

### Sumner WWTP Parcel List

Parcel No.	Notes
4250001010	
4250001080	Location of turn-around
4250001001	
4250001210	Location of Biosolids Modernization Improvements
4250001220	
4250001232	
4250001233	
4250001234	
4250001240	
4250001250	
4250001260	
4250001270	
4250001278	
4250001282	
4250001284	
4250001286	
4250001287	
4250001291	
4250001300	
4250001312	



## **TICOR TITLE COMPANY**

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**3929 Bridgeport Way W, #202, University Place, WA 98466**  
(866)220-3278 FAX (425)255-0285

Guarantee No.: 02840-6499776-G-UNIT 1  
Amount: \$ 1,000.00  
Premium: \$ 400.00  
Tax: \$ 38.00

To:

City of Sumner

Effective Date: August 17, 2012 at 08:00 AM

Inquiries should be directed to:  
UNIT 1 (425)255-7472  
Reid Vance  
Joe Dorfman

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### **LITIGATION, TRUSTEE'S SALE OR CONTRACT FORFEITURE GUARANTEE**

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#### **SCHEDULE A**

1. Assured:

City of Sumner

2. The estate or interest in the land described or referred to in this schedule covered by this guarantee is:

Fee Simple

3. Title to said estate or interest at the date hereof is vested in:

The City of Sumner, a municipal corporation

4. The land referred to in this Guarantee is described as follows:

(See attached Exhibit "A" for legal description)



# **TICOR TITLE COMPANY**

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**3929 Bridgeport Way W, #202, University Place, WA 98466**  
(866)220-3278 FAX (425)255-0285

## **GUARANTEE SCHEDULE A** (Continued)

Guarantee No.: 6499776  
Reference No.: / Sumner

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### **INFORMATION FOR ASSURED**

1. PLEASE NOTE that this report is not a commitment nor an obligation by the Company to issue any policy or policies of title insurance insuring the property described in Schedule A.
  2. Upon request WITHIN 60 DAYS from the effective date of this Report, the Company will extend the effective date of this Report by endorsement to include the recording of the Notice of Trustee's Sale. Such endorsement will show as additional exceptions, and therefore exclude from coverage, those matters attaching subsequent to the effective date of the Report but prior to the issuance of the endorsement.
  3. The Company may, BUT IS NOT OBLIGATED TO, issue additional endorsements extending the effective date of the Report at the request of the Insured. The fee for such endorsements will be charged according to the Company's filed Rate Schedule for such endorsements. The Company will not, and accepts no obligation to, issue an endorsement extending the effective date to, or beyond, the date of the trustee's sale.
  4. Attention is called to the Servicemembers Civil Relief Act (108 P.L. 189; 117 Stat. 2835; 2003 Enacted H.R. 100) and amendments thereto which contain inhibitions against the sale of land under a deed of trust if the owner is entitled to the benefits of said Act.
  5. Attention is called to the Federal Tax Lien Act of 1966 which, among other things, provides for the giving of written notice of sale in a specified manner to the Secretary of the Treasury or his delegate as a requirement for the discharge or divestment of a Federal Tax Lien in a non-judicial sale, and establishes with respect to such lien a right in the United States to redeem the property within a period of 120 days from the date of any such sale.
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**SCHEDULE B**

**EXCEPTIONS:**

1. The property herein described is carried on the tax rolls as exempt. However, it will become taxable on the date of the execution of a conveyance to a taxable entity and subject to the lien of real property taxes for the balance of the year from that date:

Tax Account Number: 4250001080  
Levy Code: 117  
Assessed Value-Land: \$72,500.00  
Assessed Value-Improvements: \$0.00

Note: Weed Control and Surface Water Management charges for 2012 paid in the amount of \$21.65.  
Parcel No. 4250001080

**END OF EXCEPTIONS**

**NOTES:**

Note: FOR INFORMATIONAL PURPOSES ONLY:

The following may be used as an abbreviated legal description on the documents to be recorded, per Amended RCW 65.04.045. Said abbreviated legal description is not a substitute for a complete legal description within the body of the document:

Lots 23 and 24, Greenlawn Addition to Sumner

df 09/19/2012

**END OF SCHEDULE B**



Guarantee No. 02840-6499776-G-1

**EXHIBIT "A"**

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

That portion of Blocks 23 and 24, Greenlawn Addition to Sumner, Wash, according to plat recorded in Book 4 of Plats at Page 94, lying outside the City Limits of the City of Sumner, in Pierce County, Washington.

Except that portion thereof lying northerly and westerly of the southeasterly line of Primary State Highway No. 5 Sumner, Stuck River to Wahl Road, as conveyed to the State of Washington by deed recorded under Auditor's No. 1928397.





**TICOR TITLE INSURANCE CO. Litigation/Trustee's Sale/Contract Forfeiture Guarantee**

**Litigation/  
Trustee's Sale/  
Contract Forfeiture  
Guarantee**

**SUBJECT TO THE EXCLUSIONS FROM  
COVERAGE, THE LIMITS OF LIABILITY AND  
OTHER PROVISIONS OF THE CONDITIONS  
AND STIPULATIONS HEREOF, TICOR TITLE  
INSURANCE COMPANY**, a California corpo-  
ration, herein called the Company, guarantees  
the Assured against loss not exceeding the  
liability amount stated in Schedule A which the  
Assured shall sustain by reason of any incor-  
rectness in the assurance which the Company

hereby gives that, according to the public records,  
on the Date of Guarantee stated in Schedule A,  
the title to the herein described estate or interest  
was vested in the vestee named, subject to the  
matters shown as Exceptions in Schedule B,  
which Exceptions are not necessarily shown in  
the order of their priority.

This Guarantee shall not be valid or binding  
until countersigned below by an authorized sig-  
natory of the Company.

ISSUED BY



**TICOR TITLE COMPANY**


15 S. GRADY WAY, #120, RENTON, WA 98055, (425) 255-7575



Authorized Signatory

TICOR TITLE INSURANCE COMPANY

By


President

Attest

Secretary



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## Exclusions from Coverage

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The following matters are expressly excluded from the coverage of this Guarantee:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Guarantee.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Guarantee.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Guarantee.
3. Defects, liens, encumbrances, adverse claims against the title as guaranteed, or other matters:
  - (a) created, suffered, assumed or agreed to by one or more of the Assured;
  - (b) not known to the Company, not recorded in the public records at Date of Guarantee but known to one or more of the Assured at Date of Guarantee;
4. No guarantee is given nor liability assumed with respect to the identity of any party named or referred to in Schedule B or with respect to the validity, legal effect or priority of any matter shown therein.
5. Taxes or assessments 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 records.
6. Unpatented mining claims; reservations or exceptions in United States Patents or in Acts authorizing the issuance thereof; Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes; water rights, claims or title to water.
7. Title to any property beyond the lines of the land expressly described in the description set forth in this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways on which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement; or any rights or easements therein unless such property, rights or easements are expressly and specifically set forth in said description.
8. Any loss or damage which arises out of any transaction affecting the estate or interest shown in Schedule A of this Guarantee by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

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## Conditions and Stipulations

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### 1. DEFINITION OF TERMS:

The following terms when used in this Guarantee mean:

- (a) "land": the land described in this Guarantee and improvements affixed thereto which by law constitute real property.
- (b) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions from Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district in which the land is located.
- (c) "date," "Date of Guarantee": the effective date;
- (d) "the Assured" the party or parties named as the Assured in this Guarantee, or in a supplemental writing executed by the Company.
- (e) "mortgage": mortgage, deed of trust, trust deed, real estate contract or other security instrument.

### 2. PROSECUTION OF ACTIONS

(a) The Company shall have the right at its own cost to institute and prosecute any action or proceeding or do any other act which in its opinion may be necessary or desirable to establish or confirm the matters herein guaranteed; and the Company may take any appropriate action under the terms of this Guarantee whether or not it shall be liable thereunder and shall not thereby concede liability or waive any provision hereof.

(b) In all cases where the Company does so institute and prosecute any action or proceeding, the Assured shall permit the Company to use, at its option, the name of the Assured for such purpose. Whenever requested by the Company, the Assured shall give the Company all reasonable aid in prosecuting such action or proceeding, and the Company shall reimburse the Assured for any expense so incurred.

### 3. NOTICE OF LOSS-LIMITATION OF ACTION

A statement in writing or any loss or damage for which it is claimed the Company is liable under this Guarantee shall be furnished to the Company within sixty days after such loss or damage shall have been determined, and no right of action shall accrue to the Assured under this Guarantee until thirty days after such statement shall have been furnished, and no recovery shall be had by the Assured under this Guarantee unless action shall be commenced thereon within two years after expiration of said thirty day period. Failure to furnish such statement of loss or damage or to commence such action within the time hereinbefore specified, shall be a conclusive bar against maintenance by the Assured of any action under this Guarantee.

### 4. OPTION TO PAY, SETTLE OR COMPROMISE CLAIMS

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage, the Company shall have the option to purchase the indebtedness secured by said mortgage. Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness and the mortgage securing the same to the Company upon payment of the purchase price.

### 5. LIMITATION OF LIABILITY-PAYMENT OF LOSS

(a) The liability of the Company under this Guarantee shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurances herein set forth, but in no event shall such liability exceed the amount of the liability stated within this Guarantee.

(b) The Company will pay all costs imposed upon the Assured in litigation carried on by the Company for the Assured, and all costs and attorney's fees in litigation carried on by the Assured with the written authorization of the Company.



(c) No claim for damages shall arise or be maintainable under this Guarantee (1) if the Company after having received notice of an alleged defect, lien or encumbrance not shown as an Exception or excluded herein removes such defect, lien or encumbrance within a reasonable time after receipt of such notice, or (2) for liability voluntarily assumed by the Assured in settling any claim or suit without written consent of the Company.

(d) All payments under this Guarantee, except for attorneys' fees as provided for in paragraph 5(b) hereof, shall reduce the amount of the liability hereunder pro tanto, and no payment shall be made without producing this Guarantee for endorsement of such payment unless the Guarantee be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

(e) When liability has been definitely fixed in accordance with the conditions of this Guarantee, the loss or damage shall be payable within thirty days thereafter.

#### **6. SUBROGATION UPON PAYMENT OR SETTLEMENT**

Whenever the Company shall have settled a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured, and it shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to such claim had this Guarantee not been issued. If the payment does not cover the loss of the Assured, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. The Assured if requested by the Company, shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right or subrogation, and shall permit the Company to use the name of the Assured in any transaction or litigation involving such rights or remedies.

#### **7. GUARANTEE ENTIRE CONTRACT**

Any action or actions or rights of action that the Assured may have or may bring against the Company arising out of the subject matter hereof must be based on the provisions of this Guarantee.

No provision or condition of this Guarantee can be waived or changed except by a writing endorsed or attached hereto signed by the President, a Vice President, the Secretary, an Assistant Secretary or other validating officer of the Company.

#### **8. 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 guarantee and shall be addressed to the Company at Ticor Title Insurance Company, Claims Department, P.O. Box 2233, Los Angeles, California 90051**

9. THE FEE SPECIFIED WITHIN THIS GUARANTEE IS THE TOTAL FEE FOR TITLE SEARCH AND EXAMINATION AND FOR THIS GUARANTEE.



## **TICOR TITLE COMPANY**

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**3929 Bridgeport Way W, #202, University Place, WA 98466**  
(866)220-3278 FAX (425)255-0285

Guarantee No.: 02840-6499761-G-UNIT 1  
Amount: \$ 1,000.00  
Premium: \$ 400.00  
Tax: \$ 38.00

To: City of Sumner

Effective Date: August 17, 2012 at 08:00 AM

Inquiries should be directed to:  
UNIT 1 (425)255-7472  
Reid Vance  
Joe Dorfman

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### **LITIGATION, TRUSTEE'S SALE OR CONTRACT FORFEITURE GUARANTEE**

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#### **SCHEDULE A**

1. Assured:

City of Sumner

2. The estate or interest in the land described or referred to in this schedule covered by this guarantee is:

Fee Simple

3. Title to said estate or interest at the date hereof is vested in:

City of Sumner

4. The land referred to in this Guarantee is described as follows:

(See attached Exhibit "A" for legal description)



# **TICOR TITLE COMPANY**

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**3929 Bridgeport Way W, #202, University Place, WA 98466**  
(866)220-3278 FAX (425)255-0285

## **GUARANTEE SCHEDULE A** (Continued)

Guarantee No.: 6499761  
Reference No.: / Sumner

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### **INFORMATION FOR ASSURED**

1. PLEASE NOTE that this report is not a commitment nor an obligation by the Company to issue any policy or policies of title insurance insuring the property described in Schedule A.
  2. Upon request WITHIN 60 DAYS from the effective date of this Report, the Company will extend the effective date of this Report by endorsement to include the recording of the Notice of Trustee's Sale. Such endorsement will show as additional exceptions, and therefore exclude from coverage, those matters attaching subsequent to the effective date of the Report but prior to the issuance of the endorsement.
  3. The Company may, BUT IS NOT OBLIGATED TO, issue additional endorsements extending the effective date of the Report at the request of the Insured. The fee for such endorsements will be charged according to the Company's filed Rate Schedule for such endorsements. The Company will not, and accepts no obligation to, issue an endorsement extending the effective date to, or beyond, the date of the trustee's sale.
  4. Attention is called to the Servicemembers Civil Relief Act (108 P.L. 189; 117 Stat. 2835; 2003 Enacted H.R. 100) and amendments thereto which contain inhibitions against the sale of land under a deed of trust if the owner is entitled to the benefits of said Act.
  5. Attention is called to the Federal Tax Lien Act of 1966 which, among other things, provides for the giving of written notice of sale in a specified manner to the Secretary of the Treasury or his delegate as a requirement for the discharge or divestment of a Federal Tax Lien in a non-judicial sale, and establishes with respect to such lien a right in the United States to redeem the property within a period of 120 days from the date of any such sale.
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## **SCHEDULE B**

### **EXCEPTIONS:**

1. The property herein described is carried on the tax rolls as exempt. However, it will become taxable on the date of the execution of a conveyance to a taxable entity and subject to the lien of real property taxes for the balance of the year from that date:  
  
Tax Account Number: 4250001210  
Levy Code: 117  
Assessed Value-Land: \$324,500.00  
Assessed Value-Improvements: \$1,400,000.00  
  
Note: Weed Control charges for 2012 paid in the amount of \$1.92.  
Parcel No. 4250001210
2. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:  
  
In favor of: Puget Sound Power & Light Company  
Purpose: electric line  
Recording Date: August 3, 1971  
Recording No: 2404124  
Affects: Tract 33, together with west half of Meade Avenue abutting
3. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:  
  
In favor of: Puget Sound Energy, Inc.  
Purpose: utility systems  
Recording Date: April 2, 2004  
Recording No: 200404020206
4. Any question that may arise due to shifting and changing in the course or boundaries of Puyallup River or Stuck River.
5. Rights of the State of Washington in and to that portion, if any, of the Land which lies below the line of ordinary high water of Puyallup River or Stuck River.
6. Any prohibition or limitation of use, occupancy or improvement of the Land resulting from the rights of the public or riparian owners to use any portion which is now or was formerly covered by water.
7. Paramount rights and easements in favor of the United States for commerce, navigation, fisheries and the production of power.

### **END OF EXCEPTIONS**

### **NOTES:**

Note: FOR INFORMATIONAL PURPOSES ONLY:

The following may be used as an abbreviated legal description on the documents to be recorded, per Amended RCW 65.04.045. Said abbreviated legal description is not a substitute for a complete legal description within the body of the document:

Tracts 33, 34 and 35, Greenlawn Addition to Sumner, Wash.

df 09/05/2012

### **END OF SCHEDULE B**



Guarantee No. 02840-6499761-G-1

**EXHIBIT "A"**

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

Tracts 33, 34 and 35, Greenlawn Addition to Sumner, Wash, according to Plat recorded in Book 4 of Plats at Page 94, in Pierce County, Washington.

Together with west half of Meade Avenue abutting on the west, vacated by Order of the Pierce County Commissioners.





**TICOR TITLE INSURANCE CO. Litigation/Trustee's Sale/Contract Forfeiture Guarantee**

**Litigation/  
Trustee's Sale/  
Contract Forfeiture  
Guarantee**

**SUBJECT TO THE EXCLUSIONS FROM  
COVERAGE, THE LIMITS OF LIABILITY AND  
OTHER PROVISIONS OF THE CONDITIONS  
AND STIPULATIONS HEREOF, TICOR TITLE  
INSURANCE COMPANY**, a California corpo-  
ration, herein called the Company, guarantees  
the Assured against loss not exceeding the  
liability amount stated in Schedule A which the  
Assured shall sustain by reason of any incor-  
rectness in the assurance which the Company

hereby gives that, according to the public records,  
on the Date of Guarantee stated in Schedule A,  
the title to the herein described estate or interest  
was vested in the vestee named, subject to the  
matters shown as Exceptions in Schedule B,  
which Exceptions are not necessarily shown in  
the order of their priority.

This Guarantee shall not be valid or binding  
until countersigned below by an authorized sig-  
natory of the Company.

ISSUED BY



**TICOR TITLE COMPANY**


15 S. GRADY WAY, #120, RENTON, WA 98055, (425) 255-7575



Authorized Signatory

TICOR TITLE INSURANCE COMPANY

By


President

Attest

Secretary



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## Exclusions from Coverage

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The following matters are expressly excluded from the coverage of this Guarantee:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Guarantee.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Guarantee.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Guarantee.
3. Defects, liens, encumbrances, adverse claims against the title as guaranteed, or other matters:
  - (a) created, suffered, assumed or agreed to by one or more of the Assured;
  - (b) not known to the Company, not recorded in the public records at Date of Guarantee but known to one or more of the Assured at Date of Guarantee;
4. No guarantee is given nor liability assumed with respect to the identity of any party named or referred to in Schedule B or with respect to the validity, legal effect or priority of any matter shown therein.
5. Taxes or assessments 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 records.
6. Unpatented mining claims; reservations or exceptions in United States Patents or in Acts authorizing the issuance thereof; Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes; water rights, claims or title to water.
7. Title to any property beyond the lines of the land expressly described in the description set forth in this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways on which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement; or any rights or easements therein unless such property, rights or easements are expressly and specifically set forth in said description.
8. Any loss or damage which arises out of any transaction affecting the estate or interest shown in Schedule A of this Guarantee by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

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## Conditions and Stipulations

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### 1. DEFINITION OF TERMS:

The following terms when used in this Guarantee mean:

- (a) "land": the land described in this Guarantee and improvements affixed thereto which by law constitute real property.
- (b) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions from Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district in which the land is located.
- (c) "date," "Date of Guarantee": the effective date;
- (d) "the Assured" the party or parties named as the Assured in this Guarantee, or in a supplemental writing executed by the Company.
- (e) "mortgage": mortgage, deed of trust, trust deed, real estate contract or other security instrument.

### 2. PROSECUTION OF ACTIONS

(a) The Company shall have the right at its own cost to institute and prosecute any action or proceeding or do any other act which in its opinion may be necessary or desirable to establish or confirm the matters herein guaranteed; and the Company may take any appropriate action under the terms of this Guarantee whether or not it shall be liable thereunder and shall not thereby concede liability or waive any provision hereof.

(b) In all cases where the Company does so institute and prosecute any action or proceeding, the Assured shall permit the Company to use, at its option, the name of the Assured for such purpose. Whenever requested by the Company, the Assured shall give the Company all reasonable aid in prosecuting such action or proceeding, and the Company shall reimburse the Assured for any expense so incurred.

### 3. NOTICE OF LOSS-LIMITATION OF ACTION

A statement in writing or any loss or damage for which it is claimed the Company is liable under this Guarantee shall be furnished to the Company within sixty days after such loss or damage shall have been determined, and no right of action shall accrue to the Assured under this Guarantee until thirty days after such statement shall have been furnished, and no recovery shall be had by the Assured under this Guarantee unless action shall be commenced thereon within two years after expiration of said thirty day period. Failure to furnish such statement of loss or damage or to commence such action within the time hereinbefore specified, shall be a conclusive bar against maintenance by the Assured of any action under this Guarantee.

### 4. OPTION TO PAY, SETTLE OR COMPROMISE CLAIMS

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage, the Company shall have the option to purchase the indebtedness secured by said mortgage. Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness and the mortgage securing the same to the Company upon payment of the purchase price.

### 5. LIMITATION OF LIABILITY-PAYMENT OF LOSS

(a) The liability of the Company under this Guarantee shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurances herein set forth, but in no event shall such liability exceed the amount of the liability stated within this Guarantee.

(b) The Company will pay all costs imposed upon the Assured in litigation carried on by the Company for the Assured, and all costs and attorney's fees in litigation carried on by the Assured with the written authorization of the Company.



(c) No claim for damages shall arise or be maintainable under this Guarantee (1) if the Company after having received notice of an alleged defect, lien or encumbrance not shown as an Exception or excluded herein removes such defect, lien or encumbrance within a reasonable time after receipt of such notice, or (2) for liability voluntarily assumed by the Assured in settling any claim or suit without written consent of the Company.

(d) All payments under this Guarantee, except for attorneys' fees as provided for in paragraph 5(b) hereof, shall reduce the amount of the liability hereunder pro tanto, and no payment shall be made without producing this Guarantee for endorsement of such payment unless the Guarantee be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

(e) When liability has been definitely fixed in accordance with the conditions of this Guarantee, the loss or damage shall be payable within thirty days thereafter.

#### **6. SUBROGATION UPON PAYMENT OR SETTLEMENT**

Whenever the Company shall have settled a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured, and it shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to such claim had this Guarantee not been issued. If the payment does not cover the loss of the Assured, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. The Assured if requested by the Company, shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right or subrogation, and shall permit the Company to use the name of the Assured in any transaction or litigation involving such rights or remedies.

#### **7. GUARANTEE ENTIRE CONTRACT**

Any action or actions or rights of action that the Assured may have or may bring against the Company arising out of the subject matter hereof must be based on the provisions of this Guarantee.

No provision or condition of this Guarantee can be waived or changed except by a writing endorsed or attached hereto signed by the President, a Vice President, the Secretary, an Assistant Secretary or other validating officer of the Company.

#### **8. 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 guarantee and shall be addressed to the Company at Ticor Title Insurance Company, Claims Department, P.O. Box 2233, Los Angeles, California 90051**

9. THE FEE SPECIFIED WITHIN THIS GUARANTEE IS THE TOTAL FEE FOR TITLE SEARCH AND EXAMINATION AND FOR THIS GUARANTEE.