**IDENTIFIED EXCEPTION AND IDENTIFIED RISK COVERAGE ENDORSEMENT**

**Attached to Policy No. \_\_\_\_\_\_\_\_\_\_**

**Issued by**

**WFG NATIONAL TITLE INSURANCE COMPANY**

WFG National Title Insurance Company herein called “The Company”.

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

a. “Identified Exception”: Exception \_\_\_\_\_ of Schedule B.

b. “Identified Risk”: The consequences specified below that may result from the exercise or enforcement of the matter described in the Identified Exception:

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*(DRAFTING INSTRUCTION: Insert the specific consequences potentially arising out of the Identified Exception (e.g., enforcement of a specific covenant in a set of covenants described in the Identified Exception or foreclosure of a lien described in the Identified Exception) against which you intend to insure)*

**2.** The Company insures against loss or damage sustained by the Insured by reason of:

a. the exercise or enforcement of an Identified Risk specified in Section 1.b. by an adverse party; or

b. the release of a prospective purchaser or lessee of the Title or a lender on the Title from the obligation to purchase, lease, or lend, as a result of the Identified Risk arising out of the Identified Exception, but only if:

i. there is a contractual condition requiring the delivery of marketable title; and

ii. neither the Company nor any other title insurance company will insure over the Identified Risk with the same coverage as in this endorsement.

**3.** This endorsement does not obligate the Company to establish the Title free of the Identified Exception or to eliminate the Identified Risk. The Company does not assume any liability for loss or damage arising out of the Identified Exception other than the Identified Risk. If the Company establishes the Title free of the Identified Risk, Condition 9.a. of the policy applies.

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

***IN WITNESS WHEREOF,*** the Company has caused this endorsement to be issued and become valid when signed by an authorized officer or licensed agent of the Company.

**WFG NATIONAL TITLE INSURANCE COMPANY**

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

**Authorized Officer or Licensed Agent**