full force and effect.

16. CHOICE OF LAW; FORUM.

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title or the lien of the Insured Mortgage that are adverse to the Insured, and in interpreting and enforcing the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of laws principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

17. NOTICES, WHERE SENT. Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at [fill in].

NOTE: Bracketed [] material optional
(Form T-2: Loan Policy of Title Insurance)

Exhibit 2012-4
Form T-43, Texas Reverse Mortgage Endorsement

TEXAS REVERSE MORTGAGE ENDORSEMENT (Form T-43)

Attached to and made a part of
Title Insurance Company

Loan Policy No.
dated the ___ day of _____, _____.

Issued by
BLANK TITLE INSURANCE COMPANY

Notwithstanding anything to the contrary contained in this policy, the following terms and provisions shall control and apply:

1. This policy insures only up to, and liability hereunder is limited to, the amount of proceeds of the loan secured by the lien instrument set forth under Schedule A hereof actually disbursed as of the date of this policy, but increases as each subsequent advance or disbursement of loan proceeds is made from time to time and as unpaid interest accrues on loan proceeds, so that any loss payable hereunder shall be limited to the amount of unpaid accrued interest and aggregate amount of loan proceeds actually disbursed and outstanding at the time a loss occurs hereunder; provided that in no event shall the liability of the Company hereunder exceed the face amount of this policy.
2. The Company insures the Insured that any disbursements of such loan proceeds made subsequent to the date of this policy shall be deemed to have been made as of the date of this policy and such disbursements and accrued interest shall have the same priority as any advances made as of the date of this policy, except as to (i) bankruptcies affecting the estate or interest described on Schedule A hereof prior to the date of any such advance or disbursement; and (ii) taxes, costs, charges, damages and other obligations to the government secured by statutory liens arising or recorded subsequent to the date of the policy.
3. Notwithstanding the provisions of paragraph 5 of the Exclusions from Coverage set out in the main policy entitled Loan Policy of Title Insurance relating to consumer credit protection laws, the Company insures the Insured against loss, if any, sustained by the Insured under the terms of the policy because of invalidity or unenforceability of the lien of the insured mortgage by reason of: (i) the failure of the insured mortgage to be created under a written agreement with the consent of each owner of the estate or interest described in Schedule A and each owner's spouse, as set forth in Subsection (k)(1) of Section 50, Article XVI, Texas Constitution; (ii) the failure of the extension of credit secured by the insured mortgage to be made to a person who is or whose spouse is 62 years or older, as set forth in Subsection (k)(2) of Section 50, Article XVI, Texas Constitution; (iii) the failure of the written document purporting to be made pursuant to Subsection (k)(8) of Section 50, Article XVI, Texas Constitution to be executed by the owner on the date that the insured mortgage and promissory note secured thereby are executed by the owner, provided that the Company does not insure that the written document complies with Subsection (k)(8) of Section 50, Article XVI, Texas Constitution; or (iv) the failure of the Company or its Title Insurance Agent to furnish the owner with a copy of the written notice purporting to be made pursuant to Subsection (k)(9) of Section 50, Article XVI, Texas Constitution on the date that the owner executed the insured mortgage and the promissory note secured thereby, provided that the Company does not insure that the written document complies with Subsection (k)(9) of Section 50, Article XVI, Texas Constitution.
4. The Company does not insure against loss or damage based on (a) usury; or (b) any consumer credit protection or truth-in-lending law and/or violation of Subsections (k)(3), (k)(4), (k)(5), (k)(6), (k)(7), (k)(8), (k)(9), (k)(10), (k)(11), (m), or (p) of Section 50, Article XVI, Texas Constitution and any regulatory or statutory requirements for a mortgage made

Exhibit 2012-4
Form T-43, Texas Reverse Mortgage Endorsement

pursuant to Subsection (a)(7) of Section 50, Article XVI, Texas Constitution except as expressly provided in paragraph 3 of this endorsement; or (c) costs, expenses or attorney's fees required to obtain a determination of the amount of interest or indebtedness.

For purposes of this endorsement, "interest" means interest, compound interest, interest on interest, interest calculated at a rate that varies from time to time in accordance with the provisions of the insured mortgage, and interest contingent on the appreciation in the fair market value of the land charged in accordance with the terms of the insured mortgage. In this endorsement, the term "owner" refers to each owner described in Schedule A of this Loan Policy. This endorsement does not represent or insure that a Title Insurance Agent of the Company is the agent of the Company other than for issuance of title insurance policies, as provided by applicable law.

This endorsement when countersigned below by an Authorized Countersignature is made a part of said policy. Except as expressly modified by the provisions hereof, this endorsement is subject to the following policy matters: (i) Insuring Provisions; (ii) Exclusions from Coverage; (iii) Schedule B Exceptions (iv) the Conditions and Stipulations; and (v) any prior endorsements. Except as stated herein, this endorsement does not: (i) extend the effective date of the policy and/or any prior endorsements; or, (ii) increase the face amount of the policy.

Authorized Countersignature

(Printed Name of Title Insurance Company)

By: _____
(Signature)

Title: President

Printed Name: _____

(ATTEST IS OPTIONAL)

(Printed Name of Title Insurance Agent or Direct Operation)

By: _____
(Signature)

Title: _____

Printed Name: _____

(ATTEST IS OPTIONAL)

Exhibit 2012-5
Form T-42, Equity Loan Mortgage Endorsement

EQUITY LOAN MORTGAGE ENDORSEMENT T-42

Attached to and made a part of _____ Title Insurance
Company

Loan Policy No. _____,
dated the _____ day of _____, 20__.

Issued by

BLANK TITLE INSURANCE COMPANY

The policy is hereby amended as follows:

1. The following new Subsection (n) is inserted in Section 1 of the Conditions:

(n) "consumer credit protection law": any applicable federal or state regulation, law or constitutional provision relating to consumer credit protection. For purposes of the policy and paragraph 5 of the Exclusions from Coverage, consumer credit protection law includes, but is not limited to, the provisions of Subsections (a)(6), (g), and (t) of Section 50, Article XVI, Texas Constitution, and any statutory or regulatory requirements for a mortgage made pursuant to Subsection (a)(6)."

2. Notwithstanding the specific provisions of paragraph 5 of the Exclusions from Coverage relating to consumer credit protection laws, the Company insures the insured against loss, if any, sustained by the insured under the terms of the policy because of invalidity or unenforceability of the lien of the insured mortgage by reason of the following:

(a) The failure of the insured mortgage to be created under a written agreement with the consent of each owner of the estate or interest described in Schedule A and each owner's spouse, as set forth in Subsection (a)(6)(A) of Section 50, Article XVI, Texas Constitution.

(b) The land being homestead property designated for agricultural use as provided by statutes governing property tax, as set forth in Subsection (a)(6)(I) of Section 50, Article XVI, Texas Constitution.

(c) The indebtedness secured by the lien of the insured mortgage on the land not being the only debt secured by a valid lien on the land at the time the extension of credit is made pursuant to the insured mortgage unless the other debt was made for a purpose described by Subsections (a)(l) through (a)(5) or Subsection (a)(8) of Section 50 of Article XVI, Texas Constitution, as set forth in Subsection (a)(6)(K) of Section 50, Article XVI, Texas Constitution.

(d) The extension of credit secured by the lien of the insured mortgage closing before the first anniversary of the closing date of any other extension of credit described by Subsection (a)(6) of Section 50 of Article XVI, Texas Constitution, and secured by a valid lien on the land, as set forth in Subsection (a)(6)(M)(iii) of Section 50, Article XVI, Texas Constitution.

Exhibit 2012-5
Form T-42, Equity Loan Mortgage Endorsement

- (e) The failure of the insured mortgage to contain a disclosure that the extension of credit is the type of credit defined by Section 50(a)(6), Article XVI, Texas Constitution, as set forth in Subsection (a)(6)(Q)(vi) of Section 50(a)(6), Article XVI, Texas Constitution.
3. Provided the insured mortgage secures a home equity line of credit, the Company insures the Insured that any disbursements under the home equity line of credit made subsequent to the date of this policy as provided in the insured mortgage shall be deemed to have been made as of the date of this policy and such disbursements and accrued interest shall have the same priority as any advances made as of the date of this policy, except as to (i) bankruptcies affecting the estate or interest described on Schedule "A" hereof prior to the date of any such advance or disbursement; and (ii) taxes, costs, charges, damages and other obligations to the government secured by statutory liens arising or recorded subsequent to the date of the Policy.
 4. Except as provided in paragraph 2 above, the Company does not insure against invalidity or unenforceability of the lien of the insured mortgage, which arises out of the transaction evidenced by the insured mortgage and is based on any consumer credit protection law.
 5. This endorsement does not insure against invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, arising out of usury or truth in lending laws.

This endorsement when countersigned below by an Authorized Countersignature is made a part of said Policy. Except as expressly modified by the provisions hereof, this endorsement is subject to the following policy matters: (i) Insuring provisions; (ii) Exclusions from Coverage; (iii) Schedule "B" Exceptions; (iv) the Conditions; and (v) any prior endorsements. Except as stated herein, this endorsement does not: (i) extend the effective date of the policy and/or any prior endorsements; or (ii) increase the face amount of the policy.

Exhibit 2012-6
Form T-42.1, Supplemental Coverage Equity Loan Mortgage Endorsement

SUPPLEMENTAL COVERAGE
EQUITY LOAN MORTGAGE ENDORSEMENT T-42.1

Attached to and made a part of _____ Title
Insurance Company
Loan Policy No. _____ (herein the "Policy"),
dated the _____ day of _____, 20_____.

Issued By

TITLE INSURANCE COMPANY

THIS ENDORSEMENT IS VOID AND OF NO EFFECT UNLESS IT IS ATTACHED TO A LOAN POLICY OF TITLE INSURANCE (FORM T-2), WHICH CONTAINS AN EQUITY LOAN MORTGAGE ENDORSEMENT (FORM T-42) ATTACHED TO THE LOAN POLICY.

In this endorsement, the term "owner" shall refer to each owner of the land described in Schedule "A" of this Loan Policy.

Date of Endorsement: _____

1. Notwithstanding the specific provisions of paragraph 5 of the Exclusions from Coverage relating to consumer credit protection laws and the provisions of the Equity Loan Mortgage Endorsement (T-42), the Company insures the insured against loss, if any, sustained by the insured under the terms of the policy because of invalidity or unenforceability of the lien of the insured mortgage pursuant to Section 50(a)(6), Article XVI, Texas Constitution, arising solely by reason of one or more of the following:
 - (a). The insured mortgage and promissory note secured thereby being executed at an office of the Company or its Title Insurance Agent before the specific calendar date stated in written closing instructions from the insured name in Schedule A delivered to the Company or its Title Insurance Agent prior to the execution of the insured mortgage and promissory note.
 - (b). Any loan proceeds received by the Company or its Title Insurance Agent in connection with the extension of credit secured by the lien of the insured mortgage being disbursed by the Company or its Title Insurance Agent sooner than the fourth calendar day after the insured mortgage and promissory note secured thereby are executed.
 - (c). A document expressly purporting to evidence an election not to rescind the extension of credit secured by the lien of the insured mortgage being executed by the owner and spouse, if any, of the owner, in the presence of an escrow officer of the Company or its Title Insurance Agent on or before the date that the insured mortgage and promissory note secured thereby were executed.
 - (d). Failure of the Company or its Title Insurance Agent to provide the owner with a copy of all documents related to the extension of credit secured by the lien of the insured

Exhibit 2012-6
Form T-42.1, Supplemental Coverage Equity Loan Mortgage Endorsement

mortgage that were executed by the owner at the office of the Company or its Title Insurance Agent on the date that the owner executed the insured mortgage and the promissory note secured thereby.

- (e). The Company or its Title Insurance Agent collecting or disbursing any fees not shown on the final settlement statement prepared by the Company or its Title Insurance Agent and sent to the lender named on the settlement statement prior to the execution of the insured mortgage and the promissory note secured thereby.
- (f). Blanks (other than signature lines, if any, for execution by the lender) in the following instruments left to be filled in when executed by the owner in an office of the Company or its Title Insurance Agent: (i) an instrument prepared by the Company or its Title Insurance Agent, (ii) the purported written acknowledgment as to the fair market value, (iii) the insured mortgage, (iv) the promissory note secured thereby, or (v) affidavits of compliance with Section 50(a)(6), Article XVI, Texas Constitution.
- (g). The failure of the written document purporting to be a written acknowledgment as to the fair market value of the land to have attached, at the time of execution of such written document by the owner, a purported appraisal or a purported evaluation of the fair market value of the land. However, the Company does not insure that the purported written acknowledgment or the purported appraisal or purported evaluation complies with Subsection (a)(Q)(ix) or Subsection (h) of Section 50, Article XVI, Texas Constitution, or any laws or regulations relating to the subject matter of said subsections.
- (h). The failure of the written document purporting to be an acknowledgment as to the fair market value to be executed by the owner on the date that the insured mortgage and promissory note secured thereby are executed by the owner.
- (i). Part of the land described in Schedule A not being the homestead of the owner.
- (j). Title to other land which, according to the public records, appears to be vested in the name of the owner as shown on Schedule A and which is not described in Schedule A and which is located in the same county in which the land described in Schedule A is located, being subject at Date of Policy to a mortgage executed by the owner, recorded in the public records, which discloses that it secures an extension of credit made pursuant to Subsection (a)(6) of Section 50, Article XVI, Texas Constitution.
- (k). Title to other land which, according to the public records, appears to be vested in the name of the owner as shown on Schedule A and which is not described in Schedule A and which is located in the same county in which the land described in Schedule A is located, having been subject to a mortgage executed by the owner, recorded in the public records, which disclosed that it secured an extension of credit made pursuant to Subsection (a)(6) of Section 50, Article XVI, Texas Constitution, that was closed within one year prior to Date of Policy.
- (l). Failure of the Company or its Title Insurance Agent to provide the owner a copy of the final settlement statement prepared by the Company or its Title Insurance Agent itemizing the actual fees, points, interest, costs and charges collected or disbursed by

Exhibit 2012-6
Form T-42.1, Supplemental Coverage Equity Loan Mortgage Endorsement

the Company or its Title Insurance Agent at least one calendar day before the business day or subsequent calendar day that the owner executed the insured mortgage and the promissory note secured thereby. As used in this paragraph (l), the term business day shall have the meaning assigned to such term by the Texas Finance Commission and/or the Texas Credit Union Commission pursuant to the authority granted such agencies by sections 11.308 and 15.413 of the Texas Finance Code, respectively.

2. This Endorsement does not insure against invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, arising out of usury or truth in lending laws.
3. Except as provided in paragraph 1 above and except as provided in the Equity Loan Mortgage Endorsement (T-42), the Company does not insure against invalidity or unenforceability of the lien on the insured mortgage, which arises out of the transaction evidenced by the insured mortgage and is based on any consumer credit protection law.
4. This Endorsement does not represent or insure that a Title Insurance Agent of the Company is the agent of the Company other than for issuance of title insurance policies, as provided by applicable law.

This Endorsement when countersigned below by an Authorized Countersignature is made a part of said Policy. Except as expressly modified by the provisions hereof, this endorsement is subject to the following policy matters: (i) Insuring provisions; (ii) Exclusions from Coverage; (iii) Schedule "B" Exceptions; (iv) the Conditions; (v) the Equity Loan Mortgage Endorsement (T-42) and all of the terms thereof, except as it may be modified by deletion of any subparagraph of paragraph 2 thereof; and (vi) any other prior endorsements. Except as stated herein, this Endorsement does not: (i) extend the effective date of the policy and/or any prior endorsements; or (ii) increase the face amount of the policy.

Authorized Countersignature:

By: _____
(Signature)

Title: _____

Printed Name: _____

Exhibit 2012-8
Form T-98, Limited Pre-Foreclosure Policy

LIMITED PRE-FORECLOSURE POLICY T-98

Issued By

_____ **TITLE INSURANCE COMPANY**

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, EXCEPTIONS FROM COVERAGE AND THE CONDITIONS AND STIPULATIONS HEREOF, _____ Title Insurance Company, herein called the Company, insures, as of Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the reason of:

1. Any defect in, or lien or encumbrance on the title to the estate or interest in the Land described in this Policy recorded in the Public Records on or subsequent to the Date of Recording of the Foreclosing Mortgage.
2. Any transfer or conveyance of the title to the estate or interest in the Land recorded in the Public Records on or subsequent to the Date of Recording of the Foreclosing Mortgage.
3. Any assignment, modification or release of the Foreclosing Mortgage recorded in the Public Records on or subsequent to the Date of Recording of the Foreclosing Mortgage.
4. Any notice of pending bankruptcy proceedings affecting the title to the estate or interest in the Land recorded in the Public Records on or subsequent to the Date of Recording of the Foreclosing Mortgage.
5. Any lien for stand by fees, taxes or assessments by any taxing authority that are due and payable at Date of Policy.
6. Any federal tax lien, state or local tax lien, or judgment lien recorded in the Public Records on or before, or after, the Date of Recording of the Foreclosing Mortgage against the mortgagor or grantor of the Foreclosing Mortgage or against a transferee or grantee from the mortgagor or grantor identified in a transfer or conveyance of the title to the estate or interest in the Land recorded in the Public Records on or subsequent to the Date of Recording of the Foreclosing Mortgage.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the insured, but only to the extent provided in the Conditions and Stipulations.

The following matters, the Exclusions From Coverage, are expressly excluded from the coverage of this Policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. Any invalidity, unenforceability, lack of priority or ineffectiveness: (i) of the Foreclosing Mortgage; or, (ii) of any of the instruments or other matters shown in the Exceptions From Coverage in this Policy or in any endorsement to this Policy.
2. Defects, liens, encumbrances, adverse claims or other matters:

Exhibit 2012-8
Form T-98, Limited Pre-Foreclosure Policy

- a) created, suffered, assumed or agreed to by the Insured Claimant;
 - b) known to the Insured Claimant whether or not disclosed in the Public Records;
 - c) resulting in no loss or damage to the Insured Claimant;
 - d) recorded or filed in the Public Records subsequent to Date of Policy.
3. Any lien for standby fees, taxes or assessments by any taxing authority, attaching or incepting prior to the date of recording of the Foreclosing Mortgage.

IN WITNESS HEREOF, the _____ Title Insurance Company has caused this policy to be executed by its President, under the seal of the Company, but this Policy is to be valid only when it bears an authorized countersignature, as of the Date of Policy set forth on the Pre-Foreclosure Policy Combined Schedule. [Witness clause optional]

(Printed Name of Title Insurance Company)

By: _____

(Signature)

Title: _____

Printed Name:

LIMITED PRE-FORECLOSURE POLICY COMBINED SCHEDULE

Title Company File No.:

Policy No.:

Premium: \$

Date of Policy:

Amount of Insurance: \$

Name of Insured:

Exhibit 2012-8
Form T-98, Limited Pre-Foreclosure Policy

Foreclosing Mortgage:

In this Limited Pre-Foreclosure Policy: (i) the deed of trust, or other lien, described below is referred to as the "Foreclosing Mortgage"; and, (ii) the date and time of filing in the Public Records of the Foreclosing Mortgage is referred to as the "Date of Recording".

Land:

The land referred to in this policy is described as follows:

Estate or Interest:

The estate or interest in the land that is covered by this policy is:

EXCEPTIONS FROM COVERAGE:

The Exceptions From Coverage include all terms of the documents creating or offering evidence of the Exceptions From Coverage noted below. This policy does not insure against loss or damage {and the Company will not pay costs, attorneys' fees or expenses} which arise by reason of:

1. Standby fees, taxes and assessments by any taxing authority for the year _____, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year.
2. Insert here, using numbered and/or lettered paragraph descriptions, an exception(s) for each recorded item(s). By exception to any matter: (i) the Company does not represent the priority or validity of the matter; (ii) the Insured does not agree that the matter is valid or superior to the Foreclosing Mortgage; and, (iii) the Insured does not ratify or confirm the matter. [Insert item description(s) and recording information or state: "Item 2 {two} is hereby deleted"].

Authorized Countersignature

(Printed Name of Title Insurance Agent or
Direct Operation or Title Insurance Company)

By:

Exhibit 2012-8
Form T-98, Limited Pre-Foreclosure Policy

(Signature)

Title:

Printed Name:

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "insured": the insured name herein. The term also includes the owner of the indebtedness secured by the foreclosing mortgage. The Company reserves all rights and defenses against any insured acquiring an interest in the foreclosing mortgage subsequent to Date of Policy which the Company would have had against the insured named herein or any subsequent insured.
- (b) "insured claimant": an insured claiming loss or damage hereunder.
- (c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.
- (d) "land": the land described herein and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to herein, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.
- (e) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

2. DEFENSE AND PROSECUTION OF ACTIONS - NOTICE OF CLAIM TO BE GIVEN BY AN INSURED CLAIMANT

- (a) Upon written request by the insured and subject to the options contained in Section 4 of these Conditions and Stipulations, the Company, at its own cost and without

Exhibit 2012-8
Form T-98, Limited Pre-Foreclosure Policy

unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim which may cause loss or damage, but only as to those stated causes of action alleging a matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

- (b) The insured shall notify the Company promptly in writing in case (i) of any litigation as set forth in (a) above, or (ii) knowledge shall come to an insured hereunder of any claim which might cause loss or damage for which the Company may be liable by virtue of this policy.

If prompt notice shall not be given to the Company, then all liability of the Company shall cease and terminate in regard to the matter or matters for which prompt notice is required; provided, however, the failure to notify shall in no case prejudice the rights of the insured under this policy unless and except to the extent that the Company shall be prejudiced by such failure.

Subject to the provisions of this policy, if the insured acquires all or part of the estate or interest in the land by foreclosure of the foreclosing mortgage, trustee's sale pursuant to the foreclosing mortgage, conveyance in lieu of foreclosure of the foreclosing mortgage, or other legal manner which discharges the foreclosing mortgage, and the insured notifies the Company as required herein of a lien, encumbrance, adverse claim or other defect in the title to the estate or interest in the land insured against by this policy, the Company shall promptly investigate the charge to determine whether the lien, encumbrance, adverse claim or defect is valid and not barred by law or statute. The Company shall notify the insured in writing, within a reasonable time, of its determination as to the validity or invalidity of the insured's claim or charge under the policy. If the Company concludes that the lien, encumbrance, adverse claim or defect is not covered by this policy, or was otherwise addressed when this policy was issued, the Company shall specifically advise the insured of the reasons for its determination. If the Company concludes that the lien, encumbrance, adverse claim or defect in title is valid and insured against by this policy, the Company shall take one of the following actions: (1) institute the necessary proceedings to clear the lien, encumbrance, adverse claim or defect from the title to the estate or interest; (2) indemnify the insured as provided in this policy; (3) upon payment of appropriate premium and charges therefore, issue to the insured claimant or to a subsequent owner, mortgagee or holder of the estate or interest in the land, a policy of title insurance without exception for the lien, encumbrance, adverse claim or defect, said policy to be in an amount equal to the current value of the property or, if a loan policy, the amount of the loan; (4) indemnify another title insurance company in connection with its issuance of policy(ies) of title insurance without exception for the lien, encumbrance, adverse claim or defect; (5) secure a release or other document discharging the lien, encumbrance, adverse claim or defect; or (6) undertake a combination of (1) through (5) herein.

- (c) The Company shall have the right at its own cost to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to prevent or reduce loss or damage insured against by this policy; and the Company

Exhibit 2012-8
Form T-98, Limited Pre-Foreclosure Policy

may take any appropriate action, whether or not it shall be liable under the terms of this policy, and shall not thereby concede liability or waive any provisions of this policy.

- (d) Whenever the Company shall have brought any action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination in a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.
- (e) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured hereunder shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for such purpose. Whenever requested by the Company, the insured shall give the Company, at the Company's expense, all reasonable aid (i) in any action or proceeding in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending the action or proceeding, and (ii) in any other act which in the opinion of the Company may be necessary or desirable to prevent or reduce loss or damage insured against by this policy, including but not limited to executing corrective or other documents.

3. PROOF OF LOSS OR DAMAGE - LIMITATION OF ACTION

In addition to the notices required under Section 2 of these Conditions and Stipulations, a proof of loss or damage, signed and sworn to by the insured claimant shall be furnished to the Company within 91 days after the insured claimant shall ascertain or determine the facts giving rise to loss or damage. The proof of loss or damage shall describe the matter insured against by this policy which constitutes the basis of loss or damage, and, when appropriate, state the basis of calculating the amount of the loss or damage.

Should the proof of loss or damage fail to state facts sufficient to enable the Company to determine its liability hereunder, insured claimant, at the written request of Company, shall furnish such additional information as may reasonably be necessary to make such determination.

Failure to furnish the proof of loss or damage shall terminate any liability of the Company under this policy as to such loss or damage.

4. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the right to exercise the following additional options at any time:

- (a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.
 - (i) to pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay; or

Exhibit 2012-8
Form T-98, Limited Pre-Foreclosure Policy

- (ii) to purchase the indebtedness secured by the foreclosing mortgage for the amount owing thereon together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the foreclosing mortgage, together with any collateral security, to the Company upon payment therefore.

Upon the exercise by the Company of either of the options provided for in paragraphs (a)(i) or (a)(ii), all liability and obligations to the insured under this policy, other than to make the payment required in those paragraphs, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

- (b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

- (i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or
- (ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (b)(ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

5. DETERMINATION AND PAYMENT OF LOSS

This policy is a contract indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

- (a) The liability of the Company under this policy shall not exceed the least of:
 - (i) the Amount of Insurance stated in Schedule A;
 - (ii) the amount of the unpaid principal indebtedness secured by the foreclosing mortgage at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

Exhibit 2012-8
Form T-98, Limited Pre-Foreclosure Policy

(iii) the difference between the value of the estate or interest in the land encumbered by the foreclosing mortgage without the lien, encumbrance, adverse claim or other defect insured against and the value of the estate or interest subject to the lien, encumbrance, adverse claim or other defect insured against by this policy.

(b) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 2 of these Conditions and Stipulations.

(c) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

6. LIMITATION OF LIABILITY

(a) If the Company removes an alleged matter insured against by this policy, or takes action in accordance with Section 2 or Section 4, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the insured with respect to matters insured against this policy.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

7. REDUCTION OF INSURANCE; TERMINATION OF LIABILITY

All payment under this policy, except payment made for costs, attorneys' fees and expenses, shall reduce the amount of insurance pro tanto.

8. SUBROGATION UPON PAYMENT OR SETTLEMENT

Whenever the Company shall have paid or settled a claim under this policy, it shall be subrogated to the rights of the insured claimant unaffected by any act of the insured claimant, limited only by the amount paid by the Company. The insured claimant shall cooperate with the Company in enforcing these subrogation rights.

9. ARBITRATION

Unless prohibited by applicable law or unless this arbitration section is deleted by specific provision in the Schedule of this policy, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim

Exhibit 2012-8
Form T-98, Limited Pre-Foreclosure Policy

between the Company and the Insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less SHALL BE arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from a corporation, trust, partnership, association or other legal entity). All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules in effect on the date of the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the law of the state in which the land is located permit a court to award attorneys' fees to a prevailing party.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules. A copy of the Rules may be obtained from the Company upon request.

10. LIABILITY LIMITED TO THIS POLICY

This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

Any claim of loss or damage whether or not based on negligence, or any action asserting any claim, shall be restricted to the terms and provisions of this policy.

No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, validating officer or authorized signatory of the Company.

No payment shall be made without producing this policy for endorsement of the payment unless the policy is lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

11. SEVERABILITY

In the event any provision of this policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision, and all other provisions shall remain in full force and effect.

12. NOTICES WHERE SENT

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company, Attention: Claims Department.

Exhibit 2012-9
Form T-46, Texas Residential Limited Coverage Junior Loan Policy Home Equity Line of Credit/Variable Rate Endorsement

**TEXAS RESIDENTIAL LIMITED COVERAGE JUNIOR LOAN POLICY
HOME EQUITY LINE OF CREDIT/VARIABLE RATE ENDORSEMENT T-46**

Attached to and made a part of Blank Title Insurance Company
Texas Residential Limited Coverage Junior Loan Policy No. _____ (herein the
"Policy")

Issued By
BLANK TITLE INSURANCE COMPANY

Date of Endorsement: _____

- A. Subject to the provisions of paragraph B below and provided that the Insured's Mortgage creates a lien on the land, and the Texas Residential Limited Coverage Junior Loan Policy Down Date Endorsement (Form T-45) has been issued and describes the Insured's Mortgage in Paragraph B thereof, and with respect to subparagraph A.(3) below the Insured's Mortgage states that it secures a home equity line of credit, the Company hereby insures against loss or damage which the Insured shall sustain by reason of:
- (1) The invalidity or unenforceability of the lien of the Insured's Mortgage resulting from the provisions of the Insured's Mortgage which provide for changes in the rate of interest.
 - (2) Loss of priority of the lien of the Insured's Mortgage resulting from changes in the rate of interest calculated in accordance with the formula provided in the Insured's Mortgage at the date it is recorded in the public records.
 - (3) The failure of the lien for the home equity line of credit described in the Insured's mortgage to have the same priority over liens, encumbrances, and other matters disclosed by the public records as advances secured by the Insured's mortgage at the date of its recording, except as to (i) bankruptcies affecting the estate or interest described on the Combined Schedule prior to the date of any advance or disbursement; and (ii) taxes, costs, charges, damages and other obligations to the government secured by statutory liens arising or recorded subsequent to Date of Policy stated in the Combined Schedule.
- B. This Endorsement does not insure:
- (1) That the Grantee owns the land nor that the Insured's Mortgage creates a lien on the land, nor the validity, enforceability, or priority of the lien of the Insured's Mortgage, except to the extent expressly stated; or
 - (2) Against loss or damage resulting from (i), usury, (ii) any consumer credit protection law (including, but not limited to Subsections (a)(6), (g), and (t) of Section 50, Article XVI, Texas Constitution, and any statutory or regulatory requirements pursuant thereto) or truth in lending law, or (iii) bankruptcy or insolvency proceedings of the Borrower; or
 - (3) Against standby fees, taxes and assessments by any taxing authority.

Exhibit 2012-9
Form T-46, Texas Residential Limited Coverage Junior Loan Policy Home Equity Line of
Credit/Variable Rate Endorsement

This Endorsement, when countersigned below by an Authorized Countersignature, is made a part of the policy. This Endorsement is subject to the Exceptions in the policy and Items set forth as exceptions in any prior Endorsements. Except as expressly modified by the provisions hereof, this Endorsement is also subject to the following Policy matters: (i) Insuring Provisions; (ii) Exclusions From Coverage; and (iii) the Conditions and Stipulations. Except as stated herein, this Endorsement does not: (i) extend the effective date of the policy and/or any prior Endorsements; (ii) increase the face amount of the policy; or (iii) modify any of the provisions of the Combined Schedule of the policy.

[Witness Clause]

BLANK TITLE INSURANCE COMPANY

BY: _____
AUTHORIZED SIGNATORY

Exhibit 2012-11
Rate Rule R-15, Owner's Policy Endorsements

R-15. Owner's Policy Endorsements -

- a. **Increased Value** – When requested by the Insured, and upon compliance with Rule P-9a(2), endorsement form T-34 shall be attached to the Owner's Policy upon payment of a premium for such endorsement which shall be the Basic Rate computed on the new amount less the premium paid for the Owner's Policy and any form T-34 endorsements previously attached thereto, but in no event less than the then applicable minimum policy Basic Premium Rate.

- b. **Increase in Coverage During Construction** - A premium of \$50.00 shall be charged for each T-3 Endorsement issued according to Instruction VIII, as provided in Rule P-9a(3).

- c. **Manufactured Housing Unit** - A premium of \$50.00 shall be charged for each T-31.1 Endorsement issued, as provided in Rule P-9a(4).

Exhibit 2012-12
Rate Rule R-17, Policy Forms for Use by United States Government

R-17. Policy Forms for Use by United States Government - Certificate of Title (U.S.A.) (Form T-6), Certificate of Title for Easement (U.S.A.) (Form T-9), and Policy of Title Insurance (U.S.A.) (Form T-11) may be issued to the United States of America showing the condition of title to a tract of land prior to the acquisition of title to said land by the U.S.A. in an amount to be designated by the U.S.A. The premium for said policies shall be at the Basic Rate.

Upon acquisition of title by the U.S.A., a final Certificate of Title, or an Endorsement to the Owner's Policy, may be issued to the U.S.A., and the premium therefor shall be at the Basic Rate, and subject to the provisions of Procedural Rule P-66, less the premium which was paid for the Certificate of Title or Policy of Title Insurance, prior to the acquisition by the U.S.A.

Policy of Title Insurance (U.S.A.) (Form T-11) may be issued in favor of the United States Postal Service upon its acquisition of title to properties with the addition of the following paragraph 9 to the conditions and stipulations:

"9. In the event that the interests of the United States Postal Service with respect to the land referred to in this policy are not represented by the Attorney General of the United States at the time any election, notice, request, permission, cooperation, assistance, or statement is required or permitted by these conditions and stipulations, then such election, notice, request, permission, cooperation, assistance or statement, as so required or permitted, and otherwise conforming hereto, shall be given or furnished by or to the United States Postal Service."

Such policy forms shall also have stricken therefrom in all places the name "United States of America" and have substituted in lieu thereof the name "United States Postal Service."

Exhibit 2012-13
Rate Rule R-22, Owner's and Leasehold Owner's Policies

R-22. Owner's and Leasehold Owner's Policies - Upon request when an owner's policy ("Owner's Policy") insuring fee simple and an owner's policy insuring a leasehold estate ("Leasehold Owner's Policy") wherein the leasehold owner's policy or policies issued cover part or all of the land insured in the owner's policy and cover no other land and the owner's policy bears the same date as and specifically excepts to the leases creating the estates insured in each leasehold owner's policy issued pursuant to this regulation, in amounts as required by Procedural Rule P-66, the rate for the owner's policy shall be the basic rate. The rate for each leasehold owner's policy so simultaneously issued will be thirty (30%) percent of the rate for the owner's policy up to the amount of the owner's policy. The rate on the aggregate amount of any leasehold owner's policy (or combined amount of all leasehold owner's policies if more than one is issued) exceeding the owner's policy shall be the difference between the basic premium rates of the owner's policy and the basic premium rate for the leasehold owner's policies (or combined amount of all leasehold owner's policies if more than one is issued). In no event shall the charge for any policy issued pursuant to this rule be less than the minimum promulgated rate.

Exhibit 2012-14
Procedural Rule P-1.w, Premium

PROCEDURAL RULES AND DEFINITIONS

**IN NO EVENT MAY ANY POLICY OR ENDORSEMENT FORMS CONTAIN COVERAGES
NOT EXPRESSLY AUTHORIZED BY THESE RULES AND/OR THE DEPARTMENT OF
INSURANCE OF THE STATE OF TEXAS.**

P-1. Definitions

- w. Premium - The rate promulgated by the Commissioner pursuant to Chapter 2703, Insurance Code, includes the charges for title examination and for closing the transaction, whether or not performed by an attorney, and for issuance of a policy.

Exhibit 2012-16
Form T-56, Owner's Policy Rejection Form

Date: _____

OWNER'S POLICY REJECTION FORM (Form T-56)

Pursuant to requirement of §2704.051 and §2704.052, Insurance Code, and Procedural Rule P-65, the undersigned hereby acknowledge that a Loan Policy is to be issued in File No. _____ in consideration of \$_____ premium to the lender and that such policy does not afford title insurance coverage to the undersigned in the event of a defect in the title to the real estate which is being acquired. An Owner's Policy in the amount of \$_____ shall be issued for an additional premium of \$_____ unless rejected hereby.

The undersigned hereby reject the issuance of said Owner's Policy.

[ACKNOWLEDGMENT]

Exhibit 2012-17
Procedural Rule P-70, Cancellation Fees; Fees for Services Rendered

P-70. Cancellation Fees; Fees for Services Rendered

(a) A cancellation fee is defined as a fee charged by a title insurance agent, direct operation, title insurance company, or escrow officer, hereinafter "licensee" to a person or entity who is not a licensee for work done by the licensee in connection with a bona fide order for title insurance which fails to close or for which a policy is not issued. Cancellation fees are prohibited.

(b) As long as an agreement complies with Procedural Rule P-24 with respect to transactions that close and a policy is issued, title insurance agents and direct operations may agree in writing to a fee for furnishing title evidence and examination that is a set amount of money instead of a percentage of the title insurance premium to be paid if the order for title insurance does not close and a policy is not issued. Payment under this subsection shall not be considered a cancellation fee and the payment, charge, or fee shall not be passed on or charged to the consumer.

(c) A refusal to agree to set a fee under this rule shall not be considered a refusal to provide title evidence under Procedural Rule P-24 or P-25.

Exhibit 2012-18
Form T-14, First Loss Endorsement

FIRST LOSS ENDORSEMENT (Form T-14)

Attached to Loan Policy No. _____

Issued by

BLANK TITLE INSURANCE COMPANY

This endorsement is effective only if the Collateral includes at least two parcels of real property.

1. For the purposes of this endorsement:
 - (a) "Indebtedness" means all monetary obligations evidenced by the loan documents at Date of Policy as secured by the insured mortgage, but limited to the balance outstanding at the time the claim is made.
 - (b) "Collateral" means all property, including the land, given as security for the Indebtedness.
 - (c) "Material Impairment Amount" means the amount by which any matter covered by this policy for which a claim is made diminishes the value of the Collateral below the Indebtedness.

2. Subject to the provisions of Section 8 of the Conditions, in the event of a claim resulting from a matter insured against by this policy, the Company agrees to pay that portion of the Material Impairment Amount that does not exceed the limits of liability imposed by Sections 2 and 7 of the Conditions without requiring:
 - (a) maturity of the Indebtedness by acceleration or otherwise;
 - (b) pursuit by the insured of its remedies against the Collateral;
 - (c) pursuit by the insured of its remedies under any guaranty, bond or other insurance policy.

3. Nothing in this endorsement shall impair the Company's right of subrogation. However, the Company agrees that its right of subrogation shall be subordinate to the rights and remedies of the insured. The Company's right of subrogation shall include the right to recover the amount paid to the insured pursuant to paragraph 2 from any debtor or guarantor of the Indebtedness, after payment or other satisfaction of the remainder of the Indebtedness and other obligations secured by the lien of the insured mortgage. The Company shall have the right to recoup from the insured claimant any amount received by it in excess of the Indebtedness up to the amount of the payment under paragraph 2.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Exhibit 2012-18
Form T-14, First Loss Endorsement

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

BY:

Exhibit 2012-20
Form T-53, Texas Limited Coverage Residential Chain of Title Policy

**TEXAS LIMITED COVERAGE RESIDENTIAL CHAIN OF
TITLE POLICY (T-53)**

Policy No.

[Premium: \$_____]

COMBINED SCHEDULE

Amount of Insurance: \$100.00

Date of Policy:

Name of Insured:

1. Grantee (on the latest deed recorded if any in the public records not more than 60 months immediately preceding Date of Policy, purporting to vest the title):

2. Additional deeds and leases recorded in the public records within [insert number of months, not to exceed 60] months immediately preceding the Date of Policy:

[Insert recording information of deeds and leases or state: "This item is hereby deleted."]

3. The land referred to in this policy is described as follows:

Exhibit 2012-20
Form T-53, Texas Limited Coverage Residential Chain of Title Policy

EXCEPTIONS

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of the following exceptions. By excepting to any matter, the Company does not represent the priority or validity of the matter:

1. Documents other than deeds or leases vesting or purporting to vest title to the land.
2. Documents creating or purporting to create any lien, reservation or other encumbrance affecting the land.

Authorized Countersignature

Printed Name:

(Agent or Direct Operation or Title Insurance Company)

By _____

TEXAS LIMITED COVERAGE RESIDENTIAL CHAIN OF TITLE POLICY (T-53)

Issued By

BLANK TITLE INSURANCE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS AND THE CONDITIONS AND STIPULATIONS HEREOF, and provided that the land is a one-to-four family residence or condominium unit, Blank Title Insurance Company, a corporation, herein called the Company, insures, as of Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. The Grantee shown on the Combined Schedule not being the named grantee on the most current deed recorded in the public records purporting to vest the title to the fee estate in the land, as of Date of Policy, or the description of the land in this policy not being the same as that contained in said deed.
2. At Date of Policy, the listed additional deeds and leases not being the only deeds and leases recorded in the public records during the [insert number of months not to exceed sixty months] immediately preceding Date of Policy.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the Insured, but only to the extent provided in the Conditions and Stipulations.

[Witness Clause]

BLANK TITLE INSURANCE COMPANY

Exhibit 2012-20
Form T-53, Texas Limited Coverage Residential Chain of Title Policy

By: _____

PRESIDENT

By: _____

SECRETARY

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. Any invalidity, unenforceability, lack of priority, or ineffectiveness of any mortgage held by the insured.
2. Any invalidity, unenforceability, lack of priority, or ineffectiveness of any of the instruments or other matters shown in the Exceptions in this Policy.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the Insured Claimant;
 - (b) known to the Insured Claimant whether or not disclosed in the public records;
 - (c) resulting in no loss or damage to the Insured Claimant; or
 - (d) recorded or filed in the public records subsequent to Date of Policy.
4. The land not being owned by the Grantee.
5. Claims of:
 - a. usury;
 - b. any consumer credit protection law (including, but not limited to Subsections (a)(6) and (g) of Section 50, Article XVI, Texas Constitution, and any statutory or regulatory requirements); or
 - c. bankruptcy or insolvency proceedings of Grantee.

Exhibit 2012-20
Form T-53, Texas Limited Coverage Residential Chain of Title Policy

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "insured": the insured named herein. The term also includes the owner of the indebtedness secured by the insured's mortgage. The Company reserves all rights and defenses against any insured acquiring an interest in the insured's mortgage subsequent to Date of Policy which the Company would have had against the insured named herein or any subsequent insured.
- (b) "insured claimant": an insured claiming loss or damage hereunder.
- (c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.
- (d) "land": the land described herein and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to herein, nor any right, title, interest, estate or easement in abutting streets, roads, alleys, avenues, lanes, ways or waterways.
- (e) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

2. DEFENSE AND PROSECUTION OF ACTIONS - NOTICE OF CLAIM TO BE GIVEN BY AN INSURED CLAIMANT

- (a) Upon written request by the Insured and subject to the options contained in Section 4 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim which may cause loss or damage, but only as to those stated causes of action alleging a matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the Insured in the defense of those causes of action which allege matters not insured against by this policy.
- (b) The Insured shall notify the Company promptly in writing in case: (i) of any litigation as set forth in (a) above, or (ii) knowledge shall come to an Insured hereunder of any adverse claim which might cause loss or damage for which the Company may be liable by virtue of this policy.

If prompt notice shall not be given to the Company, then all liability of the Company shall cease and terminate in regard to the matter or matters for which prompt notice is required; provided, however, the failure to notify shall in no case prejudice the rights of the Insured under this policy unless and except to the extent that the Company shall be prejudiced by such failure.

Exhibit 2012-20
Form T-53, Texas Limited Coverage Residential Chain of Title Policy

- (c) The Company shall have the right at its own cost to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to prevent or reduce loss or damage insured against by this policy; and the Company may take any appropriate action, whether or not it shall be liable under the terms of this policy, and shall not thereby concede liability or waive any provisions of this policy.
- (d) Whenever the Company shall have brought any action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination in a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.
- (e) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the Insured hereunder shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the Insured for such purpose. Whenever requested by the Company, the Insured shall give the Company, at the Company's expense, all reasonable aid (i) in any action or proceeding in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending the action or proceeding, and (ii) in any other act which in the opinion of the Company may be necessary or desirable to prevent or reduce loss or damage insured against by this policy, including but not limited to executing corrective or other documents.

3. PROOF OF LOSS OR DAMAGE - LIMITATION OF ACTION

In addition to the notices required under Section 2 of these Conditions and Stipulations, a proof of loss or damage, signed and sworn to by the Insured Claimant shall be furnished to the Company within 91 days after the Insured Claimant shall ascertain or determine the facts giving rise to loss or damage. The proof of loss or damage shall describe the matter insured against by this policy which constitutes the basis of loss or damage, and, when appropriate, state the basis of calculating the amount of the loss or damage.

Should the proof of loss or damage fail to state facts sufficient to enable the Company to determine its liability hereunder, Insured Claimant, at the written request of Company, shall furnish such additional information as may reasonably be necessary to make such determination.

Failure to furnish the proof of loss or damage shall terminate any liability of the Company under this policy as to such loss or damage.

4. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the right to exercise the following additional options at any time:

- (a) To pay or tender payment of the amount of insurance or to purchase the indebtedness:

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Form T-53, Texas Limited Coverage Residential Chain of Title Policy

- (i) to pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the Insured Claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay; or
- (ii) to purchase the indebtedness secured by the Insured's Mortgage for the amount owing thereon together with any costs, attorneys' fees and expenses incurred by the Insured Claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the Insured's Mortgage, together with any collateral security, to the Company upon payment therefor.

Upon the exercise by the Company of either of the options provided for in paragraphs (a)(i) or (a)(ii), all liability and obligations to the Insured under this policy, other than to make the payment required in those paragraphs, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

- (b) To pay or otherwise settle with parties other than the Insured or with the Insured Claimant:
 - (i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or
 - (ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (b)(ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

5. DETERMINATION AND PAYMENT OF LOSS

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

- (a) The liability of the Company under this policy shall not exceed the least of:

Exhibit 2012-20
Form T-53, Texas Limited Coverage Residential Chain of Title Policy

- (i) the Amount of Insurance stated in the Combined Schedule;
 - (ii) the amount of the unpaid principal indebtedness secured by the Insured's Mortgage at the time the loss or damage insured against by this policy occurs, together with unpaid interest thereon; or
 - (iii) the difference between the value of the equity in the estate or interest in the land without the Monetary Lien or other matter insured against and the value of the equity in that estate or interest subject to the Monetary Lien or other matter insured against by this policy.
- (b) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 2 of these Conditions and Stipulations.
- (c) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

6. LIMITATION OF LIABILITY

- (a) If the Company removes an alleged matter insured against by this policy, or takes action in accordance with Section 2 or Section 4, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the Insured with respect to matters insured against by this policy.
- (c) The Company shall not be liable for loss or damage to any Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

7. REDUCTION OF INSURANCE; TERMINATION OF LIABILITY

All payments under this policy, except payment made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

8. SUBROGATION UPON PAYMENT OR SETTLEMENT

Whenever the Company shall have paid or settled a claim under this policy, it shall be subrogated to the rights of the Insured Claimant unaffected by any act of the Insured Claimant, limited only by the amount paid by the Company. The Insured Claimant shall cooperate with the Company in enforcing these subrogation rights.

Exhibit 2012-20
Form T-53, Texas Limited Coverage Residential Chain of Title Policy

9. ARBITRATION

Unless prohibited by applicable law, either the Company or the Insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters SHALL BE arbitrated at the option of either the Company or the Insured. Arbitration pursuant to this policy and under the Rules in effect on the date of the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the law of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrators may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules. A copy of the Rules may be obtained from the Company upon request.

10. LIABILITY LIMITED TO THIS POLICY

This policy together with all Endorsements, attached hereto by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

Any claim of loss or damage whether or not based on negligence, or any action asserting any claim, shall be restricted to the terms and provisions of this policy.

No amendment of or Endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, validating officer or authorized signatory of the Company.

No payment shall be made without producing this policy for Endorsement of the payment unless the policy is lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

11. SEVERABILITY

In the event any provision of this policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision, and all other provisions shall remain in full force and effect.

12. NOTICES WHERE SENT

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company, Attention: Claims Department.

Exhibit 2012-21

Administrative Rule S.1, Minimum Capitalization Standards for Title Agents Pursuant to §2651.012 and Certification and Procedure to Determine Value of Assets Pursuant to §2651.158

S.1. MINIMUM CAPITALIZATION STANDARDS FOR TITLE AGENTS PURSUANT TO §2651.012 AND CERTIFICATION AND PROCEDURE TO DETERMINE VALUE OF ASSETS PURSUANT TO §2651.158

I. Minimum Capitalization Standards.

A. A title insurance agent must maintain unencumbered assets with a market value in excess of liabilities, exclusive of abstract plants, as specified in Insurance Code §2651.012(c)(1) - (c)(4).

B. In accordance with Insurance Code §2651.012(a)(2), unencumbered assets are defined as follows:

- (1) cash or cash equivalents;
- (2) liquid assets that have a readily determinable market value and that do not have any lien against them;
- (3) real estate, in excess of any encumbrances;
- (4) investments, such as mutual funds, certificates of deposit, and stocks and bonds;
- (5) a surety bond, the form and content of which shall be prescribed by the commissioner in accordance with this code;
- (6) a deposit made in accordance with Insurance Code §2651.102;
- (7) a letter of credit that meets the requirements of Insurance Code §493.104(b)(2)(C); and
- (8) a solvency account that meets the requirements of Insurance Code §2651.0121.

II. Schedule for Compliance With Minimum Capitalization Standards.

(A) A title agent that holds a license on September 1, 2013, and that has held the license for at least three years as of that date is not required to comply with the minimum capitalization standards specified in subsection I of this rule on September 1, 2013. However, the title agent shall increase the unencumbered assets held by the agent, or make and increase the required deposit, until the agent is in compliance with the required capitalization amounts in accordance with the schedule established under this subsection. The agent must hold unencumbered assets, or make a deposit in an amount, such that:

Exhibit 2012-21

Administrative Rule S.1, Minimum Capitalization Standards for Title Agents Pursuant to §2651.012 and Certification and Procedure to Determine Value of Assets Pursuant to §2651.158

(1) If, on September 1, 2013, the agent has been licensed less than four years:

(a) the agent has at least 33 percent of the required capitalization amount on November 1, 2014;

(b) the agent has at least 66 percent of the required capitalization amount on November 1, 2015; and

(c) the agent has at least 100 percent of the required capitalization amount on November 1, 2016;

(2) if, on September 1, 2013, the agent has been licensed at least four years but less than five years:

(a) the agent has at least 25 percent of the required capitalization amount on November 1, 2014;

(b) the agent has at least 50 percent of the required capitalization amount on November 1, 2015;

(c) the agent has at least 75 percent of the required capitalization amount on November 1, 2016; and

(d) the agent has at least 100 percent of the required capitalization amount on November 1, 2017;

(3) if, on September 1, 2013, the agent has been licensed at least five years but less than six years:

(a) the agent has at least 20 percent of the required capitalization amount on November 1, 2014;

(b) the agent has at least 40 percent of the required capitalization amount on November 1, 2015;

(c) the agent has at least 60 percent of the required capitalization amount on November 1, 2016;

(d) the agent has at least 80 percent of the required capitalization amount on November 1, 2017; and

Exhibit 2012-21

Administrative Rule S.1, Minimum Capitalization Standards for Title Agents Pursuant to §2651.012 and Certification and Procedure to Determine Value of Assets Pursuant to §2651.158

(e) the agent has at least 100 percent of the required capitalization amount on November 1, 2018;

(4) if, on September 1, 2013, the agent has been licensed at least six years but less than seven years:

(a) the agent has at least 16.66 percent of the required capitalization amount on November 1, 2014;

(b) the agent has at least 33.32 percent of the required capitalization amount on November 1, 2015;

(c) the agent has at least 49.98 percent of the required capitalization amount on November 1, 2016;

(d) the agent has at least 66.64 percent of the required capitalization amount on November 1, 2017;

(e) the agent has at least 83.3 percent of the required capitalization amount on November 1, 2018; and

(f) the agent has at least 100 percent of the required capitalization amount on November 1, 2019;

(5) if, on September 1, 2013, the agent has been licensed at least seven years but less than eight years:

(a) the agent has at least 14.29 percent of the required capitalization amount on November 1, 2014;

(b) the agent has at least 28.58 percent of the required capitalization amount on November 1, 2015;

(c) the agent has at least 42.87 percent of the required capitalization amount on November 1, 2016;

(d) the agent has at least 57.16 percent of the required capitalization amount on November 1, 2017;

(e) the agent has at least 71.45 percent of the required capitalization amount on November 1, 2018;

(f) the agent has at least 85.74 percent of the required capitalization amount on November 1, 2019; and

Exhibit 2012-21

Administrative Rule S.1, Minimum Capitalization Standards for Title Agents Pursuant to §2651.012 and Certification and Procedure to Determine Value of Assets Pursuant to §2651.158

(g) the agent has at least 100 percent of the required capitalization amount on November 1, 2020;

(6) if, on September 1, 2013, the agent has been licensed at least eight years but less than nine years:

(a) the agent has at least 12.5 percent of the required capitalization amount on November 1, 2014;

(b) the agent has at least 25 percent of the required capitalization amount on November 1, 2015;

(c) the agent has at least 37.5 percent of the required capitalization amount on November 1, 2016;

(d) the agent has at least 50 percent of the required capitalization amount on November 1, 2017;

(e) the agent has at least 62.5 percent of the required capitalization amount on November 1, 2018;

(f) the agent has at least 75 percent of the required capitalization amount on November 1, 2019;

(g) the agent has at least 87.5 percent of the required capitalization amount on November 1, 2020; and

(h) the agent has at least 100 percent of the required capitalization amount on November 1, 2021; and

(7) if, on September 1, 2013, the agent has been licensed at least nine years:

(a) the agent has at least 11.11 percent of the required capitalization amount on November 1, 2014;

(b) the agent has at least 22.22 percent of the required capitalization amount on November 1, 2015;

(c) the agent has at least 33.33 percent of the required capitalization amount on November 1, 2016;

(d) the agent has at least 44.44 percent of the required capitalization amount on November 1, 2017;

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Administrative Rule S.1, Minimum Capitalization Standards for Title Agents Pursuant to §2651.012 and Certification and Procedure to Determine Value of Assets Pursuant to §2651.158

(e) the agent has at least 55.55 percent of the required capitalization amount on November 1, 2018;

(f) the agent has at least 66.66 percent of the required capitalization amount on November 1, 2019;

(g) the agent has at least 77.77 percent of the required capitalization amount on November 1, 2020;

(h) the agent has at least 88.88 percent of the required capitalization amount on November 1, 2021; and

(i) the agent has at least 100 percent of the required capitalization amount on November 1, 2022.

B. On or after the effective date of this rule, a title agent that applies for its first license and that does not elect to utilize a solvency account shall be required to hold unencumbered assets or make a deposit in an amount such that the agent has 100% of the required capitalization specified in subsection I of this rule as a condition precedent to the issuance of a new license.

C. With respect to the schedule for compliance with the minimum capitalization amounts, the start date for the time that a title agent has been licensed is the date on which the title agent was first assigned a Title Agent Company Identification Number by the Department in connection with the issuance of the title agent's initial license.

(1) When a person acquires a title agent by inheritance, resulting in a change of ownership or control of a title agent as specified in Administrative Rule L-1 V, Change in Operations, paragraph B, which requires a new license, the start date of the new license is the date of the Title Agent Company Identification Number of the acquired title agent.

(2) In a non-inheritance transfer, when there is a change of ownership or control of a title agent as specified in Administrative Rule L-1 V, Change in Operations, paragraph B, and a new license is issued, the commissioner may, upon petition of the acquiring title agent, order that the start date of the new license be the date of the Title Agent Company Identification Number of the acquired title agent. The acquiring agent's petition must make and support the following assertions:

(i) that the title agent to be acquired is financially distressed or reasonably likely to become financially distressed; and

(ii) that the acquiring title agent has the means to rehabilitate the distressed title agent and is worthy of the public trust to accomplish that goal. Support for this provision includes evidence that the acquiring title agent has ample funds and experience to accomplish the rehabilitation, and that the acquiring title agent has never before owned or operated a failed title agent.

(3) In the event of the merger, consolidation, or other combination of two or more

Exhibit 2012-21

Administrative Rule S.1, Minimum Capitalization Standards for Title Agents Pursuant to §2651.012 and Certification and Procedure to Determine Value of Assets Pursuant to §2651.158

title agents, the start date of the survivor of or new entity resulting from the combination is the date on which the survivor or oldest entity was first assigned a Title Agent Company Identification Number by the Department in connection with the issuance of the survivor's or oldest entity's initial license before the consummation of the merger, consolidation, or other combination.

D. The minimum capitalization amounts specified in subsection I of this administrative rule and the schedule for attaining the required capitalization amounts specified in subsection II of this administrative rule shall take effect on July 3, 2014. If the scheduled dates set forth in subsection II of this rule occur before July 3, 2014, those scheduled dates shall be extended so as to give effect to this paragraph.

E. If a title agent utilizes a solvency account in accordance with §2651.0121 of the Insurance Code and Administrative Rule S.2, then the required capitalization may be accumulated in accordance with Administrative Rule S.2.

III. Filing Requirements and Forms for Certification of Unencumbered Assets.

A. Unless a title agent has elected to make a deposit with the Department under Insurance Code §2651.012(f), the agent shall submit to the Department with the annual audit of escrow accounts a certification that the title agent has the appropriate unencumbered assets as specified in subsection IA of this rule on the Title Agent's Unencumbered Assets Certification (Form T-S1).

B. The initial Certification (Form T-S1) must be submitted to the Department with the title agent's annual audit of escrow accounts that is filed with the Department between September 1, 2014, and August 31, 2015.

C. The subsequent annual Certification (Form T-S1) must be submitted annually between September 1 and September 30 of each year to the Department for the preceding calendar year beginning in 2015.

D. Form T-S1 may be obtained from the Texas Department of Insurance, Title Examinations, P.O. Box 149104, Austin, Texas 78714-9104 or 333 Guadalupe, Austin, Texas 78701, or from the Department's website at www.tdi.texas.gov.

E. Any certification form submitted pursuant to this subsection should be filed with the Texas Department of Insurance, Title Examinations, P.O. Box 149104, Austin, Texas 78714-9104 or 333 Guadalupe, Austin, Texas 78701 or may be filed electronically with the Department.

F. An agent that has made a deposit with the Department under §2651.012(f) of the Insurance Code is exempt from the certification requirement of this subsection. If an

Exhibit 2012-21

Administrative Rule S.1, Minimum Capitalization Standards for Title Agents Pursuant to §2651.012 and Certification and Procedure to Determine Value of Assets Pursuant to §2651.158

agent elects to utilize a deposit with the Department as the method of complying with the title agent's capitalization requirement, then the agent must at the time of license renewal provide written notice to the Texas Department of Insurance, Title Examinations, P.O. Box 149104, Austin, Texas 78714-9104 or 333 Guadalupe, Austin, Texas 78701 that such deposit has been made and that such deposit meets the title agent's statutory capitalization requirement.

Exhibit 2012-22
Form T-S1, Title Agent's Unencumbered Assets Certification

Title Agent's Unencumbered Assets Certification (Form T-S1)

Title Agent's Name

Reporting for Year

Date of Review

TDI Agent's Company ID Number

The title agent meets the requirements of Insurance Code §2651.012 by the following means:

- solvency account in accordance with Insurance Code §2651.0121
- letter of credit
- surety bond in accordance with Insurance Code §2651.012(c)(1) - (4)
- items contained in Insurance Code §2651.012(a)(2)(A) - (D)

The management of **[name of title agent]** has reviewed the condition of the title agent's unencumbered assets as of the date of review set forth above. The review includes the documents evidencing the title agent's unencumbered assets and account information maintained by **[name of title agent]**. The documents evidencing the title agent's unencumbered assets and account information are the responsibility of the title agent's management. It is the title agent's management's responsibility to certify as to the financial condition of the title agent's unencumbered assets.

The undersigned officer of the title agent specified above hereby certifies that:

I am legally authorized to make this certification. The examination by the management of the title agent of the documents evidencing the title agent's unencumbered assets and account information has determined, as of the date of review set forth above, that the unencumbered assets of the title agent exceed its liabilities, exclusive of the value of its abstract plants, as required by Insurance Code §2651.012.

The title agent maintains/ does not maintain a solvency account with a Financial Institution in this state. For fiscal year 20____, the principal balance of the title agent's solvency account, if maintained, exceeds / does not exceed the amount that would have been required to be maintained if the title agent had no solvency account and fell under the schedule established by the commissioner by rule under

Exhibit 2012-22
Form T-S1, Title Agent's Unencumbered Assets Certification

§2651.012(g) of the Insurance Code. As of the date of review set forth above, the amount of the overage/excess, if any, is \$_____.

Signature: _____

Name: _____

Date _____

Title: _____

Address: _____

City/State/Zip Code: _____

Phone Number: _____ EXT _____

E-mail Address: _____

Exhibit 2012-23

Administrative Rule S.2, Solvency Account for Capitalization Standards

S.2. Solvency Account for Capitalization Standards

Pursuant to §2651.012, Insurance Code, a title agent may hold unencumbered assets in a solvency account which may be established by an initial deposit in an amount less than the amount provided by §2651.012(c) and Administrative Rule S.1.

A. A solvency account must be:

1. maintained in a financial institution in this state that is insured by an agency of the United States
2. accessible only to the Department of Insurance, on order of the Commissioner of Insurance; and
3. audited in the same manner provided for trust funds by §2651.151, Insurance Code.

B. The solvency account is established after the title agent and the financial institution enter into a Tripartite Agreement (Form T-S2) with the commissioner. The title agent shall submit to the Department three original Tripartite Agreement forms executed by both the title agent and the financial institution. After the commissioner executes the Tripartite Agreement forms, one signed original will be returned to the title agent and one signed original will be sent to the financial institution.

C. The solvency account must be funded with a minimum deposit in the amount for each policy of title insurance issued by the agent that is equal to the greater of \$5 or one percent of the title agent's portion of the Basic Premium for the policy of title insurance retained by that title agent, after remittance of the title insurance company's portion, rounded to the nearest whole dollar. The Basic Premium does not include premiums for endorsements or amendments to the policy of title insurance.

D. Deposits to the solvency account must be made quarterly and must be made from and based on policies of title insurance with a date of policy occurring during that calendar quarter. The deposits shall be made pursuant to the following schedule:

Calendar Quarter Ending	Deposit Installment Due Date
March 31	May 1
June 30	August 1
September 30	November 1
December 31	February 1

E. Interest that accrues in a solvency account, the principal balance of which is less than the amount provided by §2651.012(c), Insurance Code, must be retained in the account. Interest that accrues in a solvency account the principal balance of which is greater than the amount provided by §2651.012(c), Insurance Code, may be paid to the title agent maintaining the account.

F. The commissioner may issue an order to access or release funds held in an account under this rule if any of the events described by §2651.012(b) occur. Execution of

Exhibit 2012-23

Administrative Rule S.2, Solvency Account for Capitalization Standards

the Tripartite Agreement by the commissioner constitutes an order to authorize the release of funds in the solvency account as provided in the Tripartite Agreement.

- G. An account established, funded, and maintained as provided by this rule complies with the requirement for maintenance of unencumbered assets under §2651.012(c), Insurance Code, and Administrative Rule S.1 regardless of whether the amount required by that rule is fully accrued.
- H. In a home office issue transaction in which a title insurance company issues a policy of title insurance, a title agent who closes the transaction and remits premium to the title insurance company shall make the deposit required by this rule. If a title agent does not close the home office issue transaction or does not remit premium to the title insurance company, no deposit is required to be made by that title agent for that transaction.

Exhibit 2012-24
Form T-S2, Tripartite Agreement

Tripartite Agreement (Form T-S2)

Whereas, _____ (Agent) is a licensed title insurance agent doing business in this State and having its principal office at _____ in _____ County, Texas, and;

Whereas, for the purposes of complying with law in connection with Agent's title insurance business in this State, Agent desires to maintain a solvency account in accordance with §2651.0121, Insurance Code, and;

Whereas, _____ (Financial Institution) is a federally insured financial institution in this State which desires to offer to Agent a solvency account to be maintained at Financial Institution, and;

Whereas, _____, the Commissioner of Insurance of the State of Texas (Commissioner), or the Commissioner's duly authorized representative, is authorized to permit or direct the release, transfer or expenditure of the funds held in the solvency account in accordance with §2651.0121(h), Insurance Code;

Therefore, it is mutually agreed between Agent, Financial Institution and the Commissioner that:

1. The solvency account shall be established at Financial Institution and funds shall be deposited by Agent in the solvency account in accordance with §2651.0121, Insurance Code.
2. Funds held in the solvency account shall not be released, transferred or spent except on written authorization from the Commissioner or as provided herein.
3. Until the principal balance of the solvency account equals or exceeds the total Required Capitalization Amount of \$_____ in accordance with §2651.012(c), Insurance Code, all interest or income accrued in the solvency account shall be retained in the account.
4. After the principal balance of the solvency account equals or exceeds the total Required Capitalization Amount, Agent is authorized to receive the interest or income accruing from the solvency account after the date the principal balance of the solvency account equals or exceeds the total Required Capitalization Amount, and Financial Institution shall pay or transfer the interest or income payable to Agent or Agent's assigns as directed by Agent.
5. In the event the principal balance of the solvency account in any calendar year exceeds the amount that would have been required to be maintained if the Agent had no solvency account and fell under the schedule established by the

Exhibit 2012-24
Form T-S2, Tripartite Agreement

Commissioner by rule under §2651.012(g), Insurance Code, Agent is authorized to receive the amount of the overage for that calendar year provided that agent has filed with the Texas Department of Insurance (Department) a revised Title Agent's Unencumbered Assets Certification (Form T-S1) setting forth the amount of the overage in the principal balance of the solvency account for that calendar year. Upon receipt of the revised Title Agent's Unencumbered Assets Certification, the Commissioner shall have 10 days to object to the release of the funds on the basis that the funds do not actually exceed the amount required. If the Financial Institution does not receive an objection from the Commissioner to the release of funds on this basis, the Financial Institution shall pay or transfer the overage in the principal balance of the solvency account to Agent or Agent's assigns as directed by Agent upon receipt of a copy of the revised Title Agent's Unencumbered Assets Certification (Form T-S1) showing the dated file stamp of the Department.

6. In the event Agent merges or consolidates or effects the equivalent of a merger or consolidation with another title insurance agent, and the survivor entity maintains unencumbered assets which meet the total Required Capitalization Amount, the survivor entity is authorized to receive the amount by which the solvency account established by Agent and maintained at Financial Institution exceeds the total Required Capitalization Amount of the unencumbered assets maintained by the survivor entity, and Financial Institution shall pay or transfer the excess amount in the solvency account to the survivor entity as directed by the survivor entity provided that the survivor entity has filed with the Department a Title Agent's Unencumbered Assets Certification (Form T-S1) certifying that the survivor entity maintains unencumbered assets equal to or in excess of the total Required Capitalization Amount and Financial Institution has received a copy of the Title Agent's Unencumbered Assets Certification (Form T-S1) filed with the Department by the survivor entity.

7. Financial Institution is authorized to transfer all or any funds in the solvency account to a solvency account maintained by Agent at another financial institution provided the other solvency account is the subject of a Tripartite Agreement (Form T-S2) between Agent, the Commissioner and the other financial institution and Financial Institution has received a copy of the other Tripartite Agreement (Form T-S2).

Executed and Ordered, this _____ day of _____ 20____ .

Commissioner of Insurance, State of Texas

(Name of Agent)

Exhibit 2012-24
Form T-S2, Tripartite Agreement

By: _____

Typed Name: _____

Title: _____

Address: _____

Phone Number: _____

E-mail Address: _____

State of Texas

County of _____

Before me, _____, on this day personally appeared _____, known to me (or proved to me through _____) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office this _____ day of _____, 20__.

Notary Public

(Name of Financial Institution)

By: _____

Exhibit 2012-24
Form T-S2, Tripartite Agreement

Typed Name: _____

Title: _____

Address: _____

Phone Number: _____

E-mail Address: _____

State of Texas

County of _____

Before me, _____, on this day personally appeared _____, known to me (or proved to me through _____) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office this _____ day of _____, 20__.

Notary Public

Exhibit 2012-25

Administrative Rule S.3, Title Agent Requirements, Procedures, and Forms for Obtaining Release of Assets in Accordance with Insurance Code §2651.012(b) or §2651.0121

S.3. Title agent requirements, procedures, and forms for obtaining release of assets in accordance with Insurance Code §2651.012(b) or §2651.0121.

A. In this rule, “title agent” and “agent” have the same meaning as “title insurance agent” in Procedural Rule P-1h.

B. A title agent may request that the Commissioner authorize release of unencumbered assets by filing a written request for release of the assets with the Department. The request may be made when:

1. The title agent has voluntarily ceased to engage in business and has surrendered the agent’s license. The title agent must have completed the following actions:
 - a) Conducted a final audit of the agent’s trust fund accounts, the records pertaining thereto and the unused forms in agent’s/direct operation's possession, in accordance with §§2651.151-157 and 2651.251-253, Insurance Code.
 - b) Surrendered all pending files and outstanding commitments to the appropriate Companies.
 - c) Sent written notice to all interested parties in pending transactions that the appropriate Companies have custody and control of such files.
 - d) Transferred all escrow accounts and investment accounts, which have not been fully disbursed, to the appropriate Companies for the benefit of the parties to pending transactions and the general public.
2. The title agent is being liquidated and has completed the actions set forth in Section 1 (a)-(d) above.
3. The title agent has merged or consolidated or effected the equivalent of a merger or consolidation with another title agent which maintains the amount of unencumbered assets that would be required for the survivor title agent.

C. In accordance with §2651.0121(j), Insurance Code, the Commissioner shall issue an order authorizing the financial institution in which a solvency account is held to release all or part of the account balance to the agent or the agent’s principal office within 60 days of the receipt of a Solvency Account Release Request (Form T-S3). Title agent shall submit two executed originals of the Solvency Account Release Request (T-S3) to the Department. The Department shall acknowledge receipt of the request and return one copy of the acknowledged request to the title agent. If the Commissioner does not

Exhibit 2012-25

Administrative Rule S.3, Title Agent Requirements, Procedures, and Forms for Obtaining Release of Assets in Accordance with Insurance Code §2651.012(b) or §2651.0121

enter the order within the prescribed period, the application is denied and the title agent may seek immediate equitable relief from a court of competent jurisdiction.

D. Funds held in a solvency account under a Tripartite Agreement (Form T-S2) may be transferred or released in accordance with the terms of the Tripartite Agreement.

Exhibit 2012-26
Form T-S3, Solvency Account Release Request

Solvency Account Release Request (Form T-S3)

Title Agent's Name

TDI Agent's Company ID Number

Financial institution Name:

Address:

Account number:

- In accordance with Insurance Code §2651.0121(i), title agent has voluntarily ceased to engage in business, has surrendered the agent's license and is liquidating the agent's assets. Title agent requests that the Commissioner authorize release of the solvency account identified above to the title agent.

Title agent has performed the following actions:

- Conducted a final audit of the Agent's trust fund accounts, the records pertaining thereto and the unused forms in Agent's possession, in accordance with §§2651.151-157 and 2651.251-253, Insurance Code.
- Surrendered all pending files and outstanding commitments, to the appropriate Companies.
- Sent written notice to all interested parties in pending transactions that the appropriate Companies have custody and control of such files.
- Transferred all escrow accounts and investment accounts, which have not been fully disbursed, to the appropriate Companies for the benefit of the parties to pending transactions and the general public.
- Title Agent has merged or consolidated or effected the equivalent of a merger or consolidation with another title agent which maintains the amount of unencumbered assets that would be required for the survivor.

In accordance with §2651.0121(j), Insurance Code, the commissioner shall issue an order authorizing the financial institution in which the solvency account is held to release all or part of the account balance to the agent or the agent's principal office within 60 days of the receipt of

Exhibit 2012-26
Form T-S3, Solvency Account Release Request

two executed originals of this Form T-S3. If the commissioner does not enter the order within the prescribed period, the application is denied and the title agent may seek any relief as allowed by law.

Acknowledgment of Receipt

On behalf of the Commissioner of Insurance the undersigned hereby acknowledges receipt of this Solvency Account Release Request (Form T-S3) from Title Agent on this ____ day of _____, 20____.

Commissioner of Insurance

By: _____
(Name of Officer)

(Title of Officer)

Exhibit 2012-27
Administrative Rule S.7, Surety Bond for Title Agents to Comply with Minimum Capitalization Standards

S.7. SURETY BOND FOR TITLE AGENTS TO COMPLY WITH MINIMUM CAPITALIZATION STANDARDS

I. Procedures for Use of the Surety Bond.

A. **Filing**

A title insurance agent may file a surety bond with the Department to comply with the minimum capitalization requirements set forth in Insurance Code §2651.012(c)(1) - (4).

B. **Conditions of Bond**

The bond shall be:

- (1) in the amount that a title insurance agent requests to comply with the minimum capitalization requirements set forth in Insurance Code §2651.012(c)(1) - (4);
- (2) executed by a surety company authorized to do business in the State of Texas; and
- (3) payable to the Commissioner of Insurance.

C. **Bond Proceeds**

(1) The commissioner makes a claim under the bond solely on behalf of: (i) a supervisor or conservator appointed by the commissioner; (ii) a court-appointed receiver, rehabilitator or liquidator; or (iii) the Texas Title Insurance Guaranty Association.

(2) Bond proceeds:

(a) shall be used, as permitted by the commissioner, by the supervisor, conservator, receiver, rehabilitator, liquidator, or the Texas Title Insurance Guaranty Association for contingencies, including the payment of administrative expenses, incurred or that may be incurred by or on behalf of a title agent that has been declared impaired, either before or after the date of impairment; and

(b) shall not be considered funds of the state.

D. **Expiration or cancellation of bond.**

The bond shall not expire or be subject to cancellation until the 30th day after written notice of expiration or cancellation has been served on the Department either personally or by certified mail. Unless the title agent provides the Department with evidence of

Exhibit 2012-27
Administrative Rule S.7, Surety Bond for Title Agents to Comply with Minimum Capitalization Standards

compliance with Insurance Code §2651.012(c)(1) - (4) on or before the expiration of the 30 day period, the title agent shall not perform the acts of a title insurance agent after notice of cancellation is issued.

- E. If an agent elects to utilize a surety bond as the method of complying with the title agent's capitalization requirement, then the agent must at the time of license renewal provide written notice to the Texas Department of Insurance, Title Examinations, P.O. Box 149104, Austin, Texas 78714-9104 or 333 Guadalupe, Austin, Texas 78701 that such surety bond has been purchased and that such surety bond meets the title agent's statutory capitalization requirements.
- II. Form and Content of Bond. The Texas Department of Insurance prescribes the form and content of the surety bond in Section V Exhibits and Forms of the Basic Manual.

Exhibit 2012-28
Texas Title Insurance Agent's Minimum Capitalization Bond

TEXAS TITLE INSURANCE AGENT'S MINIMUM CAPITALIZATION BOND

Bond No. _____

KNOW ALL PERSONS BY THESE PRESENTS;

That subject to the terms, conditions and limitations of this bond, _____, as Principal, whose address is _____ and _____, as Surety, being a surety company authorized to do business in the State of Texas, are held and firmly bound unto the Commissioner of Insurance in the sum of _____, (bond amount determined by §2651.012(c)(1) - (4) of the Insurance Code) payable to the Texas Department of Insurance, the payment of which Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

The conditions of the above obligations are such that:

WHEREAS, the above-named Principal is licensed by the Texas Department of Insurance as a Title Insurance Agent and engaged in the business of a Title Insurance Agent, in accordance with the provisions of "The Texas Title Insurance Act" of the State of Texas.

NOW, THEREFORE, the conditions of this obligation are such that the Principal shall pay to the Commissioner of Insurance such pecuniary losses as a result of the above bound Principal being not in compliance with the minimum capitalization standards set forth in Insurance Code §2651.012 declared impaired, then this obligation shall be null and void, otherwise to remain in full force and effect, subject to the following:

1. This bond shall be effective as of the beginning of the _____ day of _____, 20_____, and shall continue until liability hereunder is terminated as provided herein below.
2. The Surety may at any time cancel this bond by giving sixty (60) days' written notice to the Texas Department of Insurance by certified mail at the following address: Texas Department of Insurance, Personal and Commercial Lines Office – Title, Property and Casualty Section, P.O. Box 149104, Austin, Texas 78714-9104. The Surety, however, remains liable for any obligations under this bond committed prior to the expiration of such sixty (60) day period.
3. In no event shall the aggregate liability of the Surety under this bond exceed the penal sum of this bond.

Exhibit 2012-28
Texas Title Insurance Agent's Minimum Capitalization Bond

IN WITNESS WHEREOF said Principal and Surety have executed this bond
this _____ day of _____, 20_____, to be effective on the
_____ day of _____, 20_____.

Principal

By:_____

Address: _____

Surety

By:_____

Address:_____

Exhibit 2012-29
Administrative Rule S.4, Title Company Requirements, Procedures, and Forms for
Providing Privileged Title Agent Financial Solvency Information to the Department
Pursuant to §2651.011

S.4. TITLE COMPANY REQUIREMENTS, PROCEDURES, AND FORMS FOR PROVIDING PRIVILEGED TITLE AGENT FINANCIAL SOLVENCY INFORMATION TO THE DEPARTMENT PURSUANT TO §2651.011

A title insurance company may provide information to the Department about a financial matter that would reasonably call into question the solvency of a title agent that the title insurance company appointed. The following requirements apply to a title insurance company that is providing information to the commissioner:

- A. Pursuant to Insurance Code §2651.011(b), each title insurance company shall provide annually to the Department a list of officers authorized to provide to the Department the information specified under this administrative rule. The list of authorized officers must be submitted on Form T-S4.
 - 1. The initial Form T-S4 must be submitted to the Department within 30 days of the effective date of this rule and the subsequent Form T-S4 must be submitted annually between January 1 and January 31 of each year for the calendar year beginning in 2014.
 - 2. Form T-S4 may be obtained from the Texas Department of Insurance, Title Examinations, P.O. Box 149104, Austin, Texas 78714-9104 or 333 Guadalupe, Austin, Texas 78701, or from the Department's website www.tdi.texas.gov.
 - 3. Form T-S4 should be submitted to the Texas Department of Insurance, Title Examinations, P.O. Box 149104, Austin, Texas 78714-9104 or 333 Guadalupe, Austin, Texas 78701.
- B. All information provided under this administrative rule shall be submitted on the Financial Matter Disclosure Report (Form Number T-S4-A) and is subject to the disclosure requirements in §2651.011(b).
 - 1. Form Number T-S4-A may be obtained from the Texas Department of Insurance, Title Examinations, P.O. Box 149104, Austin, Texas 78714-9104 or 333 Guadalupe, Austin, Texas 78701, or from the Department's website www.tdi.texas.gov.
 - 2. Form Number T-S4-A should be submitted to the Texas Department of Insurance, Title Examinations, P.O. Box 149104, Austin, Texas 78714-9104 or 333 Guadalupe, Austin, Texas 78701.

Exhibit 2012-30

**Form T-S4, Annual Report of Title Company's Officers Authorized to Provide Information
on Agent Financial Matters**

**Annual Report of Title Company's Officers Authorized to Provide Information on
Agent Financial Matters**

(Form T-S4)

(Pursuant to Sec. 2651.011(b), Tex. Ins. Code)

TITLE COMPANY NAME:

PRIMARY CONTACT NAME AND TITLE:

ADDRESS:

CITY STATE ZIP:

PHONE:

EMAIL:

REPORTING FOR YEAR:

DATE REPORT IS SUBMITTED:

Exhibit 2012-30

**Form T-S4, Annual Report of Title Company's Officers Authorized to Provide Information
on Agent Financial Matters**

STATE OF _____, COUNTY OF _____

_____, being first duly sworn upon
his/her oath, deposes and says:

That he/she is an authorized officer of the company named below, that he/she is the primary contact authorized to make disclosures to the Texas Department of Insurance regarding financial matters that would reasonably call into question the solvency of a title agent appointed by the title company as provided for under §2651.011(b) of the Insurance Code; that the following officers of the corporation are also authorized to individually make such disclosures; and that the statements contained herein are true and correct to the best of his/her knowledge and belief.

Name and Title of Officer (Type or Print)

Signature of Officer

Name and Title of Officer (Type or Print)

Signature of Officer

Name and Title of Officer (Type or Print)

Signature of Officer

Name and Title of Officer (Type or Print)

Signature of Officer

SIGNATURE OF PRIMARY CONTACT

Subscribed and sworn to before me this _____ day of _____, 20____.

SIGNATURE

_____, Notary Public

PRINTED NAME

in and for the State of _____. My commission expires: _____

Form Number T-S4

Exhibit 2012-31
Form T-S4-A, Financial Matter Disclosure Report

FINANCIAL MATTER DISCLOSURE REPORT (Form T-S4-A)

Instructions: Please use this form when submitting a financial matter that would reasonably call into question the solvency of an appointed title agent for review by the Texas Department of Insurance.

In accordance with §2651.011(b) of the Insurance Code, only a person authorized by the Title Insurance Company, as authorized under the "Annual Report of Underwriter's Officers Authorized to Provide Information On Agent Financial Matters" Form Number (T-S4), may submit the information below. Information provided under this form is privileged communication and may not be disclosed to the public except as evidence in an administrative hearing or proceeding. Information provided under this form is not subject to Chapter 552, Government Code, except that the Commissioner may release information that the Commissioner received under §2651.011(b) to a title insurance company that has appointed, or that is considering appointing, the title agent. The Commissioner may also release information that the Commissioner receives by this form to the title agent under §2651.206 of the Insurance Code if the information is evidence on which an audit report or examination report relies. A title insurance company that receives information under Administrative Rule S.4 may not release the information except under a subpoena issued by a court of competent jurisdiction.

Please print or type information.

Title Insurance Company:		TDI Company #:	
Address:	City:	State:	Zip:
Business Phone with Area Code:		Date of this Report:	
Name of Title Insurance Company Authorized Representative:		E-mail address:	
Signature of Title Insurance Company Authorized Representative:			
Financial Matter: <input type="checkbox"/> Defalcation <input type="checkbox"/> Fraud <input type="checkbox"/> Unusual Policy Remittance Activity <input type="checkbox"/> Cessation of Business <input type="checkbox"/> Bankruptcy/Creditor Issue <input type="checkbox"/> Insolvency <input type="checkbox"/> Unusual Claims Activity <input type="checkbox"/> Other			
Title Agent Name:			
Address:	City:	State:	Zip:
Agent Company ID#:			

Exhibit 2012-31
Form T-S4-A, Financial Matter Disclosure Report

Brief Synopsis of the financial matter, including any detailed information that will help us identify the parties, companies, and transactions. If necessary, attach additional documentation of the financial matter.

Form Number T-S4-A

Exhibit 2012-32

Administrative Rule S.5, Filing of Title Agent's Quarterly Withholding Tax Report

S.5. FILING OF TITLE AGENT'S QUARTERLY WITHHOLDING TAX REPORT

- I. In accordance with §2651.011(c) of the Insurance Code, all title insurance agents shall submit to the Department on a quarterly basis a copy of the agent's quarterly withholding tax report or its equivalent that the title agent filed with the United States Internal Revenue Service (IRS) and evidence that the taxes have been paid. The agent may redact the salaries of individual employees from the quarterly withholding tax report or its equivalent.
- II. The copy of the agent's quarterly withholding tax report or its equivalent and evidence that the taxes have been paid (such as a cancelled check or a debit on a bank statement that clearly indicates that funds were paid to the United States Treasury for taxes) must be submitted to the Department no later than 45 days after the end of the quarter. The schedule for filing is as follows:

Quarter Ending	TDI Due Date
March 31	May 15
June 30	August 15
September 30	November 15
December 31	February 15

- III. The agent's quarterly withholding tax report or its equivalent and evidence that the taxes have been paid should be submitted to the Texas Department of Insurance, Title Examinations, P.O. Box 149104, Austin, Texas 78714-9104 or 333 Guadalupe, Austin, Texas 78701 or may be submitted electronically to the Department.
- IV. Form T-S5 may be obtained from the Texas Department of Insurance, Title Examinations, P.O. Box 149104, Austin, Texas 78714-9104 or 333 Guadalupe, Austin, Texas 78701, or from the Department's website www.tdi.texas.gov.
- V. A title agent that does not have employees shall certify to the Department that there has not been a material change in the agent's financial condition in accordance with the schedule specified in subsection II of this administrative rule to the address specified in subsection III of this administrative rule using Form T-S5.
- VI. If an agent is part of a professional employer organization, it may submit a copy of the report of payroll tax the agent receives from the professional employer organization as the equivalent of a quarterly withholding tax report.

Exhibit 2012-33
Form T-S5, Title Agent Certification of Agent's Quarterly Tax Reports

Title Agent Certification of Agent's Quarterly Tax Reports (Form T-S5)

Title Agent's Name _____

Reporting for Year _____

Calendar Quarter Ending _____

Date Report Submitted _____

TDI Agent's Identification Number _____

I hereby certify that for the calendar quarter and year specified above:

- A copy of the quarterly withholding tax report filed with the United States Internal Revenue Service (IRS) or its equivalent and evidence that the taxes have been paid are attached.
- I did not have any employees for whom I was required to withhold taxes, I did not file a quarterly withholding tax report and that there has not been a material change in the financial condition of my title agency.

Signature: _____

Name: _____

Title: _____

Address: _____

City/State/Zip Code: _____

Phone Number: _____ **EXT** _____

E-mail Address: _____

Form T-S5

Exhibit 2012-35

Administrative Rule S.6, Requirements for Title Agent Examination Reports Pursuant to §2651.206

S.6. REQUIREMENTS FOR TITLE AGENT EXAMINATION REPORTS PURSUANT TO §2651.206

(A) A report of an audit, review, or examination of a title agent or direct operation conducted under Chapter 2602 or 2651 of the Insurance Code shall be subject to all of the following procedures and requirements:

(1) Before the report from an examination, review, or audit becomes final, the Department shall furnish to the title agent or direct operation a copy of the draft report and any evidence on which the report relies.

(2) A title agent or direct operation that wishes to respond to the draft report must respond within 14 days of receiving the draft report and evidence on which the report relies from the Department. The Department may extend this period if it is reasonable to do so. The Department will review the response before issuing the final exam report.

(3) A title agent or direct operation that wishes to appeal the final exam report must follow the procedure contained in §7.83 of Title 28 of the Texas Administrative Code for appealing financial examination reports.

(4) The report and any evidence regarding the report are confidential and not subject to disclosure under the Insurance Code or Chapter 552 of the Government Code, and may be transmitted only to designated representatives of the title agent or direct operation previously specified in writing by the title agent.

(B) If the Department requests a meeting with a title agent or direct operation regarding a report, the commissioner shall furnish the title agent or direct operation with a copy of the draft or final report, as applicable, and a copy of any evidence on which the report relies not later than the 10th day before the scheduled date of a meeting, if when it requests the meeting, the Department has not provided the title agent or direct operation a copy of the report and evidence.

(C) Section 2651.206 does not require the Department to turn over work papers. Work papers as specified in §2651.206(c) of the Insurance Code include work programs, analyses, memoranda, letters of confirmation and representation, abstracts of company documents and schedules, and commentaries prepared or obtained by the auditor or examiner that support the opinions of the auditor or examiner.

Exhibit 2012-36
Procedural Rules P-1 and P-12, Abstract Plants

Procedural Rule P-1 Definitions

i. Abstract Plant – A geographically arranged plant, kept current, which is adequate for use in insuring titles, so as to provide for the safety and protection of the policyholders. An abstract plant, as further defined in Rule P-12 and as further provided for in Insurance Code §2501.003 and Chapter 2502, must include an abstract plant for each county in which a title insurance agent or direct operation maintains an office.

z. Furnishing title evidence – Providing information regarding instruments affecting title to a tract of land, covering a period beginning not later than January 1, 1979, or such greater period of time as is necessary to determine the ownership and appropriate liens, encumbrances upon, or defects in the title. The information must include, at a minimum, the following:

1. Grantor of each instrument;
2. Grantee of each instrument;
3. Type of each instrument;
4. Recording information of each instrument; and
5. Copy of each instrument as needed by the examiner.

It is not required that the information include:

1. Following the title to a right of way or easement, or showing instruments executed by the grantee in such right of way or easement, other than amendments to such right of way or easement; or
2. Following the title to an oil, gas, or mineral lease or interest.

In considering the necessary length of time to determine ownership and search the title, the searcher may be authorized by the title insurance company to accept what it considers prior indicia of title. Prior indicia of title include, for example, a prior title policy, a final order of a court of competent jurisdiction determining the entire title, or, on subdivision tracts, the base title of the dedicated subdivision.

Procedural Rule P-12 Abstract Plants

a. Definition: An abstract plant used as the basis for issuance of title insurance policies in the State of Texas shall consist of fully indexed records showing all instruments of record affecting lands within the county covering a period beginning not later than January 1, 1979. An abstract plant that is fulfilling the licensing requirement for a title insurance agent's license on September 1, 2009, but does not on that date, cover a period beginning not later than January 1, 1979, as required by §2501.004 of the Insurance Code, is not required to comply with §2501.004 before January 1, 2014. The indices pertaining to land shall be arranged in geographic order (i.e.: Lot and Block for subdivided lands, and by Survey or Section Number for acreage tracts). Miscellaneous alphabetical indices shall be maintained according to name. Said indices, land and miscellaneous, may be stored in a computer, and as to land, be subject to retrieval by reference to description of the property under search. The records of the abstract plant

Exhibit 2012-36
Procedural Rules P-1 and P-12, Abstract Plants

shall be maintained to current date, and shall include, but not be limited to, plat or map records, deeds, deeds of trust, mortgages, lis pendens, abstracts of judgment, federal tax liens, mechanic's liens, attachment liens, divorce actions, wherein real property is involved; probate records; chattel mortgages, attached to realty and financing statements relating to items which are, or are to become, attached to realty, if available for indexing from the office of the County Clerk of the county which is covered by said plant.

b. Leased Abstract Plants: A lessee is not necessarily excluded from the phrase "owning and operating an abstract plant" as used in §2501.004 of Title 11 of the Insurance Code, but will be so excluded unless in actual, exclusive, physical possession and control of an abstract plant meeting the requirements of paragraph "a" above, operating it under the terms of a bona fide lease agreement, which places the lessee in exclusive possession and control of such abstract plant facilities for a determinable period and for a fixed rental.

c. Joint Abstract Plants: Two or more Companies may combine their operations into a single abstract plant for the purpose of increasing the efficiency and speed of producing title evidence for examination purposes. In such event, if the base plants owned or leased by the individual participants are not merged into a single plant, then the base plants and the joint abstract plant, when considered as one, must meet all the requirements of an abstract plant as set forth under paragraph "a" above. Ownership of such joint abstract plant may be by corporate ownership, joint venture or partnership agreement, but ownership must rest with the Company participants.

Exhibit 2012-37
Form T-57, Agreement to Furnish Title Evidence

(Form T-57: Agreement to Furnish Title Evidence)

AGREEMENT TO FURNISH TITLE EVIDENCE

STATE OF TEXAS

COUNTY OF _____

This agreement is entered into this _____ day of _____, 20____, by and between _____ hereinafter called "Title Attorney", and _____ hereinafter called "Abstracter", for the purpose of providing separate and current title evidence in connection with the preparation of a Title Attorneys' opinion and policy of title insurance.

Abstracter agrees that he will furnish separate and current title evidence in the ordinary course of business upon request from Title Attorney. In consideration of furnishing such title evidence, Title Attorney agrees to pay Abstracter _____ percent of the title policy premium to be charged in connection with the policy before the 10th of the month following receipt of title evidence. Such title evidence shall cover a period beginning not later than January 1, 1979, and shall be sufficient in form for such Title Attorney to render a title opinion to be used in the issuance of an attorney's title insurance policy or form. Abstracter warrants that he maintains an abstract plant in full compliance with §2501.004 of the Insurance Code in and for _____ County. Title Attorney is a resident of such county and this agreement is entered into in order that such Title Attorney may engage in the business of Attorney's Title Insurance in such county. This contract is subject to disapproval by the Texas Department of Insurance. Such Contract shall be deemed to be approved until the parties of this contract are notified of disapproval by the Department. The liability of the parties in connection with this contract shall be covered by the rules of law pertaining to independent contractors.

The parties hereto understand that within ten (10) days following the execution of this contract, they shall have the responsibility of filing this agreement with the Texas Department of Insurance. Abstracter and title Attorney understand that this agreement may be cancelled by either party with _____ days' written notice to the other, at his usual business address, and the parties hereto shall promptly notify the Texas Department of Insurance of such cancellation.

ABSTRACT PLANT

TITLE ATTORNEY

Exhibit 2012-38
Procedural Rule 5.1, Exception or Exclusion Regarding Minerals

P-5.1. Exception or Exclusion Regarding Minerals

A. As used by this rule, minerals means coal, lignite, oil, gas and other minerals in, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest. A Company may insert into a Policy or any other title insuring form an exception or an exclusion for minerals as provided below:

1. On Schedule A, Item 2:

"subject to, and the Company does not insure title to, and excepts from the description of the Land, coal, lignite, oil, gas and other minerals in, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto."; or

2. On Schedule B:

"All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed."

B. When the language described in either A.1 or A.2 above is inserted, the Company upon request by the insured and if it meets the Company's underwriting standards may issue one or more of the applicable endorsements as provided in Procedural Rule P-50.1.

Exhibit 2012-39

Procedural Rule P-50.1, Minerals and Surface Damage Endorsement (Form T-19.2), and Minerals and Surface Damage Endorsement (Form T-19.3)

P-50.1. Minerals and Surface Damage Endorsement (Form T-19.2), and Minerals and Surface Damage Endorsement (Form T-19.3)

Any insured matter covered in the Minerals and Surface Damage Endorsement Form T-19.2 or Form T-19.3 may be insured only by the use of these endorsements, except that coverage regarding minerals may be insured by the use of the Form T-19 or Form T-19.1 endorsements as provided in P-50. When the policy includes an exclusion or an exception regarding minerals as provided in Procedural Rule P-5.1:

1. As to real property of one acre or less improved or intended to be improved for one-to-four family residential use, the Company upon request by the insured and if it meets the Company's underwriting standards may issue its Minerals and Surface Damage Endorsement (Form T-19.2) to an Owner's or Loan Policy.
2. As to real property improved or intended to be improved for office, industrial, retail, mixed use retail/residential, or multifamily purposes, the Company upon request by the insured and if it meets the Company's underwriting standards may issue its Minerals and Surface Damage Endorsement (Form T-19.2) to an Owner's or Loan Policy.
3. As to other real property, the Company upon request by the insured and if it meets the Company's underwriting standards may issue its Minerals and Surface Damage Endorsement (Form T-19.3) to an Owner's or Loan Policy.
4. As to an Owner's or Loan Policy covering multiple parcels of real property that consist of a combination of real property described in paragraphs 1 or 2, and 3, the Company upon request by the insured and if it meets the Company's underwriting standards may issue for each parcel the applicable Minerals and Surface Damage Endorsement (Form T-19.2 or Form T-19.3) to the Owner's or Loan Policy.

Exhibit 2012-41
Rate Rule R-36, Credit for Exclusion of or General Exception for Minerals

R-36. Credit for Exclusion of or General Exception for Minerals.

Rate Rule R-36 is repealed, effective January 1, 2012.

Exhibit 2012-42

Rate Rule R-29.1, Premium for Minerals and Surface Damage Endorsement (Form T-19.2), and Minerals and Surface Damage Endorsement (Form T-19.3)

R.29.1. Premium for Minerals and Surface Damage Endorsement (Form T-19.2), and Minerals and Surface Damage Endorsement (Form T-19.3)

A. When the Minerals and Surface Damage Endorsement (Form T-19.2) is issued in accordance with Rule P-50.1, the premium shall be \$50.00 for an endorsement to an Owner's Policy and \$0.00 for an endorsement to a Loan Policy.

B. When the Minerals and Surface Damage Endorsement (Form T-19.3) is issued in accordance with Rule P-50.1, the premium shall be \$50.00 for an endorsement to an Owner's Policy and \$0.00 for an endorsement to a Loan Policy.

Exhibit 2012-45
Form T-G1, Policy Guaranty Fee Remittance Form

POLICY GUARANTY FEE REMITTANCE FORM (Form T-G1)

By: _____
(Name of Reporting Entity) (Phone Number)

_____ (Address) _____ (Fax Number)

_____ (City, State, and Zip) _____ (Email address)

TDI Agency/Direct Operation Company ID Number as shown on the Agent/Direct Operation License: _____

___ Check here if any of the information above has changed since your last report.

___ Check here if you are ceasing operations and this is a final disbursement of funds to the Texas Title Insurance Guaranty Association.

For the Quarter:

Beginning: _____, 20___ Ending: _____, 20___

Owner's and Loan Policies collected for: _____ X (insert current amount in effect by Texas Title Insurance Guaranty Association) = \$ _____

If you had no closings during the quarter and no policy guaranty fees were received, please enter "0" and mail this form.

Total Remittance of Policy Guaranty Fee Payable to:
Texas Title Insurance Guaranty Association = \$ _____

I, _____ of _____
do hereby certify that the above and foregoing is correct in all respect and correctly reflects all owner's and loan policies of title insurance required to be reported and counted in determining the quarterly policy guaranty fees due by _____ pursuant to Texas Insurance Code §2602.151.

Signature
Printed Name & Position _____
Contact Number _____

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned authority, this the _____ day of _____, 20___.

Exhibit 2012-45
Form T-G1, Policy Guaranty Fee Remittance Form

Notary Public in and for the State of Texas

Printed Name of Notary

REMIT TO:
Texas Title Insurance Guaranty Association
[Current Address]

FOR OVERNIGHT DELIVERY:
Texas Title Insurance Guaranty Association
[Current Address]

Note: This report and remittance is due as follows:

Calendar Quarter Ending
March 31
June 30
September 30
December 31

Remittance Due Dates
May 1
August 1
November 1
February 1

Exhibit 2012-47
**Minimum Standards, Specific Instructions and Report Forms for Audit of Trust
Funds Required of Texas Title Insurance Agents, Direct Operations, Title
Attorneys, and Attorneys Licensed as Escrow Officer, Specific Areas and
Procedures No. 5**

Specific Areas and Procedures

5. Some support for each disbursement must be in the guaranty file, and it shall be determined that the disbursements were to logical payees. If there are charges shown on the closing statement for overnight mail service, messenger service, copies of documents, recording fees or tax certificates, whether purchased from a governmental or non-governmental entity, it must be determined that these charges are actual expenses or reasonable estimates of charges that must be made prior to closing and not arbitrary or uniformly charged amounts for these items on all closing statements. Charges for general overhead expenses such as in-house labor, utilities, taxes, business supplies and equipment are already covered by the title insurance premium and are prohibited. If actual charges for products or services provided by third party vendors are known at or prior to closing, the charges may not be marked up. If actual charges for such products or services are not known by the time of closing, only reasonable estimates of such charges should be shown on closing statements and charged. The actual charge for an absentee notary sign-up fee may be passed through, if the notary is a third party and that licensee, prior to closing the transaction, receives a written request signed by the borrower, buyer or seller making the request and agreeing to pay for an absentee sign up by a notary as an accommodation to the requester after the licensee provides the requester with written notice of the amount of the notary fee or a reasonable estimate of the fee, if not known by the licensee. If the third party notary is affiliated with the licensee, the licensee will provide notice of the affiliated relationship to the requester prior to the absentee notary sign-up service being provided. If there is evidence of a prior lien in the file, such as a payoff statement from a lending institution, it must be determined that a check or other written evidence such as a wire transfer confirmation, reflects the payoff of said loan and a release was received or a written demand for a release was made. There must be a closing statement in the file, and entries on the closing statement should be traced to the escrow accounting records. Company records must also include copies of all invoices, receipt items, and disbursement checks.

Exhibit 2012-50
Procedural Rule P-57, Additional Insured Endorsement (Form T-26)

P-57. ADDITIONAL INSURED ENDORSEMENT (Form T-26)

A. Living Trust, Acquisition of Interest under Existing Agreement, Family Partnership or Family Corporation

A Company may issue its Additional Insured Endorsement (Form T-26) to an Owner's Policy of Title Insurance (Form T-1 or Form T-1R) by naming a person as an additional insured in the endorsement, if:

- (1) its underwriting requirements are met,
- (2) it is paid the premium, if any, prescribed in Rate Rule R-33, and
- (3) the additional insured is:
 - (a) the trustee or successor trustee of a Living Trust to whom the insured transfers the title after Policy Date, and/or the beneficiaries of the Living Trust, or
 - (b) any partner, member or stockholder that acquires the interests of the other owners of the insured in accordance with the terms and provisions of a written agreement in effect at Date of Policy, or
 - (c) a family partnership or family corporation solely composed of or owned by members of the insured's family and the insured.

Any matter covered in the Additional Insured Endorsement (Form T-26) may be insured only by the use of this endorsement.

B. Limited Liability Company

A Company may add to the Additional Insured Endorsement (Form T-26) to an Owner's Policy of Title Insurance (Form T-1), when:

- (1) its underwriting requirements are met, and
- (2) it is paid the premium, if any, prescribed in Rate Rule R-33,

the following language when requested by a Limited Liability Company that is the insured in the policy to which the endorsement is to be added, when:

- (i) there will be a transfer(s) of all or any part of the Limited Liability Company members' interests in the insured to any transferee(s), or

Exhibit 2012-50
Procedural Rule P-57, Additional Insured Endorsement (Form T-26)

(ii) the withdrawal(s) of one or more of the members from the Limited Liability Company, or

(iii) the addition(s) of one or more persons or entities as members of the Limited Liability Company.

The Company may acknowledge that the Company will not deny liability under the policy or raise a defense to any claims because such actions may cause a dissolution or termination of the Limited Liability Company.

Language that may be added:

Optional Coverage for Limited Liability Companies: [if box is checked]

The Company hereby agrees that, notwithstanding anything to the contrary contained in this policy, in the event of loss or damage insured under this policy, the Company shall not deny liability under this policy or raise a defense to any claim made under this policy solely on the ground that, after the Date of Policy, a dissolution or termination of the Limited Liability Company has occurred or a new Limited Liability Company or other entity has been created by reason of any one or more:

(i) transfer(s) of all or any part of the Limited Liability Company members' interests in the insured to any transferee(s),

(ii) withdrawal(s) of one or more of the members from the Limited Liability Company, or

(iii) addition(s) of one or more persons or entities as members of the Limited Liability Company;

provided that the insured Limited Liability Company remains the record title holder and no new Limited Liability Company is explicitly formed.

The Company reserves all of its rights and defenses under this policy which the Company would have had against the named insured or its constituent members before or after any withdrawal, transfer or substitution.

Exhibit 2012-51
Form T-26, Additional Insured Endorsement

ADDITIONAL INSURED ENDORSEMENT (Form T-26)

Attached to and Made a Part of
Policy No. _____
Issued by

BLANK TITLE INSURANCE COMPANY

The policy is hereby amended by adding as a named insured therein:

This endorsement does not extend the coverage of the policy to any later date than Date of Policy, nor does it impose any liability on the Company for loss or damage resulting from (1) failure of such added insured to acquire an insurable estate or interest in the land, or (2) any defect, lien or encumbrance attaching by reason of the acquisition of an estate or interest in the land by such added insured.

[] Optional Coverage for Limited Liability Companies: [if box is checked]

The Company hereby agrees that, notwithstanding anything to the contrary contained in this policy, in the event of loss or damage insured under this policy, the Company shall not deny liability under this policy or raise a defense to any claim made under this policy solely on the ground that, after the Date of Policy, a dissolution or termination of the limited liability company has occurred or a new limited liability company or other entity has been created by reason of any one or more:

- (i) transfer(s) of all or any part of the limited liability company members' interests in the insured to any transferee(s),
- (ii) withdrawal(s) of one or more of the members from the limited liability company, or
- (iii) addition(s) of one or more persons or entities as members of the limited liability company;

provided that the insured limited liability company remains the record title holder and no new limited liability company is explicitly formed.

The Company reserves all of its rights and defenses under this policy which the Company would have had against the named insured or its constituent members before or after any withdrawal, transfer, or substitution.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this

Exhibit 2012-51
Form T-26, Additional Insured Endorsement

endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Exhibit 2012-52
Procedural Rule P-58, Report on Directly Issued Policy

P-58. Report on Directly Issued Policy

Each Title Insurance Company shall compile and submit to the Department annually, as part of the Texas Title Insurance Statistical Plan, a report of all directly issued [sometimes commonly referred to as Home Office Issued] policies of title insurance which shall include at least the following information:

- (1) Location of insured land identified by standard three (3) digit county code as set forth in Table 7 of the Texas Title Insurance Statistical Plan;
- (2) Gross Premium (for policy and all endorsements) and limits of liability on each policy issued;
- (3) Date of Policy;
- (4) Transaction identification number (guaranty file number or other identifier);
- (5) Requesting Agent's TDI Agency/Direct Operation Company ID Number as shown on the Agent/Direct Operation license;
- (6) Cooperating Agent's TDI Agency/Direct Operation Company ID Number as shown on the Agent/Direct Operation license; and,
- (7) Directly Issued Policy "DIP" Status Code (Best Evidence = 0; Multicounty = 1; Out of County= 2).

The report shall be sorted by county (primary sort) and by the requesting agent's TDI Agency/Direct Operation Company ID Number as shown on the Agent/Direct Operation license (secondary sort) within each county. The report may contain additional information, totals, or subtotals as deemed necessary by the Title Insurance Company or as required by the Department.

Exhibit 2012-54
Form T-11, Policy of Title Insurance (USA)

(Form T-11: Policy of Title Insurance (USA))

POLICY OF TITLE INSURANCE (USA)
ISSUED BY
_____ TITLE INSURANCE COMPANY

Policy Number _____ Amount \$ _____

_____, a _____ Corporation, herein called the Company, for a
valuable consideration _____ Hereby Insures _____

THE UNITED STATES OF AMERICA

hereinafter called the Insured, against loss or damage not exceeding _____ Dollars,
together with costs and expenses which the Company may become obligated to pay as provided in the
Conditions and Stipulations hereof, which the Insured shall sustain by reason of:

any defect in or lien or encumbrance on the title to the estate or interest covered hereby in the land
described or referred to in Schedule A, existing at the date hereof, not shown or referred to in Schedule
B or excluded from coverage by the General Exceptions;

all subject, however, to the provisions of Schedules A and B and to the General Exceptions and to the
Conditions and Stipulations hereto annexed; all as of the _____ day of _____, 20____,
the effective date of this policy.

In Witness Whereof, _____ Title Insurance Company has caused its corporate
name and seal to be hereunto affixed by its duly authorized officers.

Countersigned: _____ Title Insurance Company

_____ By _____
President

_____ By _____
Secretary

SCHEDULE A

1. The estate or interest in the land described or referred to in this schedule covered by this policy is:
(Will be shown as a fee or such lesser estate or interest owned by the person or party named in
paragraph 2 of this Schedule.)
2. Title to the estate or interest covered by this policy at the date hereof is vested in:

Exhibit 2012-54
Form T-11, Policy of Title Insurance (USA)

3. The land referred to in this policy is situated in the County of _____, State of _____, and is described as follows:

(This phraseology may be modified to eliminate a specific description by including it by reference to the description as contained in a specific instrument.)

SCHEDULE B

This policy does not insure against loss or damage by reason of the following:

1. Current and delinquent standby fees and taxes and assessments as follows:
(List all taxing districts in which the land is situated and other taxing authorities that have jurisdiction over said land for the levy of taxes and standby fees; showing lien date for each and amounts for all such assessments that have not been paid on the date of the policy.)
2. (Continue with the Special Exceptions such as recorded easements, liens, etc., showing in addition the persons or parties holding such interests of record, and who the Company would require to convey such interest or who would be the proper parties defendant in a condemnation proceeding to eliminate such matter.

The write-up could be substantially as follows:

An easement for road purposes conveyed to _____, by deed recorded _____.)

GENERAL EXCEPTIONS
Governmental Powers

1. Because of limitations imposed by law on ownership and use of property, or which arise from governmental powers, this policy does not insure against:
 - (a) consequences of the future exercise or enforcement or attempted exercise or enforcement of police power, bankruptcy power, or power of eminent domain, under any existing or future law or governmental regulation;
 - (b) consequences of any law, ordinance or governmental regulation, now or hereafter in force, (including building and zoning ordinances) limiting or regulating the use or enjoyment of the property, estate or interest described in Schedule A, or the character, size, use or location of any improvement now or hereafter erected on said property.

Matters Not of Record

2. The following matters which are not of record at the date of this policy are not insured against:
 - (a) rights or claims of parties in possession not shown of record;
 - (b) questions of survey;
 - (c) easements, claims of easement or mechanics' liens where no notice thereof appears of record; and

Exhibit 2012-54
Form T-11, Policy of Title Insurance (USA)

- (d) conveyances, agreements, defects, liens or encumbrances, if any, where no notice thereof appears of record; provided, however, the provisions of this subparagraph 2(d) shall not apply if title to said estate or interest is vested in the United States of America on the date hereof.

Matters Subsequent to Date of Policy

3. This policy does not insure against loss or damage by reason of defects, liens or encumbrances created subsequent to the date hereof.

Refusal to Purchase

4. This policy does not insure against loss or damage by reason of the refusal of any person to purchase, lease or lend money on the property, estate or interest described in Schedule A.

Creditors' Rights

5. This policy does not insure against any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
- (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS

Notice of Actions.

1. If any action or proceeding shall be begun or defense asserted which may result in an adverse judgment or decree resulting in a loss for which this Company is liable under this policy, notice in writing of such action or proceeding or defense shall be given by the Attorney General to this Company within 90 days after notice of such action or proceeding or defense has been received by the Attorney General; and upon failure to give such notice then all liability of this Company with respect to the defect, claim, lien or encumbrance asserted or enforced in such action or proceeding shall terminate. Failure to give notice, however, shall not prejudice the rights of the party insured, (1) if the party insured shall not be a party to such action or proceeding, or (2) if such party, being a party to such action or proceeding be neither served with summons therein nor have actual notice of such action or proceedings, or (3) if this Company shall not be prejudiced by failure of the Attorney General to give such notice.

Notices of Writs.

2. In case knowledge shall come to the Attorney General of the issuance or service of any writ of execution, attachment or other process to enforce any judgment, order or decree adversely affecting

Exhibit 2012-54
Form T-11, Policy of Title Insurance (USA)

the title, estate or interest insured said party shall notify this Company thereof in writing within 90 days from the date of such knowledge; and upon a failure to do so, then all liability of this Company in consequence of such judgment, order or decree or matter thereby adjudicated shall terminate unless this Company shall not be prejudiced by reason of such failure to notify.

Defense of Claims.

3. This Company agrees, but only at the election and request of the Attorney General of the United States, to defend at its own cost and expense the title, estate or interest hereby insured in all actions or other proceedings which are founded upon or in which it is asserted by way of defense, a defect, claim, lien or encumbrance against which this policy insured, provided, however, that the request to defend is given within sufficient time to permit the Company to answer or otherwise participate in the proceeding. If any action or proceeding shall be begun or defense be asserted in any action or proceeding affecting or relating to the title, estate or interest hereby insured and the Attorney General elects to defend at the Government's expense, the Company shall upon request, cooperate and render all reasonable assistance in the prosecution or defense of such proceeding and in prosecuting appeals.

If the Attorney General shall fail to request and permit the Company to defend, then all liability of the Company with respect to the defect, claim, lien or encumbrance asserted in such action or proceeding shall terminate; provided, however, that if the Attorney General shall give the Company timely notice of all proceedings and an opportunity to suggest such defense and actions as it shall conceive should be taken and the Attorney General shall present the defenses and take the actions of which the Company shall advise him in writing, then the liability of the Company shall continue; but in any event the Company shall permit the Attorney General without cost or expense to use the information and facilities of the Company for all purposes which he thinks necessary or incidental to the defending of any such action or proceeding or any claim asserted by way of defense therein and to the prosecuting of an appeal.

Compromise of Adverse Claims.

4. Any compromise, settlement or discharge by the United States or its duly authorized representative of an adverse claim, without the consent of this Company shall bar any claim against the Company hereunder; provided, however, that the Attorney General may at his election submit to the issuing company for approval or disapproval any proposed compromise, settlement or discharge of any adverse claim and in the event of the consent of the issuing company to the proposed compromise, settlement or discharge it shall be liable for the payment of the full amount paid.

Statement of Loss.

5. A statement in writing of any loss or damage sustained by the party insured, and for which it is claimed this Company is liable under this policy, shall be furnished by the Attorney General to this Company within 90 days after said party has notice of such loss or damage and no right of action shall accrue under this policy until 30 days after such statement shall have been furnished. No recovery shall be had under this policy unless suit be brought thereon within one year after said period of 30 days. Failure to furnish such statement of loss or to bring such suit within the times specified shall not affect the Company's liability under this policy unless this company has been prejudiced by reason of such failure to furnish a statement of loss or to bring such suit.

Exhibit 2012-54
Form T-11, Policy of Title Insurance (USA)

Policy Reduced by Payments of Loss.

6. All payments of loss under this policy shall reduce the amount of this policy pro tanto.

Amendment of Policy.

7. No provision or condition of this policy can be waived or changed except by writing endorsed hereon or attached hereto signed by the President, a Vice President, the Secretary, and Assistant Secretary or other validating officer of the Company.

Notices, Where Sent.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at (insert proper address).

(Form T-11: Policy of Title Insurance (USA))

Exhibit 2012-55

Form T-38, Loan Policy of Title Insurance Endorsement Form (Form T-38) (Pursuant to P-9.b.(3))

Endorsement Form T-38: P-9.b.(3)

**LOAN POLICY OF TITLE INSURANCE
ENDORSEMENT FORM (Form T-38) (Pursuant to P-9.b.(3))**

Partial Release, Release of Additional Collateral,
Modification Agreement, Reinstatement Agreement, or
Release From Personal Liability

ENDORSEMENT NUMBER: _____

Premium: \$ _____

G. F. No.: _____

Attached to and made a part of _____ Title Insurance Company Policy No.
_____ this _____ day of _____, 20____.

As to the above numbered loan policy, the company will not claim that the policy coverage has terminated or that policy coverage has been reduced, solely by reason of the execution of:

(Here describe the instrument by stating whether it is a partial release, release of additional collateral, modification agreement, reinstatement agreement or release from personal liability and then more fully describe the instrument by filling the blanks below.)

dated the ____ day of _____, 20____, filed for record on the _____ day of _____, 20____ at ____ M. in the office of the County Clerk of _____ County, Texas, under clerk's file number _____ and/or recorded in Volume /Book _____, Page _____ of the _____ Records of said County (the "Instrument").

If, by the terms of the Instrument, the maturity date of the indebtedness secured by the insured lien is extended beyond the original period of limitation applicable to such indebtedness, this endorsement shall be construed to include the following:

"The issuance of this endorsement shall maintain the liability hereunder (should this insured remain as a lien holder only), for the period of limitation applicable to the indebtedness secured by the lien described on Schedule "A" calculated from the renewed and extended maturity date of such indebtedness."

This endorsement, notwithstanding anything in the Instrument to the contrary, does not change the original effective date of the loan policy or the face amount of insurance stated on Schedule "A" thereof, nor does it alter or increase the coverage of the policy.

Exhibit 2012-55

Form T-38, Loan Policy of Title Insurance Endorsement Form (Form T-38) (Pursuant to P-9.b.(3))

This endorsement shall not be construed to include within its scope any modification agreement, reinstatement agreement or other instrument not specifically set forth above and described herein by volume/page or clerk's file number.

The Company shall have no liability by reason of: (i) the invalidity of the Instrument or any part thereof; or (ii) the failure to record any renewal and/or extension agreement.

This endorsement does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses, by reason of any claim that arises out of the transaction creating the Instrument (the "Transaction") by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws that is based on:

1. the Transaction being deemed a fraudulent conveyance or fraudulent transfer; or
2. the Transaction being deemed a preferential transfer except where the preferential transfer results from the failure
 - a. to timely record the Instrument; or
 - b. of such recordation to impart notice to a purchaser for value or to a judgment or lien creditor.

This endorsement is subject to the Schedule "B" exceptions, the Exclusions from Coverage, and the Conditions of the Policy.

IN WITNESS HEREOF, the _____ TITLE INSURANCE COMPANY has caused this Endorsement to be executed by its President under the seal of the Company, but this Endorsement is to be valid only when it bears an authorized countersignature.

_____ Title Insurance Company

President

Authorized Countersignature

---NOTICE---

No title search is performed in connection with the issuance of this endorsement form.

Exhibit 2012-55
Form T-38, Loan Policy of Title Insurance Endorsement Form (Form T-38) (Pursuant to
P-9.b.(3))

Endorsement Form T-38: P-9.b.(3)

Exhibit 2012-57
Form T-16, Loan Policy Aggregation Endorsement (Form T-16)

Loan Policy Aggregation Endorsement (Form T-16)

LOAN POLICY AGGREGATION ENDORSEMENT FORM T-16

ATTACHED TO POLICY NO. _____

Issued By

BLANK TITLE INSURANCE COMPANY

The following policies are issued in conjunction with one another:

Policy Number:	County:	State:	Amount:
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Notwithstanding the provisions of Section 8(a)(i) of the Conditions of this policy, the Amount of Insurance available to cover the Company's liability for loss or damage under this policy at the time of payment of loss hereunder shall be the aggregate of the Amount of Insurance under this policy and the other policies identified above. At no time shall the Amount of Insurance under this policy and the other policies identified above exceed in the aggregate \$_____. Subject to the provisions of Section 10(a) of the Conditions of the policies, all payments made by the Company under this policy or any of the other policies identified above, except the payments made for costs, attorney's fees and expenses, shall reduce the aggregate Amount of Insurance by the amount of the payment.

[At no time shall the Amount of Insurance under this policy when aggregated with the other policies above exceed, in Texas, the amount shown as follows: \$_____.]

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Form T-16: Loan Policy Aggregation Endorsement

Exhibit 2012-62
Form T-19, Restrictions, Encroachments, Minerals Endorsement

Restrictions, Encroachments, Minerals Endorsement (Form T-19)

ENDORSEMENT
Attached to Policy No. _____
Issued by
BLANK TITLE INSURANCE COMPANY

1. The insurance provided by this endorsement is subject to the exclusions in Section 5 of this endorsement; and the Exclusions from Coverage, the Exceptions from Coverage contained in Schedule B, and the Conditions in the policy.
2. For the purposes of this endorsement only:
 - a. “Covenant” means a covenant, condition, limitation or restriction in a document or instrument in effect at Date of Policy.
 - b. “Improvement” means an improvement, including any landscaping, lawn, shrubbery, or trees, affixed to either the Land or adjoining land that by law constitutes real property.
 - c. “Private Right” means (i) an option to purchase; (ii) a right of first refusal; (iii) a right of prior approval of a future purchaser or occupant; or (iv) a private charge or assessment.
3. The Company insures against loss or damage sustained by the Insured by reason of:
 - a. A violation of a Covenant that:
 - i. divests, subordinates, or extinguishes the lien of the Insured Mortgage,
 - ii. results in the invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage, or
 - iii. causes a loss of the Insured’s Title acquired in satisfaction or partial satisfaction of the Indebtedness;
 - b. A violation on the Land at Date of Policy of an enforceable Covenant, unless an exception in Schedule B of the policy identifies the violation;
 - c. Enforced removal of an Improvement located on the Land at Date of Policy as a result of a violation, at Date of Policy, of a building setback line shown on a plat of subdivision recorded or filed in the Public Records, unless an exception in Schedule B of the policy identifies the violation;
 - d. A notice of a violation, recorded in the Public Records at Date of Policy, of an enforceable Covenant relating to environmental protection describing any part of the Land and referring to that Covenant, but only to the extent of the violation of the Covenant referred to in that notice, unless an exception in Schedule B of the policy identifies the notice of the violation; or

Exhibit 2012-62
Form T-19, Restrictions, Encroachments, Minerals Endorsement

- e. Enforcement of a Private Right in a Covenant affecting the Title at Date of Policy that:
 - i. results in the invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage, or
 - ii. causes a loss of the Insured's Title acquired in satisfaction or partial satisfaction of the Indebtedness.
- 4. The Company insures against loss or damage sustained by reason of:
 - a. An encroachment of:
 - i. an Improvement located on the Land, at Date of Policy, onto adjoining land or onto that portion of the Land subject to an easement; or
 - ii. an Improvement located on adjoining land onto the Land at Date of Policyunless an exception in Schedule B of the policy identifies the encroachment otherwise insured against in Sections 4.a.i. or 4.a.ii.; or
 - b. A final court order or judgment requiring the removal from any land adjoining the Land of an encroachment identified in Schedule B; or
 - c. Damage to an Improvement located on the Land, at Date of Policy that is located on or encroaches onto that portion of the Land subject to an easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved; or
 - d. Damage to an Improvement located on the Land on or after Date of Policy, resulting from the future exercise of a right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances excepted from the description of the Land or excepted in Schedule B.
- 5. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees, or expenses) resulting from:
 - a. any Covenant contained in an instrument creating a lease;
 - b. any Covenant relating to obligations of any type to perform maintenance, repair, or remediation on the Land;
 - c. except as provided in Paragraph 3.d, any Covenant relating to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances;
 - d. contamination, explosion, fire, fracturing, vibration, earthquake, or subsidence; or
 - e. negligence by a person or an Entity exercising a right to extract or develop minerals or other subsurface substances.

Exhibit 2012-62
Form T-19, Restrictions, Encroachments, Minerals Endorsement

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Signatory

Exhibit 2012-63

Form T-19.1, Restrictions, Encroachments, Minerals Endorsement – Owner’s Policy

Restrictions, Encroachments, Minerals Endorsement – Owner’s [Owner] Policy (Form T-19.1)

ENDORSEMENT

Attached to Policy No. _____

Issued by

BLANK TITLE INSURANCE COMPANY

1. The insurance provided by this endorsement is subject to the exclusions in Section 5 of this endorsement; and the Exclusions from Coverage, the Exceptions from Coverage contained in Schedule B, and the Conditions in the policy.
2. For the purposes of this endorsement only:
 - a. “Covenant” means a covenant, condition, limitation or restriction in a document or instrument in effect at Date of Policy.
 - b. “Improvement” means a building, structure, road, walkway, driveway, or curb, affixed to either the Land or adjoining land and that by law constitutes real property, but excluding any crops, landscaping, lawn, shrubbery, or trees.
 - c. “Private Right” means (i) an option to purchase; (ii) a right of first refusal; or (iii) a right of prior approval of a future purchaser or occupant.
3. The Company insures against loss or damage sustained by the Insured by reason of:
 - a. A violation on the Land at Date of Policy of an enforceable Covenant, unless an exception in Schedule B of the policy identifies the violation;
 - b. Enforced removal of an Improvement located on the Land at Date of Policy as a result of a violation, at Date of Policy, of a building setback line shown on a plat of subdivision recorded or filed in the Public Records, unless an exception in Schedule B of the policy identifies the violation;
 - c. A notice of a violation, recorded in the Public Records at Date of Policy, of an enforceable Covenant relating to environmental protection describing any part of the Land and referring to that Covenant, but only to the extent of the violation of the Covenant referred to in that notice, unless an exception in Schedule B of the policy identifies the notice of the violation; or

Exhibit 2012-63

Form T-19.1, Restrictions, Encroachments, Minerals Endorsement – Owner’s Policy

- d. Enforcement of a Private Right in a Covenant affecting the Title at Date of Policy based on a transfer of Title on or before Date of Policy that causes a loss of the Insured’s Title.
4. The Company insures against loss or damage sustained by reason of:
- a. An encroachment of:
 - i. an Improvement located on the Land, at Date of Policy, onto adjoining land or onto that portion of the Land subject to an easement; or
 - ii. an Improvement located on adjoining land onto the Land at Date of Policyunless an exception in Schedule B of the policy identifies the encroachment otherwise insured against in Sections 4.a.i. or 4.a.ii.; or
 - b. A final court order or judgment requiring the removal from any land adjoining the Land of an encroachment identified in Schedule B; or
 - c. Damage to an Improvement located on the Land, at Date of Policy that is located on or encroaches onto that portion of the Land subject to an easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved; or
 - d. Damage to an Improvement located on the Land on or after Date of Policy, resulting from the future exercise of a right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances excepted from the description of the Land or excepted in Schedule B.
5. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees, or expenses) resulting from:
- a. any Covenant contained in an instrument creating a lease;
 - b. any Covenant relating to obligations of any type to perform maintenance, repair, or remediation on the Land;
 - c. except as provided in Paragraph 3.c, any Covenant relating to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances;
 - d. contamination, explosion, fire, fracturing, vibration, earthquake, or subsidence; or
 - e. negligence by a person or an Entity exercising a right to extract or develop minerals or other subsurface substances.

Exhibit 2012-63

Form T-19.1, Restrictions, Encroachments, Minerals Endorsement – Owner’s Policy

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By: _____

Authorized Signatory

Exhibit 2012-64
Form T-4, Leasehold Owner's Policy (Form T-1) Endorsement (Form T-4)

Leasehold Owner's Policy Endorsement (Form T-4)
ENDORSEMENT ATTACHED TO AND MADE A PART
OF POLICY OF TITLE INSURANCE
ISSUED BY
_____ TITLE INSURANCE COMPANY
HEREIN CALLED THE COMPANY

File No. _____
Attached to and made a part of

Title Insurance Company Owner's Policy Number _____, dated the
_____ day of _____, 20____.

1. As used in this endorsement, the following terms shall mean:

a. "Evicted" or "Eviction":

(i) the lawful deprivation, in whole or in part, of the right of possession insured by this policy, contrary to the terms of the Lease or

(ii) the lawful prevention of the use of the Land or the Tenant Leasehold Improvements for the purposes permitted by the Lease, in either case as a result of a matter covered by this policy.

b. "Lease": the lease agreement described in Schedule A.

c. "Leasehold Estate": the right of possession granted in the Lease for the Lease Term.

d. "Lease Term": the duration of the Leasehold Estate, as set forth in the Lease, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.

e. "Personal Property": property located on the Land on or after Date of Policy that, because of its character and manner of attachment to the Land, can be severed from the Land without causing material damage to it or to the Land.

f. "Remaining Lease Term": the portion of the Lease Term remaining after the Insured has been Evicted as a result of a matter covered by this policy.

g. "Tenant Leasehold Improvements": Those improvements, including landscaping, required or permitted to be built on the Land by the Lease that have been built at the Insured's expense or in which the Insured has an interest greater than the right to possession during the Lease Term.

2. Valuation of Estate or Interest Insured:

Exhibit 2012-64
Form T-4, Leasehold Owner's Policy (Form T-1) Endorsement (Form T-4)

If in computing loss or damage it becomes necessary to value the Title as the result of a covered matter that results in an Eviction of the Insured, then that value shall consist of the value for the Remaining Lease Term of the Leasehold Estate and any Tenant Leasehold Improvements existing on the date of the Eviction. The Insured Claimant shall have the right to have the Leasehold Estate and the Tenant Leasehold Improvements valued either as a whole or separately. In either event, this determination of value shall take into account rent no longer required to be paid for the Remaining Lease Term.

3. Additional items of loss covered by this endorsement:

If the Insured is Evicted, the following items of loss, if applicable, shall be included in computing loss or damage incurred by the Insured, but not to the extent that the same are included in the valuation of the Title.

a. The reasonable cost of removing and relocating any Personal Property that the Insured has the right to remove and relocate, situated on the Land at the time of Eviction, the cost of transportation of that Personal Property for the initial one hundred miles incurred in connection with the relocation, and the reasonable cost of repairing the Personal Property damaged by reason of the removal and relocation.

b. Rent or damages for use and occupancy of the Land prior to the Eviction that the Insured as owner of the Leasehold Estate may be obligated to pay to any person having paramount title to that of the lessor in the Lease.

c. The amount of rent that, by the terms of the Lease, the Insured must continue to pay to the lessor after Eviction with respect to the portion of the Leasehold Estate and Tenant Leasehold Improvements from which the Insured has been Evicted.

d. The fair market value, at the time of the Eviction, of the estate or interest of the Insured in any lease or sublease made by the Insured as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements.

e. Damages that the Insured is obligated to pay to lessees or sublessees on account of the breach of any lease or sublease permitted by the Lease and made by the Insured as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements caused by the Eviction.

f. The reasonable costs to obtain land use, zoning, building and occupancy permits, architectural and engineering services and environmental testing and reviews for a leasehold reasonably equivalent to the Leasehold Estate.

g. If Tenant Leasehold Improvements are not substantially completed at the time of Eviction, the actual cost incurred by the Insured, less the salvage value, for the Tenant Leasehold Improvements up to the time of Eviction. Those costs include costs incurred to obtain land use, zoning, building and occupancy permits, architectural and engineering fees, construction management fees, costs of environmental testing and reviews, and landscaping costs.

Exhibit 2012-64

Form T-4, Leasehold Owner's Policy (Form T-1) Endorsement (Form T-4)

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Signatory

Form T-4: Leasehold Owner's Policy Endorsement

Exhibit 2012-65
Form T-4R, Residential Owner's Leasehold Endorsement

Residential Owner's Leasehold Endorsement (Form T-4R)

RESIDENTIAL OWNER'S LEASEHOLD ENDORSEMENT (FORM T-4R) ATTACHED TO
AND MADE A PART OF OWNER'S POLICY OF TITLE INSURANCE POLICY NUMBER

ISSUED BY

BLANK TITLE INSURANCE COMPANY

This endorsement is a part of Owner's Policy (Form T-1R) Number _____.

1. The following are definitions for this endorsement.

- a. "Evicted" or "Eviction":
 - (i) the lawful deprivation of your right of possession insured by this policy, contrary to the terms of the Lease or
 - (ii) the lawful prevention of your use of the land or the Tenant Leasehold Improvements for the purposes permitted by the Lease, in either case, as a result of a Covered Title Risk.
- b. "Lease": the lease described in Schedule A.
- c. "Leasehold Estate": the right of possession for the Lease Term.
- d. "Lease Term": the duration of the Leasehold Estate, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.
- e. "Personal Property":
 - (i) furniture, appliances, and other personal, family or household goods located on the land, and
 - (ii) property which can be removed from the land without causing significant damage to that property or the land.
- f. "Remaining Lease Term": the portion of the Lease Term remaining after you have been Evicted as a result of a Covered Title Risk.
- g. "Tenant Leasehold Improvements": Those improvements, including landscaping, on the land you have built or in which you have an interest greater than the right to possession during the Lease Term.

2. Valuation of Estate or Interest Insured

To determine the value of your estate or interest in the land as a result of a Covered Title Risk that results in an Eviction, the value will consist of the value of your Remaining Lease Term and

Exhibit 2012-65
Form T-4R, Residential Owner's Leasehold Endorsement

any Tenant Leasehold Improvements then existing. You shall have the right to have the Leasehold Estate and the Tenant Leasehold Improvements valued either as a whole or separately. In either event, this determination of value shall take into account rent no longer required to be paid for the Remaining Lease Term.

3. Miscellaneous Loss:

If you are Evicted because of a Covered Title Risk, we will include the following in computing your actual loss. We will not include the following if they are included in the valuation of your estate or interest in the land.

- a. We will pay reasonable costs of removing and relocating Personal Property that you may remove and relocate. We will pay the reasonable costs to repair Personal Property damaged during removal and relocation. We will not pay transportation costs for more than one hundred miles.
- b. We will pay rent or damages for use of the land before Eviction that the law requires you to pay to any person with superior title.
- c. We will pay the amount of rent under the Lease that you must continue to pay after Eviction with respect to the portion of the Leasehold Estate and Tenant Leasehold Improvements from which you have been Evicted.
- d. We will pay the value of any lease or sublease of the land by you.
- e. We will pay damages that you are obligated to pay to lessees or sublessees on account of the breach of the lease or sublease of the Leasehold Estate or Tenant Leasehold Improvements caused by Eviction. We will pay only these costs that Eviction caused.
- f. We will pay reasonable costs you incur to obtain land use, zoning, building and occupancy permits, architectural and engineering services and environmental testing and reviews for a leasehold reasonably equivalent to the Leasehold Estate.
- g. If Tenant Leasehold Improvements are not substantially completed at the time of Eviction, we will pay you the actual cost you incur, less the salvage value, for the Tenant Leasehold Improvements up to the time of Eviction. Those costs include costs you incur to obtain land use, zoning, building and occupancy permits, architectural and engineering fees, construction management fees, costs of environmental testing and reviews, landscaping costs and fees, costs and interests on loans for the acquisition and construction.
- h. Our total liability under the policy and endorsements shall not exceed the face amount of the policy.

Exhibit 2012-65
Form T-4R, Residential Owner's Leasehold Endorsement

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face thereof.

BLANK TITLE INSURANCE COMPANY

By: _____

Form T-4R: Residential Owner's Leasehold Endorsement (Form T-1R)

Exhibit 2012-66
Form T-5, Leasehold Loan Policy Endorsement

Leasehold Loan Policy Endorsement Form (Form T-5)
ENDORSEMENT ATTACHED TO AND MADE A PART
OF LOAN POLICY OF TITLE INSURANCE

ISSUED BY
_____ TITLE INSURANCE COMPANY
HEREIN CALLED THE COMPANY

File No. _____

Attached to and made a part of

_____ Title Insurance Company
Loan Policy Number _____, dated the _____ day of
_____, 20____.

1. As used in this endorsement, the following terms shall mean:

- a. "Evicted" or "Eviction":
 - (i) the lawful deprivation, in whole or in part, of the right of possession insured by this policy, contrary to the terms of the Lease or
 - (ii) the lawful prevention of the use of the Land or the Tenant Leasehold Improvements for the purposes permitted by the Lease, in either case, as a result of a matter covered by this policy.
- b. "Lease": the lease agreement described in Schedule A.
- c. "Leasehold Estate": the right of possession granted in the Lease for the Lease Term.
- d. "Lease Term": the duration of the Leasehold Estate, as set forth in the Lease, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.
- e. "Personal Property": property located on the Land on or after Date of Policy that, because of its character and manner of attachment to the Land, can be severed from the Land without causing material damage to it or to the Land.
- f. "Remaining Lease Term": the portion of the Lease Term remaining after the Tenant has been Evicted as a result of a matter covered by this policy.
- g. "Tenant": the tenant under the Lease and, after acquisition of all or any part of the Title in accordance with the provisions of Section 2 of the Conditions of this policy, the Insured Claimant.
- h. "Tenant Leasehold Improvements": Those improvements, including landscaping, required or permitted to be built on the Land by the Lease that have been built at the Insured's expense or in which the Insured has an interest greater than the right to possession during the Lease Term.

2. Valuation of Estate or Interest Insured:

If in computing loss or damage it becomes necessary to value the Title as the result of a covered matter that results in an Eviction of the Tenant, then that value shall consist of the value for the

Exhibit 2012-66
Form T-5, Leasehold Loan Policy Endorsement

Remaining Lease Term of the Leasehold Estate and any Tenant Leasehold Improvements existing on the date of the Eviction. The Insured Claimant shall have the right to have the Leasehold Estate and the Tenant Leasehold Improvements valued either as a whole or separately. In either event, this determination of value shall take into account rent no longer required to be paid for the Remaining Lease Term.

3. Additional items of loss covered by this endorsement:

If the Insured acquires all or any part of the Title in accordance with the provisions of Section 2 of the Conditions of this policy and thereafter is Evicted, the following items of loss, if applicable, shall be included in computing loss or damage incurred by the Insured, but not to the extent that the same are included in the valuation of the Title.

- a. The reasonable cost of removing and relocating any Personal Property that the Insured has the right to remove and relocate, situated on the Land at the time of Eviction the cost of transportation of that Personal Property for the initial one hundred miles incurred in connection with the relocation, and the reasonable cost of repairing the Personal Property damaged by reason of the removal and relocation.
- b. Rent or damages for use and occupancy of the Land prior to the Eviction that the Insured as owner of the Leasehold Estate may be obligated to pay to any person having paramount title to that of the lessor in the Lease.
- c. The amount of rent that, by the terms of the Lease, the Insured must continue to pay to the lessor after Eviction with respect to the portion of the Leasehold Estate and Tenant Leasehold Improvements from which the Insured has been Evicted.
- d. The fair market value, at the time of the Eviction, of the estate or interest of the Insured in any lease or sublease made by Tenant as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements.
- e. Damages that the Insured is obligated to pay to lessees or sublessees on account of the breach of any lease or sublease permitted by the Lease and made by the Tenant as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements caused by the Eviction.
- f. The reasonable costs to obtain land use, zoning, building and occupancy permits, architectural and engineering services, and environmental testing and reviews for a leasehold reasonably equivalent to the Leasehold Estate.
- g. If Tenant Leasehold Improvements are not substantially completed at the time of Eviction, the actual cost incurred by the Insured, less the salvage value, for the Tenant Leasehold Improvements up to the time of Eviction. Those costs include costs incurred to obtain land use, zoning, building and occupancy permits, architectural and engineering fees, construction management fees, costs of environmental testing and reviews, and landscaping costs.

This endorsement is issued as part of the policy. Except as it expressly states, it does not:

- (i) modify any of the terms and provisions of the policy,
- (ii) modify any prior endorsements,

Exhibit 2012-66
Form T-5, Leasehold Loan Policy Endorsement

- (iii) extend the Date of Policy, or
- (iv) increase the Amount of Insurance.

To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Signatory

Form T-5: Leasehold Loan Policy Endorsement

Exhibit 2012-67
Form T-36.1, Commercial Environmental Protection Lien Endorsement

Commercial Environmental Protection Lien Endorsement Form (Form T-36.1)

ENDORSEMENT

Attached to Policy No. _____

Issued by

BLANK TITLE INSURANCE COMPANY, herein called the "Company"

The Company insures against loss or damage sustained by the Insured by reason of an environmental protection lien that, at Date of Policy, is recorded in the Public Records or filed in the records of the clerk of the United States district court for the district in which the Land is located, unless the environmental protection lien is set forth as an exception in Schedule B.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By: _____

Authorized Signatory

(Endorsement Form T-36.1: Commercial Environmental Protection Lien)

Exhibit 2012-69
Form T-54, Severable Improvements Endorsement

Severable Improvements

ENDORSEMENT

Attached to Policy No. _____

Issued by

COMPANY

1. As used in this endorsement, "Severable Improvement" means property affixed to the Land on or after Date of Policy that by law does not constitute real property because:

- a. of its character and manner of attachment to the Land; and
- b. it can be severed from the Land without causing material damage to it or to the Land.

2. In the event of a loss by reason of a defect, lien, encumbrance, or other matter covered by this Policy ("Defect"), the calculation of the loss shall include (but not to the extent that these items of loss are included in the valuation of the Title determined pursuant to Section 8 of the Conditions or any other endorsement to the Policy):

- a. the diminution in value of the Insured's interest in any Severable Improvement resulting from the Defect, reduced by the salvage value of the Severable Improvement; and
- b. the reasonable cost actually incurred by the Insured in connection with the removal or relocation of the Severable Improvement resulting from the Defect and the cost of transportation of that Severable Improvement for the initial one hundred miles incurred in connection with the relocation.

3. This endorsement relates solely to the calculation of the Insured's loss resulting from a claim based on a defect, lien, encumbrance or other matter otherwise insured against by the Policy. This Policy does not insure against loss or damage (and the Company will not pay any costs, attorneys' fees or expenses) relating to:

- a. the attachment, perfection or priority of any security interest in the Severable Improvement;
- b. the vesting or ownership of title to or rights in any Severable Improvement;
- c. any defect in or lien or encumbrance on the title to any Severable Improvement;
or

Exhibit 2012-69
Form T-54, Severable Improvements Endorsement

d. the determination of whether any specific property is real or personal in nature.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

[Witness clause optional]

BLANK TITLE INSURANCE COMPANY

By: _____
Authorized Signatory

Exhibit 2012-70
Procedural Rule P-72, Severable Improvements Endorsement

P-72. Severable Improvements Endorsement (Form T-54)

A Company may issue its Severable Improvements Endorsement (Form T-54) to a Loan Policy (Form T-2) or Owner's Policy (Form T-1) on land which contains improvements and which is not residential real property, if its underwriting requirements are met, and the area and boundary amendment is made pursuant to Procedural Rule P-2. The policy amount shall be for the value of the land and improvements and the severable improvements. The Company may add any exception to the endorsement that it considers, in its sole discretion, to be appropriate. The Company shall delete any insuring provision or portion thereof if it does not consider that risk acceptable. Any insured matter covered in the Severable Improvements Endorsement (Form T-54) may be insured only by the use of this endorsement.

Exhibit 2012-71
Rate Rule R-11, Loan Policy Endorsements

R-11. Loan Policy Endorsements--Applicable only as provided in rule P-9.

- a. Endorsement issued as provided in Rules P-9b(1) and P-9b(2)--The minimum Basic Premium Rate shall be charged for each T-3 Endorsement (Assignment of Mortgage) issued after the date of the original policy. In no event, however, shall such premium exceed 50% of the premium applicable to the original Loan Policy under the Schedule of Basic Rates.
- b. Endorsement issued as provided in Rule P-9b(3)--A premium of \$100.00 shall be charged for each Endorsement Form T-38 Partial Release, Release of Additional Collateral, Modification Agreement, Reinstatement Agreement, or Release from Personal Liability issued within one year after the date of the original policy. If issued after said one year period, an additional \$10.00 shall be charged for each twelve-month period thereafter, or a part thereof. In no event, however, shall such premium exceed 50% of the premium applicable to the original Loan Policy under the Schedule of Basic Rates.
- c. Endorsement issued as provided in Rule P-9b(4)--A premium of \$50.00 shall be charged for the issuance of each Endorsement Form T-3 for Down Date Endorsement provided for in Rule P-9b(4).
- d. Endorsement issued as provided in Rule P-9b(6)--A premium of \$20.00 shall be charged for the issuance of each Endorsement Form T-33 Variable Rate Mortgage Endorsement or Form T-33.1 Variable Rate Mortgage – Negative Amortization Endorsement authorized by Rule P-9b(6) except that such additional premium charge shall not be made if an additional premium charge has been made for the Loan Policy (to which the Endorsement is attached).
- e. Endorsement issued as provided in Rule P-9b(7)--A premium of \$20.00 shall be charged for the issuance of Endorsement Form T-31 Manufactured Housing Endorsement as provided for in Rule P-9b(7). A premium of \$50.00 shall be charged for the issuance of Endorsement Form T-31.1 Supplemental Coverage Manufactured Housing Unit Endorsement as provided for in Rule P-9b(7).
- f. Endorsement issued as provided in Rule P-9b(8)--A premium of \$50.00 shall be charged for the issuance of each Endorsement Form T-35 Future Advance/Revolving Credit Endorsement provided for in Rule P-9b(8).
- g. Endorsement issued as provided in Rule P-9b(9)--A premium of \$25.00 shall be charged for the issuance of each Endorsement Form T-36 Environmental Protection Lien provided for in Rule P-9b(9).

Exhibit 2012-71
Rate Rule R-11, Loan Policy Endorsements

- h. Endorsement issued as provided in Rule P-9b(10)--A premium of \$25.00 shall be charged for the issuance of the Endorsement Form T-39 Balloon Mortgage Endorsement provided for in Rule P-9b(10) if the endorsement is issued at the time of the issuance of the loan policy. A premium of \$50.00 shall be charged for the issuance of the endorsement provided for in Rule P-9b(10) if the endorsement is issued subsequent to the issuance of the loan policy.
- i. Endorsement issued as provided in Rule P-9b(11)--When the First Loss Endorsement (Form T-14) is issued with a Loan Policy of Title Insurance (Form T-2) in accordance with Rule P-9 b(11), the premium for the First Loss Endorsement (Form T-14) shall be \$25.00.
- j. Endorsement issued as provided in Rule P-9b(13)--When the Loan Policy Aggregation Endorsement (Form T-16) is issued with a Loan Policy of Title Insurance (Form T-2) in accordance with Rule P-9b(13), the premium for the Loan Policy Aggregation Endorsement (Form T-16) shall be \$25.00.
- k. Endorsement issued as provided in Rule P-9b(14)--When the Planned Unit Development Endorsement (Form T-17) is issued with a Loan Policy in accordance with Rule P-9b(14), the premium for the Planned Unit Development Endorsement (Form T-17) shall be \$25.00. If the Company issues the Planned Unit Development Endorsement (Form T-17) on two or more title insurance policies which are issued simultaneously covering the same land, then the premium for the Planned Unit Development Endorsement (Form T-17) shall be charged only for one Planned Unit Development Endorsement (Form T-17).
- l. Endorsement as provided in Rule P-9b(15)--When the Condominium Endorsement (Form T-28) is issued with a Loan Policy in accordance with Rule P-9b(15), the premium for each Condominium Endorsement (Form T-28) shall be \$0.00.

Exhibit 2012-73
Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

BLANK TITLE INSURANCE COMPANY

TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE ONE-TO-FOUR FAMILY

RESIDENCES (T-1R)

OWNER'S INFORMATION SHEET

<p>Your Title Insurance Policy is a legal contract between you and _____ Title Insurance Company. This policy is not an opinion or report of your title. It is a contract of indemnity, meaning a promise to pay you or to take other action if you have a loss resulting from a covered title risk.</p> <p>It applies only to an improved one to-four family residential property or condominium unit. If your land is not either of these, contact us immediately.</p>	<p>Su Póliza de Seguro de Título es un contrato legal entre usted y _____ Title Insurance Company. Esta póliza no es una opinión o reporte en relación a su título de propiedad. Es un contrato de indemnificación, esto es, la promesa de reembolsarle o de tomar cualquier otro tipo de acción si usted sufre una pérdida como resultado de cualquier riesgo cubierto por la póliza.</p> <p>Esta forma de póliza ha sido designada para ser utilizada exclusivamente en los casos de propiedades en las cuales hay construidas viviendas para no más de cuatro familias o en los casos de unidades en condominios. Si su propiedad no es ninguna de las anteriores, por favor, notifíquenos inmediatamente.</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

We insure you against certain risks to your land title. We list these risks on page _____. The following limit your coverage:

Exclusions on page _____.

Exceptions on Schedule B.

Conditions on pages _____.

You should keep the policy even if you transfer the title to your land. If you want to make a claim, see Section 3 under Conditions on page _____.

You do not owe any more premiums for the Policy.

This sheet is not your insurance Policy. It is only a brief outline of some of the important Policy features. The Policy explains in detail your rights and obligations and our rights and obligations. The Policy -- and not this sheet -- is the legal document. **YOU SHOULD READ THE POLICY VERY CAREFULLY.**

THE TOLL-FREE NUMBER OF _____ TITLE INSURANCE COMPANY IS ____-____-____. YOU MAY CALL THIS NUMBER TO DISCUSS THIS POLICY OR TO MAKE A COMPLAINT. YOU MAY WRITE TO _____ TITLE INSURANCE COMPANY AT THE ADDRESS IN SECTION 3 UNDER CONDITIONS ON PAGE _____.

Exhibit 2012-73
Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

BLANK TITLE INSURANCE COMPANY

TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE ONE-TO-FOUR FAMILY RESIDENCES

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Exhibit 2012-73
Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

OWNER'S COVERAGE STATEMENT

This Policy insures your title to the land described in Schedule A -- if that land is a one-to-four family residential property or condominium unit.

Your insurance, as described in this Coverage Statement, is effective on the Policy Date shown in Schedule A.

This document is title insurance. It is not an opinion or report of your title. It is a contract of indemnity, meaning a promise to pay you or take other action if you have a loss resulting from a covered title risk.

- Exclusions on page ____.
- Exceptions on Schedule B, page ____.
- Conditions on pages ____.

We insure you against actual loss resulting from:

- Any title risks covered by this Policy -- up to the Policy Amount, and
- Any costs, attorneys' fees and expenses we have to pay under this Policy. We must approve the attorney before the attorney begins to work. You have the right to disapprove our choice of attorney for reasonable cause.

COVERED TITLE RISKS

This Policy covers the following title risks subject to the Exceptions (p.____) and Exclusions (p.____), if they affect your title to the land on the Policy Date. We do not promise that there are no covered risks. We do insure you if there are covered title risks.

1. Someone else owns an interest in your title.
2. A document is invalid because of improper signature, acknowledgment, delivery, or recording.
3. A document is invalid because of forgery, fraud, duress, incompetency, incapacity or impersonation.
4. Restrictive covenants apply to your title.
5. There is a lien on your title because of:
 - a mortgage or deed of trust,
 - a judgment, tax, or special assessment, or
 - charge by a homeowner's or condominium association.
6. There are liens on your title for labor and material which have their inception before the policy date.

However, we will not cover liens for labor and material that you agreed to pay for.

7. Others have rights in your title arising out of leases, contracts or options.
8. Someone else has an easement on your land.
9. You do not have good and indefeasible title.
10. There are other defects in your title.
11. There are other liens or encumbrances on your title.

This Policy also covers the following title risk:

You do not have any legal right of access to and from the land.

Exhibit 2012-73
Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

OUR DUTY TO DEFEND AGAINST COURT CASES

We will defend your title in the part or parts of a court case involving a Title Risk covered by this Policy. We will pay the costs, attorneys' fees, and expenses that we incur in that defense. We will not pay for the parts of a case not involving a covered title risk. You may disapprove our choice of attorney for reasonable cause.

We can end this duty to defend your title by exercising any of our options listed in Item 4 of the Conditions, see page ____.

This Policy is not complete without Schedules A and B.

BLANK TITLE INSURANCE COMPANY

BY: _____

President

An authorized party also must countersign this Policy.

[Witness clause optional]

(Authorized Signature)

BY: _____

Secretary

(Authorized Signature)

SCHEDULE A

Policy Number:

File Number:

Policy Date:

Policy Amount:

Premium:

1. Name of Insured:

2. We insure your interest in the land covered by this Policy is:

3. Legal Description of land:

Exhibit 2012-73
Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

SCHEDULE B

EXCEPTIONS

We do not cover loss, costs, attorneys' fees and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception.):
2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner's Policy only.)
4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.
5. Standby fees, taxes and assessments by any taxing authority for the year _____, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year.
6. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):

EXCLUSIONS

In addition to the Exception in Schedule B, we do not insure you against loss, costs, attorneys' fees, and expenses resulting from these Exclusions:

1. We do not cover loss caused by the exercise of governmental police power or the enforcement or violation of any law or government regulation. This includes building and zoning ordinances and laws and regulations concerning:
 - a. Land use
 - b. Improvements on the land
 - c. Land division
 - d. Environmental protection

This exclusion does not apply to notices of violations or notices of enforcement that appear in the public records at Policy Date. However, there may be an Exception in Schedule B.

2. We do not cover the right to take the land by condemning it, unless:
 - a. a notice of exercise of the right appears in the public records on the Policy Date, or
 - b. the taking happened before the Policy Date and is binding on you if you bought the land without knowing of the taking.
3. We do not cover title risks:
 - a. that are created, allowed, or agreed to by you,
 - b. that are known to you, but not to us on the Policy Date unless they appeared in the public records,
 - c. that result in no loss to you, or
 - d. that first affect your title after the Policy Date -- this does not limit the labor and material lien coverage in Item 6 of the Covered Title Risks.
4. We do not cover the effect of failure to pay value for your title.
5. We do not cover lack of a right:
 - a. to any land outside the area specifically described and referred to in item 3 of Schedule A,
 - b. in streets, alleys, or waterways that touch your land.

This exclusion does not limit the access coverage in the Covered Title Risks.

6. We do not cover any claim based upon allegations that your purchase of title (or acquisition of title by gift or otherwise):
 - a. was a fraudulent conveyance, fraudulent transfer, voidable distribution, or voidable dividend;
 - b. should be subordinated or recharacterized as a result of equitable subordination;

Exhibit 2012-73

Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

c. was a preferential transfer unless

(1) the Company or its issuing agent failed to timely file for record the deed to you after delivery or

(2) the recordation of the deed to you is not legal record notice.

(We do cover the two types of claims described in c. (1) and c. (2) above.)

7. We do not cover the refusal of any person to buy, lease or lend money on your land because of unmarketability of the title.

8. We do not cover claims concerning the physical condition of your land or of the access to your land.

Exhibit 2012-73
Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

CONDITIONS

1. DEFINITIONS

- a. **Actual Loss.** This is the difference between the value of your land without the covered title risk and the value of your land with the covered title risk. These values are the respective values at the time you must furnish proof of your loss.
- b. **Document.** A deed or other conveyance of title to you or a prior owner.
- c. **Easement.** A portion of your land someone else has the right to use for a special purpose.
- d. **Government Regulation.** Any federal, state, or local law, constitutional provision, regulation, ordinance, or guideline.
- e. **Land.** The land or condominium unit described in Schedule A and any improvements on the land that are real property.
- f. **Knowledge or known.** Actual knowledge, not constructive knowledge or notice that may be imputed to an insured by the public records.
- g. **Mortgage.** A type of lien on the land such as a deed of trust or other security instrument.
- h. **Public Records.** Those records required by Texas law and maintained by public officials in the county where the property is located that give legal notice of matters affecting your title.
- i. **Title.** The ownership interest in the land, as shown in Schedule A.
- j. **We, us or our.** The title insurance company. This is _____. (Insert name of company.)
- k. **You, your.** The insured.

2. CONTINUATION OF COVERAGE

We insure you as long as you:

- a. own your Title,
- b. own a mortgage from anyone who buys your Title, or
- c. are liable for any Title warranties you make.

We insure your transferee or assignee only as follows:

- a. a person who inherits the original named insured's title on the original named insured's death;
- b. the original named insured's spouse who receives title in a dissolution of marriage with the original named insured;
- c. the trustee or successor of a trust established by the original named insured to whom the original named insured transfers title after the date of policy; or
- d. the beneficiaries of a trust described by Subdivision (c) on the death of the original named insured.

Exhibit 2012-73

Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

3. YOUR DUTIES IF YOU MAKE A CLAIM

You must follow this process to make a claim:

a. You Must Give Us Notice Of Your Claim

If anyone claims a right against your insured title, you must notify us promptly.

Send the notice to _____ or call 1-800-_____ and ask for a claims attorney. If you initially notify us by phone, we recommend that you also notify us in writing. Please include the Policy number shown in Schedule A, and the county where the land is.

Our obligation to you is reduced or ended if:

- (1) you fail to give prompt notice, and
- (2) your failure affects our ability to dispose of or to defend you against the claim.

Our obligation is reduced only to the extent that your failure affects our ability to dispose of or to defend you against the claim.

b. You Must Give Us Proof of Your Loss if We Request It

You must send to us, if we request, your signed proof of loss within 91 days of our request on a standard form supplied by us. Within 15 days after we receive your notice of claim, we must request a signed proof of loss. If not, we waive outright to require a proof of loss. This waiver will not waive our other rights under the policy. The statement must have the following information to the best of your knowledge:

- (1) the Covered Title Risks which resulted in your loss,
- (2) the dollar amount of your loss, and
- (3) the method you used to compute the amount of your loss.

c. You Must Provide Papers We Request.

We may require you to show us your records, checks, letters, contracts, and other papers that relate to your claim of loss. We may make copies of these papers.

If you tell us this information is confidential, we will not disclose it to anyone else unless we reasonably believe the disclosure is necessary to administer the claim.

d. You Must Answer Questions Under Oath.

We may require you to answer questions under oath.

Exhibit 2012-73

Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

e. Effect of Failure to Cooperate.

Our obligation to you reduces or ends if you fail or refuse to:

- (1) (a) provide a statement of loss,
(b) answer our questions under oath, or
(c) show us the papers we request, and
- (2) your failure or refusal affects our ability to dispose of or to defend you against the claim.

4. OUR CHOICES WHEN YOU NOTIFY US OF A CLAIM

a. After we receive your claim notice or in any other way learn of a matter for which we are liable, we can do one or more of the following:

- (1) Pay the claim against your title.
- (2) Negotiate a settlement.
- (3) Prosecute or defend a court case related to the claim.
- (4) Pay you the amount required by this Policy.
- (5) Take other action under Section 4b.
- (6) Cancel this policy by paying the Policy Amount, then in force, and only those costs, attorneys' fees and expenses incurred up to that time that we are obligated to pay.

We can choose which of these to do.

b. If you report to us that a covered title risk exists, we will promptly investigate to determine if that covered title risk is valid and not barred by law or statute. A covered title risk is a title risk that this Policy does not exclude or except.

If we conclude that your claim, or any part of your claim, is covered by the policy, we will take one or more of the following actions to the extent that it is covered:

- (1) Institute all necessary legal proceedings to clear the title to the property;
- (2) Indemnify you pursuant to the terms of the policy;
- (3) Issue a new title policy without making exception to the covered title risk. If another insurer issues the new title policy to your purchaser, lender or other transferee without making exception to the covered title risk, we will indemnify the other insurer.
- (4) Secure a release of the covered title risk.

c. If we deny your claim, or any part of your claim, not more than 15 days after we deny the claim, we will:

- (1) notify you in writing, and

Exhibit 2012-73

Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

(2) give you the reasons for denial of your claim in writing.

5. HANDLING A CLAIM OR COURT CASE

You must cooperate with us in handling any claim or court case and give us all relevant information.

We must repay you only for those settlement costs, attorneys' fees and expenses that we approve in advance.

When we defend or sue to clear your title, we have a right to choose the attorney. You have the right to disapprove our choice of attorney for reasonable cause. We can appeal any decision to the highest court. We do not have to pay your claim until your case is finally decided. We do not agree that the matter is a covered title risk by defending.

6. LIMITATIONS OF OUR LIABILITY

Our liability is limited by the following:

- a. We will pay up to your actual loss or the Policy Amount in force when the claim is made -- whichever is less.
- b. If we remove the claim against your title with reasonable diligence or take other action under this policy after receiving notice of it, we will have no further liability for it.
- c. All payments we make under this policy -- except for costs, attorneys' fees and expenses -- will be subtracted from your Policy Amount.
- d. If the Covered Title Risk is an easement, we may pay an insured mortgage holder instead of paying you when a written agreement between you and the mortgage holder allows. If the claim involves another Covered Title Risk, we may pay the mortgage holder instead of paying you. The amount paid to the mortgage holder is considered a payment to you under your policy and will be subtracted from your policy amount.
- e. If you do anything to affect any right of recovery or defense you may have, we can subtract from our liability the amount by which you reduced the value of that right or defense. But we must add back to our liability any amount by which our expenses are reduced as a result of your action.

Exhibit 2012-73

Form T-1R, Residential Owner's Policy of Title Insurance One-to-Four Family Residences

7. TRANSFER OF YOUR RIGHTS

When we settle a claim, we have all the rights you had against any person or property related to the claim. You must transfer these rights to us when we ask, and you must not do anything to affect these rights. You must let us use your name in enforcing these rights.

We will not be liable to you if we do not pursue these rights or if we do not recover any amount that might be recoverable.

With the money we recover from enforcing these rights, we will pay whatever part of your loss we have not paid. We have a right to keep what is left.

8. ARBITRATION

If it is permitted under Texas or federal law, you and we may agree to arbitration when you file a claim.

The arbitration may decide any matter in dispute between you and us.

Arbitration is one means of alternative dispute resolution. It may lessen the time and cost of claims settlement. You may wish to consider another form of mediation or use the court system. If you choose arbitration, you may give up some discovery rights and your right to sue.

The arbitration award may:

- a. include attorneys' fees if allowed by state law, and/or
- b. be entered as a judgment in the proper court.

The arbitration shall be under the Title Insurance Arbitration Rules of the American Arbitration Association. You may choose current Rules or Rules in existence on Policy Date.

The law used in the arbitration is the law of the place where the property is located.

You can get a copy of the Rules from us.

9. ENTIRE CONTRACT PROVISION

This policy and any endorsements we attach are the entire contract between you and us.

Any claim you make against us must be under this Policy and is subject to its terms.

Exhibit 2012-74
Rate Rule R-5, Simultaneous Issuance of Owner's and Loan Policies

R-5. Simultaneous Issuance of Owner's and Loan Policies

THIS RULE MAY NOT BE APPLIED in connection with the issuance of a series of Loan Policies issued by reason of notes being apportioned to individual units in connection with a master policy covering the aggregate indebtedness, including improvements. Individual Loan Policies must be issued at the Basic Rate.

A. Except as otherwise provided in this rule, when an Owner's Policy and Loan Policy(ies) are issued simultaneously, bearing the same date, and covering the same land, or a portion thereof, covered by the Owner's Policy and covering no other land, the Owner's Policy showing the lien(s) as an exception therein shall be issued at the Basic Rate, and the premium for the Loan Policy(ies) shall be \$100.00 each.

B. Should the amount of the Loan Policy(ies) exceed the amount of the Owner's Policy, the Basic Rate shall be charged for the Owner's Policy and the premium for the Loan Policy(ies) shall be at the Basic Rate plus \$100.00 for each Loan Policy, less the Basic Rate for the Owner's Policy.

C. If an Owner's Policy or Policies were previously issued:

1. Covering the identical property to be covered by the Owner's Policy to be issued and
2. The Owner's Policy is to be issued in accordance with P-8a and
3. Within four (4) years after the date of the previously issued Owner's Policy or Policies and
4. There has been no change in ownership of such property,

credit shall be given against the premium of the Owner's Policy to be issued as provided in Rate Rule R-3; however, in no event shall the premium collected for such Owner's Policy be less than the regular minimum promulgated rate for an Owner's Policy.

D. An insured under an existing Owner's Policy or Policies not issued in accordance with P-8a may, after completion of improvements on the property insured, receive credit as provided in Rate Rule R-3 toward a new Owner's Policy in an amount greater than the existing Owner's Policy or Policies; however, in no event may the Owner's Policy be issued for less than the minimum promulgated basic premium rate.

This subsection applies only if, in addition to the criteria established in R-5.C.(1), (3) and (4) above, the land is residential property.

E. When an Owner's Policy meeting the requirements of Rule R-2(b) is issued in the manner provided in Rule P-8a, and is issued simultaneously with a Loan Policy described in Rule R-2(a), bearing the same date, and covering the same land covered by the Loan Policy, or a portion

Exhibit 2012-74

Rate Rule R-5, Simultaneous Issuance of Owner's and Loan Policies

thereof, and covering no other land, the premium for the Owner's Policy shall be \$100.00. Should the amount of the Owner's Policy exceed the amount of the Loan Policy, the premium for the Owner's Policy shall be at the Basic Rate plus \$100.00 less the Basic Rate (to be paid as provided in Rule R-2(a)) for the Loan Policy.

In the application of this rule, if an Owner's Policy or Policies were previously issued covering the identical property to be covered by the owner's Policy to be issued and provided there has been no change in ownership of such property, credit shall be given against the premium for the Loan Policy to be issued as provided in R-3.

Exhibit 2012-75
Rate Rule R-21, Multiple Owner's Policies on Same Land

R-21. Multiple Owner's Policies on Same Land-----Upon request when two or more owner's policies (excluding owner's policies covering leasehold estates) covering the same land and covering no other land are issued simultaneously to different insureds who are the grantor(s) (or seller(s)) and Grantee(s) (or purchaser(s)) in the transaction pursuant to which policies are to be issued (e.g., a buyer and a seller or a fee estate and easement on the fee), a separate policy shall be issued to all grantors (or sellers) and all grantee(s) (or purchasers) in accordance with Procedural Rule P-66. The rate for the first policy issued shall be the Basic Rate and the rate for the next Policy(ies) shall be 30% of the basic premium for such amount for each policy(ies) issued. Should the aggregate amount of the next policy(ies) exceed the amount of the first policy, the premium for the next policy(ies) shall be at the basic rate plus 30% of the basic premium for the first policy, less the Basic Rate for the first policy. In no event shall the charge for any policy issued pursuant to this rule be less than the minimum promulgated rate.

Exhibit 2012-76
Rate Rule R-10, Owner's Policies----City Subdivision, Acreage Subdivisions, Industrial Tracts

R-10. Owner's Policies----City Subdivision, Acreage Subdivisions, Industrial Tracts

Rate Rule R-10 is rescinded, effective September 1, 2013, due to obsolescence.

Exhibit 2012-77

Rate Rule R-32, Premium for Contiguity Endorsement (Form T-25, Form T-25.1)

R-32 PREMIUM FOR CONTIGUITY ENDORSEMENT (Form T-25, Form T-25.1).

When the Contiguity Endorsement (Form T-25 or Form T-25.1) is issued with a Loan Policy of Title Insurance (Form T-2) or Owner's Policy (Form T-1) in accordance with Rule P-56, the premium for the Contiguity Endorsement (Form T-25 or Form T-25.1) shall be \$100 for each policy.

Exhibit 2012-78

Procedural Rule P-16, Loan Title Policy on Interim Construction Loan (Interim Binder)

P-16. Loan Title Policy Binder on Interim Construction Loan (Interim Binder)

The Loan Title Policy Binder on Interim Construction Loan (Interim Binder) shall be used only with respect to interim construction loans in which it is contemplated in good faith that the Company issuing the Interim binder shall be asked to issue its Loan Policy or Policies; issued simultaneously with Owner's Policy or Policies of Title Insurance or at the basic rate, on a permanent loan or loans covering the identical property (in one or more parcels) when improvements are completed, but which permanent loan or loans may be made by a mortgagee or mortgagees other than the mortgagee named in the Interim binder. The use of such Interim Binder shall be limited solely to interim construction loans and pledges of the interim construction notes and liens wherein: (i) the obligor on the indebtedness is an original contractor who is also the record owner of the land upon which improvements are to be constructed; and, (ii) the security document for the indebtedness is not in the form of a Mechanic's Lien Contract.

Construction loans may include sums advanced for acquisition of land and/or to take up, renew or satisfy prior existing liens on land upon which construction is to occur.

Interim Binder shall not be issued on vacant lots or tracts, except in connection with the immediate construction of improvements thereon, nor shall such Interim Binder be issued after completion of improvements to which it relates, but this does not prohibit the issuance of Extensions after completion of improvements. In all cases not specifically enumerated in this rule, a Loan Policy shall be used.

The Company shall be required to show all subordinate liens in Schedule B-Part 2 of the Interim Binder, but a statement may be made therein that such lien(s) is subordinate.

Exhibit 2012-79
Procedural Rule P-11, Insuring Around

P-11. Insuring Around---Article 9.08 of the Texas Title Insurance Act - 1967, defines "Insuring Around" as follows:

"Insuring Around" is defined as the willful issuance of a title binder or title insurance policy showing no outstanding enforceable recorded liens while the Title Insurance Company knows that in fact a lien or liens are of record against the real property, and shall be prohibited, except under circumstances as the commissioner under his or her rulemaking powers shall approve. A title insurance company knows that an outstanding enforceable recorded matter exists if it determines that the matter is valid and enforceable based on the examination of the title pursuant to which the title binder or title insurance policy is issued. In its discretion, the title insurance company may determine the insurability of title and those matters which it considers to be insurable under the title binder or title insurance policy; provided, however, that insuring around enforceable recorded liens shall be prohibited except as allowed by regulation."

Pursuant to the authority and instruction given the commissioner by the Legislature as above stated, the commissioner hereby sets forth the following rule to be followed by all title insurance companies and title insurance agents in complying with such Article 9.08, viz.:

a. "Willful issuance" shall be defined as the issuance of a title insurance policy or binder with intent to conceal information by suppressing or withholding title information, the consequence of which could result in a monetary loss either to the title insurance company or to the Insured under the policy or binder.

b. "Insuring Around" shall not be construed as prohibiting the issuer of a title insurance policy or binder from issuing a policy or binder without taking exception to a specific lien, or liens, of record when sound underwriting standards and practices would not otherwise prohibit such issuance. Specifically, but not limited to, the term "insuring around" shall not include the issuance of a title insurance policy or binder under the following circumstances:

(1) Where liens securing obligations which, though not released of record, have been discharged to the satisfaction of the title insurance company or agent, and the title insurance company or agent has evidence in its file that the lien has been paid in full;

(2) Where funds are in escrow to pay same, and a recordable release is forthcoming and will be filed for record in the ordinary course of business;

(3) Where liens, in the opinion of counsel, are barred by the statute of limitation;

(4) Where liens are inchoate and sufficient indemnity executed by a financial institution regulated by State or Federal Government, such as a bank, savings and loan association, life insurance company or surety company has been delivered to, and accepted by, the title insurance company, or where sufficient funds have been deposited with the title insurance company or its agent to assure the ultimate payment and release of record of the liens; provided the written consent of the Insureds (owner and mortgagee) shall be delivered to the title insurance company and retained in its file;

Exhibit 2012-79
Procedural Rule P-11, Insuring Around

(5) Where sufficient indemnity executed by a financial institution regulated by State or Federal Government, such as a bank, savings and loan association, life insurance company or surety company is delivered to, and accepted by, the title insurance company, or where sufficient funds have been deposited with the title insurance company or its agent to protect against mechanic's liens by affidavits which are being contested or disputed; provided the written consent of the Insureds (owner and mortgagee) shall be delivered to the title insurance company and retained in its files;

(6) Where a title insurance company has previously issued a policy without taking exception to a specific lien and is called upon to issue a new policy and is already obligated under such prior policy, and will not increase its liability or exposure to the lien by the issuance of such new policy; provided the written consent of the Insureds (owner and mortgagee) shall be delivered to the title insurance company and retained in its files;

(7) Where a title insurance company has erred as in (6) above, and another title insurance company discovers the error in preparing to make a subsequent issuance, the second title insurance company may rely upon an indemnity agreement and/or an agreement to defend by the first company, and insure against such lien; provided the written consent of the Insureds (owner and mortgagee) shall be delivered to the title insurance company and retained in its files;

(8) When issuing a Loan Policy insuring the validity and priority of a lien, the issuer shall not be required to itemize liens and leases that affect the title to the estate or interest, which are subordinate to the lien insured, either by express subordination or by operation of law, unless requested to do so in writing by the insured in which case paragraph 4 of Schedule B may be deleted, and the subordinate lien(s) and lease(s) shall be excepted in Schedule B and the Company may insure therein such lien(s) and lease(s) are subordinate; however, when issuing a Loan Title Policy Binder on Interim Construction Loan, the Company shall be required to show all subordinate liens in Schedule B-Part 2 of said binder, but a statement may be made therein that such lien(s) is subordinate. When insuring that a lien or lease is subordinate to the lien of the insured mortgage, the Company shall state: "Company insures the insured against loss, if any, sustained by the insured under the terms of the Policy if this item is not subordinate to the lien of the insured mortgage."

(9) In instances where federal estate taxes and state inheritance taxes have not been paid, but the title insurance company:

(a) Examines a balance sheet of the estate and determines that the estate will have no difficulty in paying its estate and inheritance taxes, and the title insurance company takes an indemnity from responsible persons protecting itself against loss due to unpaid estate and inheritance taxes, or

(b) Requires sufficient money or other securities to pay estate and inheritance taxes to be left in escrow with it pending payment of such taxes, or pending the receipt of waivers of lien from the taxing authority or authorities, or

Exhibit 2012-79
Procedural Rule P-11, Insuring Around

(c) Examines the balance sheet of the estate and determines the estate will have no difficulty in paying its inheritance and estate taxes, and the title insurance company obtains a letter from a responsible person agreeing to see that such taxes are paid out of the assets of the estate.

(10) When a title insurance company previously issues a policy without taking exception to matters covered by the Master Indemnity Agreement (T-29) and is called upon to issue a new policy and is already obligated under such prior policy, and will not increase its liability or exposure to some matter by the issuance of such new policy.

(11) Where a mortgage securing a loan on (1) property consisting exclusively of a one-to-four-family residence, including a residential unit in a condominium regime; or (2) property other than property described by subdivision (1), if the original face amount of the indebtedness secured by the mortgage on the property is less than \$1.5 million has been released by an affidavit that is filed in compliance with all of the requirements that are specified in Section 12.017 of the Texas Property Code.

c. "Texas Master Indemnity Agreement (T-29)" A title insurance company may, in lieu of the execution of separate transaction specific indemnity letters or agreements, indemnify another title insurance company in accordance with P-11b(7) and/or P-11b(10) above by executing the Texas Master Indemnity Agreement (T-29). If a title insurance company elects to provide another title insurance company with a master indemnity agreement, the Texas Master Indemnity Agreement (T-29) must be used if the master indemnity agreement is intended to cover the liens and other matters set forth in the Texas Master Indemnity Agreement (T-29).

Exhibit 2012-80
Form T-2R, Texas Short Form Residential Loan Policy of Title Insurance
Form T-2R Addendum

Texas Short Form Residential Loan Policy of Title Insurance (Form T-2R) and Addendum (Form T-2R Addendum)

TEXAS SHORT FORM RESIDENTIAL
LOAN POLICY-ONE-TO-FOUR FAMILY
Issued by
BLANK TITLE INSURANCE COMPANY
SCHEDULE A

Amount of Insurance:

[Premium: _____]

[File Number: _____]

Loan Number:

Mortgage Amount:

Mortgage Date:

Policy Number:

Date of Policy: _____ or date of recording of insured mortgage, whichever is later.

Name of Insured:

Name of Borrower(s):

Property Address, as shown on the insured mortgage:

County and State:

The estate or interest in the land identified in this Schedule A and which is encumbered by the insured mortgage is fee simple and is at Date of Policy insured as vested in the borrower(s) shown in the insured mortgage and named above.

The land referred to in this policy is described as set forth in the insured mortgage and is identified as the property address shown above.

This policy consists of [one] page, [including the reverse side hereof,] unless an addendum is attached and indicated below:

_____ Addendum attached

_____ Section 13 of the Conditions of this policy, which relates to Arbitration, is hereby deleted.

The endorsements marked below are incorporated herein:

_____ ENDORSEMENT FORM T-30 (Tax Deletion)

_____ AMENDMENT OF EXCEPTION 3, SCHEDULE B: Company insures that standby fees, taxes and assessments by any taxing authority for the year _____ are not yet due and payable.

_____ ENDORSEMENT FORM T-33 (Variable Rate Mortgage)

_____ ENDORSEMENT FORM T-33.1 (Variable Rate Mortgage-Negative Amortization)

_____ ENDORSEMENT FORM T-28 (Condominium)

The following subparagraph(s) of this endorsement are deleted: _____

_____ ENDORSEMENT FORM T-39 (Balloon Mortgage)

_____ ENDORSEMENT FORM T-17 (Planned Unit Development)

The following subparagraph(s) of this endorsement are deleted: _____

_____ ENDORSEMENT FORM T-19 (Restrictions, Encroachments, and Minerals Endorsement)

Exhibit 2012-80
Form T-2R, Texas Short Form Residential Loan Policy of Title Insurance
Form T-2R Addendum

Except to the extent of the express insurance set forth below, this policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of those matters contained in any addendum attached hereto or which arise by reason of:

1. Covenants, conditions and restrictions, if any, appearing in the public records; however, this policy insures against loss or damage arising from:
 - a. the violation of any covenants, conditions and restrictions on or prior to Date of Policy, except that this express insurance does not extend to covenants, conditions and restrictions relating to environmental protection, unless a notice of violation thereof has been recorded or filed in the public records and is not referenced in an addendum attached to this policy.
 - b. forfeiture or reversion of title from a future violation of any covenants, conditions and restrictions appearing in the public records, including any relating to environmental protection; and
 - c. any provisions in any covenants, conditions and restrictions under which the lien of the insured mortgage can be extinguished, subordinated or impaired.
2. Any shortages in area. This policy insures against loss or damage arising from any encroachments or protrusions, or any overlapping of existing improvements located on the land onto adjoining land, and encroachments onto the land of existing improvements located on adjoining land.
3. Standby fees, taxes and assessments by any taxing authority which become due and payable subsequent to Date of Policy; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (The Company may add or pre-print promulgated language of P-20, subject to compliance with the terms thereof and payment of the premium set forth in R-24)
4. Any easements or servitudes appearing in the public records; however, this policy insures against loss or damage arising from (a) the encroachment, at Date of Policy, of the improvements on any easement; or (b) any interference with or damage to existing improvements, including lawn, shrubbery or trees, resulting from the use of the easements for the purposes granted or reserved.
5. Any lease, grant, exception or reservation of minerals or mineral rights appearing in the public records; however, this policy insures against loss or damage arising from: (a) any effect on or impairment of the use of the land for residential one-to-four family dwelling purposes by reason of such lease, grant, exception or reservation of minerals or mineral rights appearing in

Exhibit 2012-80
Form T-2R, Texas Short Form Residential Loan Policy of Title Insurance
Form T-2R Addendum

the public records; and (b) any damage to existing improvements, including lawn, shrubbery and trees, resulting from the future exercise of any right to use the surface of the land for the extraction or development of the minerals or mineral rights so leased, granted, excepted or reserved. Nothing herein shall insure against loss or damage resulting from subsidence.

Texas Short Form Residential Loan Policy of Title Insurance

Exhibit 2012-80
Form T-2R, Texas Short Form Residential Loan Policy of Title Insurance
Form T-2R Addendum

ADDENDUM TO TEXAS SHORT FORM

RESIDENTIAL LOAN POLICY

[File Number: _____]

Addendum to Policy Number:

SCHEDULE B (Continued)

IN ADDITION TO THE MATTERS SET FORTH ON SCHEDULE B OF THE POLICY TO WHICH THIS ADDENDUM IS ATTACHED, THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGE BY REASON OF, AND THE EXPRESS INSURANCE SET FORTH IN PARAGRAPHS 1-5 OF SCHEDULE B SHALL NOT APPLY TO, THE FOLLOWING: (Here add exceptions pursuant to Rule P-2, P-5, P-8, or P-37)

Texas Short Form Residential Loan Policy of Title Insurance (T-2R Addendum)

Exhibit 2012-81
Rate Rule R-2, Rebates and Discounts

R-2. Rebates and Discounts----No Company shall charge for a policy in one transaction and withhold issuance of a policy thereon, nor shall any Company charge a premium for a policy in one transaction and apply the charged premium in a subsequent transaction, except when same covers identical land to that contained in the initial conveyance, and when same shall have been consented to by the parties to all conveyances involved, which consent may be provided for in the contract(s) on which the transaction is based, or may be given in a separate written instrument, or may be evidenced by the acceptance and signing of a closing statement clearly setting forth application of the premium charge as agreed by the parties to the transaction(s). The phrase "one transaction" as used in this rule may include more than one conveyance provided: (i) all grantors and grantees have acknowledged in writing the method of application for premium or premiums to be collected, and (ii) all instruments of conveyance relating to the subject property which is to be insured are unconditionally delivered simultaneously. Each company shall remit the portion of the premium due to the title Insurance Company no later than the 15th day of the second month following the month in which the premium was collected. The provisions of this rule shall also apply to any escrow officer who remits directly to a title insurance company. A company shall not issue or deliver a policy, binder or endorsement until a rate therefor has been adopted by the Commissioner. The company must collect the full charge for such form, except as follows:

(a) When a Loan Policy is issued in the manner provided in Rule P-8.b., the premium for the Loan Policy may be paid in installments if the following conditions are met:

(1) The face amount of the policy shall be \$5,000,000 or more.

(2) The premium for the Loan Policy shall be determined on the date of issuance thereof. As the loan which is the subject of the policy is disbursed, a fraction of the premium for the policy equal to the fraction of the loan then funded shall be paid and upon payment thereof the amount of the coverage of the Loan Policy shall increase by the amount of such funding.

(3) The down date endorsement procedure described in rule P-9.b.(4) must be used in connection with such Loan Policy.

If any one of the above conditions is not met with respect to such Loan Policy, the remaining premium due and owing therefore shall be immediately due and payable.

(b) When an Owner's Policy meets the requirements of paragraph (a) above, and is issued in the manner provided in Rule P-8.a., and is issued simultaneously with a Loan Policy as provided in Rule R-5.E, the amount of coverage of said Owner's Policy shall increase in an amount equal to, and contemporaneously with, the increase in the coverage of said Loan Policy.

(c) When an Owner's Policy is issued in the manner provided in Rule P-8.a., but is not issued simultaneously with a Loan Policy as provided in Rule R-5.E., the premium for the Owner's Policy may be paid in installments if the following conditions are met:

(1) The face amount of the policy shall be \$5,000,000 or more.

Exhibit 2012-81
Rate Rule R-2, Rebates and Discounts

(2) The premium for the Owner's Policy shall be determined on the date of issuance thereof. The premium for the Owner's Policy paid upon issuance thereof shall be the portion of the total premium allocable to the liability under the Owner's Policy as shown in the liability paragraph prescribed by Rule P-8.a.(1) As the contemplated improvements which are the subject of the Owner's Policy are made, a fraction of the premium for the policy equal to the amount actually expended by the Insured in improvements since the last premium payment date shall be paid periodically and in no event later than completion thereof, and upon payment of said premium fraction the amount of the coverage of the Owner's Policy shall increase by the said amount expended in improvements.

(3) The down date endorsement procedure described in Rule P-9.a.(3) must be used in connection with such Owner's Policy.

If any one of the above conditions is not met with respect to such Owner's Policy, the remaining premium due and owing therefore shall be immediately due and payable.

(d) When a qualified intermediary under Internal Revenue Code §1031 takes title on behalf of the ultimate owner (the person making the exchange and receiving the tax benefit), Schedule A of the policy should be prepared as set out in Procedural Rule P-63.

An issued policy should not be altered or endorsed after the deed from the intermediary to the ultimate owner, to change the insured to reflect the name of the ultimate owner. This Rate Rule R-2 strictly prohibits passing through the title insurance premium on multiple conveyances unless proper disclosure is made and the deeds to all conveyances are delivered to the title or closing agent simultaneously and without condition. However, if title coverage is issued as outlined Procedural Rule P-63, the provisions of R-2 as to the pass through premium are not applicable because the policy is issued in the transaction in which the premium was collected.

Exhibit 2012-82
Rate Rule R-20, Owner's Policy After Construction Period

R-20. Owner's Policy After Construction Period-----When an Owner's Policy has been issued in the manner provided in Rule P-8.A. with a face amount of \$5,000,000 or more and the premium for said Owner's Policy has been paid in full, upon completion of the improvements on the property covered thereby, the owner's acceptance thereof, and satisfactory evidence to the Company that all bills for labor and materials have been paid in full, an Owner's Policy may be issued by the Company which issued the previously issued Owner's Policy, at any time up to one year after such completion of improvements, covering the same land, or a portion thereof, covered by said Owner's Policy and covering no other land, and the premium for the new Owner's Policy shall be the currently promulgated minimum policy Basic Premium Rate. Should the amount of the new Owner's Policy exceed the amount of the previously issued Owner's Policy, the premium for the new Owner's Policy shall be at (i) the Basic Rate plus (ii) the currently promulgated minimum policy Basic Premium Rate less (iii) the currently promulgated premium for the previously issued Owner's Policy, or in the event the previously issued Owner's Policy was issued for a simultaneous issue rate under Rule R-5E, the currently promulgated premium for the Loan Policy referred to in said Rule R-5E.

Exhibit 2012-83
Form T-48, Co-Insurance Endorsement

CO-INSURANCE ENDORSEMENT FORM (Form T-48)

Attached to Policy No.

Issued by

BLANK TITLE INSURANCE COMPANY

("Co-Insurer")

CO-INSURANCE ENDORSEMENT

Attached to and made a part of Issuing Co-Insurer's Policy No. _____ ("Co-Insurance Policy"). Each title insurance company executing this Co-Insurance Endorsement, other than the Issuing Co-Insurer, shall be referred to as a "Co-Insurer." Issuing Co-Insurer and any other co-insurers are collectively referred to as "Co-Insuring Companies."

1. Co-Insurer issues this endorsement as evidence of Co-Insurer's liability under Co-Insurance Policy and directs that this endorsement be attached to the Co-Insurance Policy adopting its Covered Risks, Exclusions, Conditions, Schedules and Endorsements, as follows:

Amount of Insurance, Percentage of Liability and Aggregate Amount of Insurance under the Co-Insurance Policy:

Co-Insuring Companies	Name and Address	Policy Number [File Number]	Amount of Insurance	Percentage of Liability
Issuing Co-Insurer			\$	
Co-Insurer			\$	
Co-Insurer			\$	
Co-Insurer			\$	
Aggregate Policy Amount			\$	

2. Each of the Co-Insuring Companies shall be liable to the Insured only for its Percentage of Liability of: (a) the total of the loss or damage under the Co-Insurance Policy, but in no event greater than its respective Amount of Insurance set forth in this endorsement; and (b) costs, attorneys' fees and expenses provided for in the Conditions.
3. Any notice of claim and any other notice or statement in writing required to be given under the Co-Insurance Policy must be given to each of the Co-Insuring Companies at its address set forth above.

Exhibit 2012-83
Form T-48, Co-Insurance Endorsement

4. Any endorsement to the Co-Insurance Policy issued after the date of this Co-Insurance Endorsement must be signed by each of the Co-Insuring Companies by its authorized officer or agent.

5. This Co-Insurance Endorsement is effective as of the Date of Policy of the Co-Insurance Policy. This Co-Insurance Endorsement may be executed in counterparts.

This endorsement is issued as part of the Coinsurance Policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

DATED: _____

Issuing Co-Insurer:

Blank Title Insurance Company

By: _____

Co-Insurer:

Blank Title Insurance Company

By: _____

Co-Insurer:

Blank Title Insurance Company

By: _____

Additional Co-Insurer signatures may be added if needed.

Exhibit 2012-84
Form T-31, Manufactured Housing Endorsement

MANUFACTURED HOUSING ENDORSEMENT (Form T-31)

Attached to and made a part of _____
(name of company)

Loan Policy No. _____
dated the _____ day of _____, 20__.

The first sentence of Section 1(i) of the Conditions of said policy is hereby amended to read as follows:

- (i) "Land": The land described specifically, or by reference, in Schedule A and improvements affixed thereto which by law constitute real property, including specifically a manufactured housing unit, bearing serial number _____.

This Endorsement, when countersigned below by an Authorized Countersignature is made a part of said policy and is subject to the Schedules, Conditions and Exclusions from Coverage therein, except as modified by the provisions hereof. This Endorsement neither modifies any other terms of the policy and any prior enforcement, nor does it extend the effective date of the policy and any prior endorsement, nor does it increase the face amount thereof.

ATTEST: _____ (name of company)

Secretary

By _____
President

COUNTERSIGNED AT:

(authorized countersignature)

Exhibit 2012-85
Administrative Rule L-1, Title Insurance Agent

ADMINISTRATIVE RULES

DEFINITIONS

- A. "Agent" and "Title Agent" shall mean Title Insurance Agent as defined in Texas Insurance Code §2501.003(13) and as further defined in PROCEDURAL RULES AND DEFINITIONS P-1.h.
- B. "Direct Operation" shall mean direct operation as defined in Texas Insurance Code §2501.003(3) and as further defined in PROCEDURAL RULES AND DEFINITIONS P-1.y.
- C. "Department" shall mean the Texas Department of Insurance.
- D. "Company" shall mean a Title Insurance Company as defined in Texas Insurance Code §2501.003(14) and as further defined in PROCEDURAL RULES AND DEFINITIONS P-1.i.
- E. The "business of title insurance" shall mean the business of title insurance as defined in Texas Insurance Code §2501.005 and as further defined in PROCEDURAL RULES AND DEFINITIONS P-1.q.
- F. "Partnership" shall mean a partnership NOT registered with the Office of the Texas Secretary of State in accordance with the Texas Business Organizations Code.
- G. "Entity" shall mean an entity registered with the Office of the Texas Secretary of State in accordance with the Texas Business Organizations Code. The term shall include only those organizational types authorized to engage in the business of title insurance in the State of Texas.
- H. "Certificate of Formation" shall mean a certificate of formation filed with the Office of the Texas Secretary of State in accordance with the Texas Business Organizations Code and shall include valid articles of incorporation, articles of organization, certificate of limited partnership or other valid filing instrument accepted by the Office of the Texas Secretary of State prior to January 1, 2006, for the purposes of initial business organization.
- I. "Control" shall mean the power to direct or cause the direction of the management and policies of a title agent, whether directly or indirectly and as further defined in Procedural Rule P-28. A. 2.
- J. "License" shall mean a title insurance agent's license issued after the approval of an Application for Texas Title Insurance Agent's License (Form FINT143, formerly known as Long Form), pursuant to Administrative Rule L-1.I.
- K. "Signing" and "signature" shall mean the act of signing one's name, whether in writing or electronically.

Exhibit 2012-85
Administrative Rule L-1, Title Insurance Agent

- L. “Federal Identification Number” (FIN) includes a federally issued Employer Identification Number (EIN), Tax Identification Number (TIN), or Social Security Number (SSN). A FIN may not be used for more than one license.
- M. “Designated manager” shall mean the manager responsible for administering the day-to-day operations in Texas at the applicant’s principal place of business, and who has been required to prepare Section A (Biographical Information) of the Application for Texas Title Insurance Agent’s License (Form FINT143). If a designated manager has less than five years of experience in a management position with a Texas title insurance agent, direct operation, or title insurance company, or as an attorney that has supervised one or more escrow officers, or a comparable position, the designated manager must notify the Department of that fact.
- N. “Assumed name” shall have the same meaning as in Texas Business and Commerce Code §71.002(2):
1. for an individual, a name that does not include the surname of the individual;
 2. for a partnership, a name that does not include the surname or other legal name of each joint venturer or general partner;
 3. for an individual or a partnership, a name, including a surname, that suggests the existence of additional owners by including words such as “Company,” “& Company,” “& Son,” “& Sons,” “& Associates,” “Brothers,” and similar words, but not words that merely describe the business being conducted or the professional service being rendered;
 4. for a limited partnership, a name other than the name stated in its certificate of formation;
 5. for a company, a name used by the company;
 6. for a corporation, a name other than the name stated in its certificate of formation or a comparable document;
 7. for a limited liability partnership, a name other than the name stated in its application filed with the office of the secretary of state or a comparable document; and
 8. for a limited liability company, a name other than the name stated in its certificate of formation or a comparable document.

L-1. TITLE INSURANCE AGENT

An applicant for a license must comply with the instructions in the Application for Texas Title Insurance Agent’s License (Form FINT143, formerly known as Long Form), and must submit all required fees. Each Federal Identification Number holder is potentially eligible for one license. An applicant may only submit an application under one FIN, and must use the same FIN for all filings with the Department. An applicant may file an original application or submit the forms electronically, when available. All of the forms referred to herein are available online or upon request from the Department.

To engage in the business of title insurance in a particular county, a Title Agent must:

1. Be issued a license in accordance with Administrative Rule L-1.I. and comply with the requirements for maintaining that license in an active status,

Exhibit 2012-85
Administrative Rule L-1, Title Insurance Agent

2. Possess a valid, active appointment for that county from a Company's Appointing Official, and
3. Own or lease, and control an abstract plant, or participate in a bona fide joint abstract plant operation.

IN ADDITION TO THE REQUIREMENTS BELOW, THE SPONSORING TITLE INSURANCE COMPANY MUST SUBMIT WITH AN APPLICATION FOR TEXAS TITLE INSURANCE AGENT'S LICENSE (Form FINT143) THE FOLLOWING:

1. Abstract Plant Information Form (Form FINT120 or Form T-52)
2. Agent Contract
3. Agent Contract Submission Form (Form FINT141)

I. LICENSE ISSUANCE (Application for Texas Title Insurance Agent's License (Form FINT143) - used for licensing of Title Agent)

Each Application for Texas Title Insurance Agent's License (Form FINT143) must identify a designated manager required to complete Section A (Biographical Information) of the form.

A. Individual – Submit the following to license a Title Agent:

1. Completed Section A (Biographical Information) of the Application for Title Insurance Agent's License by the individual and each designated manager.
2. One completed Section B (Required Business Information) of the Application for Title Insurance Agent's License for the proposed Sole owner. The Agent name on Section B must appear in the form as follows: Sole owner's name d/b/a Assumed Name.
3. Copy of a valid Assumed Name Certificate filed with the Secretary of State and/or County Clerk(s) in the county(ies) in which the Title Agent will operate.
4. Section C (Initial Appointment Form) of the Application for Title Insurance Agent's License completed by the sponsoring Title Insurance Company.
5. Non-refundable license fee of \$50.00.
6. Title Insurance Agent's Bond or in lieu thereof a cash deposit or irrevocable letter(s) of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department) in the sum of the greater of ten thousand dollars (\$10,000) or an amount equal to ten percent (10%)

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of the gross premium written by the agent in accordance with the latest statistical report to the Department but not to exceed one hundred thousand dollars (\$100,000). The Principal name on the Bond must reflect as follows: Sole owner's name d/b/a Assumed Name.

B. Partnership - Submit the following to license a Title Agent:

1. Completed Section A (Biographical Information) of the Application for Title Insurance Agent's License for each partner, and designated manager(s) and each officer, director, manager, partner and shareholder who is in control of an entity designated as a partner.
2. One completed Section B (Required Business Information) of the Application for Title Insurance Agent's License for the proposed partnership. The Agent name on Section B (Required Business Information) must reflect the exact Agent name. If an Assumed Name is being used the Agent name on Section B must appear in the form: Partnership Agent Name d/b/a Assumed Name.
3. If using an Assumed Name, a copy of a valid Assumed Name Certificate filed with the Secretary of State and/or County Clerk(s) in the county(ies) in which the Title Agent will operate.
4. Section C (Initial Appointment Form) of the Application for Title Insurance Agent's License completed by the sponsoring Title Insurance Company.
5. Non-refundable license fee of \$50.00.
6. Title Insurance Agent's Bond or in lieu thereof a cash deposit or irrevocable letter(s) of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department) in the sum of the greater of ten thousand dollars (\$10,000) or an amount equal to ten percent (10%) of the gross premium written by the agent in accordance with the latest statistical report to the Department but not to exceed one hundred thousand dollars (\$100,000).
 - a. The Principal name on the Bond must reflect as follows: Name of the Partnership.
 - b. If an Assumed Name is being used, the Agent name on the Bond must appear in the form: Partnership Agent Name d/b/a Assumed Name.
7. Copy of Partnership Agreement.

C. Entity - Submit the following to license a Title Agency:

1. Completed Section A (Biographical Information) of the Application for Title Insurance Agent's License for each officer, director, manager, designated manager(s), partner, and shareholder who is in control of the entity, and each officer, director,

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manager, partner, and shareholder who is in control of an entity designated as a shareholder or partner.

2. One completed Section B (Required Business Information) of the Application for Title Insurance Agent's License for the proposed Entity. The Agent name on Section B must reflect the exact Agent name. The Agent must attach to Section B a list of all the Assumed Names under which the Agent does business and the county associated with each Assumed Name. The Department will not issue a separate license for each Assumed Name.
3. A certified copy of the Certificate of Formation from the Office of the Texas Secretary of State.
4. If using an Assumed Name, a copy of a valid Assumed Name Certificate filed with the Office of the Texas Secretary of State and/or County Clerk(s) in the county(ies) in which the Title Agency will operate.
5. A printed copy of the webpage displaying the title agent's Franchise Tax Account Status, available on the Texas Comptroller of Public Accounts' website at www.window.state.tx.us/taxinfo/coasintr.html, and a current Franchise Tax Public Information Report on file with the Texas Comptroller of Public Accounts.
6. Section C (Initial Appointment Form) of the Application for Title Insurance Agent's License completed by the sponsoring Title Insurance Company.
7. Non-refundable license fee of \$50.00.
8. Title Insurance Agent's Bond or in lieu thereof a cash deposit or irrevocable letter(s) of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department) in the sum of the greater of ten thousand dollars (\$10,000) or an amount equal to ten percent (10%) of the gross premium written by the agent in accordance with the latest statistical report to the Department but not to exceed one hundred thousand dollars (\$100,000).
 - a. The Principal name on the Bond must reflect as follows: Name of the Entity.
 - b. If an Assumed Name is being used, the Agent name on the Bond must appear in the form: Entity Agent Name d/b/a Assumed Name.
9. Application for at least one individual to act as Escrow Officer for the Entity Title Agent and a Texas Escrow Officers Schedule Bond or in lieu thereof a cash deposit or irrevocable letter(s) of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department).

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II. APPOINTMENTS BY ADDITIONAL COMPANIES

For all Title Agents – To make additional appointments, the Company must submit the following:

- A. Agent Contract Submission Form (Form FINT141).
- B. Copy of the new contract between the Company and the Agent.
- C. Abstract Plant Information Form (Form FINT120 or Form T-52) and any applicable agreements.
- D. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.
- E. Schedule D Form, completed in accordance with Procedural Rule P-21.
- F. Notification of Appointment (Form FINT142), including the appointing company's FIN.
- G. Non-refundable Appointment fee of \$16.00.

III. CANCELLATION

- A. To cancel a Title Agent from acting as Agent for a Company, the Company must give the Agent 30 days' notice of cancellation before the effective date of the cancellation unless the Agent is canceled for cause as defined in the agency agreement. The Company must submit written notice of cancellation to the Department within three business days of notifying the Agent of the cancellation. The notice must state the reason for cancellation and the effective date of the cancellation.
- B. A Title Insurance Agent may voluntarily surrender a license at any time. The Agent must notify the Department and each Title Insurance Company that appointed the Agent of the surrender not less than 45 days before the surrender becomes effective. The Agent's notice to the Department must include:
 - 1. Written notification that the Agent is ceasing operations, including the effective date of cancellation for the Agent's license.
 - 2. The Agent's current plan for an orderly winding down of its operations and compliance with Administrative Rule D-1.
- C. A Title Insurance Agent may voluntarily cancel an appointment at any time. The Agent must notify each Company that appointed the Agent of the cancellation 30 days before the cancellation becomes effective. The Agent must submit written notification of

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Administrative Rule L-1, Title Insurance Agent

appointment cancellation to the Department within three business days of the effective date of the termination of the agency agreement. The notice must state the reason for cancellation and the effective date of the cancellation.

- D. If a Title Insurance Company is the sole underwriter for the Agent at the time of cancellation, Administrative Rule D-1 must be followed unless the Agent is seeking an appointment by another Title Insurance Company. If the Agent is seeking an appointment by another Title Insurance Company, the Agent must submit to the Department a sworn statement to that effect which identifies the other Title Insurance Company.

IV. EXPIRATION, SUSPENSION, AND RENEWAL

- A. A Title Agent's license expires two years after the date of issuance. If a Title Agent holds multiple appointments, each appointment remains effective, without the necessity of renewal, until either the license is canceled or the Company terminates the appointment.
- B. The Department will suspend a license if the Title Agent does not have a valid appointment.
1. A suspension period does not extend the license's two-year expiration date.
 2. If the license's two-year expiration date has not passed, the Department will lift the suspension on receipt of an acceptable appointment filing, as described in Administrative Rule L-1.II.
- C. Unless revoked, terminated, or canceled, the Department shall send written notice of renewal to each agent at the address on record with the Department at least 45 days prior to the expiration date of such license. In the event that the license is not renewed by the agent by the expiration date, the Department shall, within 45 days after the license expires, send written notice of expiration to the agent. Failure of the Department to send written notice of renewal or expiration shall not, in any event, toll the expiration date of the agent license nor prejudice any enforcement action brought by the Department. The Department may provide notice either electronically or by physical letter.
- D. To renew any license, on or before the expiration date of the license, the Title Agent must submit to the Department the following:
1. The application for renewal of Title Insurance Agent's License provided by the Department.
 2. Non-refundable renewal fee of \$35.00.

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Administrative Rule L-1, Title Insurance Agent

3. A printed copy of the webpage displaying the title agent's Franchise Tax Account Status, available on the Texas Comptroller of Public Accounts' website at www.window.state.tx.us/taxinfo/coasintr.html.
 4. A current Franchise Tax Public Information Report on file with the Texas Comptroller of Public Accounts.
- E. Failure of a Title Agent to submit any of the above forms on or before the expiration date of the license, results in automatic expiration of the respective license.
- F. If a Title Agent's license is expired for not longer than 90 days, the license may be renewed by submitting the renewal form and paying the required non-refundable renewal fee and a fee of one half (1/2) of the license fee.
- G. If a Title Agent's license is expired for more than 90 days, the license may not be renewed.
- H. If the amount of the Bond or other security required in Texas Insurance Code §§2651.101-104, has increased from the Bond or other security on file with the Department, a new Bond, Rider, Endorsement, increase in cash, or an amended letter of credit in the amount required by §§2651.101-104 shall be filed.
- I. The Department will not renew an agent license which has been suspended pursuant to Texas Insurance Code §2651.010 unless a valid notice of appointment is received within 90 days of the license's two-year expiration date. The 90-day late renewal filing period cannot be used to effect a new appointment by a Title Insurance Company after the expiration date of a license that is suspended on the license renewal date.

V. CHANGE IN OPERATIONS

- A. The following changes in operations require written notice to the Department, but **DO NOT REQUIRE** cancellation of an existing license and issuance of a new license:
1. A change in Entity ownership of less than 50% and/or a change in the officers, directors, manager, designated managers, or partners of a currently licensed entity Title Agent requires written notification as follows, as applicable:
 - a. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.
 - b. Schedule D for each Underwriter.
 - c. Copy of documentation evidencing ownership change.
 - d. Section A (Biographical Information) of the Application for Title Insurance Agent's License for each new officer, director, manager, designated manager, partner and shareholder who is in control of the entity, and each new officer,

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Administrative Rule L-1, Title Insurance Agent

director, manager, partner and shareholder who is in control of an entity designated as a partner or shareholder.

2. A change in the location or mailing address of an existing Title Agent or branch office location requires written notification to the Department, accompanied by a completed Title Agent Update Form.
3. Change in County.
 - a. Addition of a County requires written notification as follows:
 - i. Agent Contract, or an Amendment thereto.
 - ii. Agent Contract Submission Form (Form FINT141).
 - iii. Abstract Plant Information Form (Form FINT120 or Form T-52) and any applicable agreements for all new counties.
 - iv. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.
 - b. Deletion of a County requires written notification as follows:
 - i. Agent Contract, or an Amendment thereto.
 - ii. Agent Contract Submission Form (Form FINT141).
 - iii. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.
4. Change in the "Entity Name" and/or "Assumed Name" of an entity title agent, including the use of multiple or additional "Assumed Names" or the abandonment of an "Assumed Name," requires written notification as follows, as applicable:
 - a. Agent Contract, or an Amendment thereto.
 - b. Agent Contract Submission Form (Form FINT141).
 - c. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.
 - d. Texas Title Insurance Agent's/Direct Operation's bond and Texas Escrow Officer Schedule bond or an original rider or endorsement thereto reflecting the new Agent name.

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Administrative Rule L-1, Title Insurance Agent

- e. If the Entity name changes, a certified copy of the amended Certificate of Formation reflecting the Entity name as amended.
 - f. If an "Assumed Name" is used, a copy of a valid Assumed Name Certificate filed with the Secretary of State and/or County Clerk(s) in the county(ies) in which the Title Agent will operate.
 - g. If the Entity name changes, the current Title Insurance Agent's license and all current Title Insurance Escrow Officer licenses or a sworn statement from the Agent stating that the license has been lost or misplaced.
 - h. Abstract Plant Information Form (Form FINT120 or Form T-52) and any applicable agreements.
 - i. A printed copy of the webpage displaying the title agent's Franchise Tax Account Status, available on the Texas Comptroller of Public Accounts' website at www.window.state.tx.us/taxinfo/coasintr.html.
 - j. Current Franchise Tax Public Information Report on file with the Texas Comptroller of Public Accounts.
 - k. Schedule D for each Underwriter.
5. Change in the "Assumed Name" of an individual or partnership Agent requires written notification as follows:
- a. Agent Contract, or an Amendment thereto.
 - b. Agent Contract Submission Form (Form FINT141).
 - c. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.
 - d. Texas Title Insurance Agent's/Direct Operation's bond and Texas Escrow Officer Schedule bond or an original rider or endorsement thereto reflecting the new Agent name.
 - e. A copy of a valid Assumed Name Certificate filed with the Secretary of State and/or County Clerk(s) in the county(ies) in which the Title Agent will operate.
 - f. The current Title Insurance Agent's license and all current Title Insurance Escrow Officer licenses or a sworn statement from the Agent stating that the license has been lost or misplaced.
 - g. Abstract Plant Information Form (Form FINT120 or Form T-52) and any applicable agreements.

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Administrative Rule L-1, Title Insurance Agent

- h. Schedule D for each Underwriter.
 - i. A printed copy of the webpage displaying the title agent's Franchise Tax Account Status, available on the Texas Comptroller of Public Accounts' website at www.window.state.tx.us/taxinfo/coasintr.html.
 - j. Current Franchise Tax Public Information Report on file with the Texas Comptroller of Public Accounts.
6. Ownership change of a partnership Title Agent due to withdrawal of a partner(s) and no new partner(s) added to partnership requires written notification as follows:
- a. Cover letter describing the change. The cover letter must identify the documents submitted and the reason for making the filing.
 - b. Agent Contract, or an Amendment thereto.
 - c. Agent Contract Submission Form (Form FINT141).
 - d. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.
 - e. Copy of amended partnership agreement or copy of documentation evidencing ownership change.
 - f. The current Title Insurance Agent's license or a sworn statement from the Agent stating that the license has been lost or misplaced.
 - g. Schedule D for each Underwriter.
7. Ownership change of an Entity Title Agent due to a person ceasing to be an owner, member, manager, or stockholder through the transfer or sale of all of the person's shares of stock or interest and no new stockholder(s), member(s), manager(s) or owner(s) added to the Entity including the withdrawal of a partner(s) and no new partner(s) added requires written notification as follows:
- a. Cover letter describing the change. The cover letter must identify the documents submitted and the reason for making the filing.
 - b. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.
 - c. Copy of documentation evidencing ownership change.
 - d. Schedule D for each Underwriter.

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Administrative Rule L-1, Title Insurance Agent

8. Subject to Administrative Rule L-1.V.B.2, a change in organizational structure made by an Entity pursuant to the Texas Business Organization Code including a change in ownership of 50% or more if there is no change in control requires written notification certifying, under oath, that there is no change of control as defined in Procedural Rule P-28.A.2. Submit the following additional documents, as applicable:
 - a. Cover letter describing the change. The cover letter must identify the documents submitted and the reason for making the filing.
 - b. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.
 - c. Schedule D for each Underwriter.
 - d. Completed Section A (Biographical Information) of the Application for Title Insurance Agent's License for each new officer, director, manager, designated manager, partner, and shareholder who is in control of the entity, and each new officer, director, manager, partner, and shareholder who is in control of an entity designated as a partner or shareholder.
 - e. The applicable certificate issued by the Office of the Texas Secretary of State (e.g. Certificate of Merger, Exchange, or Conversion).
 - f. In cases involving a change in the "Entity Name" or "Assumed Name," the requirements of Administrative Rule L-1.V.A.4 may be completed simultaneously with these requirements.

9. A change in abstract plant requires written notification from the Title Agent to the Department if:
 - a. an abstract plant owned by the Title Agent is sold;
 - b. an abstract plant is purchased by the Title Agent;
 - c. a Joint Abstract Plant is used and a change in ownership occurs; or
 - d. the Title Agent changes leased abstract plant provider.

Submit the following additional documents, as applicable:

 - i. Abstract Plant Form (Form FINT120 or Form T-52) by at least one Sponsoring Underwriter for each county affected.
 - ii. Complete, signed copy of the plant lease with the new abstract plant provider.

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Administrative Rule L-1, Title Insurance Agent

- iii. Copy of the bill of sale or other documentation evidencing the sale or purchase of an abstract plant.

- B. The following changes in operations REQUIRE cancellation of all existing agent and escrow officer licenses and submission of a new Application for Title Insurance Agent's License (Form FINT143) as described in L-1 along with applicable escrow officer applications and forms for appointments by additional companies for issuance of a new license.
 - 1. Ownership change of an individual or partnership Title Agent with new partner(s) added to partnership.
 - 2. Entity ownership change of 50% or more with new owner(s) or partners(s) added to the Entity if there is a change in control.

VI. SPECIAL NOTE REGARDING CHANGE IN OPERATIONS

- A. Existing licenses will be canceled no later than 60 days from receipt of the first cancellation notice. All required items listed in Section III.A above must be in the office of the Department before a new license will be issued.
- B. New owners cannot conduct the business of a Title Agent until they have been notified by the Department that their license has been issued.
- C. A new Entity name may not be used until the Agent has been notified by the Department that a license has been issued under a new name.
- D. When there is a change in operations of an existing Title Agent which requires cancellation of the Agent license, all currently licensed Escrow Officers for said Title Insurance Agent must be canceled. If an Escrow Officer is to represent a new Title Agent, an application for a new license must be filed on behalf of the Escrow Officer.
- E. An agent may not operate in a County for a specific Underwriter until the Agent has been notified by the Department that the Change of County filing has been approved and the County has been added to their title agent license.

VII. TRANSITION TO MULTIPLE APPOINTMENTS UNDER ONE LICENSE

The Department will recognize only one license per FIN, beginning no earlier than January 3, 2014. Currently licensed Title Agents sharing a FIN will share one license.

- A. Unless the FIN-holder requests, in writing, to retain a different license before January 3, 2014, the FIN-holder will retain only the oldest license issued. All other licenses will convert to appointments that relate to that oldest license.

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Administrative Rule L-1, Title Insurance Agent

B. If the FIN-holder requests, in writing, to retain a different license before January 3, 2014, the written letter must specify the license to be retained and the FIN to be associated with the license. All other licenses will convert to appointments that relate to that license.

C. The appointments resulting from subsections A and B of this section will remain in effect automatically without further action unless and until the Title Agent or Company takes action to cancel or surrender the appointment in accordance with the applicable section of this rule.

D. The Department will send each Title Agent a reconciliation report describing the Title Agent's licensure and appointment status.

Exhibit 2012-86
Administrative Rule L-3, Direct Operations License

L-3. DIRECT OPERATIONS LICENSE

An applicant for a Direct Operation License must comply with the instructions in the Application for Texas Direct Operation License (Form FINT130), and must submit all required fees. Each Federal Identification Number holder is potentially eligible for one license. An applicant may only submit an application under one FIN, and must use the same FIN for all filings with the Department. An applicant may file an original application or submit the forms electronically, when available. All of the forms referred to herein are available online or upon request from the Department.

I. LICENSE ISSUANCE

Submit the following to the Department to license a Direct Operation:

- A. Completed Application for Texas Direct Operation License (Form FINT130), signed by a corporate officer of the Title Insurance Company.
- B. Non-refundable license fee of \$50.00.
- C. Abstract Plant Information Form (Form FINT120 or Form T-52) for each county(ies) in which the Direct Operation will operate.
- D. List of all branch office addresses and telephone numbers.
- E. Direct Operation's bond or in lieu thereof a cash deposit or irrevocable letter(s) of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department) in the sum of the greater of Ten Thousand Dollars (\$10,000) or an amount equal to ten percent (10%) of the gross premium written by the direct operation in accordance with the latest statistical report to the Department but not to exceed One Hundred Thousand Dollars (\$100,000).

II. CHANGE IN OPERATIONS

The following changes in operations do not require cancellation of existing license and issuance of a new license but require written notice to the Department:

- A. A change in office location or contact information (addition or deletion) requires written notification from the Direct Operation to the Department, accompanied by a completed Title Agent Update Form.
- B. A change in abstract plant requires written notification from the Direct Operation to the Department if:
 - 1. an abstract plant owned by the Direct Operation is sold;

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Administrative Rule L-3, Direct Operations License

2. an abstract plant is purchased by the Direct Operation;
3. a Joint Abstract Plant is used and a change in ownership occurs; or
4. the Direct Operation changes leased abstract plant provider.

Submit the following additional documents, if applicable:

- a. Abstract Plant Information Form (Form FINT120 or Form T-52) for each county affected by the change, and any applicable agreements.
 - b. Complete, signed copy of the plant lease with the new abstract plant provider.
 - c. Copy of the bill of sale or other documentation evidencing the sale or purchase of an abstract plant.
- C. Change in County. Addition or deletion of a County requires written notification as follows, as applicable:
1. Cover letter describing the change. The cover letter must identify the documents submitted and the reason for making the filing.
 2. Abstract Plant Information Form (Form FINT120 or Form T-52) for all new counties, and any applicable agreements.
 3. Title Agent Update Form (Form FINT129) signed and dated by an authorized representative for the Title Agent.
 4. Agent Contract Submission Form (Form FINT141).

III. CANCELLATION

- A. To cancel a Direct Operation License, the Title Insurance Company must submit written notice of cancellation to the Department within three business days of the effective date of cancellation. The notice must state the reason for cancellation and the effective date of the cancellation.
- B. A Direct Operation may voluntarily surrender a license at any time. The Direct Operation must notify the Department and the affected Title Insurance Company of the surrender not less than 45 days before the surrender becomes effective. The Direct Operation's notice to the Department must include:
 1. Written notification that the Direct Operation is ceasing operations, including the effective date of cancellation for the Direct Operation's license.

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Administrative Rule L-3, Direct Operations License

2. The Direct Operation's current plan for an orderly winding down of its operations and compliance with Administrative Rule D-1.

IV. RENEWAL

- A. Direct Operation licenses shall, on the date of expiration, be renewed pursuant to Texas Insurance Code §2651.055. Direct Operation Licenses will be renewed for a period of not more than two years and expire on the date designated by the Department.
- B. For all licenses renewed: Direct Operation Licenses expire on the first day of the month two years after their issuance. To renew any license, on or before the expiration date of the license, the Title Insurance Company must submit the following to the Department on behalf of all Direct Operations licenses which they hold:
 1. The application for renewal of Direct Operation's license provided by the Department.
 2. Non-refundable renewal fee of \$35.00. If a license is renewed for less than two (2) years the non-refundable renewal fee shall be prorated on a monthly basis.
- C. Failure of a Title Insurance Company to submit any of the above forms for Direct Operation on or before the expiration date of the license, results in automatic expiration of the respective license.
- D. If a Direct Operation's license is expired for no longer than 90 days, the license may be renewed by submitting the renewal form and paying the required non-refundable renewal fee and a fee of one half (1/2) of the license fee.
- E. If a Direct Operation's license is expired for more than 90 days, the license may not be renewed.
- F. If the amount of the Bond or other security required by the Texas Insurance Code has changed from the Bond or other security on file with the Department, the Direct Operation must file a new Bond, Rider, Endorsement, increase in cash, or an amended letter of credit.

Exhibit 2012-87
Administrative Rule L-2, Title Insurance Escrow Officer

L-2. TITLE INSURANCE ESCROW OFFICER

All of the forms referred to herein are available upon request from the Department.

I. PERSONS REQUIRED TO BE LICENSED

- A. The Texas Title Insurance Act defines "Escrow Officer" as an attorney, or bona fide employee of either (i) an attorney licensed as an Escrow Officer, (ii) a Direct Operation, or (iii) a Title Insurance Agent, whose duties include any or all of the following:
1. countersigning title insurance forms;
 2. supervising the preparation and supervising the delivery of title insurance forms;
 3. signing escrow checks;
 4. closing the transaction.
- B. No person shall act in the capacity of Escrow Officer without being licensed by the Department, and obtaining and maintaining a surety bond as required by Texas Insurance Code Chapter 2652 Subchapter C; and no Title Insurance Agent or Direct Operation shall employ any person as Escrow Officer who is not licensed and bonded in accordance with the provisions of the Texas Title Insurance Act.
- C. No attorney shall be required to be licensed as an Escrow Officer in order to perform the duties of an Escrow Officer as defined in Texas Insurance Code § 2501.003(4). All non-attorney employees of an attorney who perform any or all of the duties of an Escrow Officer are required to be licensed. Notwithstanding the foregoing a Direct Operation or Title Insurance Agent shall NOT permit an attorney to conduct the attorney's business in the name of the Direct Operation or Title Insurance Agent unless the attorney and all of the bona fide employees of the attorney who perform any or all of the duties of an Escrow Officer are licensed as Escrow Officers.
- D. An attorney may become licensed as an Escrow Officer, in which case the attorney shall comply with all requirements of the Texas Insurance Code with regard to Escrow Officers and trust funds, as if the attorney were a Title Insurance Agent. All escrow accounts utilized by licensed Escrow Officers for closing transactions shall be subject to the audit requirements contained in Texas Insurance Code Chapter 2651 Subchapter D. An attorney licensed as an escrow officer must use a title agency escrow account to close title insurance transactions. The transaction must be closed in the title agent's name.
- E. Neither the sole owner nor individual partners of a Title Insurance Agent, doing business as an Individual or Partnership, are required to be licensed as an Escrow Officer, only the employees of such Agents who perform any or all of the duties of an Escrow Officer. Each corporate officer and employee of a Title Agent, doing business as an Entity, who

Exhibit 2012-87
Administrative Rule L-2, Title Insurance Escrow Officer

performs any or all of the duties of an Escrow Officer must obtain an Escrow Officer's license.

II. ISSUANCE

To appoint an individual to act as Escrow Officer for any Title Insurance Agent/Direct Operation, the following forms must be filed with the Department:

- A. An original application for Escrow Officer's license (Sections A and B).
 - 1. Each application shall be completed in full before it is submitted to the Department.
 - 2. The signature appearing on Section B of the application must be the signature of the Title Insurance Agent/Direct Operation.
- B. Non-refundable license fee of \$35.00.
- C. The proper Texas Escrow Officer's Schedule Bond or in lieu thereof a cash deposit or irrevocable letter of credit issued by a financial institution in this state insured by an agency of the United States Government (or securities approved by the Department), procured at the expense of the Title Insurance Agent/Direct Operation.
 - 1. The aggregate amount is to be determined by multiplying the number of Escrow Officers by:
 - a. \$5,000 for each individual who is a bona fide resident of this state; plus
 - b. \$10,000 for each individual who is a bona fide resident of a state adjacent to this state;
 - c. Notwithstanding Subsection (a) or Subsection (b), the maximum amount of the bond or deposit shall not exceed \$50,000.
 - 2. The bond form will provide that the entire penal sum shall be applicable for losses caused by any one or all of the Escrow Officers covered by the obligation.

III. ADDITIONAL APPOINTMENTS

The Department must be notified immediately whenever a Title Insurance Agent/Direct Operation or attorney licensed as an Escrow Officer employs an additional individual to act as Escrow Officer, and the following forms are required by the Department:

- A. An original application for Escrow Officer's license having the same specifications as listed under ISSUANCE.

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Administrative Rule L-2, Title Insurance Escrow Officer

- B. Non-refundable license fee of \$35.00.
- C. An original rider or endorsement to the Texas Escrow Officer's Schedule Bond adding the individual to the schedule and increasing the penalty thereof by:
 - 1. \$5,000 if an in-state applicant; or
 - 2. \$10,000 per applicant if a bona fide resident of a state adjacent to this state, if necessary.

IV. CANCELLATION

- A. Whenever an individual ceases to act as Escrow Officer for any Title Insurance Agent/Direct Operation written notice shall be sent immediately to the Escrow Officer and to the Department with the following:
 - 1. Completed notification of cancellation (reverse side of Certificate of License), or a sworn statement that the Certificate of License has been lost or misplaced and a written statement indicating the reason for cancellation and the date the cancellation is effective.
 - 2. An original rider to the Texas Escrow Officer's Schedule Bond deleting the individual from the schedule and decreasing the penalty thereof by:
 - a. \$5,000 per escrow officer if an in-state resident; or
 - b. \$10,000 per escrow officer if a bona fide resident of a state adjacent to this state, if necessary.
- B. An escrow officer may voluntarily surrender his license at any time by giving notice to the Department and submitting their current, original escrow officer license or a sworn statement that the license has been lost or misplaced or he has been unable to obtain the original license from the Title Agent/Direct Operation.
- C. The license will be cancelled by the Department upon receipt of the items in A.1 or B notwithstanding the receipt of an original rider to the Escrow Officer's Schedule Bond.

V. RENEWAL

- A. Escrow Officer licenses shall, on the date of expiration, be renewed pursuant to Texas Insurance Code §4003.002. Escrow Officer Licenses will be renewed with an expiration date to coincide with the expiration date of the license of the Title Agent/Direct Operation for which the Escrow Officer is licensed.
- B. For all Escrow Officer Licenses renewed: Escrow Officer Licenses expire on the same date as the Title Insurance Agent /Direct Operation for which the Escrow Officer is licensed. To renew any license, on or before the expiration date of the license, the Title

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Insurance Agent/Direct Operation must submit the following to the Department on behalf of each Escrow Officer whose license is expiring:

1. The original Title Insurance Escrow Officer's License renewal form provided by the Department.
 2. Non-refundable renewal fee of \$35.00. If a license is renewed for less than two (2) years the non-refundable renewal fee shall be prorated on a monthly basis.
- C. Failure of a Title Insurance Agent/Direct Operation to submit any of the required renewal forms for any Escrow Officer on or before the expiration date of the license, results in automatic expiration of the respective license, and the proper rider to the Texas Escrow Officer's Bond will then be required.
- D. If an Escrow Officer's License is expired for not longer than 90 days, the license may be renewed by submitting the renewal form and paying the required non-refundable renewal fee and a fee of one half (1/2) of the initial license fee.
- E. If the Escrow Officer's License is expired for more than 90 days, the license may not be renewed. An original application for Escrow Officer's license must be submitted with the same requirements as listed under ISSUANCE.

VI. CHANGE IN EMPLOYMENT STATUS OF AN ESCROW OFFICER WHO REMAINS LICENSED WITH THE SAME TITLE AGENT OR DIRECT OPERATION

Upon a change in the employment status of a licensed escrow officer with the same title agent or direct operation, joint written notification must be made to the Department by the licensed escrow officer, the title agent or direct operation and the employer attorney, if applicable, within fifteen (15) calendar days of the change in employment status. The written notification must be acknowledged and sworn to by the escrow officer, the title agent or direct operation and the employer attorney, if applicable.

VII. CHANGE OF RESIDENCE ADDRESS OF A LICENSED ESCROW OFFICER

Upon a change in the residence address of a licensed escrow officer, written notification must be made to the Department by the licensed escrow officer. Written notification may be by letter, fax, or e-mail and must include the new residence address as well as new residence phone number if applicable.

VIII. CHANGE OF NAME OF A LICENSED ESCROW OFFICER

Upon a change in the name of a licensed escrow officer, written notification must be made to the Department by the title insurance agent/direct operation. Written notification must be by letter and must include the new name and the reason for the name change, such as marriage or divorce. The written notification must be accompanied by the escrow officer's current, original license and an original rider for the Texas Escrow Officers Schedule Bond on file with this Department for the title agent/direct operation changing the escrow officer's name on the bond.

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Procedural Rule P-28, Requirements for Continuing Education for Title Agents and Escrow Officers and Professional Training Program for Title Agent Management Personnel

P-28. Requirements for Continuing Education for Title Agents and Escrow Officers and Professional Training Program for Title Agent Management Personnel

A. Continuing Education Provisions

1. Purpose and Scope. The purpose of this rule is to set forth procedures and requirements for certification of continuing education courses for title insurance agents licensed under Chapter 2651 of the Insurance Code and/or escrow officers licensed under Chapter 2652 of the Insurance Code, as authorized under §2651.204 and §2652.058 of the Insurance Code. This rule shall not apply to a corporate agent licensee.

2. Definitions. The following words and terms, when used in this rule, shall have the following meanings, unless the context clearly indicates otherwise.

- (a) Continuing Education Coordinator - The person in the Department who is delegated authority to review continuing education courses and licensee compliance and who may be addressed as follows: Texas Department of Insurance, Continuing Education Coordinator, Title Program, 333 Guadalupe Street, P.O. Box 149104, Austin, Texas 78714-9104.
- (b) Department - The Texas Department of Insurance.
- (c) Licensee - Any individual person holding a license under the authority of Chapter 2651 and/or Chapter 2652 of the Insurance Code.
- (d) Provider - A statewide title insurance association, statewide title agents' association or professional association, or a local chapter of a statewide title insurance or title agents' association or professional association; an accredited college or university; a career school or college as defined by the Education Code §132.001; the State Bar of Texas; an educational publisher; a title insurance company authorized to do business in the State of Texas; a company owning one or more title insurance companies authorized to do business in the State of Texas; a Texas public school system; or an individual appointed as an instructor by an entity or association described in this paragraph.
- (e) Certified Transcript – A copy of the Provider’s records issued by the Provider and certified by the custodian of the Provider’s records to be a true and correct copy of the Provider’s records evidencing completion of continuing education course(s).
- (f) Control - Is the power to direct or cause the direction of the management and policies of a title agent, whether directly or indirectly. A person is considered to control a title agent structured as an entity, if the person, individually or acting with others, directly or indirectly:
 - (1) holds the power or right to vote, owns, or controls, or holds proxies representing, at least 10 percent of the voting stock or voting rights of the entity;

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(2) or through any other right or power exercises rights in the management, direction, or conduct of the day to day operations of the title agent.

(g) Entity - Shall mean an entity registered with the Office of the Texas Secretary of State in accordance with the Texas Business Organizations Code. The term shall include only those organizational types authorized to engage in the business of title insurance in the State of Texas.

3. Applicability of Requirements.

(a) Title insurance agents licensed under Chapter 2651 of the Insurance Code and escrow officers licensed under Chapter 2652 of the Insurance Code shall complete the required number of hours of continuing education set forth in subparagraph (c) below for each reporting period, unless otherwise exempt. Of the Total Required Hours, the specified number must be for accredited Ethics courses.

(b) The reporting period is from the issue date or last renewal date of the license to the expiration date.

(c) A Licensee subject to renewal shall complete continuing education on a prorated schedule for each reporting period. The number of required credit hours shall be based upon the reporting period from the issue date of the original license or the most recent renewal date: In accordance with the following schedule for all licenses renewing on or after September 31, 2013.

LICENSE PERIOD	Total Required HOURS	Ethics
Less than 4 months	0	0
4 months up to and including 6 months	4	0
7 months up to and including 9 months	5	0
10 months up to and including 12 months	6	1
13 months up to and including 15 months	7	1
16 months up to and including 18 months	8	1
19 months up to and including 21 months	9	1
22 months or more	10	1

(INCREMENTS ARE IN FULL MONTHS - DO NOT COUNT PARTIAL MONTHS)

4. Exemption From Continuing Education.

(a) The continuing education requirement shall not apply to title insurance agents and escrow officers who meet the criteria of illness, medical disability or circumstances beyond the control of the licensee.

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- (b) A licensee shall apply for an exemption from or an extension of time for meeting the continuing education requirements by completing an application form obtained from the Department and submitting all requested documents and information. The form must be received within the reporting period for which it applies and shall include at least the following:
- (1) Statement of the exact nature of the illness, medical disability or other extenuating circumstances beyond the control of the licensee.
 - (2) Evidence in the form of medical reports from attending physician(s) and insurance claims regarding the illness or medical disability of the licensee, or evidence of insurance claims and/or other documentation as determined regarding circumstances beyond the control of the licensee.
 - (3) Assessment of the condition of the licensee whether it is temporary, permanent or unknown.
 - (4) Statement as to whether the licensee will or will not be able to perform activities including any acts of a title agent or escrow officer.
 - (5) Estimated date when the licensee will be able to perform any activities including any acts of a title agent or escrow officer in accordance with the medical reports or other documents pertaining to circumstances beyond the control of the licensee.
 - (6) Any other information that may be requested by the Department.

5. Course Criteria.

- (a) The purpose of continuing education is to increase the licensee's professional competence with regard to title insurance coverage which can be used to assist customers in making informed decisions regarding their title insurance needs.
- (b) The course shall have a stated purpose that reflects the goal(s) or the overall intent of the course.
- (c) The course shall have specific written learning objectives which support the achievement of the purpose statement of the course. The learning objectives are the desired outcomes for the learning process and identify the knowledge, skills, or attitudes the licensee is expected to obtain.
- (d) The course shall have a method of evaluation which measures how effectively the course meets its objectives.
- (e) Persons conducting a course should be knowledgeable and well versed on the topic(s) and

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be able to conduct/instruct a class and provide appropriate feedback on questions.

- (f) The course content must be designed to increase the licensee's knowledge and understanding of one or more of the following: title insurance principles and coverages; applicable laws, land title search or examination; mortgage lending; closing transactions; rules and regulations promulgated by the commissioner; recent and prospective changes in coverages, law, regulations, and practices; management of the licensee's insurance business; ethical conduct; or duties and responsibilities of the title insurance agent or escrow officer.
- (g) A State Bar of Texas course is acceptable as an approved course as long as the course includes material pertaining to the business of title insurance, real property, surveys, mortgage lending, ethical conduct or transfer of land titles.
- (h) Courses to meet the Ethics requirement must be accredited by either the State Bar of Texas or the Department for Ethics Credit.
- (i) Each course must be reviewed every two years by the provider and updated to remain relevant to the professional development of a licensee.

6. Types of Courses. Continuing education courses shall consist of two types:

- (a) **Classroom Courses.** This type of course includes any type of continuing educational activity that involves viewing or listening to live presentations or prerecorded media in which attendance may be in person, by electronic means or through such means as may be developed through advanced technology. This type of course must include a component that has a means to reasonably authenticate the student's identity and attendance. Classroom courses include any type of activity that is considered an 'Accredited CLE Activity' as that term is presently defined under the State Bar of Texas MCLE Regulations and Accreditation Standards.
- (b) **Self-study Courses.** This type of course includes textbook, audio, video, computer based instruction, or any combination of these in an independent study setting with some measurement of completion of the objective of the course.

7. Hours of Credit. Each provider must complete and submit a New Provider Application. The provider must complete and submit a Course Application for each course. Credit hours for continuing education courses are determined by the methods set forth in paragraphs (a)-(i) of this subsection.

- (a) Credit for classroom courses is determined by the number of minutes of actual instruction time divided by 60. Actual instruction time is considered the amount of time devoted to the actual instruction/reading of the topic, and does not include breaks, lunch or dinner, introductions of speakers, instructions, etc. No more than 10 hours of credit shall be recognized for any one course.

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- (b) Credit for independent self-study courses shall be calculated by using a total of 2600 words as equal to one credit hour. Total words of a text divided by 2600 words will equal the course credit hours. No more than 4 hours of credit shall be recognized for any one course.
- (c) Credit for applicable State Bar of Texas courses is determined by the number of credit hours approved by the State Bar of Texas, but only those hours which pertain to title insurance, real property, surveys, mortgage lending, ethical conduct or transfer of land titles. No more than 10 hours of credit shall be recognized for any one course. No self-study hours approved by the State Bar of Texas will be accepted.
- (d) Credit for accredited college or university courses is determined by the number of semester hours approved for the course by the college or university, but only those hours which pertain to title insurance, real property, surveys, mortgage lending, ethical conduct or transfer of land titles. Each semester hour will be equal to 8 credit hours.
- (e) Credit for title insurance agents or escrow officers who teach a qualified continuing education course or a portion of a course is determined by the number of hours of course instruction or by the number of hours assigned to the full course whichever is applicable plus the actual hours of preparation for teaching the course reported by the teacher to the provider. The provider of the course is responsible for issuing a letter of certification reflecting the number of credit hours of preparation and the number of credit hours that the individual taught.
- (f) Credit for any course may be issued for less than the number of hours the course was assigned (i) to an instructor teaching a portion of the course who does not attend the full course and (ii) to a licensee for attending only a portion of the course. Providers must certify the actual number of hours taught or attended on the certificates of completion or the certified transcripts it issues to teachers or licensees.
- (g) Credit for completing the same continuing education course more than once within the same reporting period shall not be granted for compliance with the continuing education requirement. Credit for teaching the same continuing education course more than once within a three-month period shall not be granted for compliance with the continuing education requirement.
- (h) The licensee shall report to the Department on the license renewal form the course title or course number and the number of credit hours of certified continuing education courses claimed by the licensee for all license renewals.
- (i) An approved provider may request that a certified course be assigned to another provider by completing and submitting a Course Assignment Agreement to the Department.

8. Course Requirements for Successful Completion.

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- (a) Providers must use attendance rosters or an assessment measurement to certify completion of all or a portion of a classroom continuing education course. Attendance of at least 90% of the course is required to complete the entire course when using attendance rosters. Attendance of at least fifty-five (55) minutes of each hour claimed for a portion of a course is required for each hour of credit issued to a licensee attending only a portion of the course. A means to ensure that the licensee attended the full or at least 90% of the course or the requisite number of minutes for a portion of the course claimed for credit must be established.
- (b) Providers must use a written examination to evaluate the licensee's competency and the effectiveness of the self-study courses. Written examinations shall meet the criteria set forth in paragraphs (1) - (7) of this subsection.
 - (1) Final examination questions shall not be the same or substantially the same questions the licensee previously encountered in the course materials or review exams.
 - (2) Security measures shall be in place to maintain the security and integrity of the examination and ensure that the enrolled licensee is the individual who took the examination.
 - (3) Answers to the examination shall not be given to the licensees at any time before, during or after the course.
 - (4) Examinations shall be graded by an authorized staff member.
 - (5) Licensees shall be allowed to retake an examination if a 70% passing score is not achieved. The retest shall consist of an alternate examination consisting of different questions from the original examination.
 - (6) Final examinations shall consist of three exams which are distributed alternatively to enrollees of the course, and are revised/updated every two years by the provider consistent with the course update/revision.
 - (7) The final examination shall be a comprehensive examination of the course and thoroughly test the licensee's knowledge of the content of the course.
- (c) Providers must issue certificates of completion or a certified transcript to licensees who successfully complete all or a portion of a certified course. The certificate must be issued in a manner which will ensure that the person receiving the certificate is the licensee who took the course, be issued within a reasonable period of time, and be completed to reflect the date the licensee took the course/examination. Information on the certificate of completion can be duplicated from a form obtained from the Department. A certificate of completion or a certified transcript is valid to renew multiple licenses issued under Chapter 2651 and Chapter 2652 of the Insurance Code, if such completion occurred

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within the renewal period of each license.

9. Course Certification.

- (a) Providers of courses must certify each continuing education course with the Department prior to offering the course using a certification form obtained from the Department. All courses filed with the Department for certification shall be deemed approved unless the Continuing Education Coordinator notifies the provider of disapproval of certification within 30 days of the date on which the certification is filed.
- (b) Courses from the State Bar of Texas must be certified with the Department to recognize the number of credit hours approved for the course.
- (c) Providers must certify within 150 days from the effective date of this rule on a form obtained from the Department that each course offered for continuing education credit meets these requirements.
- (d) Providers must notify the Department when a course is discontinued or no longer active, and when there is a change in the provider's name, address or telephone number in order for the Department to maintain an up-to-date registry of courses and to prepare, if courses are to be available to the public, a list of such courses upon request.

10. Obtain Forms. Application forms for exemption, provider and course certification forms, certificate of completion forms, and the list of courses can be obtained from the Texas Department of Insurance, Continuing Education Coordinator, Title Licensing Program, 333 Guadalupe, P.O. Box 149104, Austin, Texas 78714-9104.

11. Appeals. A decision of the Continuing Education Coordinator to deny an application for an exemption from or extension of time for meeting continuing education requirements or a decision disapproving certification of a continuing education course may be appealed to the Manager of the Title Licensing Program, who shall decide the appeal within 30 days following the filing of the appeal. The Manager's decision may be appealed to the Commissioner.

12. Licensee Compliance.

- (a) Licensees may choose courses from any of the courses approved for their type of license which are certified with the Department to meet their continuing education compliance requirements.
- (b) Title insurance agents and escrow officers shall attach copies of completion certificates as part of the license renewal or submit certified transcripts. Each licensee must maintain evidence of course completion for each course for the current and next preceding renewal period which generally consists of four years.

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- (c) Evidence of compliance is a certificate of completion or a certified transcript from a provider of the course which has been successfully completed.

13. Audit of Continuing Education Records.

- (a) All continuing education records and evidence of continuing education compliance of licensees must be maintained for a minimum period of four years and are subject to the review of the Department at any time. Accuracy of a licensee's records is subject to verification at any time.
- (b) All continuing education records, course rosters, and all other course materials of providers must be maintained for at least four years and are subject to the review of the Department at any time.
- (c) If continuing education records are audited or reviewed and the validity or completeness of same are questioned, the licensee or provider shall have 30 days to correct discrepancies or submit new documentation.

14. Failure to Comply.

- (a) Failure to comply with the continuing education requirements in the absence of a valid exemption, or falsification of records of compliance by the licensee is subject to disciplinary action after notice and hearing. Disciplinary action may include a fine, suspension, revocation or cancellation of license in accordance with the Insurance Code, Chapter 82 and any other applicable laws or statutes.
- (b) Failure to comply with the rules or falsification of any records by the provider may subject the courses of the provider to be removed from the list of certified courses.
- (c) Continuing education requirements must be completed by the licensee's renewal date. If continuing education requirements are not met by the renewal date, the license will not be renewed. The 90-day late renewal filing period cannot be used to complete continuing education requirements.

B. Provisions Pertaining to Professional Training Program for Title Agent Management Personnel

- 1. Definition of Management Personnel** – All personnel identified in an Application for Texas Title Insurance Agent's License (Form FINT143) as follows:
 - (a) Sole Proprietorship – Sole Proprietor and any individual(s) identified as designated manager(s)
 - (b) Partnership – Individual partners and any individual(s) identified as designated manager(s). If an entity is designated as a partner, then any as indicated in item (c)

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below.

(c) Entity – each officer, director, partner, manager, designated manager who will administer the entity’s day to day operations in this state; each shareholder who is in control of or has the right or ability to control the entity; if a shareholder is an entity, each individual who is in control of the parent entity and who will administer the day to day operations of the parent entity in this state.

(d) For the purposes of this subsection the term “control” and “entity” shall be defined in accordance with Procedural Rule P-28 A.2.

2. Notification to Department of Management Personnel In an Application for Texas Title Agent’s License. A corporation or partnership shall file in the Application for Texas Title Insurance Agent’s License (Form FINT143) biographical information for:

(a) each executive officer, director, or partner who will administer the entity's day to day operations in this state;

(b) each shareholder who is in control of the corporation or partner who has the right or ability to control the partnership; and

(c) if the corporation or partnership is owned, in whole or in part, by another entity, each individual who is in control of the parent entity, and who will administer the day to day operations of the parent entity in this state.

(d) For the purposes of this subsection the term “control” shall be defined in accordance with Procedural Rule P-28 A.2.

3. Applicability of Requirements. Except as provided in subsection B.3 of this procedural rule, an individual who is designated in an Application for Texas Title Insurance Agent’s License (Form FINT143) to hold a management position for the entity that is applying for the title agent license must complete a professional training course for title agent management personnel that meets the requirements of this procedural rule, within 12 months immediately preceding the date of filing of the license application. This subsection is applicable only to individuals designated in an application for a title agent license that is complete after September 31, 2013.

4. Exemption from Professional Program. An individual is exempt from the professional training requirements of subsection B of this procedural rule if the individual has held in this state for at least five years a position as management personnel with a title insurance agent, or a comparable position.

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5. Standards for Professional Training Program for Title Agent Management Personnel. The course shall:

- (a) be submitted to the Department for certification in compliance with subsection A.9 of this procedural rule (pertaining to Course Certification);
- (b) be at least eight hours in length; and
- (c) cover the subjects described in subsection B.8 of this procedural rule.

6. Continuing Education Credit. Licensees may count a professional training course for title agent management personnel toward completion of the continuing education requirements prescribed in subsection A.3 of this procedural rule (pertaining to Applicability of Requirements).

7. Proof of Course Completion. All individuals who are defined as management personnel in subsection B.1 of this procedural rule and not exempt under the provisions of subsection B.3 of this procedural rule shall maintain proof of completion of a professional training course for title agent management personnel for a period of four years from the date of completion of the course. Upon request, the individual shall provide proof of completion of the professional training course for title agent management personnel to the Department.

8. Completion Certificate. A provider issued completion certificate or a certified transcript for a professional training course for title agent management personnel must comply with the requirements of subsection A.8 of this procedural rule (pertaining to Course Requirements for Successful Completion).

9. Course Subjects. The subjects for a title agent management personnel professional training course outline must include topics that address:

- (a) the basic principles and coverages related to title insurance;
- (b) recent and prospective changes in those principles and coverages;
- (c) applicable rules and laws;
- (d) proper conduct, including ethical conduct, of the license holder's title insurance business;
- (e) accounting principles and practices and financial responsibilities and practices relevant to title insurance; and
- (f) the duties and responsibilities of a title insurance agent.

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10. Provider Requirements. Course providers must meet all of the requirements for providers set forth in Procedural Rule P-28 before offering a professional training course for title agent management personnel to licensees or management personnel.

Exhibit 2012-89
Form T-3, Endorsement Instructions

T-3 ENDORSEMENT INSTRUCTIONS

I. USE TO EXTEND LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN.

When the Company is called upon to extend the expiration date of a Loan Title Policy Binder on Interim Construction Loan, and after complying with Rules R-13 and P-16, it shall issue the T-3 Endorsement inserting therein:

“The expiration date of said Interim Construction Binder is extended for a period of six months from the expiration date of the original Binder, or the expiration date of the last T-3 Endorsement extending said Binder; but in no event beyond thirty-six months from the expiration date of the Binder.”

II. USE UPON COMPLETION OF IMPROVEMENTS.

Upon the completion of improvements and after compliance with Procedural Rule P-8.a.(2) or b.(2), Procedural Rule P-50, and Rate Rules R-16 and R-29, if applicable, the following language may be inserted into the T-3 Endorsement:

A. In Owner’s Policies - Rule P-8.a.(2) and R-16

“1. Exceptions No. _____ in said Owner’s Policy are hereby deleted.”

2. Only in the event there is a specific request that the exception as to area and boundaries, etc. be amended and when a current, acceptable survey, showing all completed improvements, is furnished to the Company, the following language contained in the applicable subdivision below may be inserted and shown as No. 2 of the T-3 Endorsement form. In the event no amendment is to take place, No. 2 should read “Survey coverage not requested.” The types of exception and the correct wording to be inserted are as follows:

(a) Area and boundaries exception previously amended -

“The company affirms the amendment of the exception as to area and boundaries of the above numbered policy, such amendment to be effective as of the date of this Endorsement.”

(b) Area and boundaries exception NOT previously amended -

“Exception as to area and boundaries of the above numbered policy is hereby eliminated save and except any shortages in area.”

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(c) In the event a review of the survey shows additional matters to be excepted from coverage –

“The following exceptions are added to Schedule B of the policy: (List specific exceptions regarding matters shown by the survey).”

3. Only in the event there is a specific request that the T-19.1 Endorsement be issued and when the Company’s underwriting requirements have been met, the following language contained in the applicable subdivision below may be inserted and shown as No. 3 of the T-3 Endorsement form. In the event the endorsement is not to be issued or the coverage affirmed, No. 3 should read “T-19.1 not requested.” The correct wording to be inserted is as follows:

(a) T-19.1 Endorsement previously issued -

"The company affirms the coverage provided in the T-19.1 Endorsement issued in connection with the above numbered policy, such coverage to be effective as of the date of this Endorsement."

“The following subparagraph(s) of this endorsement are deleted:

_____”

(b) T-19.1 Endorsement NOT previously issued –

"T-19.1 Endorsement in the form attached hereto is made a part of the above numbered policy.”

“The following subparagraph(s) of this endorsement are deleted:

_____”

B. In Loan Policies - Rule P-8.b.(2)

“1. Exception No. _____ of Schedule B and the Pending Disbursement Clause in said policy are hereby deleted.”

“2. Said policy is hereby amended so that its coverage as to all loss or damage against mechanics’ and materialmen’s liens shall relate to the date of this Endorsement instead of the date of said policy.”

3. Only in the event there is a specific request that the exception as to area and boundaries, etc., be amended and when a current, acceptable survey, showing all completed improvements is furnished to the Company, the following language

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contained in the applicable subdivision below may be inserted and shown as No. 3 of the T-3 Endorsement form. In the event no amendment is to take place, No. 3 should read "No survey coverage requested." The types of exceptions and the correct wording to be inserted are as follows:

(a) Area and boundaries exception previously amended -

"The Company affirms the amendment of the exception as to area and boundaries of the above numbered policy, such amendment to be effective as of the date of this Endorsement."

(b) Area and boundaries exception NOT previously amended -

"Exception as to area and boundaries of the above numbered policy is hereby eliminated save and except any shortages in the area."

(c) In the event a review of the survey shows additional matters to be excepted from coverage -

"The following exceptions are added to Schedule B of the policy: (List specific exceptions regarding matters shown by the survey)."

4. Only in the event there is a specific request that the T-19 Endorsement be issued and when the Company's underwriting requirements have been met, the following language contained in the applicable subdivision below may be inserted and shown as No. 4 of the T-3 Endorsement form. In the event the endorsement is not to be issued or the coverage affirmed, No. 4 should read "T-19 not requested." The correct wording to be inserted is as follows:

(a) T-19 Endorsement previously issued -

"The company affirms the coverage provided in the T-19 Endorsement issued in connection with the above numbered policy, such coverage to be effective as of the date of this Endorsement."

"The following subparagraph(s) of this endorsement are deleted:

_____”

(b) T-19 Endorsement NOT previously issued -

"T-19 Endorsement in the form attached hereto is made a part of the above numbered policy."

"The following subparagraph(s) of this endorsement are deleted:

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Form T-3, Endorsement Instructions

”

III. USE UPON ASSIGNMENT OF LIEN.

When a lien is assigned, and upon compliance with Rules P-9.b.(1) or P-9.b.(2) and R-11, the Company may issue the T-3 Endorsement by inserting therein:

“Said Loan Policy is hereby amended to name as the Insured:
_____. The lien described in Schedule A of said policy has been assigned to said named Insured by assignment dated _____ and recorded in the Office of the County Clerk of _____ County, Texas (here insert clerk’s file number or book and page of recording), and Schedule A of said policy is hereby amended to cover said assignment, and it is expressly stated that the effective date of said policy is changed to the date of this Endorsement.”

“As of the date of this Endorsement, Company insures the insured against loss, if any, sustained by the insured under the terms of the policy if said lien is not a valid lien against the property described in Schedule A of said policy, subject to the matters set forth in Schedule B, the terms and provisions of said policy and the following:”

(Here insert any exception necessary by reason of matters arising since the date of the Policy)

“The Company insures that all standby fees, taxes and assessments by any taxing authority against the property described in Schedule A of said policy have been paid up to and including the year _____ except subsequent taxes and assessments for prior years due to change in land usage or ownership, and except: (specify or delete the immediately preceding words “and except.”)”

“This endorsement does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses, by reason of any claim that arises out of the transaction creating the assignment by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws that is based on:

1. the assignment being deemed a fraudulent conveyance or fraudulent transfer; or
2. the assignment being deemed a preferential transfer.”

“This endorsement shall be effective provided that, at Date of Endorsement:

1. the note or notes secured by the lien of the Insured Mortgage have been properly endorsed and delivered to the Assignee, or
2. if the note or notes are transferable records, the Assignee has "control" of the single authoritative copy of each "transferable record" as these terms are defined by applicable electronic transaction laws.”

Exhibit 2012-89
Form T-3, Endorsement Instructions

IV. CORRECTION OF POLICY OR BINDER.

The use of Endorsement T-3 in the Basic Manual is permitted for the purpose of stating a correction in the policy or binder as to typographical error, omission or addition of materials relating to facts that existed at date of issue that clearly does not change the policy or binder as to any facts existing after date of issue nor extend its coverage beyond the point that should have been covered by the proper issue of a policy or binder.

**V. USE ONLY IN CONNECTION WITH INTERIM CONSTRUCTION ADVANCES
SUBSEQUENT TO ISSUANCE OF FORM T-2 LOAN TITLE POLICY.**

When a Company is called upon to endorse a Loan Title Policy at the time of periodic construction advances in the same transaction, and upon compliance with Rule P-9.b.(4), said Company may issue the T-3 Endorsement by inserting the following applicable provisions therein:

- (A) Said policy is hereby amended so that its coverage shall relate to the date of this Endorsement instead of the date of the policy, subject to:
1. The exceptions shown in Schedule B of said policy and in any prior Endorsement to said policy,
 2. Matters which would be shown by a correct survey and inspection of the premises subsequent to the date of said policy,
 3. Any and all liens arising by reason of unpaid bills or claims for work performed or material furnished in connection with the improvements being placed upon the subject land: The Company does, however, insure against loss, if any, sustained by the insured under the terms of the policy, if any such liens have been filed with the County Clerk of the County in which such property is located prior to the date of this Endorsement, except those liens set forth in Schedule B of said policy or in any prior Endorsement to said policy, and except: (Specify or delete immediately preceding words "and except".),
 4. The following additions to Schedule B of said policy: (Specify or delete this paragraph and include as exceptions only those additional matters which the Company has determined are superior to the lien described in Schedule A, Item 4, of said policy.),
 5. The following matters which affect the title to the estate or interest in the land described or referred to in Schedule A of said policy, but Company insures the insured against loss, if any, sustained by the insured under the terms of the policy if such matters are not subordinate to the lien described in Schedule A, Item 4, of said policy: (Specify or delete this paragraph).

Exhibit 2012-89
Form T-3, Endorsement Instructions

(B) The coverage under said policy as of the date hereof is \$_____.

VI. USE TO AMEND EXCEPTION AS TO AREA AND BOUNDARIES, ETC.

When the Company has determined to amend the printed exception as to area and boundaries, etc., to eliminate all save and except to shortages in area (or show same on a Commitment for Title Insurance), and when there is compliance with Rules P-2 and R-16, it shall issue the T-3 Endorsement, inserting therein:

“Paragraph 2 of Schedule B of said Policy is amended to read as follows:

2. Any shortages in area.”

VII. USE ONLY IN CONNECTION WITH INTERIM CONSTRUCTION ADVANCES SUBSEQUENT TO ISSUANCE OF FORM T-13 LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN.

When a Company is called upon to endorse a Loan Title Policy Binder on Interim Construction Loan at the time of periodic construction advances in the same transaction, and upon compliance with Rule P-9.b.(4), said Company may issue the T-3 Endorsement by inserting the following applicable provisions therein:

Said Binder is hereby amended so that the date and time set forth in the first paragraph thereof shall be the _____day of _____, ____, at _____ o'clock ____M., subject to:

1. The exceptions shown in Schedule B of said Binder and in any prior Endorsement to said Binder,
2. Matters which would be shown by a correct survey and inspection of the premises subsequent to the date of said Binder,
3. The following additions to Schedule B-Part 1 of said Binder: (Specify or delete this paragraph and include as exceptions only those additional matters which the Company has determined are superior to the lien described in Schedule A of said Binder.),
4. The following additions to Schedule B-Part 2 of said Binder (which affect the title to the estate or interests in the land described or referred to in Schedule A of said Binder, but Company agrees to insure the insured against loss, if any, sustained by the insured under the terms of the Policy to be issued if such matters are not subordinate to the lien described in Schedule A of said Binder): (Specify or delete this paragraph.).

“Notwithstanding the limitation in paragraph 4 of Schedule B-Part 1 of said Binder, the Company insures that no such liens have been filed with the County Clerk of the county in which such property is located prior to the date of this Endorsement except those liens set forth in Schedule B of said Binder or in any prior Endorsement to said Binder, and except: (Specify or insert "None" if applicable.)”

Exhibit 2012-89
Form T-3, Endorsement Instructions

**VIII. USE ONLY IN CONNECTION WITH INCREASE IN COVERAGE
SUBSEQUENT TO ISSUANCE OF FORM T-1 OWNER'S TITLE POLICY OR
FORM T-1R TEXAS RESIDENTIAL OWNER'S POLICY IN THE MANNER
PROVIDED IN RULE P-8.a.**

When a Company is called upon to endorse its Owner's Title Policy to evidence increase in coverage thereunder, and upon compliance with Rule P-9.a.(3), said Company may issue the T-3 Endorsement by inserting the following applicable provisions therein:

(A) Said Policy is hereby amended so that its coverage shall relate to the date of this Endorsement instead of the date of the Policy, subject to:

1. The exceptions shown in Schedule B of said Policy and in any prior Endorsement to said Policy,
2. Matters which would be shown by a correct survey and inspection of the premises subsequent to the date of said Policy,
3. Any and all liens arising by reason of unpaid bills or claims for work performed or material furnished in connection with the improvements being placed upon the subject land. The Company does, however, insure the insured against loss, if any, sustained by the insured under the terms of the policy, if any such liens have been filed with the County Clerk of the County in which such property is located prior to the date of this Endorsement except those liens set forth in Schedule B of said Policy or in any prior Endorsement to said Policy, and except: (Specify or delete the words "and except" immediately preceding.),
4. The following additions to Schedule B of said Policy: (Specify or delete this paragraph.).

(B) The coverage under said Policy as of the date hereof is \$_____.

Exhibit 2012-90
Texas Title Insurance Statistical Plan

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Exhibit 2012-90
Texas Title Insurance Statistical Plan

INTRODUCTION

The Texas Title Insurance Statistical Plan consists of six reporting schedules:

- Schedule S-1: A Transaction Report, which summarizes the revenues generated by each type of policy.
- Schedule S-2: A Reconciliation Report, which compares the revenues reported through the Statistical Plan with those reported through the Texas Title Insurance Income Exhibit.
- Schedule S-3: A Liability Distribution Report, which presents the distribution of numbers of policies written and total revenue raised according to the liability assumed in the underlying transaction.
- Schedule S-4: An Endorsement Report, which summarizes the revenues generated through each endorsement.
- Schedule S-5: A Special Charges and Credits Report, which gives an overview of the revenue impact of each special charge or credit.
- Schedule S-6: A Co-Insurance Report, which lists, for each risk co-insured by the reporting company, the transaction code, the name of each co-insuring company, the policy number of each co-insuring company, the liability assumed by each co-insuring company and the total liability assumed by all co-insuring companies.

In order to complete these reporting schedules, underwriting companies will maintain a Basic Statistical Record (BSR) for each Texas transaction, and will develop procedures for summarization of the BSR's according to the formats of Schedules S-1 through S-6.

The data items included in a BSR are set forth in Table 1. Standard Texas codes for Transaction Type (BSR data item #4), Special Charge and Credit Types (BSR item #8), Endorsement Types (BSR item #10), and County of Property (BSR item #14 are presented in Tables 2 through 7. Numbers in square brackets ([]) on the Reporting Schedules refer to BSR data item #'s.

Co-insurance transactions included on schedules S-1 through S-5 should reflect experience of the reporting company only. A co-insurance policy is considered to be one transaction.

SCHEDULE S-2

Company _____

Experience Period _____

RECONCILIATION REPORT

1.	Gross Revenue per Statistical Plan ([7] + [9] + [11])	
2.	Adjustments (itemize)	
3.	Gross Revenue per Texas Title Insurance Income Exhibit (sum of line 7 column G and line 20, columns A, B, and D)	

SCHEDULE S-3

Company _____

Experience Period _____

LIABILITY DISTRIBUTION REPORT

Note: Prepare a separate sheet for each transaction type and one sheet for all transaction types combined.

Transaction Type _____

Liability Range (\$000) [5]			
More Than	But No More Than	Number of Transactions	Gross Revenue Excluding Special Charges and Credits And Endorsements [7]
	0		
0 -	4.5		
4.5 -	10		
10 -	20		
20 -	30		
30 -	40		
40 -	50		
50 -	60		
60 -	70		
70 -	80		
80 -	90		
90 -	100		
100 -	200		
200 -	300		
300 -	400		
400 -	500		
500 -	1,000		
1,000 -	2,000		
2,000 -	3,000		
3,000 -	4,000		
4,000 -	5,000		
5,000 -	15,000		
15,000 -	25,000		
25,000 -	50,000		
50,000 -	75,000		
75,000 -	100,000		

Over 100,000		
ALL		

SCHEDULE S-5

Company _____

Experience Period _____

SPECIAL CHARGES AND CREDITS REPORT

Special Charge Type [8]	Number of Charges	Revenue Received [9]
TOTAL		

Special Credit Type [8]	Number of Credits	Revenue Foregone [9]
TOTAL		

TABLE 1

Minimum Acceptable Content of Basic Statistical Record

1. Transaction Identifier

For the case of insurance policies, use your internal policy number; for other transactions, use the title order number or any other equivalent notation sufficient to identify this transaction to your files.

2. Date of income recognition

3. Effective Date of Liability

4. Transaction Type

The transaction type designation must contain sufficient information to differentiate among different rates charged. Standard transaction codes for Texas operations are set forth in Table 2 *and Standard Personal Property Title Insurance Transaction codes for Texas Operations are set forth in Table 6*. Companies electing to use different codes for their internal purposes must convert them to this format for purposes of Statistical Plan reporting.

5. Total Liability

6. Amount of Liability on which rate other than basic rate charged (e.g., prior indebtedness on mortgage extensions)

7. Gross rate charged (**excluding special charges or credits and endorsements**)

8. Special charge or credit type (repeat as needed)

- The Basic Statistical Record must record each special charge or credit separately. The special charge or credit type designation must contain sufficient information to identify all distinct charge and credit types. Standard codes for Texas operations are set forth in Table 3.
- The Basic Statistical Record must record each policy, endorsement, or discount separately, relative to Personal Property Title Insurance Transactions. Standard Codes for Texas operations are set forth in Table 6.

9. Special charge or credit amount (repeat as needed)

10. Endorsement Type (repeat as needed)

- The Basic Statistical Record must record each endorsement separately, whether the modification of coverage is by an endorsement form attached to the policy or by a change on, or deletion in, the policy itself. Standard codes for Texas operations are set forth in Table 4.
- The Basic Statistical Record must record each policy, endorsement, or discount separately, relative to Personal Property Title Insurance Transactions. Standard Codes for Texas operations are set forth in Table 6.

11. Endorsement charge (repeat as needed)
12. Standard Insured Closing Service type
The Basic Statistical Record must record each Insured Closing Service letter separately with sufficient information to identify the type of Insured Closing Service letter issued. (i.e. Lender or Purchaser/Seller) Standard codes for Texas operations are set forth in Table 5 and Table 6.
13. State of property
14. County of Property
Standard county codes for Texas operations are set forth in Table 7.
15. Mode of issue
Transactions must be classified into one of the following five categories as to the source of business:
 - a. Through a direct operation of the underwriter;
 - b. Through an owned or controlled agent or underwritten company;
 - c. Through an independent non-attorney agent or underwritten company;
 - d. Through an independent attorney agent;
 - e. Through an approved attorney.
16. Agent's or underwritten company's commission/retention amount
17. On Co-insurance policies:
 - (a) Name of each co-insuring company
 - (b) Policy number of each co-insuring company
 - (c) Liability assumed by each co-insuring company.

TABLE 2

Standard Transaction Codes for Texas Operations

Description of Transaction	Rate Rule Reference	Code	Change Number
<i>Owner's Policies</i>			
Single Issue	R-1	1000	1
Single Owner's Policy for Separate Purchases	R-3b	1001	2
Single Issue Pay-As-You-Go	R-2c	1005	
Single Issue with Subsequent Improvements or Multiple Owner's Policies surrendered with Single Issue with Subsequent Improvements	R-3a	1100	3(a)
Single Issue Following Construction in excess of \$5,000,000	R-20	1190	3(c)
Single Issue U.S.A. (Forms T-6 or T-9)	R-17	7000	
Single Issue U.S.A. (Form T-11)	R-17	7050	4
Single Owner's Policy for Separate Purchases Simultaneous with Loan Policy	R-3b	1002	5
Simultaneous with Loan Policy	R-5a	1200	
Simultaneous with Loan that Exceeds Owner's	R-5b	1201	6
Simultaneous with Pay-As-You-Go Loan	R-5e	1205	7
Simultaneous with Pay-As-You-Go Loan – Owner's Exceeds Loan	R-5e	1215	8
Simultaneous with Loan with Credit for Previous Owner's Policy or Policies (Owner's Policy issued per P-8a)	R-5c R-5d	1230	9, 10
Owner's Policy Simultaneous with Loan with Credit for Previous Owner's Policy or Policies (Owner's Policy issued without P-8a)	R-5d	1231	11
Simultaneous with Grantor's	R-21	1250	12
Simultaneous with Loan Following Construction in excess of \$5,000,000	R-20	1290	13
Subsequent to Interim Construction Loan Binder	R-13B(2)	0040	14
Leasehold (Single Issue)	R-1	1300	15
Leasehold Simultaneous with Owner's Policy	R-22	1350	
Leasehold Pay As-You-Go (Single Issue)	R-2c	1305	
Leasehold (Simultaneous Issue)	R-5a	1400	
Leasehold Pay-As-You-Go (Simultaneous Issue)	R-5e	1405	16
Leasehold (Simultaneous Issue) Loan Exceeds Owner's	R-5b	1500	17
Leasehold Pay-As-You-Go (Simultaneous Issue) Loan Exceeds Owner's	R-5e	1505	18

TABLE 2 (Continued)

Standard Transaction Codes for Texas Operations

Description of Transaction	Rate Rule Reference	Code	Change Number
<i>Loan Policies</i>			
Single issue	R-1	3000	19
Single Issue (Previously issued variable rate mortgagee or loan policy)	R-4	3001	20
Single Issue Pay-As-You-Go	R-2a	3005	
Single Issue Construction Loan	R-1	3010	21
Single Issue Refinance of Construction Loan	R-18	3011	22
First Lien Policy – Simultaneous with Subordinate Lien Policy(ies)	R-7	3200	
Simultaneous with Owner’s Policy	R-5a	3210	
Simultaneous with Owner’s Policy Pay-As-You-Go	R-5e	3215	23
Simultaneous with First Lien Policy	R-7	3220	
Simultaneous with Owner’s Policy when Loan Policy Exceeds Owner’s	R-5b	3250	24, 25
Simultaneous with Owner’s that Exceeds Loan (Pay-As-You-Go)	R-5e	3255	26, 27
Simultaneous with Owner’s with Credit for Previous Owner’s Policy or Policies	R-5c R-5d	3280	28, 29
Simultaneous with Owner’s Following Construction in excess of \$5,000,000	R-20	3290	30
Limited Pre-Foreclosure Policy (T-98)	R-26	3295	
Limited Coverage Junior Loan Policy (T-44)	R-27a	3297	31
Leasehold (Single Issue)	R-1	3300	32
Leasehold Pay-As-You-Go (Single Issue)	R-2a	3305	
Leasehold (Simultaneous Issue)	R-5a	3320	
Leasehold Pay-As-You-Go (Simultaneous Issue)	R-5e	3325	33
Leasehold (Simultaneous Issue) Loan Exceeds Owner’s	R-5b	3340	34
Leasehold Pay-As-You-Go Simultaneous with Owner’s that Exceeds Loan	R-5e	3345	35
Subsequent to Owner’s Policy Excepting to Lien	R-6a	3230	
Subsequent to Loan Policy	R-6b	3240	
Insolvent Insurer Replacement Policy	R-6c	3241	
Subsequent to Interim Construction Loan Binder	R-13B(1)	0030	36

TABLE 2 (Continued)

Standard Transaction Codes for Texas Operations

Description of Transaction	Rate Rule Reference	Code	Change Number
Refinance of Loan within One Year	R-8a	4001	37
Refinance of Loan within Two Years	R-8a	4002	37
Refinance of Loan within Three Years	R-8b	4003	37
Refinance of Loan within Four Years	R-8c	4004	37
Refinance of Loan within Five Years	R-8d	4005	37
Refinance of Loan within Six Years	R-8e	4006	37
Refinance of Loan within Seven Years	R-8f	4007	37
Texas Limited Coverage Residential Chain of Title Policy Combined Schedule (T-53)	R-35	6000	39, 40
Interim Construction Loan Binder Transactions			44
Note: Moved to Loan Policies section			37
Note: Moved to Owner's Policy section			14
Loan Title Policy Binder on Interim Construction Loan	R-13	8020	
Extension Endorsement	R-13	8021	

TABLE 3

Standard Special Charge and Credit Codes for Texas Operations

Description of Transaction	Rate Rule Reference	Code	Change Number
Charge for Additional Chains of Title	R-9	0010	
Foreclosure Credit	R-14	0020	
Credit for Commitment Premium	R-23	0050	
Commitment to Texas Department of Transportation	R-23	8041	
Commitment Issued to F.D.I.C. and O.T.S.	R-25	8042	1
Credit for Exclusion of or General Exception for Minerals Repealed by HB 2408 effective 01/01/2012	R-36	9001	2(a) 2(b)

TABLE 4

Standard Endorsement Codes for Texas Operations

Description of Endorsement	Rate Rule Reference	Code	Change Number
<i>Endorsements which do not affect amount of Liability stated in policy</i>			
Down Date of Interim Construction Loan Binder (T-3)	R-11c	0100	
Variable Rate Mortgage Endorsement (T-33)	R-11d	0140	
Variable Rate Mortgage Endorsement for which there is no Charge	R-11d	0141	1
Variable Rate Mortgage – Negative Amortization Endorsement (T-33.1)	R-11d	0142	
Variable Rate Mortgage – Negative Amortization Endorsement for which there is no Charge	R-11d	0143	1
Manufactured Housing (T-31)	R-11e	0150	
Supplemental Coverage Manufactured Housing Unit Endorsement for Loan Policy (T-31.1)	R-11e	0151	
Supplemental Coverage Manufactured Housing Unit Endorsement for Owner's Policy (T-31.1)	R-15	0152	
Assignment of Mortgage (T-3)	R-11a	0211	
Partial Release, Modification, etc. (T-38)	R-11b	0311	
Correction - Other than Policy Amount (T-3)	No Charge	0400	
Balloon Mortgage Endorsement, Issued at same as Policy (T-39)	R-11h	0411	
Balloon Mortgage Endorsement, Issued subsequent to Policy (T-39)	R-11h	0412	
Amendment of Survey Exception for T-1 (T-3 or deletion)	R-16(1)	0500	
Amendment of Survey Exception for T-1R (T-3 or deletion)	R-16(2)	0501	
Completion of Improvements (T-3)	No Charge	0550	
U.S.A. Policy Acquisition of Title (T-12)	R-17	0600	
Amendment of Tax Exception (T-30, T-3 or deletion)	R-19	0700	
Not Yet Due and Payable Tax Amendment	R-24	0710	
Future Advance/Revolving Credit (T-35)	R-11f	0800	
EPL Endorsement (T-36)	R-11g	0810	
Leasehold Owner's Policy Endorsement (T-4)	No Charge	0820	
Residential Leasehold Endorsement (T-4R)	No Charge	0821	
Leasehold Loan Policy Endorsement (T-5)	No Charge	0822	
Limited Pre-Foreclosure Policy Down Date Endorsement (T-99)	R-26	0850	
Equity Loan Mortgage Endorsement (T-42)	R-28A	0875	
Supplemental Coverage Equity Loan Mortgage Endorsement (T-42.1)	R-28B	0876	
Texas Reverse Mortgage Endorsement (T-43)	No Charge	0877	
Limited Coverage Junior Loan Home Equity Line of Credit/ Variable Rate (T-46)	R-27d	0878	2
Limited Coverage Junior Loan Down Date (T-45)	R-27c	0879	3

Limited Coverage Junior Loan Additional Coverage (T-3)	R-27b	0880	4
First Loss Endorsement (T-14)	R-11i	0881	

TABLE 4 (Continued)

Loan Policy Aggregation Endorsement (T-16)	R-11j	0883	6
Planned Unit Development Endorsement (T-17)	R-11k	0884	7
Planned Unit Development Endorsement (T-17) issued on two or more policies issued simultaneously on the same land	R-11k	0887	8
Condominium Endorsement (T-28)	R-11l	0888	9
Restrictions, Encroachments, Minerals Endorsement on residential real property (T-19)	R-29A	0885	
Restrictions, Encroachments, Minerals Endorsement on land which is not residential real property (T-19)	R-29B	0886	
Restrictions, Encroachments, Minerals Endorsement - Owner's Policy (T-19.1) on land which is residential property and no amendment of exception to area and boundaries is made	R-29C(1)	0897	10
Restrictions, Encroachments, Minerals Endorsement - Owner's Policy (T-19.1) on land which is residential and an amendment of exception to area and boundaries is made	R-29C(2)	0898	11
Restrictions, Encroachments, Minerals Endorsement - Owner's Policy (T-19.1) on land which is not residential property and no amendment of exception to area and boundaries is made	R-29D(1)	0889	12
Restrictions, Encroachments, Minerals Endorsement - Owner's Policy (T-19.1) on land which is not residential property and an amendment of exception to area and boundaries is made	R-29D(2)	0895	13
Minerals and Surface Damage Endorsement (T-19.2) for Owner's Policy on land which is for one-to-four family residential use of less than one acre or office, industrial, retail, mixed use retail/residential or multifamily purposes	R-29.1A	0801	
Minerals and Surface Damage Endorsement (T-19.2) for Loan Policy on land which is for one-to-four family residential use of less than one acre or office, industrial, retail, mixed use retail/residential or multifamily purposes	R-29.1A	0802	

TABLE 4 (Continued)

Minerals and Surface Damage Endorsement (T-19.3) for Owner's Policy on land which is not for one-to-four family residential use of less than one acre or office, industrial, retail, mixed use retail/residential or multifamily purposes	R-29.1B	0803	
Minerals and Surface Damage Endorsement (T-19.3) for Loan Policy on land which is not for one-to-four family residential use of less than one acre or office, industrial, retail, mixed use retail/residential or multifamily purposes	R-29.1B	0804	
Access Endorsement (T-23)	R-30	0890	
Non-Imputation Endorsement (T-24)	R-31	0891	
Non-Imputation Endorsement (Mezzanine Financing) (T-24.1)	R-31	0805	
Contiguity Endorsement (T-25)	R-32	0892	
Contiguity Endorsement (T-25.1)	R-32	0806	
Additional Insured Endorsement (T-26)	R-33	0893	
Assignment of Rents/Leases (T-27)	R-34	0894	
Co-Insurance Endorsement (T-48)	No Charge	0896	

<i>Endorsements which affect amount of Liability stated in policy</i>			Change Number
Correction of Policy Amount (T-3)	No Charge	0900	
Down Date of Construction Loan Policy (T-3)	R-11c	0920	
Down Date of Owner's Policy During Construction (T-3)	R-15b	0940	14
Owner Policy Increased Value Endorsement (T-34)	R-15a	0960	15

TABLE 5

Standard Insured Closing Service Codes for Texas Operations

Description of Transaction	Rate Rule Reference	Code	Change Number
Lender Insured Closing Service (T-50)	No Charge	5000	
Purchaser/Seller Insured Closing Service (T-51)	No Charge	5005	

TABLE 6***Standard Personal Property Title Insurance Transaction Codes for Texas Operations***

Description of Transaction	Rate Rule Reference	Code	Change Number
Personal Property Title Insurance Owner's Policy (PPT-1)	PPT R-1	2000	
Personal Property Title Insurance Lender's Policy (PPT-2)	PPT R-1	2001	
Aggregation Endorsement (PPT-2.1)	PPT R-2	2002	
Gap Endorsement (PPT-2.2)	PPT R-3	2003	
Increase in Liability Endorsement (PPT-2.3)	PPT R-4	2004	
Datedown Endorsement (PPT-2.4)	PPT R-5	2005	
Change in Location of Debtor Endorsement (PPT-2.5)	PPT R-6	2006	
Mezzanine Endorsement (PPT-2.6)	PPT R-7	2007	
Assignment Endorsement (PPT-2.7)	PPT R-8	2008	
Co-Insurance Endorsement (PPT-1.8/2.8)	PPT R-9	2009	
Personal Property Title Insurance Search Policy (PPT-5)	PPT R-10	2010	
Personal Property Title Insurance Filing Policy (PPT-6)	PPT R-11	2011	
Personal Property Title Insurance Combined Search Policy (PPT-7)	PPT R-12	2012	
Personal Property Title Insurance Lender's Policy (PPT-8)	PPT R-13	2013	
Personal Property Title Insurance Owner's Policy (PPT-9)	PPT R-14	2014	
Seller's Lien Endorsement (PPT-8.1)	PPT R-15	2015	
Tax Lien Endorsement (PPT-8.2)	PPT R-16	2016	
Mezzanine Endorsement (PPT-8.3)	PPT R-17	2017	
Pledged Equity Endorsement (PPT-8.4)	PPT R-18	2018	
Change of Name of Insured Endorsement (PPT-8.5)	PPT R-19	2019	
Lender's Aggregation Endorsement (PPT-8.6)	PPT R-20	2020	
Renewal Endorsement (PPT-8.7)	PPT R-21	2021	
Waiver of Attorney Subrogation Rights Endorsement (PPT-8.8)	PPT R-22	2022	
Springing Control Endorsement (PPT 8.9)	PPT R-23	2023	
Post Policy Tax Lien Endorsement (PPT-8.10)	PPT R-24	2024	
Borrower's Status Endorsement (PPT-8.11)	PPT R-25	2025	
Post Policy Judgment Lien Endorsement (PPT-8.12)	PPT R-26	2026	
Buyer's Aggregation Endorsement (PPT-9.1)	PPT R-27	2027	
Pending Suites and Judgments Endorsement (PPT-9.2)	PPT R-28	2028	
Increase in Tax Lien Coverage Endorsement (PPT-9.3)	PPT R-29	2029	
Owner's Equity Ownership Endorsement (PPT-9.4)	PPT R-30	2030	
Owner's Policy Insuring Clauses Endorsement (PPT-9.5)	PPT R-31	2031	
Personal Property Title Insurance Owner's Policy (PPT-10)	PPT R-32	2032	
Personal Property Title Insurance Lender's Policy (PPT-12)	PPT R-32	2033	
Landlord's Lien Endorsement (PPT-12.1)	PPT R-34	2034	

Lapse Endorsement (PPT-12.2)	PPT R-35	2035	
Mezzanine Financing Endorsement (PPT-12.5)	PPT R-36	2036	
Prior Owner's Endorsement (PPT-12.3)	PPT R-37	2037	
Tie-in Endorsement (PPT-12.6)	PPT R-38	2038	
Federal Tax Lien Endorsement (PPT-12.4)	PPT R-39	2039	
Mixed Collateral Transactions Discount	PPT R-33(a)	2040	

Standard Personal Property Title Insurance Transaction Codes for Texas Operations

TABLE 6 (Continued)

Description of Transaction	Rate Rule Reference	Code	Change Number
Simultaneous Issue Discount	PPT R-33(c)	2041	
Simultaneous Issue Discount	PPT R-14	2042	
Simultaneous Rate Discount	PPT R-1	2043	
Mixed Collateral Discount	PPT R-13	2044	
Project or Portfolio Rate Discount	PPT R-13	2045	
Mixed Collateral Discount	PPT R-1	2046	

TABLE 7

Standard County Codes for Texas

Anderson	001
Andrews	003
Angelina	005
Aransas	007
Archer	009
Armstrong	011
Atascosa	013
Austin	015
Bailey	017
Bandera	019
Bastrop	021
Baylor	023
Bee	025
Bell	027
Bexar	029
Blanco	031
Borden	033
Bosque	035
Bowie	037
Brazoria	039
Brazos	041
Brewster	043
Briscoe	045
Brooks	047
Brown	049
Burleson	051
Burnet	053
Caldwell	055

Calhoun	057
Callahan	059
Cameron	061
Camp	063
Carson	065
Cass	067
Castro	069
Chambers	071
Cherokee	073
Childress	075
Clay	077
Cochran	079
Coke	081
Coleman	083
Collin	085
Collingsworth	087
Colorado	089
Comal	091
Comanche	093
Concho	095
Cooke	097
Coryell	099
Cottle	101
Crane	103
Crockett	105
Crosby	107
Culberson	109
Dallam	111

Dallas	113
Dawson	115
Deaf Smith	117
Delta	119
Denton	121
De Witt	123
Dickens	125
Dimmit	127
Donley	129
Duval	131
Eastland	133
Ector	135
Edwards	137
Ellis	139
El Paso	141
Erath	143
Falls	145
Fannin	147
Fayette	149
Fisher	151
Floyd	153
Foard	155
Fort Bend	157
Franklin	159
Freestone	161
Frio	163
Gaines	165
Galveston	167

TABLE 7 (Continued)

Standard County Codes for Texas

Garza	169
Gillespie	171
Glasscock	173
Goliad	175
Gonzales	177
Gray	179
Grayson	181
Gregg	183
Grimes	185
Guadalupe	187
Hale	189
Hall	191
Hamilton	193
Hansford	195
Hardeman	197
Hardin	199
Harris	201
Harrison	203
Hartley	205
Haskell	207
Hays	209
Hemphill	211
Henderson	213
Hidalgo	215
Hill	217
Hockley	219
Hood	221
Hopkins	223

Houston	225
Howard	227
Hudspeth	229
Hunt	231
Hutchinson	233
Irion	235
Jack	237
Jackson	239
Jasper	241
Jeff Davis	243
Jefferson	245
Jim Hogg	247
Jim Wells	249
Johnson	251
Jones	253
Karnes	255
Kaufman	257
Kendall	259
Kenedy	261
Kent	263
Kerr	265
Kimble	267
King	269
Kinney	271
Kleberg	273
Knox	275
Lamar	277
Lamb	279

Lampasas	281
La Salle	283
Lavaca	285
Lee	287
Leon	289
Liberty	291
Limestone	293
Lipscomb	295
Live Oak	297
Llano	299
Loving	301
Lubbock	303
Lynn	305
McCulloch	307
McLennan	309
McMullen	311
Madison	313
Marion	315
Martin	317
Mason	319
Matagorda	321
Maverick	323
Medina	325
Menard	327
Midland	329
Milam	331
Mills	333
Mitchell	335

TABLE 7 (Continued)

Standard County Codes for Texas

Montague	337
Montgomery	339
Moore	341
Morris	343
Motley	345
Nacogdoches	347
Navarro	349
Newton	351
Nolan	353
Nueces	355
Ochiltree	357
Oldham	359
Orange	361
Palo Pinto	363
Panola	365
Parker	367
Parmer	369
Pecos	371
Polk	373
Potter	375
Presidio	377
Raines	379
Randall	381
Reagan	383
Real	385
Red River	387
Reeves	389
Refugio	391
Roberts	393

Robertson	395
Rockwall	397
Runnels	399
Rusk	401
Sabine	403
San Augustine	405
San Jacinto	407
San Patricio	409
San Saba	411
Schleicher	413
Scurry	415
Shackelford	417
Shelby	419
Sherman	421
Smith	423
Somervell	425
Starr	427
Stephens	429
Sterling	431
Stonewall	433
Sutton	435
Swisher	437
Tarrant	439
Taylor	441
Terrell	443
Terry	445
Throckmorton	447
Titus	449
Tom Green	451

Travis	453
Trinity	455
Tyler	457
Upshur	459
Upton	461
Uvalde	463
Val Verde	465
Van Zandt	467
Victoria	469
Walker	471
Waller	473
Ward	475
Washington	477
Webb	479
Wharton	481
Wheeler	483
Wichita	485
Wilbarger	487
Willacy	489
Williamson	491
Wilson	493
Winkler	495
Wise	497
Wood	499
Yoakum	501
Young	503
Zapata	505
Zavala	507