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SUBJECT TO THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B BELOW, AND ANY ADDENDUM ATTACHED HERETO, BLANK TITLE INSURANCE COMPANY, A \_\_\_\_\_ CORPORATION, HEREIN CALLED THE "COMPANY," HEREBY INSURES THE INSURED IN ACCORDANCE WITH AND SUBJECT TO THE TERMS, EXCLUSIONS, CONDITIONS AND STIPULATIONS SET FORTH IN THE AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92), ALL OF WHICH ARE INCORPORATED HEREIN. ALL REFERENCES TO SCHEDULES A AND B SHALL REFER TO SCHEDULES A AND B OF THIS POLICY.

SCHEDULE B

EXCEPTIONS FROM COVERAGE AND  
AFFIRMATIVE ASSURANCES

Except to the extent of the affirmative 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:

1. Those taxes and special assessments which become due and payable subsequent to Date of Policy.
2. 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 affirmative insurance does not extend to covenants, conditions and restrictions relating to environmental protection, unless a notice of a violation thereof has been recorded or filed in the public records and is not referenced in an addendum attached to this policy;
  - b. a 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.
3. 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; and (b) any interference with or damage to existing improvements, including lawns, shrubbery and trees, resulting from the use of the easements for the purposes granted or reserved.
4. 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 affect 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; and (b) any damage to existing improvements, including lawns, 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.
5. This policy insures against loss or damage by reason of any violation, variation, encroachment or adverse circumstance affecting the title that would have been disclosed by an accurate survey. 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.

ADDENDUM TO 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 THE FOLLOWING:

831

PREMIUM

\_\_\_\_\_

SI # \_\_\_\_\_

RI # \_\_\_\_\_

RI \$ \_\_\_\_\_

SHORT FORM RESIDENTIAL SUBORDINATE LOAN POLICY

ONE-TO-FOUR FAMILY

Issued by

*First American Title Insurance Company*

SCHEDULE A

File Number : Policy Number : SML

Date of Policy : Amount of Insurance :

Name of Insured :

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 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. The endorsements attached, if any, are incorporated herein. The Schedule B exceptions from coverage include the following mortgage:

This policy consists of one page, including the reverse side hereof, unless an addendum is attached and indicated below:

- Addendum attached
- No addendum attached



*First American Title Insurance Company*

BY *Parker S. Kennedy* PRESIDENT

ATTEST *Mark R. Ameson* SECRETARY

COUNTERSIGNED BY \_\_\_\_\_

832

SUBJECT TO THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND ANY ADDENDUM ATTACHED HERETO, FIRST AMERICAN TITLE INSURANCE COMPANY, A CALIFORNIA CORPORATION, HEREIN CALLED THE "COMPANY," HEREBY INSURES THE INSURED IN ACCORDANCE WITH AND SUBJECT TO THE TERMS, EXCLUSIONS, CONDITIONS AND STIPULATIONS SET FORTH IN THE AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92), ALL OF WHICH ARE INCORPORATED HEREIN, ALL REFERENCES TO SCHEDULES A AND B SHALL REFER TO SCHEDULES A AND B OF THIS POLICY.

### SCHEDULE B

#### EXCEPTIONS FROM COVERAGE

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 matters set forth below:

1. Those taxes and special assessments which become due and payable subsequent to Date of Policy, or which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public record. Proceedings by a public agency which may result in taxes or assessments, or notice of such proceedings, whether or not shown by the records of such agency or the public record.
2. Any discrepancies or conflicts in boundary lines, any shortages in area, or any encroachment or overlapping of improvements.
3. Any facts, rights, interests or claims which are not shown by the public records, but which could be ascertained by an accurate survey of the land or by making inquiry of persons in possession thereof.
4. Easements, liens or encumbrances or claims thereof, which are not shown by the public records.
5. Any lien or right to lien for services, labor or material imposed by law and not shown by the public records.
6. Covenants, conditions and restrictions, if any, appearing in the public records.
7. Any easements or servitudes appearing in the public records.
8. Any lease, grant, exception or reservation of minerals or mineral rights appearing in the public records.



# POLICY OF TITLE INSURANCE

ALTA RESIDENTIAL LIMITED COVERAGE JUNIOR LOAN POLICY

Policy No. JLP



ISSUED BY

*First American 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, First American Title Insurance Company, a California 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 not being the named grantee on the last document recorded in the public records purporting to vest title to the fee estate in the land or the description of the land in this policy not being the same as that contained in said document
2. Any monetary lien affecting the title, recorded in the public records.
3. Any ad valorem taxes or assessments of a governmental taxing authority which constitute a lien on the title and which appear on date of policy in the official ad valorem tax records where the land is located.

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.

*First American Title Insurance Company*

BY *Gary L. Keruett* PRESIDENT

ATTEST *Mark R. Aronson* SECRETARY

COUNTERSIGNED BY: \_\_\_\_\_

834

(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 correcting and 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 90 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

(ii) to purchase the indebtedness secured by the insured 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 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 (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.

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.

### 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 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 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, 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, First American Title Insurance Company, (P.O. Box 1289, Troy, MI 48099) 1650 W. Big Beaver Road, Suite 200, Troy, Michigan 48084.

## 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 or ineffectiveness of the insured's mortgage.
2. 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.

## 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) "insured's mortgage": the mortgage or deed of trust shown in paragraph B of a Residential Limited Coverage Junior Loan Policy ALTA Endorsement Form JR1 attached to this policy.

(d) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.

(e) "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.

(f) "monetary lien": any mortgage, deed of trust, judgment or other lien affecting the title securing the obligation to pay money, but not including any lien created in any easement, covenant, condition, restriction, or declaration of condominium or planned unit development, except to the extent that a separate notice of enforcement of a specific delinquent charge or assessment affecting the title has been recorded in the public records.

(g) "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, (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 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.

(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 (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 in no case exceed the least of:

(i) the amount of Insurance stated in Schedule A;

(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 interest thereon; or

(iii) if the loss is caused by a lien insured against by this policy, the difference between the value of the estate or interest in the land encumbered by the insured's mortgage without the lien insured against and the value of that estate or interest subject to the lien 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 or defect insured against by this policy 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

PREMIUM

\$ \_\_\_\_\_

SUPPLEMENTAL COVERAGE

\$ \_\_\_\_\_

**ALTA SHORT FORM RESIDENTIAL LIMITED COVERAGE  
JUNIOR LOAN POLICY**

Issued by

***First American Title Insurance Company***

First American Title Insurance Company, a California Corporation, hereinafter called the "Company," hereby insures the insured in accordance with and subject to the Exceptions, Exclusions From Coverage, and Conditions and Stipulations set forth herein and in the ALTA Residential Limited Coverage Junior Loan Policy, all of which are incorporated herein by reference.

Amount of Insurance:

\$ \_\_\_\_\_

Date of Policy:

\_\_\_\_\_

Policy No. JLC

\_\_\_\_\_

Name of Insured:

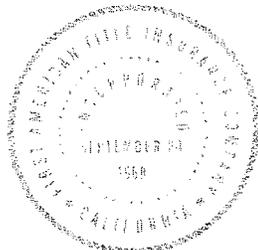
Grantee:

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

Exceptions:

Addendum containing additional exceptions attached.

**NOTICES WHERE SENT:** All notices required to be given the Company and any statement in writing required to be furnished to the Company shall include the number of this policy and shall be addressed to the Company, Attention: Claims Department, First American Title Insurance Company, (P.O. Box 1289, Troy, MI 48099) 1650-W. Big Beaver Rd., Suite 200, Troy, MI 48084.



***First American Title Insurance Company***

BY *Parker S. Kennedy* PRESIDENT

ATTEST *Mark K. Arneson* SECRETARY

COUNTERSIGNED BY \_\_\_\_\_



# POLICY OF TITLE INSURANCE



Policy No. **RP**

ISSUED BY

## *First American Title Insurance Company*

### RESIDENTIAL 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 lot or condominium unit.

Your insurance, as described in this Coverage Statement, is effective on the Policy Date shown in Schedule A.

Your insurance for Covered Title Risks is limited by the following:

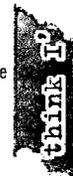
- Exclusions on page 2
- Exceptions in Schedule B
- Conditions on pages 2 and 3

We insure you against actual loss resulting from:

- any title risks covered by this Policy — up to the Amount of Insurance.

and

- any costs, attorney's fees and expenses we have under this Policy



#### COVERED TITLE RISKS

This Policy covers the following title risks, if they affect your title on the Policy Date.

1. Someone else owns an interest in your title.
2. A document is not properly signed, sealed, acknowledged, or delivered.
3. Forgery, fraud, duress, incompetency, incapacity or impersonation.
4. Defective recording of any document.
5. You do not have any legal right of access to and from the land.
6. There are restrictive covenants limiting your use of the land.
7. There is a lien on your title because of:
  - a mortgage or deed of trust
  - a judgment, tax or special assessment
  - a charge by a homeowner's or condominium association
8. Others have rights arising out of leases, contracts or options.
9. Someone else has an easement on your land.
10. Your title is unmarketable, which allows another person to refuse to perform a contract to purchase, to lease or to make a mortgage loan.
11. You cannot use the land because use as a single-family residence violates a restriction shown in Schedule B or an existing zoning law.
12. Other defects, liens or encumbrances.

#### INFLATION PROVISION - SINGLE FAMILY RESIDENCE

The Amount of Insurance will increase upon the following terms and conditions.

1. The increases will:
  - apply if the land insured contains a single family residence;
  - be automatic;
  - be used for determination of claim losses only;
  - be computed at the same percentage change by which the annual "ENR 20 - Cities Building Cost Index" (as published in the "4th quarter roundup," December issue of *Engineering Records News*) has increased.
2. The total Amount of Insurance shall never exceed 150% of that stated on Schedule A.

#### COMPANY'S DUTY TO DEFEND AGAINST COURT CASES

We will defend your title in any court case as to that part of the case that is based on a Covered Title Risk insured against by this Policy.

We will pay the costs, attorneys' fees and expenses we incur in that defense.

We can end this duty to defend your title by exercising any of our options listed in Item 4 of the Conditions.

This Policy is not complete without Schedules A and B.

*First American Title Insurance Company*

BY *Parker S. Kennedy* PRESIDENT

ATTEST *Mark R. Aronson* SECRETARY

COUNTERSIGNED BY: \_\_\_\_\_

## EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
  - land use
  - improvements on the land
  - land division
  - environmental protectionThis exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Item 11 of Covered Title Risks.
2. The right to take the land by condemning it, unless:
  - a notice of exercising the right appears in the public records on the Policy Date
  - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
  - that are created, allowed, or agreed to by you
  - that are known to you, but not to us, on the Policy Date — unless they appeared in the public records
  - that result in no loss to you
  - that first affect your title after the Policy Date —
4. Failure to pay value for your title.
5. Lack of a right:
  - to any land outside the area specifically described and referred to in Item 4 of Schedule A
  - or
  - in streets, alleys, or waterways that touch your landThis exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

## CONDITIONS

### 1. DEFINITIONS

- a. **Easement** — the right of someone else to use your land for a special purpose.
- b. **Land** — the land or condominium unit described in Schedule A and any improvements on the land which are real property.
- c. **Mortgage** — a mortgage, deed of trust, trust deed or other security instrument.
- d. **Public Records** — title records that give constructive notice of matters affecting your title — according to the state statutes where your land is located.
- e. **Title** — the ownership of your interest in the land, as shown in Schedule A.

### 2. CONTINUATION OF COVERAGE

This Policy protects you as long as you:

- own your title
- or
- own a mortgage from anyone who buys your land
- or
- are liable for any title warranties you make

This Policy protects anyone who receives your title because of your death.

### 3. HOW TO MAKE A CLAIM

#### a. You Must Give The Company Notice of Your Claim

If anyone claims a right against your insured title, you must notify us promptly in writing.

Send the notice to First American Title Insurance Company, 1650 W. Big Beaver Road, P.O. Box 1289, Troy, Michigan 48099. Please include the Policy number shown on page 1 and the county and state where the land is located.

Our obligation to you could be reduced if:

- you fail to give prompt notice
- and
- your failure affects our ability to dispose of or to defend you against the claim

#### b. Proof Of Your Loss Must Be Given To The Company

You must give us a written statement to prove your claim of loss. This statement must be given to us not later than 90 days after you know the facts which will let you establish the amount of your loss.

The statement must have the following facts:

- the Covered Title Risks which resulted in your loss
- the dollar amount of your loss
- the method you used to compute the amount of your loss

(Continued on page 3)