



WFG National Title Insurance Company  
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Coral Springs, FL 33067  
Tel (954) 840-0843  
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## CLOSING PROTECTION LETTER - SINGLE TRANSACTION

### WFG NATIONAL TITLE INSURANCE COMPANY

Name and Address of Addressee:

Date:

Name of Issuing Agent or Approved Attorney ("Issuing Agent" or "Approved Attorney", as the case may require):

*[Name of Issuing Agent or Approved Attorney appears here.]*

Transaction ("Real Estate Transaction"):

Re: Closing Protection Letter

Dear

WFG National Title Insurance Company (the "Company"), in consideration of your acceptance of this letter, agrees, subject to the Conditions and Exclusions set forth below, to indemnify you for actual loss of settlement funds incurred by you in connection with the closing of the Real Estate Transaction conducted by the Issuing Agent or Approved Attorney on or after the date of this letter, provided:

- (A) the Company issues or is contractually obligated to issue title insurance for your protection in connection with the closing of the Real Estate Transaction;
- (B) you are to be the (i) lender secured by an Insured Mortgage, as defined in the ALTA Loan Policy (6-17-06), its assignee or a warehouse lender, (ii) purchaser of an interest in land, or (iii) lessee of an interest in land; and
- (C) the aggregate of all funds you transmit to the Issuing Agent or Approved Attorney for the Real Estate Transaction does not exceed \$\_\_\_\_\_; and

further provided the loss arises out of:

1. Failure of the Issuing Agent or Approved Attorney to comply with your written closing instructions to the extent that they relate to (a) the status of the title to that interest in land or the validity, enforceability and priority of the lien of the mortgage on that interest in land, including the obtaining of documents and the disbursement of funds necessary to establish the status of title or lien, or (b) the obtaining of any other document, specifically required by you, but only to the extent the failure to obtain the other document affects the status of the title to that interest in land or the validity, enforceability and priority of the lien of the mortgage on that interest in land, and not to the extent that your instructions require a determination of the validity, enforceability or the effectiveness of the other document, or
2. Fraud, theft, dishonesty or negligence of the Issuing Agent or Approved Attorney in handling your funds or documents in connection with the closing to the extent that fraud, theft, dishonesty or negligence relates to the status of the title to that interest in land or to the validity, enforceability, and priority of the lien of the mortgage on that interest in land.

If you are a lender protected by this letter, your borrower, your assignee and your warehouse lender in connection with an Insured Mortgage shall be protected as if it was addressed to them.

## Conditions and Exclusions

1. The Company shall have no liability for loss arising out of:
  - a. Failure of the Issuing Agent or Approved Attorney to comply with closing instructions that require title insurance protection inconsistent with that set forth in the Company's title insurance binder or commitment.
  - b. Loss or impairment of your funds in the course of collection or while on deposit with a bank due to bank failure, insolvency or suspension, except as shall result from failure of the Issuing Agent or Approved Attorney to comply with your written closing instructions to deposit the funds in a bank which you designated by name.
  - c. Defects, liens, encumbrances or other matters in connection with the Real Estate Transaction. This Exclusion does not affect the coverage afforded in the Company's title insurance policy issued in connection with the Real Estate Transaction.
  - d. Fraud, theft, dishonesty or negligence of your employee, agent, attorney or broker.
  - e. Your settlement or release of any claim without the Company's written consent.
  - f. Any matters created, suffered, assumed or agreed to by you or known to you.
2. If the closing is conducted by an Approved Attorney, a title insurance binder or commitment for the issuance of the Company's title insurance policy must have been received by you prior to the transmission of your final closing instructions to the Approved Attorney.
3. When the Company shall have indemnified you pursuant to this letter, it shall be subrogated to all rights and remedies you have against any person or property had you not been indemnified. The Company's liability for indemnification shall be reduced to the extent that you have impaired the value of this right of subrogation.
4. The Company's liability for loss under this letter shall not exceed the least of:
  - a. the amount of your settlement funds;
  - b. the Company's liability under its title insurance policy at the time written notice of a claim is made under this letter; or
  - c. the value of the lien of the Insured Mortgage, or the interest in the land insured or to be insured under the Company's title insurance policy at the time written notice of a claim is made under this letter.
5. Payment to you or to the owner of the Indebtedness under the Company's title insurance policy or policies or from any other source shall reduce liability under this letter by the same amount. Payment in accordance with the terms of this letter shall constitute a payment pursuant to Section 10 of the Conditions of the policy.

6. The Issuing Agent is the Company's agent only for the limited purpose of issuing title insurance policies. Neither the Issuing Agent nor the Approved Attorney is the Company's agent for the purpose of providing closing or settlement services. The Company's liability for your losses arising from those closing or settlement services is strictly limited to the protection expressly provided in this letter. The Company shall have no liability for loss resulting from the fraud, theft, dishonesty or negligence of any party to the Real Estate Transaction other than an Issuing Agent or Approved Attorney, the lack of creditworthiness of any borrower connected with the Real Estate Transaction, or the failure of any collateral to adequately secure a loan connected with the Real Estate Transaction.
7. You must promptly send written notice of a claim under this letter to the Company at its principal office at 340 Oswego Pointe Dr, Suite 100, Lake Oswego, OR 97035. If the Company is prejudiced by your failure to provide prompt notice, the Company's liability to you under this letter shall be reduced to the extent of the prejudice. In no event shall the Company be liable for a loss if the written notice is not received by the Company within one year from the date of the closing.
8. This letter will cover the Real Estate Transaction if it closes within one year after the date of this letter. The Company may terminate its obligation to cover the Real Estate Transaction if it has not closed by sending written notice to the Addressee.
9. The protection of this letter extends only to real estate in Alabama, Arizona, Arkansas, Delaware, District of Columbia, Georgia, Iowa, Idaho, Illinois, Indiana, Kansas, Kentucky, Maryland, Massachusetts, Minnesota, Mississippi, Montana, Nevada, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Utah, and West Virginia.
- [10. Either the Company or you may demand that any claim arising under this letter be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association, unless you have a title insurance policy for the Real Estate Transaction with an Amount of Insurance greater than \$2,000,000. If you have a policy of title insurance for the Real Estate Transaction with an Amount of Insurance greater than \$2,000,000, a claim arising under this letter may be submitted to arbitration only when agreed to by both the Company and you.]

No previous letter, endorsement or similar agreement for closing protection applies to the Real Estate Transaction.

**WFG NATIONAL TITLE INSURANCE COMPANY**

By: \_\_\_\_\_

(The name of a particular issuing agent or approved attorney may be inserted in lieu of reference to Issuing Agent or Approved Attorney contained in this letter and the words "Underwritten Title Company" may be inserted in lieu of Issuing Agent.)