

IT COULD HAPPEN TO YOU – TRUE STORIES FROM THE WORLD OF REAL
PROPERTY TITLE INSURANCE CLAIMS



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WHAT IS TITLE INSURANCE?



Generally speaking, title insurance is an indemnity against actual monetary loss as a result of title defects in existence as of the date of the policy, subject to certain exclusions and exceptions from coverage

POLICY JACKET





Investors Title Insurance Company

OWNER'S POLICY OF TITLE INSURANCE

Any notice of claim and any other notice or statement in writing required to be given to 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, INVESTORS TITLE INSURANCE COMPANY, a North Carolina 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.
3. Unmarketable 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) the subdivision of land; or
 - (d) environmental protectionif 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.

(continued on back panel)

IN WITNESS WHEREOF, Investors Title Insurance Company has caused this Policy to be signed and sealed, to be valid when Schedule A is countersigned by an authorized officer or agent of the Company.

W. Morris Five

President



David A. Bennett

Secretary

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.

(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) of these Conditions, (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, or (iii) if the Title, as insured, is rejected as Unmarketable Title. 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.

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 Section 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 Section 7 of these Conditions, 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 competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal 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

CONDITIONS (Continued)

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.

(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 5 of these Conditions 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, or cures the claim of Unmarketable Title, all as insured, 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

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. 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

(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.

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, but 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 to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law 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 to the Company under this policy must be given to the Company at Investors Title Insurance Company, P.O. Drawer 2687, Chapel Hill, NC 27515-2687.

COVERED RISKS (continued)

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 to 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.

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) the 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.

Owner's Policy of Title Insurance



P.O. Drawer 2687
Chapel Hill
North Carolina 27515-2687
(919) 968-2200
www.invttitle.com

HOW TO FILE A CLAIM

(from the Investors Title website)

- **ALL CLAIMS MUST BE SENT IN WRITING TO ONE OF THE FOLLOWING:**

Email Address: newclaims@invtitle.com

Mailing Address:

Investors Title Insurance Company
Attn: New Claims
P.O. Drawer 2687
Chapel Hill, NC 27515

Overnight Address:

Investors Title Insurance Company
Attn: New Claims
121 North Columbia St.
Chapel Hill, NC 27514

Fax Number:

Attn: New Claims
919.968.2235

Important Notices:

1. Any claim forwarded to any e-mail address, mailing address, or fax number, other than those listed above, will not be considered as having been received by Investors Title Insurance Company.
2. All claims must be submitted in writing. Verbal notification of claims will not be accepted.
3. If you do not receive a written acknowledgement of your claim from Investors Title Insurance Company within one (1) week of the submission of your claim, please call 800.326.4842 to confirm the receipt of your claim.

Required Documentation:

- Complete a Notice of Claim form by clicking "Submit a Claim" of the left-hand side of this page or send a letter with the following information:
 1. Insured property address.
 2. Contact information for the claimant including a phone number and email address.
 3. A copy of your Policy, including the Policy Jacket. If you do not have a copy of your policy, please include your policy number.
 4. Copy of the Summons and Complaint, including exhibits, if you have been sued. Copy of any answer filed by you or on your behalf.
 5. The date you received notice of the alleged title problem.
 6. A detailed description of the alleged title problem.
 7. The name and telephone number of any other party involved.
 8. The current status of the alleged title problem.
 9. A statement describing what you are asking the Company to do (for example, remove a lien, defend you in a lawsuit or pay you for loss).
 10. Any correspondence or other pertinent documents or information you have received relating to this matter, including letters, surveys etc.

Investors Title Insurance Company

INNOVATIVE BY INSTINCT



Notice of Claim

Please use this form when presenting a claim under your title insurance policy. **Complete each item. Type or print legibly.** Return this form together with all pertinent documentation.

Policy No. _____ Date of Policy _____

Claimant Name: _____

Insured Name: _____

Insured Name: _____

Claimant Mailing Address: _____

Telephone:

Home (____) _____ (____) _____

Office (____) _____ (____) _____

Mobile (____) _____ (____) _____

Insured Property Address _____

If you are represented by an Attorney, please provide:

Name: _____

Address: _____

Telephone: (____) _____ Fax: (____) _____

NOTE:

If you have an attorney, our initial response to your claim will be made to your attorney.

DESCRIBE YOUR CLAIM ON A SEPARATE SHEET OF PAPER.

Include the following:

- Complete Notice of Claim form
- Contact information for the claimant
- A copy of your Policy, including the Policy Jacket.
- Copy of Summons and Complaint, including exhibits, if you have been sued.
- Copy of any answer filed by you or on your behalf.
- Date you received notice of the alleged title problem.
- A detailed description of the alleged title problem.
- The name and telephone number of any other party involved.
- The current status of the alleged title problem.
- A statement describing what you are asking the Company to do (for example, remove a lien, defend you in a lawsuit or pay you for loss).
- Any correspondence or other pertinent information you have received relating to this matter, including letters, surveys, etc.

VERY IMPORTANT: HAVE YOU BEEN SUED?

____ YES. I received the papers on ____/____/____.

- *A copy of the Summons and Complaint and any response or answer filed on your behalf must be sent to the Company together with this form.*
- *Has anyone filed a response or answer on your behalf? Yes ____ No ____*

____ NO.

By signing this notice, the undersigned acknowledge a duty under the policy to cooperate with the Company in the handling of this matter and in any litigation. The undersigned agree to provide any further information required by the Company.

Signature

Date: _____

Signature

Date: _____

HELLO, I AM HERE TO TAKE YOUR PROPERTY



UNRELEASED SENIOR DEED OF TRUST

Clarence and Betty bought a house from Bill and Sue. Clarence and Betty had been living in the house for four years when they received a Notice of Hearing from Frank's Bank, which indicated that Frank's Bank had begun foreclosure proceedings against the property. Clarence and Betty are not behind on their payments and their loan is with Bender's Lender. Investigation reveals that Bill and Sue were the borrowers of the Frank's Bank loan and that the loan should have been paid at closing, but the closing attorney missed the lien when they did their title search. Clarence and Betty file a title insurance claim.

What result if Clarence and Betty have an Owner's Policy?

What result if there is only a Lender's policy?

What result if Clarence and Betty paid cash for the house and have no title insurance?

What if the closing attorney did not miss the lien and Clarence and Betty can show that it was paid using their HUD settlement statement?

JUDGMENTS

In February, 2005, Helen bought a house from George. In April, 2005, Helen received a letter from an attorney representing ABC Car Financing. In the letter, the attorney explained that ABC had a judgment of @\$20,000.00 against Fred and that ABC would like to be paid. If they are not paid, the attorney further explains, they will sell Helen's house to satisfy the judgment. Helen has never heard of Fred, but it turns out that he owned the property before George and that ABC does indeed have a judgment against him that attached to the property.

Helen files a title claim.

WE ARE FAMILY



Michael and Michelle bought a house from Bernard. Two years later, Michael received an exciting job offer in Abingdon, VA. Michael and Michelle entered into a contract to sell the property to Larry and Lara. In searching title, the buyers' attorney discovered that Bernard bought the house from Rachel, who bought it from Carl, Sarah and Claire, the alleged heirs of the prior owner, Walter. There was no estate filed, however, and Larry and Lara are worried that there may be other heirs, so they decide to buy another house. Michael and Michelle file a title claim.

Jenny gives property to her daughter Caroline via Warranty Deed. Eleven years later, Caroline tries to sell the property and discovers that there are many issues with the deeds in the chain of title and several people have come forward to claim an interest in the property. Jenny has an Owner's Policy, but Caroline does not have title insurance. Is this covered?

OOPS I SOLD IT AGAIN

In May, 1975, Mary and Louise sell Lot A to Parker and Selma. In August, 1975, Mary and Louise grant a 20 foot easement to Harry to drive over Lot A to reach his property. The property changes hands over the years until Penelope buys Lot A. Penelope does not like having neighbors and when she sees Grant driving over the gravel drive to reach his house, she forbids him from ever doing it again. Does Grant have a right to drive over Penelope's property?

Bob bought 50 acres of beautiful forest and planned to spend the rest of his days wandering peacefully among the trees. One day, some very large trucks rolled into that forest and now Bob spends his days sadly walking amongst the stumps. What happened?

Holly bought her house from BS Homes, LLC and lived there for a year. One day, when she was eight months pregnant, she was served with a lawsuit. The suit, filed by Mr. H. Miser, alleged that his brother, Mr. C. Miser, had wrongfully transferred the property out of their old company – MotherNature, LLC and placed it into his BS LLC. Mr. H. Miser seeks to void the deed to Holly and return title to the old LLC.



I MAY NOT OWN IT BUT I AM DARN SURE GOING TO USE IT



Bruce and Sally have decided to add on to their house. To their surprise, excavation revealed a septic drainage area for the neighboring homeowner. A title search reveals that both lots used to be owned by the same person. When he sold one lot, he granted an easement to the buyer for their septic system. Bruce and Sally will have to relocate their addition.

Marvin has always dreamed of moving to the mountains. Finally, he bought a parcel of land upon which to build his dream house. As he began to dig, he uncovered something interesting – a large pipe, running straight through the middle of his property. Curious as to what this could be, he asked the person who sold him the property, Beatrice. Beatrice informed him that it is her sewer pipe and it is going to stay there. Marvin can't build his dream pipe over Beatrice's sewer pipe.

A TALE OF TWO TITLE CLAIMS: SO SIMILAR AND YET SO DIFFERENT



The house next door to Audrey got foreclosed. One day, Audrey was at home when a stranger knocked at her door and said “hey – did you know that house is on your property?” Audrey did not know that, but as it turned out, it was true.....

Donald and Denise bought a beautiful house in the country. When they arrived to move in, they discovered that their driveway was blocked. Seeing them, the neighbor came out of his house and said “hey – that driveway is on my land, so I blocked it. Also, most of the house is on my son’s property. Have a great day.”

YOU DON'T OWN ME

Thought you bought:



You actually own:



Franklin bought a pretty house on Lot 7 in a rural neighborhood. After he bought the property, he decided to put up a fence, so he hired a surveyor. The surveyor came back with some troubling findings – based upon what he can tell, the pretty house is actually located on Lot 6. Lot 7 is vacant. Franklin files a title insurance claim.

Billy and Marilyn have always wanted a place at the beach. After saving for some time, they finally have enough for a townhouse. In looking at properties, they are careful to pick one on the end that has a view of the ocean from the deck. Bill and Marilyn move in and are happy. Eventually, they decide to refinance the property. When they do, they discover something troubling – while they are occupying the nice townhome on the end, they actually own the one next door – with no view of the ocean. They need to get this fixed, so they file a title claim.

At foreclosure sale, Henry buys a small cape that he intends to rent out. He puts in some work, fixes it up and rents it for a time. After a while, Henry tires of being a landlord and decides to sell the property. He puts in some more work, adds some paint and some landscaping and ends up with a really attractive property – much nicer than that one next door that nobody takes care of. Henry quickly gets some offers, but when it comes time to sell, he finds that the house that he has put so much work into is not the house he actually owns.