

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

RATING SCHEDULE F

For the Counties of Thurston and Whatcom in the State of
Washington

May 31, 2010

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SECTION 1

AMOUNT OF INSURANCE

A. Owner-Purchaser Insurance:

Unless otherwise provided herein, owner-purchaser insurance (other than leasehold) shall be issued in an amount at least equal to the full value of the estate insured, without deduction of encumbrances, provided that insurance in a greater amount to cover the value of the proposed improvements or anticipated increase in land value may be issued as agreed upon by the applicant and the Company.

B. Mortgage Insurance:

Mortgage insurance shall be issued in an amount at least equal to the amount of the loan, except that a policy may be issued to the assignee of a mortgage in an amount not less than the balance due upon the indebtedness, and if the assignment is made as collateral, the policy may be issued in an amount not less than the amount of the collateral loan.

C. Leasehold Insurance:

The rate for insurance of leasehold estate for a period of fifty (50) years or more, or one which includes an option to purchase, shall be based upon the full value of the premises leased. The rate for insurance of leasehold estates for a period of less than fifty (50) years shall be based upon such proportionate part of the full value of the premises leased as the term of the lease, including any option to renew, bears to fifty (50) years or ten (10) times the gross annual rent, whichever is less.

An assignment of a leasehold estate shall be deemed a new lease for the unexpired term by the lessee or his assignee for rating purposes.

SECTION 2

APPLICATION OF RATES

A. General Schedule Rate:

The General Schedule Rate shall be applicable in issuing preliminary commitments or policies of title insurance with respect to any estate, lien or interest in real property. A preliminary report or commitment may be issued preliminary to insurance covering any such estate, lien or interest but not for the purpose of showing condition of title in respect to any estate, lien or interest which is not to be the subject of such insurance, and the practice of placing a mortgage of record for construction purposes or otherwise, either before or after a preliminary commitment has been issued, with the request that it be shown as an encumbrance on the title with the further designation that it is "not the mortgage to be insured", or any similar practice to avoid the imposition of a premium otherwise due, is a violation of this Schedule unless the applicable premium is charged and paid.

B. Computation of rates:

Unless otherwise stated herein, the rates shall be applied in units of \$5,000. If the amount of insurance exceeds a multiple of \$5,000, the rate will be applied to the next highest \$5,000. Where rates are computed as a percentage of the scheduled rate, the computed charge shall be rounded up to the next highest even dollar amount.

C. Separate rating and additional examination charges

1. Property held in one ownership at the time of application and located in not more than three (3) sections, donation claims or platted additions shall be rated as one (1) property based on the face amount of the policy to issue, without additional charge.
2. If application is made for a single policy covering property consisting of two (2) or more non-contiguous parcels of land and is to insure against the matters referred to in Paragraph D of Section 13, under the heading "Special Risks", then the surcharge provided in said Paragraph D will be applied to each parcel separately with a minimum charge on each parcel as set forth in said Paragraph D.
3. Property held in one ownership at the time of application and located in more than three (3) sections, donation claims or platted additions shall be rated as one (1) property based on the face amount of the policy to issue; provided, a charge of \$75.00 for each section, donation claim or platted addition in excess of three (3) shall be added to the schedule rate.

SECTION 2

APPLICATION OF RATES (Continued)

4. If application is made for a single policy covering property consisting of two (2) or more parcels of land not in common ownership at the time of application, the insurance with respect to each such parcel shall be rated separately, based upon the valuation allotted to each parcel.
5. When a policy is to cover a parcel of land together with an appurtenant easement, an additional charge of \$50.00 will be made for examination of title to the easement, provided such appurtenant easement has been established of record at the time of application; otherwise the additional charge will be \$100.00.

D. Fair Market Value:

Fair market value (full value), as used in this rating schedule, is defined as "the fair value shall be considered to be the full value of the property, including all encumbrances of record. If no sale is involved, the fair value is determined from available information, but in no event shall it be less than the total of all encumbrances of record.

E. Governmental Agencies and Charitable Non-Profit Entities:

The charge for title insurance or other insurance products in transactions with governmental agencies, quasi-governmental agencies and Charitable Non-Profit Entities that are recognized by the United States Department of the Treasury, Internal Revenue Service, may be based upon agreement between the particular agency or charitable non-profit entity and the Company.

F. Minimum Charges:

The charges shown in this Schedule are the minimum rates that are to be made for the normal services performed and the standard risks assumed in the issuance of the title insurance policy. If it is determined that additional work is required or unusual risks are to be assumed in connection with any transaction, the Company reserves the right to impose additional charges as it deems necessary for such additional work or the assumption of additional risks. In the event an additional charge is to be made, such charge shall be quoted by the Company and approved in writing by the party responsible for its payment.

SECTION 3

GENERAL SCHEDULE RATE

The charge for title insurance in the amount of \$20,000 or less shall be \$270.00.

For each \$5,000 of insurance or fraction there of above \$20,000;

| | | |
|--|----|------------|
| Add \$ 20.00 per \$5,000 up to and including | \$ | 60,000 |
| Add \$ 15.00 per \$5,000 up to and including | | 100,000 |
| Add \$ 10.00 per \$5,000 up to and including | | 1,000,000 |
| Add \$ 6.75 per \$5,000 up to and including | | 5,000,000 |
| Add \$ 5.00 per \$5,000 up to and including | | 10,000,000 |
| Add \$ 3.00 per \$5,000 up to and including | | 50,000,000 |
| Add \$ 2.75 per \$5,000 in excess of | | 50,000,000 |

SECTION 4

EMPLOYEE RATE

No charge shall be made to employees of the Company or affiliated companies, or agents, (including employees on approved retirement) for policies issued in connection with the financing, refinancing, sale or purchase of the employee's bona fide home property. Waiver of such charges is authorized only in connection with those costs which the employee would be obligated to pay by established custom as a party to the transaction.

SECTION 5

RENEWAL INSURANCE

When an owner or purchaser policy is outstanding, the charge for issuing an owner or purchaser policy in lieu thereof to the same person insured under the prior policy shall be twenty-five percent (25%) of the owner-purchaser rate to the extent of the amount insured under the prior policy, with a minimum charge of \$250.00 and additional insurance shall be rated by using the difference between the General Schedule Rate for the amount insured under the prior policy and the amount applicable to the policy to be issued. The Short Term Rate, if applicable, may be applied to the rate for the additional insurance. A new loan may be insured simultaneously therewith, under the provisions of Section 15, Paragraph A.

If the outstanding policy insured against the matters referred to in Paragraph D of Section 13 under the heading "Special Risks" of this Schedule and the policy to be issued will also insure against said matters, the additional charge therefor shall be fifteen-percent (15%) of the issued, with a minimum additional charge of \$50.00. If the prior policy did not so insure against said matters, the additional charge therefor shall be thirty-percent (30%) of the General Schedule Rate applicable to the amount of the policy to be issued, with a minimum additional charge of \$125.00.

SECTION 6

SUBDIVISION AND DEVELOPMENT RATE

- A. The charge for an Extended Coverage Loan Policy to insure the lien of a mortgage for the financing of the construction of single family or multiple residential units for sale or lease by an insured builder shall be thirty-five percent (35%) of the General Schedule Rate, minimum charge \$150.00.

Note: The above charges are applicable when the Company is to issue owners insurance to the purchasers of the completed units.

- B. The charges below are available to an insured developer of a specific project on land within a single subdivision or governmental section or adjoining subdivisions or governmental sections which have been divided or are to be divided into four (4) or more parcels of land.

The rate for insurance to the original purchasers from the developer or sub-divider or for mortgage insurance covering mortgages placed thereon by the developer or sub-divider shall be forty-percent (40%) of the General Schedule Rate with a minimum charge of \$150.00.

Note 1: Paragraph A under Section 15 entitled "Simultaneous Issues" of this Schedule is not applicable to any of the charges in this Section.

Note 2: The charge for insurance against Special Risks as defined in Paragraph D of Section 12 herein shall be thirty-percent (30%) of the rate set forth above with a minimum charge of \$150.00.

SECTION 7

MORTGAGE POLICY INSURING EXTENSION AND/OR MODIFICATION OF MORTGAGE

Policies issued covering and agreement extending or modifying the terms of insured deeds of trust are issued at the charges herein specified, based upon the unpaid balance of the encumbrances:

- A. Twenty-percent (20%) of the General Schedule Rate, if the original and the new policy are both standard coverage form, minimum charge \$200.00.
- B. Thirty-percent (30%) of the General Schedule Rate, if the original and the new policy are both extended coverage form, minimum charge \$200.00.
- C. Forty-percent (40%) of the General Schedule Rate, if the original policy is standard coverage form and the new policy is extended coverage form, minimum charge \$200.00.

Note 1: The "Short Term Rate" is not applicable to this section.

Note 2: The above charges apply up to amount of insurance stated in the original policy. Insurance in excess thereof shall be charges for on an increased liability basis at the appropriate per-unit rate for the type of insurance issued.

SECTION 8

MORTGAGE POLICY INSURING ASSIGNEE

The charge for insuring an assignment of one-hundred percent (100%) of the beneficial interest under a previously insured deed of trust or mortgage is based upon the unpaid balance of the encumbrance:

- A. Twenty-percent (20%) of the General Schedule Rate, if the original and the new policy are both standard coverage form, minimum charge \$150.00.
- B. Thirty-percent (30%) of the General Schedule Rate, if the original and the new policy are both extended coverage form, minimum charge \$150.00.
- C. Forty-percent (40%) of the General Schedule Rate, if the original policy is standard coverage form and the new policy is to be extended coverage form, minimum charge \$150.00.

Note 1: The "Short Term Rate" is not applicable

Note 2: Policies insuring assignments of non-insured deeds of trust or mortgages will be issued for the General Schedule Rate based upon the unpaid balance of the encumbrance.

Note 3: The above charges apply only to an assignment of one-hundred percent of the beneficial interest under an insured deed of trust. Assignments of less than one-hundred percent (100%) shall not be insured by the Company.

SECTION 9

ENDORSEMENT INSURING ASSIGNEE OF MORTGAGE

When a mortgage policy has been issued and an assignment of the insured mortgage is made, the charge for an appropriate endorsement to the policy for the benefit of the assignee shall be issued at; (1) no additional charge if issued simultaneously with the loan policy; (2) \$100.00 if issued after the date of the policy and without including the vested owner, taxes and assessments; or (3) twenty-percent (20%) of the General Schedule Rate based upon the outstanding balance of the loan when insurance is requested for the vested owner and for taxes and assessments against the mortgaged property, with a minimum charge of \$150.00 and a maximum charge of \$300.00.

SECTION 10

MORTGAGE REORGANIZATION RATE / JUNIOR MORTGAGE RATE

1. When a mortgage policy insuring the lien of a mortgage has been issued and a new mortgage on the same property is executed the charge for the mortgage policy for a loan up to \$1,000,000 shall be fifty-percent (50%) of the General Schedule Rate with a minimum charge of \$250.00.
2. When the new mortgage is in an amount of in excess of \$1,000,000, the charge shall be fifty-percent (50%) of the Commercial Rate, Section 27, Page 30.

This section also applies to the reorganization of Security instruments to individuals, including contracts of sale, provided that a title policy was issued at the time the security instrument was created.

SECTION 11

POLICY OR ENDORSEMENT INSURING AN ADDITIONAL ADVANCE

A policy or endorsement insuring an additional advance evidenced by a supplementary note secured by a deed of trust insured by the Company can be issued at the following charges based upon the amount of the additional advance, unless otherwise noted:

- a. Sixty-percent (60%) of the General Schedule Rate when the original and new policies are issued in standard coverage form, minimum charge \$150.00.
- b. Seventy-percent (70%) of the General Schedule Rate when the original and new policies are issued in extended coverage form, minimum charge \$200.00.
- c. Eighty-percent (80%) of the General Schedule Rate when the original policy was issued in standard coverage form and new policy is issued in extended coverage form, minimum charge \$200.00.

Note: For insurance when mechanic's lien exposure exists, coverage may only be issued at the aggregate loan balance.

SECTION 12

SPECIAL RISKS

A. Any risk accepted involving:

1. Insurance of tax title not supported by the statute of limitations;
2. Insurance without administration of a decedent's estate;
3. Insurance against questions of survey, rights or claims of persons in possession not shown on record, and material or labor liens of which no notice is of record; or
4. Insurance against loss by reason of breach of covenants, conditions or restrictions.

Shall be deemed a special risk and shall be specially rated as herein provided. However risks that are ordinarily included under the provisions of standard endorsements customarily issued with standard coverage policies insuring owner occupied properties or that are addressed under the provisions of the A.L.T.A. Residential Title Insurance Policy or the A.L.T.A./C.L.T.A. Homeowner's Policy of Title Insurance shall not be deemed to be special risks or additional insurance within the meaning of Section 12 or any subdivision hereof. The increased rate under "1" and surcharge under "2" shall, however, be applicable only once, whether charged by this Company or by any other qualified title insurer.

B. Tax Title:

The following schedule shall be applied on the valuation of the land and improvements claimed under the tax deed at the time of the application for insurance, and the value of the improvements erected or to be erected by the claimant under the tax deed shall be rated as additional insurance under the General Schedule Rate. The following charges shall apply to all tax titles, whether derived through the foreclosure of general taxes or special assessments, except those derived through the foreclosure remedy analogous to mortgage foreclosure.

For owner, purchaser, or mortgage insurance:

The charge shall be the following percentage of the amount insured, based on the time which has elapsed since the execution of the tax deed:

1. Less than three years: Ten-percent (10%) of the amount insured except as modified above, with a minimum charge of \$500.00;
2. Over three years: The appropriate rate as set forth in this Schedule that would otherwise apply.

SECTION 12

SPECIAL RISKS (Continued)

C. Insurance Without Administration of a Decedent's Estate:

Under special circumstances the Company may undertake to insure a title derived through a deceased owner or party in interest without administration of the decedent's estate. Such insurance shall not be issued until the furnishing of such proofs regarding heirship, indebtedness and related matters as may be deemed sufficient by the Company. For such insurance an additional charge may be made that is commensurate with the risk assumed.

NOTE: Insurance of title which has passed to a surviving spouse, either under the provisions of a community property survivorship agreement or the provisions of R.C.W. 11.04.015(1), and insurance of title which has passed to any survivor under either the provisions of a joint tenancy agreement or pursuant to proceedings leading to an order adjudicating heirship under R.C.W. 11.28.330 and 340, shall not be deemed a special risk within the meaning of this Section.

D. Insurance Against Questions of Survey. etc.:

When a policy is issued insuring against:

1. Questions of survey;
2. Rights or claims of persons in possession or claiming to be in possession, not shown of record;
3. Material or labor liens of which no notice is of record;
4. Loss by reason of present and/or future breach of covenants, conditions, or restriction;

a surcharge shall be added to the General Schedule Rate, as follows:

- a. Owner-Purchaser policy: Thirty-percent (30%) of the General Schedule Rate with a minimum of charge of \$150.00
- b. Mortgage policy: Thirty-percent (30%) of the General Schedule Rate with a minimum charge of \$150.00; if issued simultaneously with an owner policy which insures against the above matters, no additional charge shall be made.

When questions of survey are insured against, a survey satisfactory to the Company may be required at the cost of the insured.

SECTION 12

SPECIAL RISKS (Continued)

E. A minimum additional charge of \$100.00 shall apply for coverage against loss from damage to existing improvements on the subject property by reason of the exercise of rights under a mineral reservation issued with an owners policy. This charge shall not apply where such coverage is provided under the provisions of standard endorsements customarily issued with standard coverage policies insuring owner occupied properties or that are addressed under the provisions of the A.L.T.A./C.L.T.A. Homeowner's Policy of Title Insurance.

F. Endorsements Covering Other Special Risks:

Endorsements to furnish other special risk or additional insurance coverages may be issued. The charges therefore may be a percentage of the applicable rate, commensurate with the risk assumed or work required by issuance of such endorsements.

G. Elimination of Objections from a Policy:

Liens, defects or encumbrances (other than those contained in the exceptions made part of a standard coverage policy) may be affirmatively insured or deleted from Schedule B of the Policy by an appropriate endorsement for a charge that is commensurate the risk assumed or the amount of work required.

H. Charges for Services not Scheduled:

Title insurance or other services may be required by an applicant that no charge has been contemplated in this Schedule. In such cases a charge will be made which, in the opinion of the Company, is consistent with the general pricing procedures provided herein and which will provide adequate payment for the work performed and the risk assumed.

SECTION 13

EQUITY RATES

When insurance to the full purchase price of the property has been issued to a purchaser under executory contract of sale, on sale or mortgage of the vendor's equity, within five years of the issuance of the original policy, insurance will be issued to the full amount of such equity or the amount of the mortgage for at twenty-five percent (25%) of the General Schedule Rate, with a minimum charge of \$250.00, and on any subsequent sale or mortgage by an insured holder of the vendor's equity, insurance to the full amount of the equity or amount of the mortgage will be issued at twenty-five percent (25%) the General Schedule Rate, with a minimum of \$250.00.

When insurance to the full purchase price of the property has not been issued to the purchaser under the executory contract of sale, insurance covering the sale of the vendor's equity will be rated under the General Schedule Rate on the full value of the property without deduction of the value of the vendee's equity or other encumbrances.

SECTION 14

SUPPLEMENTAL REPORTS

When more than six (6) months has elapsed since the date of the issuance of a preliminary commitment, the charge for issuing a new preliminary or supplemental report which requires bringing the title to date shall be commensurate with the work involved.

SECTION 15

SIMULTANEOUS ISSUES

- A. When more than one policy of the same kind shall be applied for under one application and issued as of the same date, all covering lands in a single subdivision or section in a common ownership, the rate for insurance shall be the rate applicable to the aggregate amount insured under such application, with the addition of \$120.00 for each policy issued in addition to the first policy issued under such application.
- B. When both an owner and purchaser policy are issued under the same application, as of the same date and in the same amount, the owners policy providing that any payment made on the purchaser policy shall reduce pro tanto the amount insured under the owners policy, the charge for both policies shall be the schedule rate for but one thereof, plus the sum of \$120.00.
- C.
 - 1. When an owners policy and a loan policy in an equal or lesser amount are issued on the same date and which insure the same property the charge for the loan policy shall be \$120.00;
 - a. When only the simultaneously issued loan policy will insure against the matters referred to in Paragraph A-3 under Section 12 of "Special Risks" herein, to the above charge add thirty-percent (30%) of the General Schedule Rate based on the loan amount, minimum \$150.00; or
 - b. When both the simultaneously issued owners and loan policies will insure against the matters referred to in Paragraph A-3 under Section 12 of "Special Risks" herein, to the charge for the owner's policy only, add thirty-percent (30%) of the General Schedule Rate based on the owners policy amount, minimum \$150.00.
 - 2. In the event the loan policy contemplated in "1" above exceeds the amount of the simultaneously issued owner's insurance, the charge for the loan policy shall be \$120.00 up to the amount of the owner's policy. The liability of the loan policy in excess of the owner's policy shall be rated by using the difference between the Short Term Rate for the amount to be insured under the loan policy less the Short Term Rate for the amount of the owners policy plus;
 - a. When only the simultaneously issued loan policy will insure against the matters referred to in Paragraph A-3 under Section 12 "Special Risks" herein, to the above charge add thirty-percent (30%) of the General Schedule Rate based on the entire loan amount, minimum \$150.00; or
 - b. When both the simultaneously issued owners and loan policies will insure against the matters referred to in Paragraph A-3 under Section 12 of "Special Risks" herein, add thirty-percent (30%) of the General Schedule Rate based on the difference between the owners and loan policies, with no minimum applied.

SECTION 15

SIMULTANEOUS ISSUES
(Continued)

D. When the lien of a mortgage shall be insured and the lien of one or more junior mortgages shall also be insured under the same application, the charge shall be the appropriate rate on the aggregate amount of insurance to be issued, with the addition of \$120.00 for each policy issued over one.

Note: The simultaneously issued rate in paragraph C above shall not apply where part of the purchase price is the assumption of a loan made for construction purposes.

SECTION 16

POLICY INSURING OIL, GAS, OR OTHER MINERAL INTEREST

Not Issued.

SECTION 17

CANCELLATION OF REPORT OR POLICY

A. Cancellation, Transaction Canceled:

After the issuance of a report or preliminary commitment to insure, if the contemplated transaction is canceled and is not consummated, the cancellation charge for the service so performed will be that which in the opinion of the Company is reasonable compensation for the work performed, \$50.00 minimum.

The entire charge may be canceled:

1. Through error, a duplicate order has been entered at the same or competing companies; or
2. A transaction is not consummated; or
3. The Company, for underwriting reasons, makes a decision not to insure; or
4. Another party to the transaction requests that another title insurance company provide the title insurance policy.

If following the cancellation, a transaction is consummated within six (6) months of the date of cancellation and a policy of title insurance is issued by the Company as contemplated under the original application, the applicant shall be entitled to a credit of the cancellation fee on the charges for the title insurance policy issued.

B. Cancellation, Transaction Completed:

After the issuance of a report or preliminary commitment to insure, if a transaction is consummated in reliance thereon but without requiring the issuance of the policy of title insurance applied for, the full schedule charge applicable to the type of insurance normally issued on such transaction will apply.

SECTION 18
REWRITTEN POLICY

If at the request of the insured a policy is rewritten for any reason as of the date of the original issuance including to replace a lost policy, a charge of \$50.00 shall apply. When a policy is rewritten to correct an error in the policy on behalf of the Company, said charge shall not apply.

SECTION 19

TEMPORARY LOAN POLICY

When a mortgage is placed on a currently owned single family dwelling pending the future sale of said dwelling, the Company will, upon application, issue a loan policy as contemplated by Section 1-B, Section 3, Section 10, or Section 12 with the understanding that upon application to the Company for an owner's or purchaser's policy within one (1) year of the issuance of the loan policy, eighty-percent (80%) of the premium charged for said loan policy will be credited toward the premium to be charged for the forthcoming owner's policy to be issued by the Company with the provision that not less than \$200.00 will be retained as the premium for the bridge loan policy.

SECTION 20

SALE WITH A COMMITMENT TO INSURE A RESALE

The charge for a commitment to insure an ultimate resale purchaser through a standard coverage policy is one hundred and ten-percent (110%) of the General Schedule rate based on the full value of the initial sale. The Short Term Rate may apply to the General Schedule Rate for the sale, but not the ten-percent (10%) resale commitment charge which has a minimum charge of \$75.00. This Section is effective only on the following conditions:

- A. A resale commitment to issue upon recording the initial conveyance in lieu of a policy of title insurance.
- B. The future transaction involves only a single resale to one ultimate purchaser.
- C. The final sale to the ultimate insured is recorded within ninety (90) days from the date of the resale commitment, and if not, the policy of title insurance will automatically be issued insuring the grantee in the initial sale in the amount of said sale and at no additional charge. The resale commitment may be extended for one (1) additional year prior to its expiration by payment of an additional ten-percent (10%) of the appropriate General Schedule Rate based on the amount of the resale commitment.
- D. If separate lender's insurance is requested concurrently with the issuance of the resale commitment, an additional charge shall be made at the rate applicable to the type of insurance issued.
- E. If an extended coverage owner's policy is issued, the charge shall be 140% of the General Schedule Rate.
- F. If the ultimate sale amount is in excess of the resale commitment amount, the charge for the additional amount of insurance shall be the difference between the General Schedule Rate applicable to the amount of the outstanding Resale Commitment and the General Schedule Rate applicable to the amount of the policy to be issued.

SECTION 21

SHORT TERM RATE

If an owner's, purchaser's, mortgage, or leasehold policy has been issued by a title insurer and an order for title insurance is placed within five (5) years following the date of the prior policy, the charge will be eighty-percent (80%) of the General Schedule Rate, with a minimum charge of \$270.00.

NOTE: The Short Term Rate shall not be applicable as an additional reduction in premium for the following, except as specifically provided to the contrary in other sections of this schedule.

| | | | |
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SECTION 22

GUARANTEES OF TITLE

A. Guarantee For Trustee Sale

The Charge for issuing a Guarantee for Trustee Sale to be used by the trustee or the attorney for the trustee to facilitate the non-judicial foreclosure of a deed of trust shall be:

One-hundred percent (100%) of the General Schedule Rate based upon the outstanding balance of the deed of trust in default. Included within this charge are two (2) continuation endorsements within 12 months from the date of guarantee. Additional continuation endorsements may be issued at \$50.00 per issue.

B. Guarantee for Litigation:

The charge for issuing a Guarantee for Litigation shall be:

One-hundred percent (100%) of the General Schedule Rate based upon the unpaid balance of the deed of trust, mortgage, lien, or contract which is the subject of the action or in those instances where the action involves other than foreclosure or forfeiture, the charge shall be the General Schedule Rate based upon the value of the estate or interest involved. Included within this charge is one (1) continuation endorsement. Additional continuation endorsements may be issued at \$50.00 per issue.

NOTE: Where multiple deeds of trust executed by the same grantor cover land in the same plat or subdivision and the beneficiary is the same, the charge shall be based on the aggregate balance of the deeds of trust plus \$50.00 for each deed of trust over one.

NOTE: The charges noted are minimum; if it is determined that additional work is required, the applicant will be advised of the additional charges before the additional work is commenced.

C. Owner's insurance to an insured beneficiary of a deed of trust or mortgagee following foreclosure, trustee sale or deed in lieu may be issued at without additional charge except for the Simultaneous Issue charge set forth in Paragraph A of Section 15 herein, to the extent of the amount shown on the Trustee Sale or Litigation Guarantee, provided however that said rate shall only apply when the Company has issued said guarantee. Insurance in excess of the amount shown on the guarantee shall be at the General Schedule Rate. If extended coverage owners insurance is requested, the surcharge shall be thirty-percent (30%) with a minimum additional charge of \$150.00.

SECTION 22
GUARANTEES OF TITLE
(Continued)

D. Limited Residential Trustee's Sale Guarantee

The Limited Residential Trustee's Sale Guarantee may only be issued for the foreclosure of a deed of trust or mortgage which encumbers a single family residential property of one to four units or a single unit in a residential condominium. The liability amount of the guarantee is the least of the unpaid principal balance of the foreclosing mortgage or \$250,000. This guarantee may be issued in connection with the foreclosure of a deed of trust or mortgage in excess of \$250,000 however the amount of the guarantee may not be increased. If a liability is desired in excess of \$250,000 see the Trustee's Sale Guarantee above.

The charge for a Limited Residential Trustee's Sale Guarantee is \$225.00. The charge for a continuation shall be \$50.00 for the first one issued and \$25.00 for each continuation thereafter.

Note: The provisions shown under Paragraph C on page 25, Section 22 for the issuance of owners insurance following the issuance of a Trustee's Sale Guarantee do not apply to the Limited Residential Trustee's Sale Guarantee.

SECTION 23

RECORDED DOCUMENT GUARANTEE

The guarantee is based upon an examination of the Company's title plant records and the grantor/grantee indices of the county recorder's office as to certain designated documents that describe the subject real property.

1. If the Company has an open order on the subject property for the purpose of insuring title, the charge for the guarantee shall be the minimum of \$100.00.
2. If the Company does not have an open order placed by the applicant on the subject property, the minimum charge shall be \$300.00. If a policy of title insurance is subsequently issued to the applicant by the Company within six (6) months of the date of the guarantee, then a credit toward the title policy premium of \$200.00 may apply, unless an additional work charge is warranted.
3. An examination of the record where a considerable amount of work is required to produce the guarantee, may warrant an additional charge commensurate with the work done.
4. The liability assumed by the Company for the guarantee shall be ten times the charge for the guarantee rounded up to the nearest \$1,000.

SECTION 24

SPECIAL GUARANTEES

A. Judgment, Tax Lien Guarantee

Reports all federal tax liens, judgments and state tax warrants for a specified time period.

\$75.00 per name (husband and wife considered one name), plus \$5.00 for each lien over two reported. The amount of insurance shall be the next multiple of \$100 above the fee charge.

B. Lot Book Guarantee

\$75.00 per parcel for furnishing the last recorded instrument purporting to transfer title and any deed of trust of mortgage affecting the property. The amount of insurance shall be the next multiple of \$100 above the fee charged.

Credit for the charges hereunder may be allowed on the charge for a policy of title insurance covering the property within a six (6) month period.

SECTION 25

SUBDIVISION GUARANTEE

The Subdivision Guarantee is issued for the purpose of providing title evidence as may be required when subdividing land pursuant to the provisions of Chapter 58.17, R.C.W. The Guarantee is based upon an examination of the Company's title plant real property records and those records indexed by name.

The charge for the Guarantee shall be \$250.00. An examination of the records requiring an unusual amount of work may warrant an additional charge commensurate with the work done.

The liability assumed by the Company for the Guarantee should be five times the charge for the Guarantee rounded up to the nearest \$1,000.

SECTION 26

COMMERCIAL RATE

Major commercial and industrial parcels, but excluding detached single family residences, having a value of \$1,000,000 or more shall be rated in accordance with the following schedule:

\$1,000,000.00 = \$2,400.00

For each \$1,000.00 or fraction thereof above \$1,000,000

Add \$1.35 per \$1,000 up to and including \$5,000,000
Add \$1.00 per \$1,000 up to and including \$10,000,000
Add \$0.65 per \$1,000 up to and including \$50,000,000
Add \$0.55 per \$1,000 up to and including \$100,000,000
Add \$0.50 per \$1,000 in excess of \$100,000,000

The above charges are applicable for standard owners insurance and for extended coverage loan policies. For extended coverage owner's insurance, compute as above and add an additional thirty-percent (30%).

Where the Commercial Rate applies, a reference to a percentage of the General Schedule Rate in other sections of this Schedule shall be the stated percentage of the above rates.

In computing the charges under this section it is permissible to aggregate the amount of insurance issued on all the land involved in the particular transaction including those parcels insured by another title insurer. Notwithstanding the fees set forth in this section, special pricing consideration will be given to transactions involving policies aggregating \$10,000,000 or more based upon factors including perceived risk, the number and geographic location of the properties involved, service costs, competitive environment and other reasonable considerations.

SECTION 27

HOME EQUITY LOAN PROGRAM

Standard Coverage Loan Policies, insuring a junior mortgage or equity loan upon a homeowners equity in a 1 to 4 family residential structure which constitutes the owners residence, which policy and the report preliminary thereto will contain the following 3 special exceptions:

1. COVENANTS, CONDITIONS AND RESTRICTIONS, if any, appearing of record.
2. ANY EASEMENTS OR SERVITUDES appearing of record or indicated on recorded plats.
3. ANY MINERAL RESERVATIONS OR EXCEPTIONS appearing of record.

Will be rated in accordance with the following schedule:

| <u>Liability</u> | | <u>Premium</u> |
|------------------|--------------|----------------|
| \$0.00 | - 75,000.00 | \$95.00 |
| 75,001.00 | - 150,000.00 | \$125.00 |
| 150,001.00 | - 250,000.00 | \$175.00 |
| 250,001.00 | - 350,000.00 | \$250.00 |
| 350,001.00 | - 500,000.00 | \$350.00 |

This section cannot be used for liabilities in excess of \$500,000.00.

Note: The above charges are exclusive of the application of any other rate as may be contained in this Schedule. Endorsements for future advances under a line of credit, variable interest rates or the priority of an environmental protection lien may be furnished when appropriate without additional charge.

SECTION 28

HOMEOWNER'S RATE

The charge for a standard Coverage owner's/purchaser's policy to insure the buyer on a sale of an existing one to four family residential structure or condominium shall be seventy-percent (70%) of the General Schedule Rate with a minimum charge of \$270.00.

If an owner's/purchaser's policy extended coverage is requested, the charge shall be one-hundred percent (100%) of the General Schedule Rate with a minimum charge of \$351.00.

SECTION 29

MORTGAGE IMPAIRMENT PROTECTION INSURANCE POLICY

A limited policy issued to lenders who are making a non-purchase money loan, home equity loan or home equity line of credit or other closed end consumer loan secured by a mortgage on an owner occupied one-to-four family residential property.

| | |
|---|----------|
| Loan amounts up to and including \$100,000. | \$50.00 |
| \$100,000.01 up to and including \$250,000..... | \$65.00 |
| \$250,000.01 up to and including \$500,000..... | \$125.00 |
| \$500,000.01 up to and including \$750,000..... | \$165.00 |
| \$750,000.01 up to and including \$1,000,000..... | \$195.00 |
| Maximum Loan Amount \$1,000,000 | |

SECTION 30

MORTGAGE PRIORITY GUARANTEE

A limited guarantee issued on existing mortgage guaranteed by the Federal National Mortgage Association "Freddie Mac" in connection with loan "workout" or "reset" agreements.

All loans.....\$75.00

SECTION 31

HOMEOWNER'S POLICY OF TITLE INSURANCE

A Homeowner's Policy of Title Insurance may be issued in lieu of a standard coverage policy, where appropriate, for an additional premium of ten-percent (10%) of the General Schedule Rate minimum \$50.00 which additional premium shall be added to the applicable owners standard coverage insurance rate as established herein.

SECTION 32
UCC INSURANCE

A. UCC INSURANCE POLICY

The UCC Insurance Policy insures, in addition to other matters, that the described security interest in collateral (personal property and fixtures located in the United States) has attached, been perfected and has priority over any other security interest or lien in accordance with Article 9 of the Uniform Commercial Code. This policy may only be issued by and through the Underwriting Department.

The basic charge for a UCC Insurance Policy is one-hundred percent (100%) of the UCC Insurance Rate shown below with a minimum charge of \$500.00.

| Amount of Insurance | = | Rate | + | Rate Per \$1,000 | over | |
|------------------------------|---|-------------|---|------------------|------|--------------|
| \$0 to \$500,000 | = | \$0.00 | + | \$1.50 | over | \$0 |
| \$500,001 to \$1,000,000 | = | \$750.00 | + | \$1.10 | over | \$500,000 |
| \$1,000,001 to \$3,000,000 | = | \$1,300.00 | + | \$0.85 | over | \$1,000,000 |
| \$3,000,001 to \$5,000,000 | = | \$3,000.00 | + | \$0.75 | over | \$3,000,000 |
| \$5,000,001 to \$10,000,000 | = | \$4,500.00 | + | \$0.60 | over | \$5,000,000 |
| \$10,000,001 to \$20,000,000 | = | \$7,500.00 | + | \$0.55 | over | \$10,000,000 |
| \$20,000,001 to \$30,000,000 | = | \$13,000.00 | + | \$0.475 | over | \$20,000,000 |
| \$30,000,001 to \$40,000,000 | = | \$17,750.00 | + | \$0.45 | over | \$30,000,000 |
| \$40,000,001 to \$50,000,000 | = | \$22,250.00 | + | \$0.425 | over | \$40,000,000 |
| \$50,000,001 and above | = | \$26,500.00 | + | \$0.40 | over | \$50,000,000 |

Note: The above UCC Insurance Rate contemplates a single-site, single debtor or obligor transaction and can include one UCC pre-filing search at the Office of the Secretary of State, as well as pre-search filing copies up to ten (10) pages. Said UCC Insurance Rate may also include the preparation and filing of one required UCC Financing Statement.

B. MIXED COLLATERAL TRANSACTIONS

In a transaction where both real property and personal property secure the same indebtedness and the Company simultaneously issues policies of title insurance covering both the real and personal property, the charge for a UCC Policy of Insurance shall be ninety-percent (90%) of the UCC Insurance Rate shown above, minimum charge \$500.00.

SECTION 32

UCC INSURANCE (Continued)

C. UCC POLICY MEZZANINE ENDORSEMENT

The charge for a Mezzanine Endorsement issued simultaneously with a UCC Insurance Policy shall be ten-percent (10%) of the UCC Insurance Rate shown above.

D. UCC POLICY FOR PURCHASERS

The UCC Policy for Purchasers shall be issued at fifty-percent (50%) of the UCC Insurance Rate shown in paragraph A herein, minimum charge \$500.00, when it is the only UCC policy issued by the Company in a transaction.

When the Company simultaneously issues a UCC Purchasers Policy and a UCC Insurance Policy, the charge for the UCC Purchasers Policy shall be ten-percent (10%) of the rate applicable to the concurrent UCC Insurance Policy up to the amount of the UCC Insurance Policy, minimum \$200.00. A simultaneously issued UCC Purchasers Policy whose liability is in excess of the concurrent UCC Insurance Policy shall incur an additional premium of fifty-percent (50%) of the UCC Insurance Rate on the amount of insurance that exceeds the amount of UCC Insurance Policy.

E. MAJOR PROJECTS – UCC INSURANCE

In transactions that are part of a major residential, commercial or industrial development which involve the issuance of one or more policies of title insurance and/or UCC insurance by the Company and which policies aggregate \$20,000,000 or more, the fees set forth in this section shall be subject to special pricing consideration based upon factors including perceived risk, the number and geographic location of the properties involved, service costs, competitive environment and other reasonable considerations. In determining the aggregate amount of insurance applicable to a major project it is permissible to include transactions insured by another title insurer.