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January 15, 2016

**VIA HAND DELIVERY**

Mark Lersch, Director  
Property & Casualty Bureau  
Office of Insurance Product Regulation & Administration  
Pennsylvania Insurance Department  
1311 Strawberry Square  
Harrisburg, PA 17120

RECEIVED  
Insurance Product Regulation  
and Administration

JAN 15 2016

Pennsylvania  
Insurance Department

**Re: Title Insurance Rating Bureau of Pennsylvania, Inc.  
Rate/Rule Filing:  
Manual Revisions;  
Proposed Increase in Base Rates of 12.5%;  
Proposed Rates for revised and new ALTA endorsements; and  
Proposed Effective Date: April 1, 2016**

Dear Mr. Lersch:

Buchanan Ingersoll & Rooney PC represents and submits this filing ("Rate/Rule Filing") on behalf of the Title Insurance Rating Bureau of Pennsylvania, Inc. (the "Rating Bureau").

Under separate cover, the Rating Bureau is simultaneously submitting a Form Filing on behalf of the Rating Bureau that includes ten new endorsements, one revised endorsement, four revised policy forms, and a revised ALTA Closing Protection Letter. Simultaneously, the Rating Bureau is withdrawing one endorsement, the current version of the four revised policy forms, and the current TIRBOP Closing Service Letter. The Rating Bureau requests approval of this Rate/Rule Filing and the Form Filing with an effective date of April 1, 2016.

**GENERAL REVISIONS:**

The Manual revisions are necessary to incorporate the revised rate tables, as well as the new and revised endorsements and their rates, into the Manual. Specifically, the changes impact the Table of Contents, Section 5, and Section 6. The changes include a brief description of the new and revised endorsements along with any applicable rate associated with each new endorsement.

Please note that several pages of the Manual are being filed simply because the pagination has changed as a result of the substantive revisions and additions to Sections 5 and 6. The Rating Bureau has also made some non-substantive corrections. To assist the Insurance Department with its review, enclosed with this Rate/Rule Filing are red-lined and clean excerpts of the Manual that reflect all of the revisions.

## **RATES:**

### Rate Tables:

Enclosed with this filing is an Economic Justification of Rates (the “Economic Justification”) dated January 15, 2016 prepared by Nelson Lipshutz, Ph.D. The Economic Justification supports the request by the Rating Bureau for a rate increase of 12.5%, as more fully described in the Economic Justification. Tables 17A-17C reflect the current rate factors, the indicated rate factors, and the selected rate factors that are being requested in this filing.

Table 1 on page 10 of the Economic Justification reflects the historic rate changes approved by the Pennsylvania Insurance Department (the “Department”). The last increase in base rates of 7% was approved by the Department effective July 1, 2012. The only increase approved subsequent to that filing was a 2.2% increase derived solely from a change in the charge for the Closing Service Letter. Consequently there has been no increase in the base rates for almost four years.

The Economic Justification indicates that a rate increase is necessary for title insurers to realize a 5% pre-tax profit margin. The Economic Justification relies upon two different bases to calculate the rate increase needed to achieve the 5% profit margin – incurred but not reported (IBNR) losses and statutory premium reserves (SPR), which are reflected in Tables 15 and 15A in the Economic Justification, respectively. Using IBNR loss data, the Economic Justification arrives at a needed rate increase of 12.9%, while using SPR it supports a rate increase of 12.5%. The Rating Bureau has selected the lower of these two indicated rate increases in the interest of moderating any impact on consumers. It should also be noted that the Rating Bureau seeks only to change the rate tables, not fixed charges that do not depend on those rates (*e.g.*, fixed rate endorsements). Because not all revenue is rate dependent, and in order to achieve the 5% profit margin across-the-board, some increases in the rate tables are higher than 12.5% and some are lower. *See* Table 16 of the Economic Justification.

Importantly, the Economic Justification is based on a 20-year average of data collected by the Rating Bureau as statistical agent for the Department for the period 1995-2014. The concept of a 20-year period is derived from NAIC model laws and is also present in the Pennsylvania Title Insurance Companies Act. *See, e.g.*, 40 P.S. § 910-15 (unearned premium reserve). As a result of employing a 20-year average, the impact of aberrant fluctuations in the real estate market during any one year, or smaller group of years, is ameliorated. The 20-year average also takes into consideration the Rating Bureau’s change from a basic and reissue rate structure to a sale and non-sale rate structure. As set forth in Tables 13, 13A, 14 and 14A in the

Economic Justification, the 20-year average combined ratio, calculated on the basis of actual experience (Tables 13 and 13A) and as adjusted to current rates and price levels (Tables 14 and 14A), demonstrates that the title insurance industry has not realized the 5% Rate of Return over that time period. Indeed, according to the Economic Justification, in all but one of the past 20 years, “the industry failed to achieve the target profit margin.” Economic Justification at p. 7.

The rate analysis contained in the Economic Justification is consistent with the rate analyses that accompanied the statistical reports submitted to the Insurance Department for the past few years. Those analyses have consistently demonstrated that the current rates are insufficient for the Rating Bureau’s member companies to achieve the 5% pre-tax profit margin memorialized in the Stipulation, dated March 31, 1998. All of these factors support the increase in title insurance rates proposed in this filing.

Endorsement Rates:

The Rating Bureau reviewed the coverage provided by each of the new endorsements to determine what the rate should be in relation to the additional exposure being insured through the issuance of the endorsement. Where appropriate the Rating Bureau also compared the coverage provided by the endorsement with similar coverage provided by currently approved endorsements (*i.e.*, ALTA Endorsement 19-06 and 19.1-06). A brief description of the coverage provided by each of these endorsements is set forth in Section 6 of the Manual included with this filing. The Rating Bureau also considered the complexity of the underwriting, and the attendant costs of underwriting, that would be necessary to issue the endorsement.

The Rating Bureau is proposing the following rates for the six endorsements that are prohibited for use with policies covering 1-4 family residential property:

Endorsement	Rate
ALTA Endorsement 19.1-06 (TIRBOP Endorsement 1251)	flat rate of \$500.00
ALTA Endorsement 28.3-06 (TIRBOP Endorsement 1314)	proposed rate of 10%, calculated in accordance with Section 5.2 of the Manual, unless issued with TIRBOP Endorsement 1034, then \$500.00
ALTA Endorsement 28.3-06 (TIRBOP Endorsement 1315)	proposed rate of 20%, calculated in accordance with Section 5.2 of the Manual, unless issued with TIRBOP Endorsement 1035, then 5% calculated in accordance with Section 5.2, with a minimum charge of \$75.00
ALTA Endorsement 42-06 (TIRBOP Endorsement 1630)	flat rate of \$500.00

Endorsement				Rate
ALTA Endorsement 43-06 (TIRBOP Endorsement 1640)				flat rate of \$500.00
ALTA Endorsement 45-06 (TIRBOP Endorsement 1650)				10% calculated in accordance with Section 5.2 of the Manual
ALTA Endorsement 23-06 (TIRBOP Endorsement 1610)				No Charge for this endorsement; Section 5.12 of the Manual describes calculation of Charge for co-insurance

The proposed rate for ALTA Endorsement 28.3-06 set forth above is different, depending upon its use with a loan policy (TIRBOP Endorsement 1314) or with an owner's policy (TIRBOP Endorsement 1315). This distinction is due to the fact that, generally, the exposure is greater when an endorsement is issued with an owner's policy.

The Rating Bureau is proposing the following rates for the endorsements that are not prohibited for use with policies covering 1-4 family residential property:

Endorsement				Rate
ALTA Endorsement 9.10-06 (TIRBOP Endorsement 1590)				proposed rate of 10%, calculated in accordance with Section 5.2 of the Manual, with a minimum charge of \$75.00
ALTA Endorsement 39-06 (TIRBOP Endorsement 1620)				no charge if issued simultaneously with the policy, a flat rate of \$100.00 if issued after the date of the policy

The Rating Bureau is proposing no change in the currently approved rate for ALTA Endorsement 15.2-06 (TIRBOP Endorsement 1180) which is being re-filed to incorporate a non-substantive revision.

Although the Rating Bureau cannot predict the extent to which any Rating Bureau member may use one or more of the new or revised endorsements mentioned above, it is likely that the impact of the addition and use of these forms on revenue under the proposed rates will be *de minimis*.

The Rating Bureau is also filing the ALTA Closing Protection Letter and withdrawing the currently approved TIRBOP Closing Service Letter. In conjunction with this change, Section 3.5 of the Manual is being revised to correlate language with coverage in the Closing Protection Letter. The Rating Bureau is not proposing any change in the charge for issuing Closing Protection Letters.

January 15, 2016  
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Sections 5.6.1 and 6.10 of the Manual are being revised to change the parameters for issuance of ALTA Endorsement 11-06 (TIRBOP Endorsement 501). Currently this endorsement can only be issued within one year from the date of the Insured Mortgage. The revisions would permit issuance of this endorsement for up to ten years from the date of the Insured Mortgage; however, the endorsement will not be available for use if the extension or modification agreement (a) increases the unpaid principal balance or (b) adds new property(ies).

Section 5.14 of the Manual is being revised to add language that appears on the Record Owner and Lien Certificate. This language was previously deleted inadvertently.

Enclosed with this letter are two copies of the Rate/Rule Filing as well as two CDs containing the Economic Justification and supporting exhibits. Also enclosed for the Department's use is a self-addressed, stamped envelope. If the Department has any questions or needs any further information, please do not hesitate to contact me at your convenience.

Very truly yours,

A handwritten signature in black ink, appearing to read "Ronald E. Chronister". The signature is fluid and cursive, with a large initial "R" and "E".

Ronald E. Chronister  
Specialist/Insurance Industry Consultant

Enclosures

cc: Gordon M. Burlingame, Jr.

# MANUAL OF THE TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA

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## NOTICE

**THIS RATE MANUAL HAS BEEN APPROVED BY THE  
PENNSYLVANIA INSURANCE DEPARTMENT  
AS AMENDED THROUGH \_\_\_\_\_, 2016**

This Manual includes the rates and forms that the Pennsylvania Insurance Department has approved for members to use to provide title insurance in Pennsylvania. Any descriptions or summaries of coverage in the Manual are purely informational to the members and their agents, and such descriptions or summaries do not amend, alter, or expand the coverage as set forth in the approved rates, rules, and/or forms. The Manual does not contain legal advice. Any member or agent seeking legal advice regarding approved rates, rules, and/or forms should consult with their own counsel.

## TITLE INSURANCE RATE MANUAL COMMONWEALTH OF PENNSYLVANIA

This Manual sets forth the definitions, general rules, rating systems, coverages, schedule of rates and Charges, and approved policy forms, endorsements and other forms for use by members of and subscribers to the Title Insurance Rating Bureau of Pennsylvania (“TIRBOP”).

TIRBOP is licensed by the Pennsylvania Insurance Department pursuant to Section 741 of The Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, 40 P.S. § 910-41 (“The Insurance Company Law of 1921”).

This Manual and its contents have been filed with and approved by the Pennsylvania Insurance Department in accordance with The Insurance Company Law of 1921. The provisions of this Manual are binding upon all members and subscribers of TIRBOP and their agents and must be used on and after the effective date hereof unless a specific deviation from this Manual has been filed by an individual member or subscriber company with, and approved by, the Pennsylvania Insurance Department.

MEMBERS OF TIRBOP AS OF THE MOST RECENT AMENDMENT DATE ARE:

American Guaranty Title Insurance Company  
Chicago Title Insurance Company  
Commonwealth Land Title Insurance Company  
Fidelity National Title Insurance Company  
First American Title Insurance Company  
General Title Insurance Company  
Investors Title Insurance Company  
National Title Insurance Company of New York, Inc.  
North American Title Insurance Company  
Old Republic National Title Insurance Company  
Premier Land Title Insurance Company  
Stewart Title Guaranty Company  
The Security Title Guarantee Corporation of Baltimore  
Title Resources Guaranty Company  
Westcor Land Title Insurance Company  
WFG National Title Insurance Company

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10. SUPPLEMENTAL FORMS

CLOSING PROTECTION LETTER – SINGLE TRANSACTION (ALTA Form – 12/01/15)  
TIRBOP PA CPL (00/00/16)

TIRBOP - 31 PA Code § 126.1 Waiver of Owner's Title Insurance (01/01/02)

### 3.5 CLOSING PROTECTION LETTER – SINGLE TRANSACTION

This letter is limited to a single transaction. It provides (i) a lender secured by a mortgage of an interest in land, (ii) a purchaser of an interest in land, or (iii) a lessee of an interest in land, protection against fraud, theft, dishonesty or misapplication in the handling of funds or documents or the failure to follow written closing instructions by the Agent or Approved Attorney, subject to the conditions and exclusions contained therein. The Charge for the issuance of the letter(s) shall be \$125.00 per transaction, regardless of the number of letters issued for a single transaction. The Charge shall be remitted in its entirety to the Insurer (which for purposes of this Section does not include Agent or Approved Attorney). (See Supplemental Form Closing Protection Letter – Single Transaction (ALTA Form 12/01/15) - TIRBOP PA CPL (00/00/16))

5.5 MORTGAGE LENDER’S TITLE INSURANCE – DETERMINATION OF AMOUNT OF INSURANCE

- A. A loan policy cannot be issued in an amount less than the full principal debt secured by real property unless it is issued in an amount equal to the fair market value of the real property securing the debt. A policy may be issued in an amount in excess of the debt where agreed to by the Insurer and the Insured.
- B. A loan policy insuring a mortgage on a loan which provides for negative amortization may not be issued in an amount less than the maximum principal amount (including interest which may be added to principal) which may be secured by such mortgage.
- C. When a loan policy insures a mortgage of real property, personal property and personal property affixed to the realty, the Charge shall be based on the amount of the mortgage loan attributable to real property and personal property affixed to the realty as certified by the mortgagee.
- D. When separate loan policies are issued simultaneously, insuring two or more mortgages on the same property, there shall be one Charge for all policies which shall be determined by the aggregate liability of the policies.
- E. When more than one loan policy is issued simultaneously to insure multiple properties securing a single loan, the Charge for these policies shall be aggregated and based upon the amount of the loan.

5.6 EXTENSION OR MODIFICATION OF AN INSURED MORTGAGE AND CHARGE FOR TIRBOP - ENDORSEMENT PA 500

- A. Where a mortgage which was previously insured is still in effect, and that mortgage is to be amended by an extension or modification agreement, an endorsement to the existing policy or a new policy may be issued by the same Insurer which covers the extension or modification agreement, after continuation searches have been obtained covering the period from the recording date of the mortgage through the recording date of the extension or modification agreement. The Charge for the issuance of an endorsement to an existing policy or the issuance of a new policy to provide coverage to insure the mortgage as amended by the extension or modification agreement shall be made in accordance with subparagraphs B through D below.
- B. The Charge for a new policy or endorsement to an existing policy issued in conjunction with an extension or modification agreement, that does not increase the unpaid principal balance, shall be calculated on the basis of the unpaid principal balance in accordance with the following rates:

Up to 5 years .....	50% of Non-Sale Rate
Over 5 years to 10 years .....	70% of Non-Sale Rate
Over 10 years .....	100% of Non-Sale Rate

- C. The Charge for a new policy or endorsement to an existing policy issued less than 10 years ago in conjunction with an extension or modification agreement that increases the unpaid principal balance shall be calculated in two steps. First, the Charge for the new policy or endorsement that relates to the unpaid principal balance of the loan immediately prior to the increase shall be calculated as set forth above in paragraph B. Second, the Charge for the new policy or endorsement which relates to the increase in coverage amount, i.e., the difference between the unpaid balance of the loan immediately prior to its increase and the new coverage amount, shall be 80% of the Non-Sale Rate.

Example: On January 1, 2009, owner modifies his mortgage loan (originally created in the amount of \$100,000 on January 1, 2003) by increasing the amount of the loan to \$150,000. The unpaid balance immediately prior to the modification is \$80,000. The Charge for the new policy or endorsement is calculated as follows: 70% of the Non-Sale Rate for \$80,000 of coverage to which is added the difference between (i) 80% of the Non-Sale Rate on an \$80,000 policy and (ii) 80% of the Non-Sale Rate on a \$150,000 policy.

- D. If under a modification agreement, new property(ties) are added, 80% of the Non-Sale Rate shall be charged from dollar one based upon the value of the new property(ties), together with charging the applicable rate under paragraph B of this Section, based upon the unpaid principal balance of the loan. Any increases in the unpaid principal balance of the loan shall be charged the applicable rate under Paragraph C of this Section.

Example No. 1: On January 1, 2009, the owner and lender modify the mortgage loan (mortgage originally created in the amount of \$900,000 on January 1, 2005) by adding new property(ties) to the mortgage as collateral, pursuant to a mortgage modification agreement. The new property(ties) have a fair market value of \$200,000. The current unpaid principal balance of the loan secured by the mortgage is \$700,000. The Charge for the new policy or endorsement to the existing policy is calculated as follows:

(i)	80% of Non-Sale Rate on \$200,000.....	\$1,111.80; to which is added
(ii)	50% of Non-Sale Rate on \$700,000.....	<u>\$1,852.38</u>
	Total Charge:	\$2,964.18

Example No. 2: Same facts as Example #1 above and in addition, new monies are loaned in the amount of \$300,000, thereby increasing the unpaid principal balance of the loan to \$1,000,000. The Charge for the new policy or endorsement to the existing policy is calculated in the same manner as Example No. 1, to which is added \$1,032.00 (being the difference between (i) 80% of the Non-Sale Rate on a \$1,000,000 policy and (ii) 80% of the Non-Sale Rate on a \$700,000 policy); thus making for a total Charge of \$3,996.18.

- E. When a new policy is issued in connection with an extension or modification of a previously insured mortgage loan, the original policy must be returned for cancellation.

5.6.1 EXTENSION OR MODIFICATION OF AN INSURED MORTGAGE AND CHARGE FOR TIRBOP - ENDORSEMENT PA 501

- A. Where a mortgage which was previously insured is still in effect, and that mortgage is to be amended by an extension or modification agreement, an endorsement to the existing policy may be issued by the same Insurer which covers the extension or modification agreement, after continuation searches have been obtained. The Charge for the issuance of this endorsement shall be made in accordance with subparagraph C below.
- B. This endorsement is only available within ten (10) years of the date of the Insured Mortgage. This endorsement is not available if the extension or modification agreement either (a) increases the unpaid principal balance or (b) adds new property(ies).
- C. The Charge for this endorsement shall be 25% of the Non-Sale Rate calculated on the basis of the unpaid principal balance.

5.7 ASSIGNMENT OF MORTGAGE

- A. When the mortgage being assigned was not previously insured, the Charge for a policy shall be based on the amount of the unpaid principal balance. There is no additional Charge when the mortgage or the assignment of mortgage is part of a single transaction being insured.
- B. When an assignee desires an endorsement to an existing policy changing the name of the Insured only and does not require a change in the effective date of the policy nor require that the assignment be included as an insured instrument, the Charge shall be \$25.00.
- C. Endorsement PA 1600 shall be issued when an assignee desires an endorsement (i) to insure the effectiveness of a post-policy assignment of the Insured Mortgage to vest title in the assignee to the Insured Mortgage and (ii) to insure that the Insured Mortgage, except as shown of record, has not been modified, released or satisfied. The Charge for this endorsement is \$500.00.
- D. Where the Insurer is being asked to insure an assignment of a previously insured mortgage and the assignment of mortgage is being made within 10 years from the date of the execution of the mortgage, the title must be certified down from the date of the recording of the mortgage, through the date of the recording of the assignment. A new policy or endorsement to the existing policy furnishing coverage up to and including the date of recording of the assignment shall be issued for 60% of the Non-Sale Rate provided that it is being issued by the same Insurer which issued the original policy.

5.8 ALTA SHORT FORM RESIDENTIAL LOAN POLICY

- A. This policy insures the lender making a mortgage loan on a 1 to 4 family residence or condominium unit. This policy is an abbreviated short form version of the current ALTA Loan Policy, incorporating all of the terms and provisions of the ALTA Loan Policy, which is designed to be delivered to the lender at closing. This policy contains blanket exceptions to taxes, covenants and restrictions, easements, reservations of minerals or mineral rights, and offers certain affirmative assurances with respect to these exceptions desired by lenders, including certain affirmative assurances with respect to survey matters. This policy also includes an Addendum, which can be used to set forth additional exceptions or to limit the affirmative assurances. This policy is designed so that certain ALTA endorsement forms may be specified, and thus incorporated, by checking appropriate boxes, and making the appropriate endorsement Charge(s) in accordance with this Manual.
- B. The Charge for the ALTA Short Form Residential Loan Policy shall be \$100.00 in addition to the otherwise applicable Charge. When this policy form is used, there can be no separate Charge for TIRBOP Endorsements PA 100 and PA 300.

5.9 ENHANCED COVERAGE RESIDENTIAL POLICIES - Application of Rates for both the Company or Agent Procedure and the Approved Attorney Procedure

A. HOMEOWNER’S POLICY OF TITLE INSURANCE

The ALTA Homeowner’s Policy of Title Insurance (For a One-to-Four Family Residence) (hereinafter the “Homeowner’s Policy”) provides coverage beyond that included in the current ALTA Owner’s Policy. The Homeowner’s Policy may only be issued to a homeowner who will reside in premises improved by a one-to-four family residence.

The Charge for the Homeowner’s Policy is the Charge under the applicable Schedule of Rates in Sections 5.50 and 5.51 for the stated amount of insurance in Schedule A, plus an additional 10% Charge. The additional 10% Charge shall be calculated by applying that percentage to the Sale Rate under Section 5.50 A, notwithstanding that the Charge for the Homeowner’s Policy may have been made under Section 5.51.

**Example under Company or Agent Procedure:**

	Amount of Insurance	Charge	+10%	Charge*
Homeowner’s Policy	\$200,000	\$1,608.25	+ \$160.83 =	\$1,769.08

\*The Charge for this transaction is \$1,769.08, plus the Charge for any endorsements issued with the Homeowner’s Policy.

**Example under the Approved Attorney Procedure:**

	Amount of Insurance	Charge	+10%	Charge*
Homeowner's Policy	\$200,000	\$719.00	+ \$160.83	= \$879.83

\*The Charge for this transaction is \$879.83, plus the Charge for any endorsements issued with the Homeowner's Policy.

**B. EXPANDED COVERAGE RESIDENTIAL LOAN POLICY**

The ALTA Expanded Coverage Residential Loan Policy (For a One-to- Four Family Residence) (hereinafter the "Expanded Coverage Residential Loan Policy") is the companion loan policy to the Homeowner's Policy. This policy may only be issued when the homeowner/borrower resides in premises improved by a one-to-four family residence.

The Charge for the Expanded Coverage Residential Loan Policy is the Charge under the applicable Schedule of Rates in Sections 5.50 B and 5.51 for the stated amount of insurance in Schedule A, plus an additional 10% Charge and a flat endorsement fee of \$200. The additional 10% Charge shall be calculated by applying that percentage to the Non-Sale Rate under Section 5.50 B, notwithstanding that the Charge for the Expanded Coverage Residential Loan Policy may have been made under Section 5.51.

For the above flat endorsement fee of \$200, the Expanded Coverage Residential Loan Policy incorporates the following endorsement coverages within its body by reference without the need to issue endorsements: ALTA Form 4.1-06 (Endorsement PA 810), ALTA Form 5.1-06 (Endorsement PA 820), ALTA Form 6-06 (Endorsement PA 710), ALTA Form 6.2-06 (Endorsement PA 710-6.2), ALTA Form 8.1-06 (Endorsement PA 900), and ALTA Form 9.10-06 (Endorsement PA 1590).

When this policy form is used, there can be no separate Charge for the endorsements described above or for Endorsement PA 100 and Endorsement PA 300.

**Example under Company or Agent Procedure:**

	Amount of Insurance	Charge	+10%(on Non-Sale Rate)	Charge*
Expanded Coverage Residential Loan Policy	\$200,000	\$1,389.75	+ \$138.98	= \$1,528.73
			+ \$200.00 endorsement fee	<u>200.00</u>
				\$1,728.73

\*The Charge for this transaction is \$1,728.73, plus the Charge for any endorsement issued with the Expanded Coverage Residential Loan Policy not already included in the policy as described above.

**Example under Approved Attorney Procedure:**

	Amount of Insurance	Charge	+10%(on Non-Sale Rate)	Charge*
Expanded Coverage Residential Loan Policy	\$200,000	\$719.00	+ \$138.98 =	\$857.98
			+ \$200.00 endorsement fee	<u>200.00</u>
				\$1,057.98

\*The Charge for this transaction is \$1,057.98, plus the Charge for any endorsements issued with the Expanded Coverage Residential Loan Policy not already included in the policy as described above.

**C. SIMULTANEOUS ISSUANCE – Enhanced Coverage Residential Policies**

When a Homeowner’s Policy is being issued, the Enhanced Coverage Residential Loan Policy shall be issued absent contrary instructions from the lender. When the Homeowner’s Policy and the Expanded Coverage Residential Loan Policy (collectively, hereinafter the “Enhanced Coverage Residential Policies”) are simultaneously issued on the same property, they shall be treated as a single policy.

The Charge is the Charge under the applicable Schedule of Rates in Section 5.50 A or 5.51 for the policy with the highest limits, plus an additional 10% Charge and a flat endorsement fee of \$200.00. This additional 10% Charge is calculated by applying that percentage to the Sale Rate under Section 5.50 A, notwithstanding that the Charge for the Enhanced Coverage Residential Policies may have been made under Section 5.51.

**Example under Company or Agent Procedure:**

	Amount of Insurance	Charge	+10% (on Sale Rate)	Charge*
Homeowner’s Policy	\$200,000	\$1,608.25	+ \$160.83 =	\$1,769.08
Expanded Coverage Residential Loan Policy	\$175,000		+\$200 endorsement fee	<u>200.00</u>
				\$1,969.08

\*The Charge for this transaction is \$1,969.08, plus the Charge for any endorsements issued with the Homeowner’s Policy or with the Expanded Coverage Residential Loan Policy that are not already included in the policy per Section 5.9 B above.

**Example under Approved Attorney Procedure:**

	Amount of Insurance	Charge	+10% (on Sale Rate)	Charge*
Homeowner’s Policy	\$200,000	\$719.00	+ \$160.83 =	\$879.83
Expanded Coverage Residential Loan Policy	\$175,000		+\$200 endorsement fee	<u>200.00</u>
				\$1,079.83

\*The Charge for this transaction is \$1,079.83, plus the Charge for any endorsements issued with the Homeowner’s Policy or with the Expanded Coverage Residential Loan Policy that are not already included in the policy(ies) per Section 5.9 B above.

D. **SIMULTANEOUS ISSUANCE – Expanded Coverage Residential Loan Policy issued with 2006 ALTA Owner’s Policy**

When an Expanded Coverage Residential Loan Policy is issued simultaneously with the 2006 ALTA Owner’s Policy, they shall be treated as a single policy. The Charge is the Charge under the applicable Schedule of Rates in Section 5.50 A or 5.51 and shall be based on for the policy with the highest limits, plus an additional 10% Charge and any endorsement Charges for the Owner’s Policy calculated in accordance with Section 5.2 and a flat endorsement fee of \$200.00. This additional 10% Charge shall be calculated by applying that percentage to the Sale Rate for the owner’s policy limit under Section 5.50 A.

**Example Under Company or Agent Procedure:**

	Amount of Insurance	Charge	+10% (On Sale Rate)	Charge*
2006 ALTA Owner’s Policy -	\$200,000	\$1,608.25	+ \$160.83	= \$1,769.08
Enhanced Coverage Residential Loan Policy-	\$150,000	+ \$200.00	endorsement fee	<u>200.00</u>
				\$1,969.08

\* The Charge for this transaction is \$1,969.08, plus the Charge for any endorsements issued with the Owner’s Policy or with the Expanded Coverage Residential Loan Policy that are not already included in the policy per Section 5.9 B above.

**Example Under Approved Attorney Procedure:**

	Amount of Insurance	Charge	+10% (On Sale Rate)	Charge*
2006 ALTA Owner’s Policy -	\$200,000	\$719.00	+ \$160.83	= \$879.83
Enhanced Coverage Residential Loan Policy -	\$150,000	+ \$200.00	endorsement fee	<u>200.00</u>
= \$1,079.33				\$1,079.83

\*The Charge for this transaction is \$1,079.83, plus the Charge for any endorsements issued with the Owner’s Policy or with the Expanded Coverage Residential Loan Policy that are not already included in the policy(ies) per Section 5.9 B above.

E. **SIMULTANEOUS ISSUANCE – Homeowner’s Policy Issued with 2006 ALTA Loan Policy**

When a Homeowner’s Policy is being issued, the Enhanced Coverage Residential Loan Policy shall be issued absent contrary instructions from the lender.

When the Homeowner’s Policy and the 2006 ALTA Loan Policy are simultaneously issued on the same property on the instructions from the lender, they shall be treated as a single policy. The Charge is the Charge under the applicable Schedule of Rates

in Section 5.50 A or 5.51 and shall be based on the policy with the highest limits, plus an additional 10% Charge and any endorsement Charges for the 2006 ALTA Loan Policy to be calculated in accordance with Section 5.2. The additional 10% Charge is calculated by applying that percentage to the Sale Rate under Section 5.50 A to the amount of the Homeowner's Policy, notwithstanding that the Charge for the Homeowner's Policy may have been made under Section 5.51.

**Example under Company or Agent Procedure:**

	Amount of Insurance	Charge	+10% (on Sale Rate)	=	Charge*
Homeowner's Policy	\$200,000	\$1,608.25	+ \$160.83	=	\$1,769.08
2006 ALTA Loan Policy	\$175,000				

\*The Charge for this transaction is \$1,769.08, plus the Charge for any endorsements issued with the Homeowner's Policy or with the 2006 ALTA Loan Policy.

**Example under Approved Attorney Procedure:**

	Amount of Insurance	Charge	+10% (on Sale Rate)	=	Charge*
Homeowner's Policy	\$200,000	\$719.00	+ \$160.83	=	\$879.83
2006 ALTA Loan Policy	\$175,000				

\*The Charge for this transaction is \$879.83, plus the Charge for any endorsements issued with the Homeowner's Policy or with the 2006 ALTA Loan Policy.

**F. WAIVER OF OWNER'S POLICY**

In a transaction involving the purchase of all or part of the real estate securing a mortgage with said mortgage, and the lender requires the Enhanced Coverage Residential Loan Policy, the Homeowner's Policy shall be issued unless the new owner has waived, in writing, the purchase of an owner's policy in accordance with 31 Pa. Code §126.1. (See Supplemental Form TIRBOP - 31 Pa. Code §126.1 Waiver of Owner's Title Insurance (01/01/02)).

When owner's insurance has been waived in accordance with this Section, the Charge for the loan policy under the Company or Agent Procedure shall be based on the Sale Rate being applied to the amount of insurance for the loan policy. The Charge for the loan policy under the Approved Attorney Procedure shall be based on the Approved Attorney Rate being applied to the amount of insurance for the loan policy.

In addition, under either the Company or Agent Procedure or the Approved Attorney Procedure, whichever is applicable, there shall be an additional 10% Charge, calculated by applying that percentage to the Sale Rate under Section 5.50 A, notwithstanding that the Charge for the loan policy may have been calculated under Section 5.51.

**Example under Company or Agent Procedure:**

**Facts:** The purchaser has waived, in writing, owner's title insurance as set forth above. The purchase price is \$200,000 and the purchaser is simultaneously creating a mortgage in the amount of \$175,000.

	Amount of Insurance	Charge	+10%(on Sale Rate)	Charge*
Expanded Coverage Residential Loan Policy	\$175,000	\$1,464.50	+ \$146.45	= \$1,610.95

\*The Charge for this transaction is \$1,610.95, plus the Charge for any endorsements issued with the Enhanced Coverage Residential Loan Policy.

**Example under the Approved Attorney Procedure**

**Facts:** The purchaser has waived, in writing, owner's title insurance as set forth above. The purchase price is \$200,000 and the purchaser is simultaneously creating a mortgage in the amount of \$175,000.

	Amount of Insurance	Charge	+10% (on Sale Rate)	Charge*
Expanded Coverage Residential Loan Policy	\$175,000	\$640.25	+ \$146.45	= \$786.70

\*The Charge for this transaction is \$786.70, plus the Charge for any endorsements issued with the Enhanced Coverage Residential Loan Policy.

**G. APPROVED ATTORNEY PROCEDURE - Calculation of Additional 10% Charge**

Whenever an Enhanced Coverage Residential Policy is issued under the Approved Attorney Procedure, the additional 10% charge is calculated in accordance with Sections 5.9 A through F above, notwithstanding the fact that the Charge for the Enhanced Coverage Residential Loan Policy is made under the Approved Attorney Procedure.

**H. SHORT FORM EXPANDED COVERAGE RESIDENTIAL LOAN POLICY**

The ALTA Short Form Expanded Coverage Residential Loan Policy is an abbreviated short form version of the current Expanded Coverage Residential Loan Policy, incorporating all of the terms and provisions of said policy, which is designed to be delivered to the lender at closing. The Charge for the issuance of this policy shall be the same as the Expanded Coverage Residential Loan Policy as described in this Section.

**I. POSTPONEMENT OF OWNER'S POLICY NOT ALLOWED**

The provisions contained in Sections 5.2 E and 5.3 E, relating to the postponement of an owner's policy do not apply to the Enhanced Coverage Residential Policies.

## 5.10 LEASEHOLD TITLE INSURANCE

- A. Leasehold title insurance is provided by attaching Endorsement PA 1130 to the ALTA Owner's Policy of Title Insurance, as modified by TIRBOP (06/17/06) or by attaching Endorsement PA 1140 to the ALTA Loan Policy of Title Insurance, as modified by TIRBOP (6/17/16). There is no charge for these endorsements.
- B. The Charge for the issuance of an owner's policy with Endorsement PA 1130 attached or the issuance of a loan policy with Endorsement PA 1140 attached shall be the same Charge for the issuance of a policy insuring a fee simple estate under this Manual.
- C. Where an owner's policy and loan policy are issued simultaneously on the same property with Endorsements PA 1130 and PA 1140 respectively attached, they shall be treated as a single policy and the Charge shall be based on the policy with the highest limits.
- D. Where a leasehold interest is to be insured simultaneously with the interest of an owner and/or mortgagee of the fee simple estate, the Charge shall be the applicable rate for owner and/or mortgagee plus 30% of the applicable Charge for the leasehold interest. Where a leasehold interest is to be insured simultaneously with the interest of an owner and/or mortgagee of the fee simple estate, the Charge for an endorsement priced as a percentage shall be 30% of the Charge for an endorsement priced as a percentage if issued with a policy insuring the interest of an owner and/or a mortgagee.

The Charge for any insurance in excess of the face amount of such owner's and/or loan policy shall be determined under the applicable Schedule of Rates in Sections 5.50 and 5.51.

### E. DETERMINATION OF AMOUNT

When title insurance is issued for a leasehold estate by the issuance of an owner's policy and/or loan policy with Endorsement PA 1130 and/or Endorsement PA 1140 attached, the amount of insurance shall be equal to:

- (1) the aggregate of the total rentals payable under the lease; or
- (2) the aggregate of the total rents for the 6 years immediately following the settlement or closing of the lease transaction; or
- (3) a reasonable statement of estimated rents on percentage leases; or
- (4) the appraised value at the time of insuring the premises as established by an appraiser acceptable to the Insurer; or
- (5) the land and total projected costs of such proposed improvements in the case of proposed construction; or
- (6) the purchase price of the estate when insuring an assignment of a leasehold estate, including all obligations assumed.

## 5.11 MECHANICS' LIEN INSURANCE

If, by reason of the visible commencement of erection or construction of an improvement, a statutory lien for labor or material may gain priority over the instrument being insured, an additional Charge for insurance covering unfiled mechanics' and materialmen's liens shall be made as follows:

### A. Non Construction Mortgage

When a Loan Policy is to be issued insuring a mortgage, other than a purchase money mortgage or a construction mortgage as provided in Section 5.11B, the additional Charge shall be 20%, calculated in accordance with Section 5.2.

### B. Construction Mortgage

When a Loan Policy is to be issued insuring a construction mortgage, the additional Charge shall be 20% calculated in accordance with Section 5.2, unless it is issued with either TIRBOP Endorsement PA 1500 or PA 1510 and with TIRBOP Endorsement PA 1520. In that event, the additional Charge shall be 10% calculated in accordance with Section 5.2 for either TIRBOP Endorsement PA 1500 or 1510 and \$100.00 for TIRBOP Endorsement PA 1520. The Charge for the TIRBOP Endorsement PA 1520 shall be made each time it is issued.

### C. Owners Policy

When insurance covering unfiled mechanics' and materialmen's liens is provided in an Owner's Policy, the additional Charge shall be 25% calculated in accordance with Section 5.2.

### D. Waiver of Additional Charge

The Insurer reserves the right to waive the additional Charge, as set forth in Sections 5.11A or C above, when, in its opinion, based upon the protective devices and procedures used in the transaction, the risk involved does not warrant payment thereof. The additional Charge, when insuring a construction mortgage as set forth in Section 5.11 B above, shall not be waived.

## 5.12 CO-INSURANCE - BASIS FOR CALCULATING CHARGE

In a transaction where the total liability is assumed by two or more Insurers with the liability being divided between the Insurers from the first dollar, the Charge for the liability assumed by each Insurer shall be calculated as though each Insurer was the primary insurer from the first dollar of its liability based upon the amount of liability assumed. Co-Insurance coverage is provided through Endorsement PA 1610.

5.13 SHERIFF’S DISTRIBUTION POLICY

The Charge for Insurance under this Section shall be:

A. Fund Created at a Judicial Sale Other Than a Tax Sale

For distribution in amounts up to \$2,000.....	\$145.00
For amounts over \$2,000:	
\$2,001 to \$15,000 inclusive .....add \$5.70 per.....	\$1,000
\$15,001 to \$30,000 inclusive .....add \$5.15 per.....	\$1,000
\$30,001 to \$50,000 inclusive .....add \$4.60 per .....	\$1,000
\$50,001 to \$100,000 inclusive .....add \$4.00 per .....	\$1,000
\$100,001 to \$500,000 inclusive.....add \$3.45 per .....	\$1,000
\$500,001 to \$1,000,000 inclusive .....add \$2.85 per .....	\$1,000
\$1,000,001 to \$2,000,000 inclusive .....add \$2.30 per .....	\$1,000
\$2,000,001 and over.....add \$1.40 per .....	\$1,000
For each distribution endorsement.....	\$25.00

B. Fund created at a tax sale for distribution of the entire fund..... \$230.00

5.14 RECORD OWNER AND LIEN CERTIFICATE

The basic liability hereunder shall be \$2,000.00. The Charge for the certificate which gives information about the state of title of the record owner shall be \$250.00 per chain of title. Insurer in its discretion may increase the liability limit, applying the Sale Rate for the amount of increased liability. When insurance is requested from the same Insurer upon the same property within six (6) months from the date of the certificate, the Charge for the certificate will be credited against the Charge for the insurance.

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5.50 SCHEDULE OF RATES - COMPANY OR AGENT PROCEDURE

A. The Sale Rate Charge shall be:		B. The Non-Sale Rate Charge shall be:	
<u>UNIT OF INSURANCE OR FRACTION THEREOF</u>	<u>SALE RATE</u>	<u>UNIT OF INSURANCE OR FRACTION THEREOF</u>	<u>NON-SALE RATE</u>
\$ 0 to \$30,000	\$575.00	\$ 0 to \$30,000	\$515.00
\$30,001 to \$45,000 Add per 1,000	\$7.45	\$30,001 to \$45,000 Add per 1,000	\$6.00
\$45,001 to \$100,000 Add per 1,000	\$6.30	\$45,001 to \$100,000 Add per 1,000	\$5.45
\$100,001 to \$500,000 Add per 1,000	\$5.75	\$100,001 to \$500,000 Add per 1,000	\$4.85
\$500,001 to \$1,000,000 Add per 1,000	\$4.55	\$500,001 to \$1,000,000 Add per 1,000	\$4.30
\$1,000,001 to \$2,000,000 Add per 1,000	\$3.45	\$1,000,001 to \$2,000,000 Add per 1,000	\$3.15
\$2,000,001 to \$7,000,000 Add per 1,000	\$2.30	\$2,000,001 to \$7,000,000 Add per 1,000	\$2.00
\$7,000,001 to \$30,000,000 Add per 1,000	\$1.70	\$7,000,001 to \$30,000,000 Add per 1,000	\$1.70
\$30,000,000 and above	\$1.40	\$30,000,000 and above	\$ 1.40

5.51 SCHEDULE OF RATES - APPROVED ATTORNEY PROCEDURE

The Approved Attorney Rate Charge shall be:

UNIT OF INSURANCE  
OR  
FRACTION THEREOF

\$ 0 to \$30,000.....	\$145.00
\$30,001 to \$100,000.....	add \$3.70 per \$1,000 or fraction thereof
\$100,001 to \$500,000.....	add \$3.15 per \$1,000 or fraction thereof
\$500,001 to \$1,000,000 .....	add \$2.85 per \$1,000 or fraction thereof
\$1,000,001 to \$2,000,000 .....	add \$2.55 per \$1,000 or fraction thereof
\$2,000,001 to \$7,000,000 .....	add \$2.30 per \$1,000 or fraction thereof
\$7,000,001 and above .....	add \$1.70 per \$1,000 or fraction thereof

**6. ENDORSEMENTS AND RATES**

- 6.1 TIRBOP - ENDORSEMENT PA 100 - WHERE THERE IS NO APPARENT VIOLATION OF RESTRICTIONS BY EXISTING CONSTRUCTION (Revised 04/01/07)

Loan Policy Only

This endorsement insures that the restrictions have not been violated and that a future violation thereof will not cause a forfeiture or reversion of title. The Charge for this endorsement is \$50.00.

- 6.2 TIRBOP - ENDORSEMENT PA 101 - WHERE RESTRICTIONS APPEAR TO BE VIOLATED BY EXISTING CONSTRUCTION (Revised 04/01/07)

Owner's and/or Loan Policy

This endorsement insures against loss or damage (loss of income or profit excluded) occasioned by the enforcement or attempted enforcement of said restrictions to remove the whole or any portion of the improvements now on the premises and/or to collect money damages in lieu thereof. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.3 TIRBOP - ENDORSEMENT PA 102 - WHERE PROPOSED NEW CONSTRUCTION DOES NOT INDICATE THAT RESTRICTIONS WILL BE VIOLATED (Rev'd 04/01/07)

Owner's and/or Loan Policy

This endorsement insures that existing and/or presently contemplated construction on the described real estate will not violate the covenants, conditions and restrictions referred to in Schedule "B" of the title insurance policy. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.4 TIRBOP - ENDORSEMENT PA 103 - WHERE PROPOSED CONSTRUCTION WILL APPARENTLY VIOLATE RESTRICTIONS (Revised 04/01/07)

Owner's and/or Loan Policy

This endorsement insures that the proposed new construction completed in strict accordance with plans and specifications filed with the Insurer will not violate the restrictions set forth in Schedule "B" of the policy, except to the extent set out on the endorsement. Thereafter, the policy will insure against loss or damage (loss of income or profit excluded) occasioned by the enforcement or attempted enforcement of said restrictions to require the removal of the whole or any portion of the improvements, then on the premises or proposed to be constructed in accordance with the said plans and specifications and/or collect money damages in lieu thereof.

The Charge for this endorsement shall be as follows:

- \$10.00 per \$1,000 for the initial \$500,000 of coverage
- \$5.00 per \$1,000 for the next \$500,000 of coverage
- \$2.50 per \$1,000 for the next \$1,000,000 of coverage
- \$1.25 per \$1,000 for the excess over \$2,000,000

- 6.5 TIRBOP - ENDORSEMENT PA 104 - WHERE THERE IS NO APPARENT VIOLATION OF RESTRICTIONS BY EXISTING CONSTRUCTION (Revised 04/01/07)

Owner's Policy Only

This endorsement offers the same coverage to an owner or lessee as TIRBOP Endorsement PA 100 offers to a mortgagee. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.6 TIRBOP - ENDORSEMENT PA 300 - SURVEY EXCEPTION (Revised 10/01/08)

Loan Policy Only

This endorsement has the effect of insuring without exception for matters discoverable by survey (except as might be specifically noted) and will further insure against loss or damage by reason of encroachment (other than by party walls), whether by the building on the mortgaged premises encroaching upon adjacent property, or by any building on adjacent property encroaching on the mortgaged premises. The Charge for this endorsement is \$50.00.

- 6.7 TIRBOP - ENDORSEMENT PA 301 - SURVEY EXCEPTION (Revised 10/01/08)

Owner's Policy Only

This endorsement offers the same coverage to an owner or lessee as TIRBOP Endorsement PA 300 offers to a mortgagee. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.8 TIRBOP - ENDORSEMENT PA 400 - (ALTA ENDORSEMENT 7-06) - MANUFACTURED HOUSING UNIT (04/01/07)

Owner's Policy and/or Loan Policy

This endorsement amends the definition of "land" in the policy to include a manufactured housing unit located on the land on the date of the policy. The Charge for this endorsement is \$50.00.

- 6.9 TIRBOP - ENDORSEMENT PA 500 - (ALTA ENDORSEMENT 11-06 as modified by TIRBOP) - MORTGAGE MODIFICATION (04/01/07)

Loan Policy Only

This endorsement insures against loss sustained by reason of the invalidity or unenforceability of the Insured Mortgage as a result of a post-policy modification of the Insured Mortgage. It changes the Date of Policy. The Charge for this endorsement is set forth in Section 5.6 of this Manual.

- 6.10 TIRBOP - ENDORSEMENT PA 501 - (ALTA ENDORSEMENT 11-06) - MORTGAGE MODIFICATION (07/01/14)

Loan Policy Only

This endorsement insures against loss sustained by reason of the invalidity or unenforceability of the Insured Mortgage as a result of a post-policy modification of the Insured Mortgage. It also insures against loss or damage resulting from the failure of the

priority of the Insured Mortgage over defects, liens or encumbrances occurring after the effective date of the policy and before the date of endorsement, except as to any specified exceptions. This endorsement is not available if the extension or modification agreement (a) increases the unpaid principal balance or (b) adds new property(ies). This endorsement does not change the Date of Policy and is only available within ten (10) years from the date of the Insured Mortgage. Use of this endorsement is prohibited in conjunction with the issuance of a policy insuring 1-4 family residential property. The Charge for this endorsement is set forth in Section 5.6.1 of this Manual.

6.11 TIRBOP - ENDORSEMENT PA 710 (ALTA ENDORSEMENT 6-06) - VARIABLE RATE (04/01/07)

Loan Policy Only

Where required by a mortgagee, an Insurer may provide coverage under this endorsement to insure the priority of the lien of a mortgage that can by its terms be renegotiated as to its rate of interest. This coverage insures the priority of the lien through any number of renegotiated interest terms. The Charge for this endorsement is \$50.00.

6.12 TIRBOP - ENDORSEMENT PA 710-6.2 (ALTA ENDORSEMENT 6.2-06) - VARIABLE RATE, NEGATIVE AMORTIZATION (04/01/07)

Loan Policy Only

Where required by a mortgagee, an Insurer may provide coverage under this endorsement to insure the priority of the lien of a mortgage that can by its terms be renegotiated as to its rate of interest. This coverage insures the priority of the lien through any number of renegotiated interest terms, including negative amortization. The Charge for this endorsement is \$50.00.

6.13 TIRBOP - ENDORSEMENT PA 810 (ALTA ENDORSEMENT 4.1-06) - CONDOMINIUM ENDORSEMENT UNDER PA UNIFORM CONDOMINIUM ACT (04/01/07)

Owner's and/or Loan Policy

This endorsement affords multiple forms of coverage with respect to the Condominium Regime and Documentation, when affixed to a policy in which the insured land is a condominium unit together with its percentage interest in the common elements. The Charge for this endorsement is \$50.00.

6.14 TIRBOP - ENDORSEMENT PA 820 (ALTA ENDORSEMENT 5.1-06) - PLANNED UNIT DEVELOPMENT (04/01/07)

Owner's and/or Loan Policy

This endorsement affords multiple forms of coverage with respect to the Planned Unit Development Regime and Documentation, when affixed to a policy in which the insured land is a Planned Unit Development. The Charge for this endorsement is \$50.00.

- 6.15 TIRBOP - ENDORSEMENT PA 900 (ALTA ENDORSEMENT 8.1-06) - ENVIRONMENTAL PROTECTION LIEN (04/01/07)

Loan Policy Only (Primarily Residential Property)

This endorsement provides coverage to a lender by insuring the lien priority of the insured mortgage over those environmental protection liens recorded in the land records except with respect to environmental protection liens provided for by certain statutes identified in the endorsement. The Charge for this endorsement is \$50.00.

- 6.16 TIRBOP - ENDORSEMENT PA 910 - ENVIRONMENTAL PROTECTION LIEN ENDORSEMENT (04/01/07)

Loan Policy Only (Non-Residential Property)

This endorsement provides coverage to a lender by insuring the lien priority of the insured mortgage over those environmental protection liens recorded in the land records. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.17 RESERVED FOR FUTURE USE

- 6.18 RESERVED FOR FUTURE USE

- 6.19 TIRBOP - ENDORSEMENT PA 1015 - OPEN END MORTGAGE/CONSTRUCTION (Revised 04/01/07)

Loan Policy Only

This endorsement provides limited insurance for construction loan advances made pursuant to a mortgage that qualifies as an "Open End Mortgage" by statute. Such advances must be made to pay toward or to provide funds to the mortgagor to pay toward all or part of the costs of completing any erection, construction, alteration, or repair of any part of the mortgaged premises which is the statutory requirement and made at all times during which the mortgagor of the insured mortgage is still the owner of the estate or interest covered by the policy. The endorsement insures the lien priority of such advances. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$50.00.

- 6.20 TIRBOP - ENDORSEMENT PA 1020 - FNMA BALLOON (Revised 04/01/07)

Loan Policy Only

This endorsement insures a lender against the invalidity or unenforceability or loss of priority of the insured mortgage resulting from provisions which provide for a conditional right to refinance and a change in the rate of interest as set forth in the mortgage. The Charge for this endorsement is \$50.00.

- 6.21 6.21 TIRBOP - ENDORSEMENT PA 1030 (ALTA ENDORSEMENT 9-06  
(Revised 04-02-12)) - RESTRICTIONS, ENCROACHMENTS, MINERALS (04/01/13)

Loan Policy Only

This endorsement insures against loss or damage by reason of a violation of a Covenant that divests, subordinates or extinguishes the lien of the Insured Mortgage or that results in the invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage; violation of an enforceable Covenant by an Improvement on the Land; enforced removal of an Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan, notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection; encroachment of an Improvement; damage to an Improvement that encroaches upon an easement area or that results from the exercise of an easement and insurance against damage to an Improvement resulting from the right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.22 TIRBOP - ENDORSEMENT PA 1031 (ALTA ENDORSEMENT 9.1-06  
(Revised 04-02-12)) - COVENANTS, CONDITIONS AND RESTRICTIONS -  
UNIMPROVED LAND (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of a violation on the Land of an enforceable Covenant and of a notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection describing any part of the Land. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.23 TIRBOP - ENDORSEMENT PA 1032 - (ALTA ENDORSEMENT 9.2-06  
(Revised 04-02-12)) - COVENANTS, CONDITIONS AND RESTRICTIONS -  
IMPROVED LAND (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of a violation on the Land of an enforceable Covenant, enforced removal of an Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan and notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection describing any part of the Land. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.24 TIRBOP – ENDORSEMENT PA 1033 (ALTA ENDORSEMENT 9.6-06, as modified by  
TIRBOP) - PRIVATE RIGHTS (Revised 04/2/13) (07/01/14)

Loan Policy Only

This endorsement insures against loss or damage due to the enforcement of a Private Right

contained in a Covenant that (a) results in the invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage, or (b) causes a loss of the Insured's Title acquired in satisfaction or partial satisfaction of the indebtedness. Private Right is defined as (i) a private charge or assessment; (ii) an option to purchase; (iii) a right of first refusal; or (iv) a right of prior approval of a future purchaser or occupant. This endorsement permits a specific Private Right to be excluded from coverage. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.25 TIRBOP – ENDORSEMENT PA 1034 (ALTA ENDORSEMENT 9.7-06) -  
RESTRICTIONS, ENCROACHMENTS, MINERALS – LAND UNDER DEVELOPMENT  
(04/01/13)

Loan Policy Only

This endorsement insures against loss or damage by reason of a violation of a Covenant that divests, subordinates or extinguishes the lien of the Insured Mortgage or that results in the invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage; violation of an enforceable Covenant by an Improvement or a Future Improvement; enforced removal of an Improvement or a Future Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan, notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection; encroachment of an Improvement or a Future Improvement; damage to an Improvement or a Future Improvement that encroaches upon an easement area or that results from the exercise of an easement and insurance against damage to an Improvement or a Future Improvement resulting from the right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for this endorsement is 15%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

6.26 TIRBOP – ENDORSEMENT PA 1035 (ALTA ENDORSEMENT 9.8-06) -  
COVENANTS, CONDITIONS AND RESTRICTIONS – LAND UNDER  
DEVELOPMENT (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of a violation of an enforceable Covenant by an Improvement or a Future Improvement, enforced removal of an Improvement or a Future Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan and a notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection describing any part of the Land. The Charge for the endorsement is 15%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

6.27 TIRBOP - ENDORSEMENT PA 1070 - GENERAL ENDORSEMENT  
(Revised 04/01/07)

This endorsement is to be used only for purposes of correcting and/or amending previously issued policies or for granting coverage not otherwise covered by the other endorsements set forth in this Manual.

This endorsement may not be used to provide the following coverages: Truth-in-Lending; Zoning; Creditors Rights; Doing Business; Usury; Tie-In Interstate; or Subdivision.

6.28 TIRBOP - ENDORSEMENT PA 1080 - ABBREVIATED FORM ENDORSEMENT(S)  
(Revised 10/01/08)

Loan Policy Only

This endorsement incorporates by reference nine (9) other endorsements, and one (1) optional additional endorsement, contained in this Manual. The sequence for listing these endorsements is at the discretion of the Insurer. Each of the referenced endorsements, as requested by the lender, can be checked in the appropriate block. The Charge for each endorsement so checked shall be made in accordance with this Manual. There is no other Charge to be made for the use of this endorsement.

6.29 TIRBOP - ENDORSEMENT PA 1100 - WAIVER OF ARBITRATION (Revised 04/01/07)

Loan Policy Only

This endorsement amends the ALTA Loan Policy by deleting Paragraph 13 of the Conditions and Stipulations Section of the policy, relating to arbitration. The Charge for this endorsement is \$100.00.

6.30 TIRBOP - ENDORSEMENT PA 1110 (ALTA ENDORSEMENT 20-06) - FIRST LOSS - MULTIPLE PARCEL TRANSACTIONS (04/01/13)

Loan Policy Only

This endorsement provides, under certain conditions, that the amount which the insurer shall be liable to pay under the policy shall be determined without requiring maturity of the indebtedness by acceleration or otherwise. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00.

6.31 RESERVED FOR FUTURE USE

6.32 TIRBOP - ENDORSEMENT PA 1130 - (ALTA ENDORSEMENT 13-06)  
(Revised 04-02-12)

LEASEHOLD OWNER'S (04/01/13)

Owner's Policy Only

This endorsement may only be issued at the time of the issuance of the ALTA Owner's Policy. The endorsement sets forth how the leasehold estate is valued for purposes of a loss under the policy and the items covered by the issuance of the endorsement. The Charge for this endorsement, together with the ALTA Owner's Policy, is set forth in Section 5.10.

6.33 TIRBOP - ENDORSEMENT PA 1140 - (ALTA ENDORSEMENT 13.1-06)  
(Revised 04-02-12)

LEASEHOLD LOAN (04/01/13)

Loan Policy Only

This endorsement may only be issued at the time of the issuance of the ALTA Loan Policy. The endorsement sets forth how the leasehold estate is valued for purposes of a loss under the

policy and the items covered by the issuance of the endorsement. The Charge for this endorsement, together with the ALTA Loan Policy, is set forth in Section 5.10.

- 6.34 TIRBOP - ENDORSEMENT PA 1150 - (ALTA ENDORSEMENT 14.2-06)  
FUTURE ADVANCE - LETTER OF CREDIT (10/01/08)

Loan Policy Only

This endorsement provides limited insurance for loan advances made pursuant to a letter of credit, surety agreement or reimbursement agreement. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.35 TIRBOP - ENDORSEMENT 1160 (ALTA ENDORSEMENT 15-06)  
NONIMPUTATION - FULL EQUITY TRANSFER (10/01/08)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability to certain incoming parties (in a full equity transfer) as a result of the Insured having knowledge imputed to it in partnership, corporate, or limited liability company transactions. This endorsement may only be issued with a simultaneously issued owner's policy. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.36 TIRBOP - ENDORSEMENT 1170 - (ALTA ENDORSEMENT 15.1-06)  
NONIMPUTATION - ADDITIONAL INSURED (10/01/08)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability to certain incoming parties (additional insureds) as a result of the Insured having knowledge imputed to it in partnership, corporate, or limited liability company transactions. This endorsement may be issued subsequent to the issuance of the owner's policy. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.37 TIRBOP - ENDORSEMENT 1180 - (ALTA ENDORSEMENT 15.2-06)  
NONIMPUTATION - PARTIAL EQUITY TRANSFER (00/00/16)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability to certain incoming parties (in a partial equity transfer) as a result of the Insured having knowledge imputed to it in partnership, corporate, or limited liability company transactions. This endorsement may only be issued with a simultaneously issued owner's policy. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.38 TIRBOP - ENDORSEMENT 1190 - (ALTA ENDORSEMENT 16-06)  
MEZZANINE FINANCING (04/01/07)

Owner's Policy Only

This endorsement provides certain coverages to a mezzanine lender under an owner's policy. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.39 TIRBOP - ENDORSEMENT 1200 - (ALTA ENDORSEMENT 17-06)  
ACCESS AND ENTRY (04/01/07)

Loan Policy Only

This endorsement provides coverage to a lender with regard to vehicular and pedestrian access to the insured property. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.40 TIRBOP - ENDORSEMENT 1201 - (ALTA ENDORSEMENT 17-06)  
ACCESS AND ENTRY (04/01/07)

Owner's Policy Only

This endorsement provides coverage to an owner with regard to vehicular and pedestrian access to the insured property. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.41 TIRBOP - ENDORSEMENT PA 1210 - (ALTA ENDORSEMENT 17.1-06)  
INDIRECT ACCESS AND ENTRY (04/01/07)

Loan Policy Only

This endorsement provides coverage to a lender with regard to vehicular and pedestrian access indirectly to the insured property. The Charge for this endorsement is \$250.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.42 TIRBOP - ENDORSEMENT PA 1211 - (ALTA ENDORSEMENT 17.1-06)  
INDIRECT ACCESS AND ENTRY (04/01/07)

Owner's Policy Only

This endorsement provides coverage to an owner with regard to vehicular and pedestrian access indirectly to the insured property. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.43 TIRBOP - ENDORSEMENT PA 1220 - (ALTA ENDORSEMENT 14.3-06)  
FUTURE ADVANCE - REVERSE MORTGAGE (10/01/08)

Loan Policy Only

This endorsement provides coverage to a lender in conjunction with a reverse annuity mortgage. The Charge for this endorsement is \$50.00.

- 6.44 TIRBOP - ENDORSEMENT PA 1230 - (ALTA ENDORSEMENT 18-06)  
SINGLE TAX PARCEL (04/01/07)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to assessment as a single tax parcel. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of owner's and/or loan policies insuring 1-4 family residential property.

- 6.45 TIRBOP - ENDORSEMENT PA 1240 - (ALTA ENDORSEMENT 18.1-06) - MULTIPLE  
TAX PARCELS (10/01/08)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to assessment as multiple tax parcels. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of owner's and/or loan policies insuring 1-4 family residential property.

- 6.46 TIRBOP - ENDORSEMENT PA 1250 - (ALTA ENDORSEMENT 19-06 as modified by  
TIRBOP) - CONTIGUITY (04/01/07)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to contiguity of the insured premises. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of owner's and/or loan policies insuring 1-4 family residential property.

- 6.46.1 TIRBOP - ENDORSEMENT PA 1251 - (ALTA ENDORSEMENT 19.1-06) –  
CONTIGUITY-SINGLE PARCEL (00/00/16)

Owner's and/or Loan Policy

This endorsement insures against loss or damage in the event that the insured Land is not contiguous to other identified land not insured under the policy. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of owner's and/or loan policies insuring 1-4 family residential property.

- 6.47 TIRBOP - ENDORSEMENT PA 1260 (ALTA ENDORSEMENT 12-06, as modified by  
TIRBOP, (revised 04/2/13)) - AGGREGATION/TIE-IN/INTRASTATE ONLY (07/01/14)

Loan Policy Only

This endorsement aggregates the coverage of two or more policies insuring premises in Pennsylvania. Certain Conditions of the policy are amended by this endorsement. The Charge for this endorsement is \$100.00. Use of this endorsement shall also be prohibited to

aggregate the liability of any policies issued for Pennsylvania properties with properties situate outside the Commonwealth of Pennsylvania. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.48 TIRBOP - ENDORSEMENT PA 1270 - SAME AS SURVEY (04/01/07)

Loan Policy Only

This endorsement insures that the land described in the policy is the same as depicted on the survey referenced in the endorsement. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.49 TIRBOP - ENDORSEMENT PA 1271 - SAME AS SURVEY (04/01/07)

Owner's Policy Only

This endorsement insures that the land described in the policy is the same as depicted on the survey referenced in the endorsement. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2, with a minimum charge of \$100.00, unless it is issued with TIRBOP Endorsement PA 301, in which case it will be priced as \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.50 TIRBOP - ENDORSEMENT PA 1280 (ALTA ENDORSEMENT 22-06, as modified by TIRBOP) - LOCATION (04/01/07)

Loan Policy Only

This endorsement provides coverage to a lender with regard to the physical improvements of the insured premises. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property, and shall only be issued for land that has been improved.

6.51 TIRBOP - ENDORSEMENT PA 1290 - MORTGAGE RELEASE (04/01/07)

Loan Policy Only

This endorsement provides assurances, in conjunction with the release of a portion of the mortgaged lands from the lien of the insured mortgage, as to the validity and priority of the lien of the insured mortgage on the remaining portion of the mortgaged lands not released. The Charge for this endorsement is \$250.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property, and shall only be issued for land that has been improved.

6.52 TIRBOP - ENDORSEMENT PA 1310 - (ALTA ENDORSEMENT 28-06) EASEMENT – DAMAGE OR ENFORCED REMOVAL (03/01/11)

Loan Policy Only

This endorsement insures against loss or damage sustained by reason of damage to an existing building located on the land from the exercise of the granted or reserved rights of use or maintenance of an easement excepted in Schedule B of the policy. The Charge for this

endorsement is 10%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.53 TIRBOP - ENDORSEMENT PA 1311 - (ALTA ENDORSEMENT 28-06)  
EASEMENT – DAMAGE OR ENFORCED REMOVAL (03/01/11)

Owner’s Policy Only

This endorsement insures against loss or damage sustained by reason of damage to an existing building located on the land as a result of the exercise of the right of use or maintenance of an easement excepted in Schedule B of the policy. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner’s policy insuring 1-4 family residential property.

6.54 TIRBOP - ENDORSEMENT PA 1312 - (ALTA ENDORSEMENT 28.1-06)  
ENCROACHMENTS - BOUNDARIES AND EASEMENTS (04/01/13)

Loan Policy Only

This endorsement insures against loss or damage by reason of an encroachment of any Improvement located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of any improvement located on adjoining land onto the Land; enforced removal of any Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of the encroaching Improvement and enforced removal of any improvement located on the Land that encroaches onto adjoining land. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 1030 or PA 1034 in which case the Charge will be \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.55 TIRBOP - ENDORSEMENT PA 1313 - (ALTA ENDORSEMENT 28.1-06)  
ENCROACHMENTS - BOUNDARIES AND EASEMENTS (04/01/13)

Owner’s Policy Only

This endorsement insures against loss or damage by reason of an encroachment of any Improvement located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of any improvement located on adjoining land onto the Land; enforced removal of any Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of the encroaching Improvement and enforced removal of any improvement located on the Land that encroaches onto adjoining land. The Charge for the endorsement is 20%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsements PA 1031, PA 1032 or PA 1035, in which case it will be priced at 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner’s policy insuring 1-4 family residential property.

6.55.1 TIRBOP - ENDORSEMENT PA 1314 - (ALTA ENDORSEMENT 28.3-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS - DESCRIBED  
IMPROVEMENTS AND LAND UNDER DEVELOPMENT (00/00/16)

Loan Policy

This endorsement insures against loss or damage by reason of an encroachment of any Improvement or Future Improvement located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of any improvement located on adjoining land onto the Land; enforced removal of any Improvement or Future Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of the encroaching Improvement or Future Improvement and enforced removal of any Improvement or Future Improvement located on the Land that encroaches onto adjoining land. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 1034, in which case the Charge is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.55.2 TIRBOP - ENDORSEMENT PA 1315 - (ALTA ENDORSEMENT 28.3-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS - DESCRIBED  
IMPROVEMENTS AND LAND UNDER DEVELOPMENT (00/00/16)

Owner's Policy Only

This endorsement insures against loss or damage by reason of an encroachment of any Improvement or Future Improvement located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of any improvement located on adjoining land onto the Land; enforced removal of any Improvement or Future Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of the encroaching Improvement or Future Improvement and enforced removal of any Improvement or Future Improvement located on the Land that encroaches onto adjoining land. The Charge for the endorsement is 20%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 1035, in which case the Charge is 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.56 TIRBOP - ENDORSEMENT PA 1320 - (ALTA ENDORSEMENT 29-06)  
INTEREST RATE SWAP ENDORSEMENT - DIRECT OBLIGATION (03/01/11)

Loan Policy Only

This endorsement insures against loss by reason of the invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage as security for the repayment of the Swap Obligation at Date of Endorsement. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, if issued at Date of Policy; and 20% if issued subsequent to Date of Policy. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.57 TIRBOP - ENDORSEMENT PA 1330 - (ALTA ENDORSEMENT 29.1-06)  
INTEREST RATE SWAP ENDORSEMENT - ADDITIONAL INTEREST (03/01/11)

Loan Policy Only

This endorsement insures against loss by reason of the invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage as security for the Additional Interest calculated pursuant to the formula provided in the loan documents secured by the Insured Mortgage at Date of Endorsement for repayment of the Swap Obligation. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, if issued at Date of Policy; and 20% if issued subsequent to Date of Policy. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.58 TIRBOP - ENDORSEMENT PA 1340 - (ALTA ENDORSEMENT 35-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - BUILDINGS (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement [buildings] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.59 TIRBOP - ENDORSEMENT PA 1341 - (ALTA ENDORSEMENT 35-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - BUILDINGS (07/01/14)

Loan Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement [buildings] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.60 TIRBOP - ENDORSEMENT PA 1350 - (ALTA ENDORSEMENT 35.1-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - IMPROVEMENTS  
(04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement [including a building, structure located on the surface of the Land and any paved road, walkway, parking area, driveway or curb] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.61 TIRBOP - ENDORSEMENT PA 1351 - (ALTA ENDORSEMENT 35.1-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - IMPROVEMENTS  
(07/01/14)

Loan Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement [including a building, structure located on the surface of the Land and any paved road, walkway, parking area, driveway or curb] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for the endorsement is 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.62 TIRBOP - ENDORSEMENT PA 1360 - (ALTA ENDORSEMENT 35.3-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - LAND UNDER  
DEVELOPMENT (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement or Future Improvement [including a building, structure located on the surface of the Land and any paved road, walkway, parking area, driveway or curb] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for the endorsement is 15%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.63 TIRBOP - ENDORSEMENT PA 1361 - (ALTA ENDORSEMENT 35.3-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - LAND UNDER  
DEVELOPMENT (07/1/14)

Loan Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement or Future Improvement [including a building, structure located on the surface of the Land and any paved road, walkway, parking area, driveway or curb] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.64 TIRBOP - ENDORSEMENT PA 1400 - (ALTA ENDORSEMENT 31-06)  
SEVERABLE IMPROVEMENTS (04/01/13)

Owner's and/or Loan Policy

Used in projects where the main costs are in the purchase of improvements which may be severed from the Land, and where the improvements may not be considered real property in the jurisdiction where the Land is located. By the endorsement, the calculation of loss by reason of a covered Policy Defect, includes the diminution in the value of and the removal or relocation cost of the Severable Improvements. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's or loan policy insuring 1-4 family residential property.

This endorsement shall be issued only when the Amount of Insurance in Schedule A of the Policy includes the aggregate of the Full Value of the Land or the Full Value of the Leasehold Estate and the Full Value of the Severable Improvement.

6.65 TIRBOP - ENDORSEMENT PA 1410 - (ALTA ENDORSEMENT 36-06)  
ENERGY PROJECT - LEASEHOLD/EASEMENT (04/01/13)

Owner's Policy Only

This endorsement, issued with a Policy that insures a Leasehold and/or Easement Estate, recognizes the unique characteristics of an Energy Project. By Section 3, "Valuation of Title as an Integrated Project", the endorsement treats the Energy Project as an integrated whole, providing that in computing loss or damage, Valuation of Title as a result of an Eviction from a portion of the Land shall be the value of the affected Leasehold or Easement Estate and any Electrical Facility plus any reduction in the value of another insured Leasehold or Easement Estate; and further provides that the computation of loss or damage for a covered defect affecting one parcel (or fewer than all parcels) shall include resulting loss or damage to the Integrated Project. By Section 4, "Valuation of Severable Improvements", the endorsement includes the diminution of the value of a Severable Improvement in the event of an Eviction. By Section 5, "Additional items of loss covered by this endorsement", the endorsement expands on the items of loss appropriate to an Energy Project. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.66 TIRBOP - ENDORSEMENT PA 1420 - (ALTA ENDORSEMENT 36.1-06)  
ENERGY PROJECT - LEASEHOLD/EASEMENT (04/01/13)

Loan Policy Only

This endorsement, issued with a Policy that insures a Leasehold and/or Easement Estate, recognizes the unique characteristics of an Energy Project. By Section 3, "Valuation of Title as an Integrated Project", the endorsement treats the Energy Project as an integrated whole, providing that in computing loss or damage, Valuation of Title as a result of an Eviction from a portion of the Land shall be the value of the affected Leasehold or Easement Estate and any Electrical Facility plus any reduction in the value of another insured Leasehold or Easement Estate; and further provides that the computation of loss or damage for a covered defect affecting one parcel (or fewer than all parcels) shall include resulting loss or damage to the Integrated Project. By Section 4, "Valuation of Severable Improvements", the endorsement includes the diminution of the value of a Severable Improvement in the event of an Eviction. By Section 5, "Additional items of loss covered by this endorsement", the endorsement expands on the items of loss appropriate to an Energy Project. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.67 TIRBOP - ENDORSEMENT PA 1430 - (ALTA ENDORSEMENT 36.2-06)  
ENERGY PROJECT - LEASEHOLD (04/01/13)

Owner's Policy Only

This endorsement, issued with a Policy that insures a Leasehold Estate, recognizes the unique characteristics of an Energy Project. By Section 3, "Valuation of Title as an Integrated Project", the endorsement treats the Energy Project as an integrated whole, providing that in computing loss or damage, Valuation of Title as a result of an Eviction from a portion of the Land shall be the value of the affected Leasehold Estate and any Electrical Facility plus any reduction in the value of another insured Leasehold Estate; and further provides that the computation of loss or damage for a covered defect affecting one parcel (or fewer than all parcels) shall include resulting loss or damage to the Integrated Project. By Section 4, "Valuation of Severable Improvements", the endorsement includes the diminution of the value of a Severable Improvement in the event of an Eviction. By Section 5, "Additional items of loss covered by this endorsement", the endorsement expands on the items of loss appropriate to an Energy Project. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold

Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.68 TIRBOP - ENDORSEMENT PA 1440 - (ALTA ENDORSEMENT 36.3-06)  
ENERGY PROJECT - LEASEHOLD (04/01/13)

Loan Policy Only

This endorsement, issued with a Policy that insures a Leasehold Estate, recognizes the unique characteristics of an Energy Project. By Section 3, "Valuation of Title as an Integrated Project", the endorsement treats the Energy Project as an integrated whole, providing that in computing loss or damage, Valuation of Title as a result of an Eviction from a portion of the Land shall be the value of the affected Leasehold Estate and any Electrical Facility plus any reduction in the value of another insured Leasehold Estate; and further provides that the computation of loss or damage for a covered defect affecting one parcel (or fewer than all parcels) shall include resulting loss or damage to the Integrated Project. By Section 4, "Valuation of Severable Improvements", the endorsement includes the diminution of the value of a Severable Improvement in the event of an Eviction. By Section 5, "Additional items of loss covered by this endorsement", the endorsement expands on the items of loss appropriate to an Energy Project. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.69 TIRBOP - ENDORSEMENT PA 1450 - (ALTA ENDORSEMENT 36.4-06)  
ENERGY PROJECT - COVENANTS, CONDITIONS AND RESTRICTIONS -  
LAND UNDER DEVELOPMENT (04/01/13)

Owner's Policy Only

Patterned after TIRBOP Endorsement PA 1035 ( ALTA Endorsement 9.8-06) but tailored to an Energy Project, this endorsement insures against loss or damage by reason of a violation of an enforceable Covenant by any Electrical Facility or Severable Improvement, enforced removal of any Electrical Facility or Severable Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan and a notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection describing any part of the Land. The Charge for the endorsement is 15%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold

Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

- 6.70 TIRBOP - ENDORSEMENT PA 1460 - (ALTA ENDORSEMENT 36.5-06)  
ENERGY PROJECT - COVENANTS, CONDITIONS AND RESTRICTIONS -  
LAND UNDER DEVELOPMENT (04/01/13)

Loan Policy Only

Patterned after TIRBOP Endorsement PA 1034 ( ALTA Endorsement 9.7-06) but tailored to an Energy Project, this endorsement insures against loss or damage by reason of a violation of an enforceable Covenant by any Electrical Facility or Severable Improvement, enforced removal of any Electrical Facility or Severable Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan and a notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection describing any part of the Land. The Charge for the endorsement is 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

- 6.71 TIRBOP - ENDORSEMENT PA 1470 - (ALTA ENDORSEMENT 36.6-06)  
ENERGY PROJECT - ENCROACHMENTS (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of an encroachment of any Electrical Facility or Severable Improvement, located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of an improvement located on adjoining land onto the Land; enforced removal of any Electrical Facility or Severable Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of any Electrical Facility or Severable Improvement, and damage to any Electrical Facility or Severable Improvement located on or encroaching into that portion of the Land subject to an easement which damage results from the exercise of the easement. The Charge for the endorsement is 15%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold

Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.72 TIRBOP - ENDORSEMENT PA 1471 - (ALTA ENDORSEMENT 36.6-06)  
ENERGY PROJECT - ENCROACHMENTS (04/01/13)

Loan Policy Only

This endorsement insures against loss or damage by reason of an encroachment of any Electrical Facility or Severable Improvement, located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of an improvement located on adjoining land onto the Land; enforced removal of any Electrical Facility or Severable Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of any Electrical Facility or Severable Improvement, and damage to any Electrical Facility or Severable Improvement located on or encroaching into that portion of the Land subject to an easement which damage results from the exercise of the easement. The Charge for the endorsement is 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of a Loan policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.73 TIRBOP - ENDORSEMENT PA 1480 - (ALTA ENDORSEMENT 9.3-06 (Revised 4/02/13)) - COVENANTS, CONDITIONS AND RESTRICTIONS (07/01/14)

Loan Policy Only

This endorsement insures against loss or damage by reason of a violation of a Covenant that (a) divests, subordinates or extinguishes the lien of the Insured Mortgage or (b) that results in the invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage. It also insures against loss or damage by reason of (i) a violation of an enforceable Covenant unless an exception in Schedule B identifies the violation, (ii) enforced removal of an Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan, and (iii) notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection. The Charge for this endorsement is 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

6.74 TIRBOP - ENDORSEMENT 1490 - (ALTA ENDORSEMENT 9.9-06 (Revised 4/02/13), as modified by TIRBOP) PRIVATE RIGHTS (07/01/14)

Owner's Policy Only

This endorsement insures against loss or damage if enforcement of a Private Right in a Covenant affecting the Title at Date of Policy causes a loss of the Insured's Title. Private Right is defined as (i) an option to purchase; (ii) a right of first refusal; or (iii) a right of prior approval of a future purchaser or occupant. This endorsement permits a specific Private Right to be excluded from coverage. The Charge for this endorsement is 10%, calculated in

accordance with Section 5.2, with a minimum Charge of \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.75 TIRBOP - ENDORSEMENT PA 1500 - (ALTA ENDORSEMENT 32-06)  
CONSTRUCTION LOAN-LOSS OF PRIORITY (07/01/14)

Loan Policy Only

This endorsement deletes Covered Risk 11(a) of the ALTA Loan Policy of Title Insurance, as modified by TIRBOP, (06/17/06) and provides the coverage set forth in section 3 which insures against (a) loss or damage by reason of the invalidity or unenforceability of the lien of the Insured Mortgage as security for each Construction Loan Advance made on or before the Date of Coverage; (b) the lack of priority of the lien of the Insured Mortgage for each Construction Loan Advance over any recorded lien or encumbrance not shown in Schedule B; and (c) the lack of priority of the lien of the Insured Mortgage over any unrecorded mechanics' liens but only for such mechanic lien claims which were designated for payment in the Construction Loan Advance and disbursed on or before Date of Coverage. The Charge for this endorsement is set forth in Section 5.11B of this Manual.

6.76 TIRBOP - ENDORSEMENT PA - 1510 (ALTA ENDORSEMENT 32.1-06) (Revised  
4/02/13) - CONSTRUCTION LOAN-LOSS OF PRIORITY-DIRECT PAYMENT  
(07/01/14)

Loan Policy Only

This endorsement deletes Covered Risk 11(a) of the ALTA Loan Policy of Title Insurance, as modified by TIRBOP, (06/17/06) and provides the coverage set forth in section 3 which insures against (a) loss or damage by reason of the invalidity or unenforceability of the lien of the Insured Mortgage as security for each Construction Loan Advance made on or before the Date of Coverage; (b) the lack of priority of the lien of the Insured Mortgage for each Construction Loan Advance over any recorded lien or encumbrance not shown in Schedule B; and (c) the lack of priority of the lien of the Insured Mortgage over any unrecorded mechanics' liens but only for such mechanic lien claims which were designated for payment in the Construction Loan Advance. This endorsement requires direct payment to contractors and materialmen to be made by the Company or by the Insured with the Company's written approval. The Charge for this endorsement is set forth in Section 5.11B of this Manual.

6.77 TIRBOP - ENDORSEMENT PA 1520 – (ALTA ENDORSEMENT 33-06)  
DISBURSEMENT (07/01/14)

Loan Policy Only

This endorsement can only be issued in conjunction with TIRBOP Endorsement PA 1500 or 1510 and advances the Date of Coverage for Construction Loan Advances. The endorsement includes an option to state the current disbursement amount and to state the aggregate amount, including the current disbursement amount. The Charge for this endorsement is set forth in Section 5.11B of this Manual.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold

Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

- 6.78 TIRBOP - ENDORSEMENT PA 1530 (ALTA ENDORSEMENT 14-06)  
FUTURE ADVANCE - PRIORITY (04/01/15)

Loan Policy Only

This endorsement insures against loss or damage sustained by reason of the invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage (1) as security for Advances and re-Advances made after the Date of Policy and (2) resulting from any provisions of the note or loan agreement that provide for (i) interest on interest, (ii) changes in the rate of interest, or (iii) the addition of unpaid interest to the Indebtedness. It also includes coverage for the failure of the Insured Mortgage to comply with the requirements of state law to secure Advances. The Charge for this endorsement is \$100.00 when issued with a loan policy insuring 1-4 family residential property. When a policy is issued insuring other property, the Charge is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00.

- 6.79 TIRBOP - ENDORSEMENT PA 1540 (ALTA ENDORSEMENT 14.1-06)  
FUTURE ADVANCE - KNOWLEDGE (04/01/15)

Loan Policy Only

This endorsement provides the same coverage as TIRBOP Endorsement PA 1530, except that there is an additional exclusion from coverage for loss or damage resulting from the lack of priority of any Advance made after the Insured has Knowledge of the existence of liens, encumbrances or other matters affecting the Land intervening between Date of Policy and the Advance. The Charge for this endorsement is \$100.00 when issued with a loan policy insuring 1-4 family residential property. When a policy is issued insuring other property, the Charge is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00.

- 6.80 TIRBOP - ENDORSEMENT PA 1550 (ALTA ENDORSEMENT 17.2-06)  
UTILITY ACCESS (04/01/15)

Owner's Policy Only

This endorsement provides coverage for loss or damage sustained by the Insured by reason of the lack of a right of access to specifically selected utilities or services, either over, under or upon rights of way or easements for the benefit of the Land. The Charge when issued with an owner's policy is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.81 TIRBOP - ENDORSEMENT PA 1551 (ALTA ENDORSEMENT 17.2-06)  
UTILITY ACCESS (04/01/15)

Loan Policy Only

This endorsement provides coverage for loss or damage sustained by the Insured by reason of the lack of a right of access to specifically selected utilities or services, either over, under or upon rights of way or easements for the benefit of the Land. The Charge for this endorsement when issued with a loan policy is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.82 TIRBOP - ENDORSEMENT PA 1560 (ALTA ENDORSEMENT 37-06)  
ASSIGNMENT OF RENTS OR LEASES (04/01/15)

Loan Policy Only

This endorsement provides coverage for loss or damage sustained by the Insured by reason of (1) a defect in the execution of the Assignment of Rents or Leases or (2) any recorded Assignment of Rents or Leases at Date of Policy other than as shown in the Policy. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.83 TIRBOP - ENDORSEMENT PA 1570 (ALTA ENDORSEMENT 40-06)  
TAX CREDIT-OWNER'S POLICY (04/01/15)

Owner's Policy Only

This endorsement provides coverage for loss or damage, not exceeding the Amount of Insurance, sustained by the Tax Credit Investor by a reduction in a Tax Credit caused solely by a defect, lien or encumbrance insured against by the policy, and subject to certain limitations set forth in the endorsement. By the endorsement, the Insured assigns to the Tax Credit Investor the right to receive payment of a loss under the policy to the extent of the reduction in the amount of the Tax Credit. The Tax Credit itself is not insured, but the endorsement allows consideration of the reduction of the Tax Credit as an element of loss. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.84 TIRBOP - ENDORSEMENT PA 1580 (ALTA ENDORSEMENT 40.1-06)  
TAX CREDIT-DEFINED AMOUNT-OWNER'S POLICY (04/01/15)

Owner's Policy Only

This endorsement provides the same coverage as TIRBOP Endorsement PA 1570, except that (1) it establishes an Additional Amount of Insurance designated solely for losses

addressed in the endorsement (2) it does not require the Insured to assign its rights to receive loss payments under the policy to the Tax Credit Investor, as the Additional Amount of Insurance is applicable only to the payment of a loss to the Tax Credit Investor and (3) the Amount of Insurance in Schedule A is not available for loss payment to the Tax Credit Investor and a payment of any loss pursuant to the terms of the endorsement to the Tax Credit Investor does not reduce the Amount of Insurance available to the Insured. The Charge for this endorsement is the difference between the Charge for the Amount of Insurance on Schedule A and the Charge when adding the Additional Amount of Insurance. Example: The Amount of Insurance on Schedule A is \$30,000,000.00. The Additional Amount of Insurance is \$5,000,000.00. The Charge for the endorsement is \$7,000.00, being the difference between the Charge for a \$30,000,000.00 policy and the Charge for a \$35,000,000.00 policy. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.85 TIRBOP - ENDORSEMENT PA 1590 (ALTA ENDORSEMENT 9.10-06)  
RESTRICTIONS, ENCROACHMENTS, MINERALS – CURRENT VIOLATIONS  
(00/00/16)

Loan Policy Only

This endorsement provides coverage similar to that in TIRBOP Endorsement PA 1030 but limits coverage to a violation of a Covenant on or before Date of Policy. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

6.86 TIRBOP – ENDORSEMENT 1600 (ALTA Endorsement 10-06)  
ASSIGNMENT (00/00/16)

Loan Policy Only

This endorsement insures against loss or damage from (i) the failure of the post-policy assignment of the Insured Mortgage to vest title to the Insured Mortgage in the assignee and from (ii) any recorded modification, release or satisfaction of the Insured Mortgage prior to the date of endorsement. This endorsement does not change the Date of Policy. The Charge for this endorsement is \$500.00.

6.87 TIRBOP - ENDORSEMENT 1610 (ALTA Endorsement 23-06)  
CO-INSURANCE - SINGLE POLICY (00/00/16)

Owner's and/or Loan Policy

This endorsement allows the lead insurer to issue a single policy with other co-insurers adopting the policy as their own to the extent of their proportionate liability set forth in the endorsement. While there is no Charge for the issuance of the endorsement, Section 5.12 describes the manner by which the Charge for the liability assumed by each Insurer is calculated. Use of this endorsement is prohibited in conjunction with the issuance of a policy insuring 1-4 family residential property.

- 6.88 TIRBOP - ENDORSEMENT 1620 (ALTA Endorsement 39-06)  
POLICY AUTHENTICATION (00/00/16)

Owner's and/or Loan Policy

This endorsement authenticates a policy or endorsements issued electronically or lacking signatures. If this endorsement is issued simultaneously with a policy, there is no Charge. If issued subsequent to Date of Policy, the Charge for the endorsement is \$100.00.

- 6.89 TIRBOP - ENDORSEMENT 1630 (ALTA Endorsement 42-06)  
COMMERCIAL LENDER GROUP ENDORSEMENT (00/00/16)

Loan Policy Only

This endorsement (i) insures against loss or damage by reason of the invalidity, unenforceability, or loss of priority of the lien of the Insured Mortgage caused by transfers after the Date of Policy of portions of the Indebtedness by the Participants, (ii) provides that the Participant is an Insured, as long as it continues to own a portion of the Indebtedness, whether acquired on or after the Date of Policy and (iii) under certain conditions, protects Participants against imputation of Knowledge from other Participants. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.90 TIRBOP - ENDORSEMENT 1640 (ALTA Endorsement 43-06)  
ANTI-TAINT ENDORSEMENT (00/00/16)

Loan Policy Only

This endorsement insures against loss or damage by reason of a loss of priority of the lien of the Insured Mortgage as security for the Term Loan by reason of reductions and subsequent increases of the outstanding principal amount of the Indebtedness payable as the Revolving Credit Loan. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an loan policy insuring 1-4 family residential property.

- 6.91 TIRBOP - ENDORSEMENT 1650 (ALTA Endorsement 45-06)  
PARI PASSU MORTGAGE (00/00/16)

Loan Policy Only

This endorsement insures against loss or damage by reason of (i) the invalidity or unenforceability of the lien of the Insured Mortgage resulting solely from the provisions of the Pari Passu Mortgage or Intercreditor Agreement establishing lien priority or (ii) the lack of equal lien priority of the Insured Mortgage to the other Pari Passu Mortgages. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

7. RESERVED FOR FUTURE USE

**ECONOMIC JUSTIFICATION OF RATES  
PROPOSED BY  
THE TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA**

*Report to*

**Pennsylvania Insurance Department**

**and**

**Title Insurance Rating Bureau of Pennsylvania**

*Prepared by*

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**January 15, 2016**

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## **I. INTRODUCTION**

The Title Insurance Rating Bureau of Pennsylvania (TIRBOP) has requested Regulatory Research Corporation to analyze the need for a rate increase. A rate increase of 12.5% is indicated.

## **II. COMPUTATION OF EXPECTED PRE-TAX UNDERWRITING PROFIT AS A FRACTION OF PREMIUM CORRESPONDING TO CURRENT RATES.**

Our analysis is based on all-industry composite data for the entire Pennsylvania title insurance industry for the period 1995-2014, which is the most recent 20-year period for which data have been collected by the Pennsylvania Insurance Department (the Department) through its Statistical Agents. Because the title insurance industry is highly cyclical, a title insurance rate structure can only be justified in terms of the economic performance it can be expected to generate over a full real estate cycle. Accordingly, our analysis for title insurance underwriters was based on data for the 20-year period 1995-2014.

Data for TIRBOP members alone are not available for the entire period. The use of all-industry data does not limit the reliability of the analysis, however, because the current members of TIRBOP write about 98% of all Pennsylvania title insurance business. Hence, an all-industry composite is highly representative of the experience of TIRBOP member companies.

We determined the pre-tax profit that can be anticipated under the current rate manual by carrying out an on-level analysis, i.e., by restating the industry's performance over the most recent 20-year experience period to reflect current conditions. We have used the same framework as we used in analyzing the impact of the rate increase approved by the Department in 2014. First, we restated the industry's experience under the assumption that current rates had been in effect during the entire experience period. Second, we restated the industry's experience

assuming that inflation through 2015 had already occurred. The effects of inflation include both an increase in operating costs (including losses and expenses) and an increase in premiums because of the increase in insured liabilities.

**a. ADJUSTMENT OF HISTORIC REVENUES, LOSSES AND EXPENSES TO CURRENT RATES AND PRICE LEVELS TO DETERMINE THE ON-LEVEL COMBINED RATIO**

**1. Revenue**

We adjusted the data on past years for the effects of the rate increases approved by the Department of 9.5% effective March 1, 1995, of 4.16% effective April 1, 1996, of 3.9% effective May 1, 1997, of 4.53% effective May 1, 1998, of 2.49% effective October 1, 2000, of 2.35% effective January 1, 2002, of 2.3% effective September 14, 2009, of 7% effective July 1, 2012, and of 2.2% effective September 1, 2014. We also adjusted for inflation, including both the impact on insured liabilities and the impact on the level of operating costs, so as to determine what the economic consequences of different levels of real estate activity would be at current levels of title insurance rates, operating costs, and insured liabilities. The average of the rate-adjusted and inflation-adjusted figures over the real estate cycle provided our baseline estimate of the economic performance Pennsylvania title insurance underwriters would achieve under current rates. Table 1 presents the rate level adjustment factors appropriate for each calendar year, taking into account the portion of each year for which any given rate was in effect. Table 2 presents the basic inflation factors used subsequently. For insured liabilities, we used the Gross Domestic Product (GDP) implicit price deflator for residential investment compiled by the U.S. Department of Commerce. For expenses, we used the GDP implicit price deflator for services. Table 3 sets forth the current rate structure.

To determine the impact of liability inflation on revenues, we used the procedures set forth in Tables 4-x through 5-x. Tables whose sequence number ends in a two-digit number between 95 and 14 refer to the corresponding experience year, e.g., Table 4-08 refers to 2008. [Because there are so many tables, full versions of Tables 4-xx and 5-xx are presented only in the accompanying Excel file, which contains all the calculations and associated workpapers. The table for 2014 of each type appears in the text to make it easier to follow the flow of the calculations.] Tables 4-95 through 4-14 calculate revenue inflation factors for filed rate revenues written through the Company and Agency procedures. Tables 5-95 through 5-14 calculate revenue inflation factors for filed rate revenues written through the Approved Attorney Procedure. The factors adjust for inflation in average insured values. We used the following procedure:

- We applied the current basic rate to the average liability within each liability range.
- We applied the current basic rate to the average liability within each liability range inflated to 2015 using the GDP deflator for residential structures. This procedure appropriately reflects inflation while also mirroring the variation in the mix of business over the real estate cycle.
- We then computed the weighted average of the rates at the average liabilities in each reported liability range, with weighting factor equal to the number of policies within each liability range. The ratio of the weighted average rates constitutes the “revenue inflation factor” for each year. [Note that this procedure is identical to computing the ratio of the pro-forma total revenues for all liability ranges.]

Table 6-1 applies the revenue inflation factors of Table 4 to actual revenues written through the Company and Agent Procedures to determine what revenues would have been in each year from 1995 through 2014 at current rates and price levels. Table 6-2 performs the same computation for Approved Attorney revenues. Table 7 then combines the inflation-adjusted revenues of Table 6 and applies the rate change factors of Table 1 to compute the revenues that would have prevailed in each of the years 1995 through 2014 at today's rates and price levels.

## **2. Losses and Expenses**

We performed separate computations for five categories of costs: losses; net reinsurance ceded; statutory premium reserve contribution; agents' retentions; and all other expenses. The computations are set forth in Tables 8 through 12.

In contrast to other property-casualty insurance lines, title insurers do not report an actuarial reserve for incurred but not reported (IBNR) losses in addition to case basis reserves on their statutory income statements. Instead, title insurers post a "statutory premium reserve" (SPR) based on a statutorily defined formula, which is intended to fulfill the same economic function as an IBNR reserve. While statutory filing requirements have been expanded in recent years by the addition of a Schedule P to the Annual Statement (Form 9), a true IBNR is still not used on the income statement. However, the title insurance Statistical Report mandated by the Department includes sufficient information to allow the calculation of a Pennsylvania IBNR reserve. We have made this calculation and present alternative calculations based either on the IBNR or the statutory reserve. We believe that the IBNR is the more accurate predictor of expected loss experience. We discuss the IBNR calculation below in parallel with the SPR.

Table 8 sets forth the computation of inflation-adjusted case-basis losses (including loss

adjustment expenses). In each year, we multiply historic case-basis losses by the ratio of inflation-adjusted average liability to actual liability (column [5]) to determine inflation-adjusted case-basis losses. This is the appropriate procedure since loss expense is generally proportional to exposure.

Table 9 calculates net reinsurance ceded. Although title insurers strive to keep assumed and ceded reinsurance generally in balance, net reinsurance ceded does not vary in a predictable way, but fluctuates erratically. Accordingly, we compute net reinsurance ceded as a simple average of unadjusted historic experience.

Table 10 computes inflation-adjusted contributions to the statutory premium reserve (SPR). Because the Pennsylvania SPR is established on a basis primarily proportional to liability assumed, we perform the inflation adjustment here in the same way that we performed the case-basis loss expense adjustment. The equivalent IBNR calculations are set forth in Tables 10A-1 through 10A-5. Table 10A-1 presents cumulative case basis losses and loss adjustment expenses for policy years 1982 through 2014. Table 10A-2 generates loss development factors based on these data. Table 10A-3 uses these loss development factors to compute the ultimate loss and loss adjustment expense ratio for each policy year. Table 10A-4 then develops the IBNR for each year and presents the year to year changes. Finally, Table 10A-5 computes the inflation-adjusted IBNR calculation in parallel to the inflation adjustment for the SPR.

Tables 11-1 through 11-3 compute rate-adjusted and inflation-adjusted agents' retentions. [NOTE: Agents' retentions are often misleadingly called "commissions," inviting an inappropriate comparison to commissions for property-casualty insurance agents or for real estate brokers. While these latter groups are primarily sales and marketing entities, title insurance

agents also carry out the underwriting, policy production, and transaction closing functions in addition to sales and marketing functions, and so require a much larger percentage of the total consumer charge in order to defray their much larger expenses.] Table 11-1 calculates the average agents' retention rate. Table 11-2 computes the average fraction of total industry revenues written through the agency system. Table 11-3 then uses the figures in Table 11-2 to estimate total agency revenues at current rates and price levels in each historic year, and then applies the retention rates of Table 11-1 to compute retentions at current rates and price levels in each historic year.

Finally, Table 12 computes inflation-adjusted other expenses. Title insurers are subject to the same cost pressures as other service industries. Accordingly, we adjusted the level of other costs to current conditions using the GDP deflator for services.

**b. Projected Combined Ratio with Current Rates**

Table 13 presents the actual combined ratio (losses plus expenses divided by premium written) using the IBNR for the years 1995 through 2014. Table 13A presents the same figures using the change in the SPR reserve instead of the IBNR. Over this 20-year period, the average combined ratio for Pennsylvania title insurers, based on the IBNR calculation was 99.3% and based on the SPR calculation was 99.5%, corresponding to an average profit margin of well-below 1%. Further, based on either the IBNR or the SPR calculation, the combined ratio exceeded 95% in all but one year, so that the industry failed to achieve the target profit margin in 19 out of 20 years.

Table 14 presents the combined ratio adjusted for rate increases, inflation in liabilities, and inflation in losses and expenses using the IBNR. Table 14A presents the same

figures using the change in the SPR reserve instead of the change in the IBNR reserve. Even at current rates and price levels, the average combined ratio for Pennsylvania title insurers, based on the IBNR calculation would have been 97.8%, and based on the SPR calculation would have been 97.7%, corresponding to an average profit margin of less than 2.5%. Further, in 15 out of the 20 years in the experience period, the combined ratio, based on the IBNR calculation, and 16 out of the 20 years based on the SPR calculation, exceeded 95%, so that the industry would have failed to achieve the current target profit margin of 5% in 15 or 16 out of 20 years under current conditions.

### **III. REQUIRED RATE INCREASE TO ACHIEVE STIPULATED 5% PROFIT MARGIN**

Because the TIRBOP manual includes a number of fixed charges which do not depend on the basic rates, and also includes CSL charges which are not subject to commission, the changes in the rate schedules needed to produce a given rate of return requires a complex calculation. The Technical Appendix to this report derives the required formula set forth in line 7 of Tables 15 and 15-A.

Table 15 sets forth our analysis which demonstrates that it would require a 12.9% increase in commissionable title revenue to produce the stipulated target 5% profit margin on total title revenue based on the IBNR calculation. Table 15-A sets forth our analysis which demonstrates that it would require a 12.5% increase in commissionable title revenue to produce the stipulated target 5% profit margin on total title revenue based on the SPR calculation. To minimize the impact on the public, TIRBOP is proposing to use the lower of these two figures, and to increase the rate schedules to achieve a 12.5% increase in commissionable title revenue.

#### **IV. PROPOSED RATES**

TIRBOP proposes to change only the basic rate schedules. Because the TIRBOP manual includes a number of fixed charges which do not depend on the basic rates and will remain unchanged (for example, fixed rate endorsements), the required increase in the basic rate schedules is slightly higher than 12.5%. Table 16 presents the calculation of the necessary basic rate change factor. Tables 17A through 17D present the proposed rate schedules.

# TABLES

**TABLE 1**  
**RATE LEVEL ADJUSTMENT FACTORS**

Historic Rate Changes				Basic Rate Adjustment Factors		
Date	Rate Change	Rate Factor	Cumulative Factor		Factor to 1982 Rates	Factor to Current Rates
3/1/1995	9.46%	109.46%	109.46%	1982	1.0000	1.453172505
4/1/1996	4.16%	104.16%	114.02%	1983	1.0000	1.453172505
5/1/1997	3.90%	103.90%	118.47%	1984	1.0000	1.453172505
5/1/1998	4.53%	104.53%	123.83%	1985	1.0000	1.453172505
10/1/2000	2.49%	102.49%	126.92%	1986	1.0000	1.453172505
1/1/2002	2.35%	102.35%	129.90%	1987	1.0000	1.453172505
9/14/2009	2.30%	102.30%	132.89% CSL only	1988	1.0000	1.453172505
7/1/2012	7.00%	107.00%	142.19%	1989	1.0000	1.453172505
9/1/2014	2.20%	102.20%	145.32% CSL only	1990	1.0000	1.453172505
				1991	1.0000	1.453172505
				1992	1.0000	1.453172505
				1993	1.0000	1.453172505
				1994	1.0000	1.453172505
				1995	1.0788	1.347016316
				1996	1.1288	1.287409494
				1997	1.1698	1.242217737
				1998	1.2204	1.190695006
				1999	1.2383	1.173490687
				2000	1.2460	1.166230900
				2001	1.2692	1.144980668
				2002	1.2990	1.118691420
				2003	1.2990	1.118691420
				2004	1.2990	1.118691420
				2005	1.2990	1.118691420
				2006	1.2990	1.118691420
				2007	1.2990	1.118691420
				2008	1.2990	1.118691420
				2009	1.3077	1.111236873
				2010	1.3289	1.093540000
				2011	1.3289	1.093540000
				2012	1.3754	1.056560386
				2013	1.4219	1.022000000
				2014	1.4297	1.016409746
				2015	1.4532	1.000000000

SOURCES: Rate increase factors from prior and current filings.

TABLE 2

## PRICE LEVEL ADJUSTMENT FACTORS

	[1]	[2]	[3]	[4]
	GDP Deflators			
	Residential Fixed Investment		Services	
	2009=100 Series	Factor to Current Price Level	2009=100 Series	Factor to Current Price Level
1982	44.280	2.586856	40.637	2.740975
1983	45.329	2.526992	43.168	2.580268
1984	46.671	2.454329	45.416	2.452550
1985	47.953	2.388714	47.676	2.336291
1986	50.068	2.287809	49.619	2.244805
1987	52.234	2.192939	51.072	2.180941
1988	54.052	2.119182	53.500	2.081963
1989	55.819	2.052097	55.965	1.990262
1990	57.105	2.005884	58.472	1.904929
1991	57.848	1.980120	60.697	1.835099
1992	58.561	1.956012	62.830	1.772800
1993	60.945	1.879498	65.005	1.713484
1994	63.150	1.813872	66.762	1.668389
1995	65.408	1.751254	68.593	1.623854
1996	66.812	1.714452	70.461	1.580804
1997	68.424	1.674062	72.427	1.537893
1998	70.229	1.631036	73.921	1.506811
1999	72.860	1.572138	75.403	1.477196
2000	76.093	1.505342	77.497	1.437281
2001	79.705	1.437124	79.871	1.394561
2002	81.679	1.402392	81.964	1.358950
2003	85.549	1.338952	84.531	1.317682
2004	91.546	1.251240	87.056	1.279464
2005	98.103	1.167610	89.930	1.238574
2006	103.821	1.103303	92.974	1.198023
2007	105.176	1.089089	95.977	1.160538
2008	103.647	1.105155	98.943	1.125749
2009	100.000	1.145460	100.000	1.113850
2010	99.644	1.149552	101.663	1.095630
2011	100.392	1.140987	103.463	1.076568
2012	101.246	1.131363	105.689	1.053894
2013	106.220	1.078384	107.751	1.033726
2014	110.854	1.033305	109.161	1.020374
2015	114.546	1.000000	111.385	1.000000

SOURCES:

GDP Deflators from Bureau of Economic Analysis

**TABLE 3**  
**CURRENT RATE STRUCTURE**  
**Current Minimum and Marginal Rates**

LIABILITY (\$000)		Sale	Non-Sale	A/A
FROM	TO			
0	15	500.00	450.00	125.00
15	30	0.00	0.00	0.00
30	45	6.50	5.25	3.25
45	100	5.50	4.75	3.25
100	500	5.00	4.25	2.75
500	1000	4.00	3.75	2.50
1000	2000	3.00	2.75	2.25
2000	7000	2.00	1.75	2.00
7000	10000	1.50	1.50	1.50
10000	15000	1.50	1.50	1.50
15000	30000	1.50	1.50	1.50
30000	and up	1.25	1.25	1.50

SOURCES: Rates as filed by Bureau



TABLE 5-14

DERIVATION OF REVENUE INFLATION FACTOR

		TOTAL REVENUE			APPROVED ATTORNEY'S SYSTEM			
GDP Deflator - Residential Fixed Investment		110.9						
Liability Inflater to 2014 [1]		1.03331					Current	A/A Rate
		2014	2014	Current	2014	Average	Average	at 2014
		Total	Average	A/A Rate	Liability	Liability	Liability	Liability
		Number of	Liability	2014	Inflated	Inflated	Inflated	Inflated
		Policies		Average	to 2015	to 2015	to 2015	to 2015
FROM	TO			Liability				
0	30	62	21,342	450	22,052	450		
30	45	110	38,333	493,748,2023	39,610	500,4525		
45	100	918	75,323	672,783,4532	77,831	684,69725		
100	200	1302	144,018	977,077,8122	148,815	997,46375		
200	300	443	245,221	1,407,190,689	253,388	1,441,899		
300	400	168	344,374	1,828,5916	355,844	1,877,337		
400	500	88	440,497	2,237,111,864	455,168	2,299,464		
500	1000	106	699,028	3,236,354,575	722,309	3,323,6588		
1000	2000	40	1,437,891	5,569,19915	1,485,780	5,700,895		
2000	5000	19	3,216,494	9,243,863,671	3,323,619	9,431,3333		
5000	7000	3	6,567,947	15,108,907,83	6,786,693	15,491,713		
7000	10000	0	8,500,000	18,115	8,783,093	18,539,64		
10000	15000	1	10,528,892	21,158,338	10,879,557	21,684,336		
15000	20000	0	17,500,000	3,1615	18,082,839	32,489,259		
20000	25000	1	23,267,855	40,266,7825	24,042,792	41,429,188		
25000	50000	0	37,500,000	5,9740	38,748,940	61,301,175		
50000	100000	0	75,000,000	10,6615	77,497,880	109,737,35		
100000	and up	1	150,000,000	200,365	154,995,760	206,609.7		
Distribution-Weighted Rate				1,210.56		1,237.61		
Liability Inflation Factor [2]						1.022340		

NOTES

[1] First quarter 2015 value of divided by historic year value. 114.546

[2] Distribution-weighted current rate at inflated value divided by distribution-weighted

SOURCES:

GDP Deflators from Table 2

Policy counts per Statistical Reports filed with Department of Insurance

Rates calculated using Table 3

**TABLE 6-1**  
**EFFECT OF INFLATION**  
**ON TOTAL ALL-INCLUSIVE SYSTEM TITLE REVENUE**

	[1]	[2]	[3]	[4]	[5]
			=[1]+[2]		=[3]X[4]
	AREA I ALL-INCLUSIVE ACTUAL TOTAL TITLE REVENUE	AREA II ALL-INCLUSIVE ACTUAL TOTAL TITLE REVENUE	ALL-INCLUSIVE ACTUAL TOTAL TITLE REVENUE	ALL-INCLUSIVE TITLE REVENUE INFLATION FACTOR	ALL-INCLUSIVE TITLE REVENUE AT CURRENT PRICE LEVEL
1982	38,715,093	11,206,245	49,921,338	1.616064106	80,676,082
1983	61,179,546	17,759,430	78,938,976	1.647783515	130,074,343
1984	68,166,035	19,626,165	87,792,200	1.659388846	145,681,380
1985	79,064,488	22,545,751	101,610,239	1.640718112	166,746,574
1986	111,912,756	33,247,799	145,160,555	1.608279274	233,458,712
1987	124,138,465	42,931,309	167,069,774	1.596504694	266,777,799
1988	113,680,456	46,724,628	160,405,084	1.596559528	256,096,265
1989	113,824,870	49,051,175	162,876,045	1.574467396	256,446,280
1990	105,297,900	45,864,127	151,162,027	1.559433546	235,727,136
1991	101,349,906	46,716,693	148,066,599	1.544239908	228,650,351
1992	139,319,131	68,721,931	208,041,062	1.543847672	321,183,709
1993	157,388,231	80,325,473	237,713,704	1.515232633	360,191,562
1994	163,282,856	76,892,538	240,175,394	1.486516629	356,784,542
1995	118,194,585	60,741,285	178,935,870	1.447984409	259,096,350
1996	146,612,181	72,818,359	219,430,540	1.431955398	314,214,746
1997	165,796,506	71,380,917	237,177,423	1.408536800	334,073,128
1998			331,412,075	1.386974327	459,660,040
1999			388,258,452	1.351609472	524,773,801
2000			310,758,675	1.264494572	392,952,657
2001			358,350,988	1.240487891	444,530,062
2002			512,548,849	1.222478139	626,579,764
2003			691,745,705	1.191878789	824,477,033
2004			653,211,734	1.138723171	743,827,336
2005			634,633,845	1.087846667	690,384,313
2006			615,990,938	1.044734559	643,547,021
2007			568,974,235	1.037068309	590,065,148
2008			459,611,642	1.049205581	482,541,862
2009			478,616,812	1.075612991	514,806,481
2010			479,627,406	1.078184428	517,126,800
2011			464,789,420	1.072561761	498,515,359
2012			570,237,924	1.091174165	622,228,891
2013			633,730,132	1.054223001	668,092,881
2014			465,998,515	1.022643639	476,550,417
20 Year Average			462,717,059		531,402,204

**SOURCES:**

Column

- [1] Per filed Statistical Reports
- [2] Per filed Statistical Reports
- [3] =[1]+[2]
- [4] Tables 4-62 through 4-12
- [5] =[3]X[4]

**TABLE 6-2**  
**EFFECT OF INFLATION**  
**ON TOTAL APPROVED ATTORNEY SYSTEM TITLE REVENUE**

	[1]	[2]	[3]
	APPROVED ATTORNEY ACTUAL TOTAL TITLE REVENUE	APPROVED ATTORNEY TITLE REVENUE INFLATION FACTOR	APPROVED ATTORNEY TITLE REVENUE AT CURRENT PRICE LEVEL
			= [1]X[2]
1982	2,354,688	2.132123295	5,020,485
1983	3,717,185	2.092802569	7,779,334
1984	4,157,418	2.043801816	8,496,938
1985	4,724,669	1.993453109	9,418,406
1986	5,253,624	1.930174188	12,070,584
1987	5,297,627	1.882436344	9,972,446
1988	6,496,254	1.841194396	11,960,866
1989	6,009,105	1.806994067	10,858,417
1990	5,784,651	1.777495594	10,282,192
1991	5,268,155	1.749671297	9,217,540
1992	5,629,982	1.741725797	9,805,885
1993	5,832,135	1.686821788	9,837,772
1994	5,594,485	1.644391669	9,199,525
1995	4,383,157	1.595390462	6,992,847
1996	4,910,055	1.569380549	7,705,745
1997	5,095,389	1.538950431	7,841,551
1998	7,991,031	1.504640775	12,023,631
1999	6,560,471	1.453736518	9,537,196
2000	7,459,204	1.378300861	10,281,027
2001	10,058,313	1.331647001	13,394,123
2002	15,819,864	1.297114449	20,520,175
2003	25,558,698	1.250954569	31,972,770
2004	21,411,531	1.180736021	25,281,366
2005	15,917,853	1.110876824	17,682,774
2006	16,280,395	1.057729200	17,220,249
2007	14,903,825	1.046636454	15,598,886
2008	8,116,743	1.057489480	8,583,370
2009	4,371,812	1.094190388	4,783,595
2010	5,122,620	1.097436315	5,621,749
2011	5,639,413	1.089679746	6,145,154
2012	6,824,431	1.113070621	7,596,074
2013	8,067,650	1.067551979	8,612,635
2014	5,655,030	1.022339815	5,781,363
	10,007,374		12,158,814

**SOURCES:**

Column

- [1] Per filed Statistical Reports
- [2] Tables 5-82 through 5-12
- [3] =[1]X[2]

**TABLE 7**  
**EFFECT OF RATE INCREASES**  
**ON TOTAL PENNSYLVANIA TITLE REVENUE**

	[1]	[2]	[3]
			= [1] X [2]
	TOTAL TITLE REVENUE AT CURRENT PRICE LEVEL	TITLE REVENUE RATE INCREASE FACTOR	TOTAL TITLE REVENUE AT CURRENT RATES AND PRICE LEVEL
1982	85,696,568	1.4532	124,531,896
1983	137,853,678	1.4532	200,325,174
1984	154,178,318	1.4532	224,047,693
1985	176,164,980	1.4532	255,998,105
1986	245,529,296	1.4532	356,796,422
1987	276,750,245	1.4532	402,165,847
1988	268,057,132	1.4532	389,533,253
1989	267,304,697	1.4532	388,439,836
1990	246,009,327	1.4532	357,493,991
1991	237,867,891	1.4532	345,663,079
1992	330,989,594	1.4532	480,984,978
1993	370,029,334	1.4532	537,716,454
1994	365,984,066	1.4532	531,837,982
1995	266,089,197	1.3470	358,426,490
1996	321,920,491	1.2874	414,443,497
1997	341,914,679	1.2422	424,732,479
1998	471,683,671	1.1907	561,631,391
1999	534,310,998	1.1735	627,008,980
2000	403,233,684	1.1662	470,263,582
2001	457,924,184	1.1450	524,314,339
2002	647,099,938	1.1187	723,905,149
2003	856,449,803	1.1187	958,103,046
2004	769,108,702	1.1187	860,395,306
2005	708,067,088	1.1187	792,108,576
2006	660,767,270	1.1187	739,194,675
2007	605,664,034	1.1187	677,551,158
2008	491,125,231	1.1187	549,417,582
2009	519,590,056	1.1112	577,387,628
2010	522,748,549	1.0935	571,646,448
2011	504,660,513	1.0935	551,866,458
2012	629,824,965	1.0566	665,448,108
2013	676,705,517	1.0220	691,593,038
2014	482,331,780	1.0164	490,246,722
	543,561,017		611,484,233

SOURCES:

Column

- [1] Table 6-1 column [5] plus Table 6-2 column [3]
- [2] Table 1
- [3] = [1] X [2]

**TABLE 8  
CALCULATION OF AVERAGE CASE-BASIS LOSSES AND LAE  
ADJUSTED TO CURRENT PRICE LEVEL**

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
				= [1]+[2]+[3]		= [4]X[5]		= [6]/[7]
	AREA I ACTUAL CASE-BASIS LOSSES & LAE INCURRED	AREA II ACTUAL CASE-BASIS LOSSES & LAE INCURRED	APPROVED ATTORNEY ACTUAL CASE-BASIS LOSSES & LAE INCURRED	TOTAL ACTUAL CASE-BASIS LOSSES & LAE INCURRED	CURRENT LIABILITY LEVEL RELATIVE TO HISTORIC	CASE-BASIS LOSSES & LAE INCURRED AT CURRENT PRICE LEVEL	TOTAL TITLE REVENUE AT CURRENT RATES AND PRICE LEVEL	LOSS AND LAE RATIO AT CURRENT RATES AND PRICE LEVEL
1982	2,066,039	258,157	(128,328)	2,195,868	2.586856	5,680,395	124,531,696	4.56%
1983	1,386,837	625,876	25,485	2,018,198	2.526992	5,099,969	200,325,174	2.55%
1984	2,845,853	486,456	59,846	3,189,155	2.454329	7,827,236	224,047,693	3.49%
1985	2,250,157	348,549	399,296	2,998,002	2.388714	7,161,369	255,998,105	2.80%
1986	2,663,989	376,752	(175,700)	2,865,041	2.287809	6,554,865	356,796,422	1.84%
1987	4,470,610	1,614,658	110,763	6,196,031	2.192939	13,587,521	402,165,847	3.38%
1988	2,746,630	1,194,097	137,814	4,078,541	2.119162	8,643,169	389,533,253	2.22%
1989	5,394,463	584,089	121,006	6,099,558	2.052097	12,516,884	388,439,836	3.22%
1990	5,769,058	1,255,961	79	7,025,098	2.005884	14,091,531	357,493,991	3.94%
1991	6,617,517	2,850,410	390,816	9,858,743	1.980120	19,521,497	345,663,079	5.65%
1992	8,097,036	1,896,521	(20,887)	9,763,070	1.956012	19,086,679	480,984,978	3.97%
1993	4,465,427	1,208,911	12,789	5,687,127	1.879498	10,688,943	537,716,454	1.99%
1994	5,393,170	1,793,062	123,336	7,309,568	1.813872	13,258,619	531,837,982	2.49%
1995	3,758,143	1,700,198	58,925	5,517,266	1.751254	9,652,132	358,426,490	2.70%
1996	5,477,260	3,416,480	168,145	9,059,885	1.714452	15,532,742	414,443,497	3.75%
1997	4,428,798	3,004,516	2,011	7,435,325	1.674062	12,447,193	424,732,479	2.93%
1998				10,262,909	1.631036	16,739,170	561,631,391	2.98%
1999				9,607,821	1.572138	15,104,824	627,008,980	2.41%
2000				9,400,488	1.505342	14,150,951	470,263,562	3.01%
2001				9,888,805	1.437124	14,211,443	524,314,339	2.71%
2002				9,582,555	1.402392	13,438,501	723,905,149	1.86%
2003				17,767,198	1.338952	23,789,411	958,103,046	2.48%
2004				19,840,133	1.251240	24,824,765	890,395,306	2.89%
2005				20,379,189	1.167610	23,784,936	792,108,576	3.00%
2006				18,463,186	1.103303	20,392,551	739,194,675	2.76%
2007				27,928,207	1.089089	30,416,297	677,551,158	4.49%
2008				31,942,653	1.105155	35,301,583	549,417,582	6.43%
2009				24,685,789	1.145460	28,276,584	577,387,628	4.90%
2010				17,629,121	1.149552	20,265,598	571,646,448	3.55%
2011				19,452,198	1.140987	22,194,711	551,866,458	4.02%
2012				24,999,276	1.131363	28,283,261	685,448,108	4.25%
2013				17,371,902	1.078384	18,733,589	691,593,038	2.71%
2014				14,715,320	1.033305	15,205,415	490,246,722	3.10%
20 Year Average	4,554,734	2,707,065	75,694	16,297,461	1.321110	20,138,263	611,484,233	3.35%

**SOURCES:**

Column

- [1] Per filed Statistical Reports
- [2] Per filed Statistical Reports
- [3] Per filed Statistical Reports
- [4] = [1]+[2]+[3]
- [5] Table 2 column [2]
- [6] = [4]X[5]
- [7] Table 7 column [3]
- [8] = [6]/[7]

TABLE 9  
CALCULATION OF AVERAGE  
NET REINSURANCE CEDED

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
				=[1]+[2]+[3]				=[5]+[6]+[7]	=[4]-[8]
	AREA I REINSURANCE CEDED	AREA I REINSURANCE CEDED	APPROVED ATTORNEY REINSURANCE CEDED	TOTAL REINSURANCE CEDED	AREA I REINSURANCE ASSUMED	AREA II REINSURANCE ASSUMED	APPROVED ATTORNEY REINSURANCE ASSUMED	TOTAL REINSURANCE ASSUMED	TOTAL NET REINSURANCE CEDED
1982	377,869	69,911	51,094	498,874	274,366	65,026	5,430	344,822	154,052
1983	870,572	63,458	56,608	790,638	414,006	48,891	8,103	471,000	319,638
1984	854,858	69,430	36,494	960,782	499,898	59,542	8,871	568,311	392,471
1985	926,397	163,583	94,217	1,186,197	526,760	145,405	7,042	679,207	506,990
1986	833,313	155,582	71,604	1,060,499	490,476	89,790	162,864	763,130	297,369
1987	803,882	259,383	53,001	1,116,266	740,945	134,171	10,546	885,662	230,604
1988	1,830,928	898,973	142,134	2,472,035	946,745	396,205	20,042	1,362,992	1,109,043
1989	800,058	184,230	71,461	1,053,749	864,298	298,490	4,297	967,085	96,664
1990	747,508	524,555	78,832	1,348,895	1,360,640	496,523	14,891	1,594,254	(245,359)
1991	2,006,971	1,555,788	307,561	3,870,320	5,387,676	3,287,976	590,214	9,285,868	(5,395,546)
1992	810,394	207,067	86,899	904,360	574,794	189,314	1,743	765,851	138,509
1993	1,012,184	574,523	142,360	1,729,067	633,024	419,775	1,180	1,053,979	675,088
1994	736,487	320,659	104,966	1,162,112	769,970	203,765	3,114	976,849	185,263
1995	387,989	283,747	110,147	751,883	363,302	256,263	2,101	620,666	131,217
1996	566,908	303,294	119,340	989,542	505,872	233,016	4,076	742,964	246,578
1997	436,829	159,874	128,368	725,071	419,346	138,171	3,447	560,964	164,107
1998				3,074,515				3,283,300	(208,785)
1999				1,345,979				2,298,337	(952,358)
2000				1,655,213				1,310,217	(310,101)
2001				398,827				709,028	(237,186)
2002				674,219				911,405	(237,186)
2003				478,375				644,826	(166,451)
2004				161,184				574,926	(413,742)
2005				601,571				407,960	193,611
2006				864,634				859,078	5,556
2007				1,497,109				594,196	902,913
2008				696,144				1,354,554	(658,410)
2009				737,927				668,725	69,202
2010				763,227				524,096	239,141
2011				446,074				229,229	216,845
2012				849,951				319,139	526,812
2013				777,976				202,148	575,828
2014				1,472,364				157,095	1,315,269
20 Year Average				947,994				848,642	99,352

SOURCES:

Column

- [1] Per filed Statistical Reports
- [2] Per filed Statistical Reports
- [3] Per filed Statistical Reports
- [4] = [1]+[2]+[3]
- [5] Per filed Statistical Reports
- [6] Per filed Statistical Reports
- [7] Per filed Statistical Reports
- [8] = [5]+[6]+[7]
- [9] = [4]-[8]

**TABLE 10-1**  
**CALCULATION OF AVERAGE INCREASE IN SPR**

	[1]	[2]	[3]	[4]	[5]	[6]
				=([1]+[2])+[3]		=([4]X[5])
	AREA I INCREASE IN STATUTORY PREMIUM RESERVE	AREA II INCREASE IN STATUTORY PREMIUM RESERVE	APPROVED ATTORNEY INCREASE IN STATUTORY PREMIUM RESERVE	TOTAL INCREASE IN STATUTORY PREMIUM RESERVE	CURRENT LIABILITY LEVEL RELATIVE TO HISTORIC	INCREASE IN STATUTORY PREMIUM RESERVE AT CURRENT PRICE LEVEL
1982	791,434	255,245	61,269	1,107,948	2.586856	2,866,102
1983	1,110,703	334,487	131,281	1,576,471	2.526992	3,983,729
1984	1,274,420	404,700	94,673	1,773,793	2.454329	4,353,472
1985	1,304,522	269,365	119,667	1,693,554	2.388714	4,045,416
1986	2,102,214	683,044	198,527	2,983,785	2.287809	6,828,329
1987	2,608,967	954,491	174,163	3,737,621	2.192939	8,196,377
1988	2,252,332	942,373	215,131	3,409,836	2.119182	7,226,061
1989	1,834,446	924,487	151,421	2,910,354	2.052097	5,972,329
1990	1,467,355	566,384	161,958	2,195,697	2.005884	4,404,313
1991	1,369,068	646,203	157,134	2,172,405	1.980120	4,301,623
1992	2,171,268	994,753	200,651	3,366,672	1.956012	6,585,250
1993	1,970,338	1,010,935	262,155	3,243,428	1.879498	6,096,016
1994	2,267,705	931,129	237,069	3,435,903	1.813872	6,232,287
1995	1,313,282	513,944	(41,894)	1,785,332	1.751254	3,126,569
1996	1,108,952	520,796	19,404	1,649,152	1.714452	2,827,393
1997	1,900,211	735,703	120,431	2,756,345	1.674062	4,614,292
1998				4,265,807	1.631036	6,957,683
1999				7,879,755	1.572138	12,388,065
2000				2,926,179	1.505342	4,404,901
2001				5,142,574	1.437124	7,390,518
2002				7,334,035	1.402392	10,285,194
2003				13,050,454	1.338952	17,473,930
2004				11,949,638	1.251240	14,951,862
2005				12,473,880	1.167610	14,564,621
2006				5,229,585	1.103303	5,769,815
2007				5,900,348	1.089089	6,426,002
2008				(5,011,682)	1.105155	(5,538,685)
2009				(7,491,050)	1.145460	(8,580,698)
2010				(740,490)	1.149552	(851,232)
2011				(5,024,942)	1.140987	(5,733,395)
2012				607,676	1.131363	687,502
2013				2,715,862	1.078384	2,928,744
2014				(16,121,598)	1.033305	(16,658,529)
20 Year Average				2,563,843		3,871,728

SOURCES:

Column

- [1] Per filed Statistical Reports
- [2] Per filed Statistical Reports
- [3] Per filed Statistical Reports
- [4] =([1]+[2])+[3]
- [5] Table 2 column [2]
- [6] =([4]X[5])

TABLE 10-2

CALCULATION OF AVERAGE INCREASE IN IBNR LOSS RESERVE

	[1]	[2]	[3]
			= [1] X [2]
	TOTAL INCREASE IN IBNR LOSS RESERVE	CURRENT LIABILITY LEVEL RELATIVE TO HISTORIC	INCREASE IN IBNR LOSS RESERVE AT CURRENT PRICE LEVEL
1982	4,289,076	2.586856	11,095,223
1983	615,539	2.526992	1,555,462
1984	(569,720)	2.454329	(1,398,281)
1985	2,720,218	2.388714	6,497,823
1986	2,536,551	2.287809	5,803,144
1987	2,726,851	2.192939	5,979,818
1988	4,628,489	2.119182	9,808,609
1989	6,764,310	2.052097	13,881,019
1990	2,082,472	2.005884	4,177,198
1991	1,500,270	1.980120	2,970,714
1992	(891,990)	1.956012	(1,744,743)
1993	(2,259,598)	1.879498	(4,246,909)
1994	400,593	1.813872	726,624
1995	(663,817)	1.751254	(1,162,512)
1996	2,410,816	1.714452	4,133,229
1997	1,425,651	1.674062	2,386,628
1998	4,840,370	1.631036	7,894,816
1999	5,746,854	1.572138	9,034,849
2000	10,463,596	1.505342	15,751,293
2001	9,364,766	1.437124	13,458,334
2002	9,529,559	1.402392	13,364,181
2003	8,347,327	1.338952	11,176,670
2004	12,302,268	1.251240	15,393,087
2005	21,296,793	1.167610	24,866,339
2006	17,377,857	1.103303	19,173,038
2007	12,753,954	1.089089	13,890,188
2008	2,178,188	1.105155	2,407,236
2009	(10,307,355)	1.145460	(11,806,663)
2010	(16,832,330)	1.149552	(19,349,645)
2011	(13,986,757)	1.140987	(15,958,713)
2012	(5,182,813)	1.131363	(5,863,644)
2013	2,564,536	1.078384	2,765,556
2014	(9,060,897)	1.033305	(9,362,670)
20 Year Average	3,228,428		4,609,580

SOURCES:

Column

- [1] Table 10A-6, Row [2]
- [2] Table 2 column [2]
- [3] =[1]X[2]

TABLE 10A-1-1

CUMMULATIVE LOSSES AND LOSS ADJUSTMENT EXPENSE INCURRED

Policy Year	Development Year																
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
pre-1982	412,114	611,739	825,936	808,692	662,620	659,788	660,896	653,016	621,346	613,413	620,268	621,837	631,456	628,647	631,232	632,173	641,173
1982	372,527	564,963	1,738,007	1,646,230	1,878,569	2,065,761	2,362,300	3,455,983	3,672,379	3,628,046	3,802,752	3,922,888	4,111,639	4,357,015	4,592,652	4,719,615	4,788,957
1983	75,625	256,744	463,028	391,575	655,043	514,935	1,515,520	1,598,139	1,753,950	2,272,902	2,301,124	2,548,424	2,577,772	2,589,170	2,580,642	2,568,824	2,520,998
1984	30,086	198,985	407,722	423,651	505,844	1,380,329	1,457,471	1,372,770	1,396,107	1,441,594	1,471,671	1,583,350	1,501,148	2,036,159	1,556,347	1,602,027	1,588,251
1985	80,683	439,759	653,412	819,177	2,535,759	2,997,494	3,320,623	3,931,638	4,178,235	4,132,078	4,213,467	4,324,631	4,431,883	4,626,896	4,575,290	4,550,484	4,589,500
1986	152,643	410,994	698,508	3,125,524	3,304,469	3,819,158	3,799,160	3,927,995	3,990,645	4,314,721	4,523,889	4,984,223	5,102,575	5,110,425	5,143,427	5,154,161	5,166,899
1987	430,287	1,087,532	2,442,311	3,133,286	3,375,670	3,969,120	4,117,591	4,378,258	4,681,488	5,134,940	5,310,371	5,524,994	5,537,566	5,508,819	5,592,041	5,596,478	5,640,881
1988	127,228	2,250,944	3,580,305	4,816,217	5,500,613	5,568,027	5,696,463	5,882,951	6,138,004	6,418,320	6,738,475	7,136,652	7,240,132	7,280,151	7,282,611	7,361,765	7,559,685
1989	910,013	2,967,410	5,217,154	5,672,396	5,960,520	6,947,353	7,466,980	7,876,640	8,345,318	8,635,505	8,840,873	9,633,121	10,493,603	10,956,472	11,205,589	11,176,340	11,087,252
1990	734,044	1,628,631	1,983,170	2,649,249	3,340,428	4,004,106	6,476,375	6,591,227	6,880,735	6,991,973	7,094,843	7,154,121	7,215,834	7,233,933	7,322,427	7,328,779	7,333,414
1991	1,555,777	3,536,646	4,479,768	5,634,476	5,732,237	6,554,218	6,479,484	6,576,995	7,087,285	7,077,105	7,118,699	7,245,176	7,360,927	7,337,736	7,416,483	7,392,999	7,284,066
1992	131,328	718,632	1,221,379	2,248,214	2,449,311	2,836,148	3,224,337	4,215,880	4,241,590	4,458,575	4,536,613	4,598,269	4,551,044	4,561,788	4,575,032	4,871,604	4,910,379
1993	564,920	1,131,784	1,468,742	1,902,889	2,548,830	2,808,547	2,913,805	2,974,533	3,072,059	3,128,551	3,224,486	3,307,579	3,320,225	3,478,681	3,435,826	3,523,623	3,587,271
1994	722,240	1,838,714	2,947,411	3,641,947	4,037,757	4,386,566	5,096,365	5,382,774	5,698,294	5,933,579	6,038,606	6,089,989	6,115,647	6,155,827	6,205,401	6,231,663	6,267,302
1995	739,728	1,428,615	2,505,900	3,227,330	4,131,791	4,198,054	4,306,117	4,442,386	4,560,080	4,720,374	4,850,252	4,928,956	4,912,087	5,002,994	4,836,331	5,033,507	5,116,455
1996	655,141	1,241,070	3,413,867	3,834,120	4,881,734	5,629,227	6,163,353	6,608,844	7,470,097	7,696,185	7,753,526	7,838,967	7,843,981	7,895,923	7,858,128	7,855,461	7,822,775
1997	465,519	1,983,515	3,243,203	3,651,795	4,557,652	5,248,845	5,670,110	6,022,867	6,279,467	6,877,486	6,979,536	7,108,564	7,081,698	7,079,604	7,172,123	7,193,632	7,213,140
1998	707,132	1,979,644	2,721,077	4,962,145	6,156,419	7,935,230	9,023,452	9,540,456	9,929,033	9,890,508	10,062,934	10,257,237	10,367,761	10,515,950	10,690,015	10,787,500	10,906,116
1999	546,303	2,690,466	5,055,236	6,423,531	7,905,900	8,882,767	10,188,988	10,393,461	10,790,885	11,229,835	11,489,230	11,829,785	12,019,392	12,117,938	12,176,742	12,334,651	
2000	1,735,422	4,373,155	5,186,274	10,906,246	14,957,261	16,736,750	16,932,662	17,797,656	17,313,875	17,553,222	17,441,598	17,655,709	17,718,860	17,876,326	17,936,063		
2001	802,997	2,644,278	4,907,583	6,964,479	9,644,210	11,097,736	11,425,082	12,240,440	13,529,756	13,621,065	14,181,672	14,578,023	18,075,941	18,484,270			
2002	1,241,109	3,396,887	6,944,191	9,819,354	11,355,356	12,679,358	13,550,406	14,303,589	15,971,029	17,729,799	18,467,929	18,716,465	19,585,654				
2003	4,396,425	8,555,759	11,914,259	14,536,479	15,849,345	16,247,240	17,215,612	17,361,044	18,458,835	18,898,957	19,035,837	19,429,156					
2004	2,427,397	7,497,975	11,006,555	14,393,275	16,592,358	17,707,841	18,042,079	19,895,156	20,975,793	22,756,300	23,811,446						
2005	2,072,582	6,415,766	11,721,393	20,530,879	21,554,147	24,416,906	28,255,261	31,724,057	32,093,510	33,034,233							
2006	1,269,891	4,556,574	12,750,890	18,592,343	21,975,879	25,015,585	28,929,278	29,261,321	31,006,844								
2007	6,125,174	10,248,667	14,268,873	16,034,423	20,147,843	22,506,691	25,684,881	28,106,316									
2008	3,595,361	8,214,239	8,892,505	14,156,127	17,004,378	18,537,044	20,089,021										
2009	2,181,185	5,154,518	6,576,202	8,398,731	9,281,143	9,822,537											
2010	1,274,821	2,164,863	3,697,333	3,756,412	4,236,423												
2011	1,715,403	2,752,858	3,237,311	3,782,993													
2012	3,245,901	3,942,132	4,705,993														
2013	2,848,710	4,020,814															
2014	534,705																

TABLE 10A-1-2  
 CUMULATIVE LOSSES AND LOSS ADJUSTMENT EXPENSE INCURRED

Policy Year	Development Year															
	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32
pre-1982	694,135	691,409	696,507	695,450	695,450	695,450	695,450	695,547	695,547	695,547	695,547	706,957	721,446	782,669	836,230	847,234
1982	4,924,438	5,023,975	5,050,344	5,156,058	5,261,221	5,479,541	5,839,591	5,854,583	5,845,014	5,845,014	5,845,314	5,845,314	5,845,314	5,845,314	5,845,314	5,845,314
1983	2,551,066	2,593,490	2,602,168	2,598,588	2,599,975	2,615,418	2,619,889	2,623,429	2,626,429	2,627,429	2,615,979	2,611,204	2,611,204	2,617,221	2,622,819	
1984	1,579,214	1,608,092	1,568,799	1,538,148	1,538,148	1,538,148	1,538,148	1,538,148	1,538,148	1,546,086	1,551,860	1,551,860	1,551,860	1,551,860		
1985	4,673,175	4,783,047	4,833,048	4,889,434	4,946,325	4,910,950	4,910,293	4,909,993	4,936,193	4,957,031	4,966,852	4,987,757	5,026,470			
1986	5,174,905	5,183,774	5,188,774	5,196,762	5,199,539	5,207,147	5,226,969	5,208,657	5,217,893	5,218,036	5,218,036	5,218,036	5,218,036			
1987	5,607,217	5,743,554	5,843,276	5,788,617	5,790,757	5,782,576	5,782,302	5,778,431	5,781,630	5,784,540	5,786,455					
1988	7,600,828	7,549,601	7,740,438	8,321,119	8,315,644	8,328,113	8,321,597	8,321,597	8,336,998	8,342,748						
1989	11,098,914	11,059,236	11,058,244	11,048,803	11,116,660	11,156,359	11,171,415	11,171,415	11,171,881	11,198,657						
1990	7,309,369	7,319,330	7,312,924	7,302,147	7,300,383	7,346,330	7,343,389	7,347,970								
1991	7,288,851	7,286,579	7,284,135	7,291,821	7,395,396	7,331,994	7,351,337									
1992	4,958,172	5,023,897	5,084,488	5,144,355	5,190,712	5,191,212										
1993	3,597,122	3,644,013	3,629,299	3,642,736	3,783,878											
1994	6,224,760	6,246,495	6,256,781	6,288,717												
1995	5,301,213	5,167,137	5,251,117													
1996	7,957,593	7,956,742														
1997	7,267,792															
1998																
1999																
2000																
2001																
2002																
2003																
2004																
2005																
2006																
2007																
2008																
2009																
2010																
2011																
2012																
2013																
2014																

SOURCE:

Per filed Statistical Reports

TABLE 10A.24  
LOSS AND LAE DEVELOPMENT FACTORS

Policy Year pre-1982	Development Factor Year N-1/Year N																
	1/0	2/1	3/2	4/3	5/4	6/5	7/6	8/7	9/8	10/9	11/10	12/11	13/12	14/13	15/14	16/15	
1982	1.518570584	3.078318914	0.947184106	1.141134007	1.099646074	1.143549538	1.462974152	1.062614617	0.987928189	1.048154309	1.031591729	1.048115273	1.059678517	1.054082171	1.027644614	1.014692186	
1983	3.394965150	1.529084176	0.849683597	1.672840663	0.786109197	2.943128040	0.814304129	1.097495532	1.295876153	1.012418858	1.107469275	1.011518151	1.004421378	0.996706546	0.995420547	0.981382134	
1984	5.373033299	2.04907127	1.03607309	1.194011305	2.728755911	0.800596681	0.8418364594	1.017003406	1.032281079	1.020863546	1.075885810	0.848083480	1.356401281	0.764354298	1.029350790	0.991401378	
1985	5.450452264	1.488642718	1.253690536	3.095485427	1.015048505	1.107799932	1.184009273	1.062721012	0.988992952	1.015997079	1.026382874	1.024802258	1.044023286	0.988848652	0.984578190	1.008574033	
1986	2.692517836	1.699556639	4.474574090	0.790887235	1.155755426	0.984763782	1.033911536	1.015949637	1.081208868	1.048477819	1.101756341	1.023745323	1.001538406	1.006457780	1.002086935	1.002471320	
1987	2.527488138	2.248738242	0.820573063	1.077357997	1.175801968	1.037409540	1.063305642	1.069288273	1.09860709	1.034164116	1.040415731	1.002275697	0.984808595	1.015107051	1.000793517	1.007934141	
1988	17.692200389	1.32778812	1.245197539	1.142102236	1.012235706	1.023068855	1.032737505	1.043354509	1.048990221	1.049881319	1.059090921	1.014499795	1.005527437	1.000337926	1.010868888	1.028884756	
1989	2.420815440	1.758150489	1.087288221	1.050793937	1.165581174	1.014784643	1.054862956	1.059902191	1.034772538	1.023781721	1.089611977	1.093254429	1.044109636	1.022736902	0.997389793	0.992028889	
1990	2.218710388	1.217681068	1.335866060	1.250696031	1.198880693	1.617433404	1.017734013	1.043923128	1.016166804	1.014712617	1.008355150	1.008262149	1.002508183	1.012232393	1.000867420	1.000632444	
1991	2.273235446	1.2868971202	1.257760654	1.017350478	1.143396174	0.988597608	1.015049141	1.077581721	0.998563631	1.005877263	1.017766794	1.015976306	0.996849509	1.010731789	0.996833462	0.989256359	
1992	5.472029558	1.689568731	1.840717049	1.089447827	1.157336553	1.138871762	1.307618629	1.000698266	1.051156494	1.017502952	1.013590412	0.989729658	1.002360978	1.002903177	1.064824087	1.007950363	
1993	2.003440664	1.287723146	1.265590711	1.339453058	1.101896986	1.037477597	1.020841517	1.02787098	1.018388665	1.030964311	1.025769484	1.003823434	1.047724423	0.987680727	1.025953233	1.018063248	
1994	2.545847917	1.602974348	1.235642838	1.108680736	1.086286973	1.161811806	1.059198728	1.058619559	1.041290466	1.01700377	1.006509101	1.004213201	1.006570332	1.000505142	1.004232033	1.005719143	
1995	1.931271544	1.754077060	1.287892444	1.280250407	1.016037437	1.025741265	1.031645340	1.026463524	1.035151487	1.027514423	1.016226805	0.996577470	1.018506757	0.986687380	1.040782555	1.016479255	
1996	1.894355551	2.750745089	1.123101790	1.273234371	1.153120455	1.094884451	1.072260568	1.130318198	1.030265806	1.007450551	1.011019612	1.000639682	1.006621841	0.995213307	0.999860697	0.995390373	
1997	4.206870748	1.639578982	1.126884252	1.248087828	1.161659526	1.040258957	1.062213525	1.042604228	1.095234007	1.014835294	1.018446588	0.996220637	0.999704308	1.013068849	1.002998048	1.002711843	
1998	2.799541438	1.374528339	1.823595782	1.240677099	1.288935981	1.137138088	1.057295939	1.040728388	0.995119968	1.017432529	1.016380784	1.010775188	1.014293295	1.018552459	1.009118255	1.010995700	
1999	4.924858038	1.878944414	1.270688882	1.230771707	1.123561764	1.147051089	1.020086000	1.038237846	1.040677680	1.023098758	1.029641210	1.016027918	1.008189808	1.004852636	1.012968092		
2000	2.519377796	1.859339878	2.102909936	1.371439685	1.118971551	1.011705495	1.051084356	0.972817711	1.013823981	0.893640852	1.012275847	1.003576848	1.008888889	1.003341655			
2001	3.293012117	1.859339892	1.419126063	1.384771168	1.150714843	1.028496677	1.071385587	1.105332488	1.008748735	1.041157390	1.027946073	1.239944668	1.022589998				
2002	2.736976523	2.044280930	1.414038450	1.156426013	1.116597059	1.068698116	1.055583828	1.118574642	1.110122516	1.041832189	1.012457891	1.046439815					
2003	1.946071907	1.392542530	1.220090976	1.090315281	1.025104823	1.059022441	1.008447658	1.063233019	1.023848398	1.007242776	1.020662025						
2004	3.08895266	1.467938989	1.307700291	1.152785454	1.067228749	1.018875120	1.102709611	1.054316600	1.084883887	1.046387222							
2005	3.095541997	1.829967087	1.751573322	1.049840427	1.132817105	1.157200662	1.122786398	1.116458051	1.029311932								
2006	3.588161194	2.798256032	1.458121205	1.181985470	1.138220090	1.156450201	1.011477732	1.059682914									
2007	1.673204389	1.392261855	1.123734397	1.256538844	1.117076953	1.141210882	1.094274731										
2008	2.284677179	1.082571978	1.591916580	1.201202715	1.090133635	1.083722975											
2009	2.383170373	1.275813245	1.277140115	1.105048448	1.058332645												
2010	1.698169998	1.707863275	1.015978920	1.127784512													
2011	1.604787773	1.175982028	1.168560180														
2012	1.214495283	1.193788591															
2013	1.411450894																
[1] Average	3.247210617	1.679022824	1.406898199	1.252813621	1.16345538	1.158508662	1.067943875	1.052354603	1.048149966	1.024633449	1.035237355	1.023568204	1.032265118	0.993155113	1.011987817	1.004060839	
[2] Development Factor to Ultimate Based on Average	18.11311764	5.578054451	3.322202873	2.358349628	1.882442519	1.617975688	1.398602149	1.307748939	1.242688102	1.185601519	1.157211092	1.117822001	1.092083654	1.057948714	1.070073714	1.054664931	
At end of year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
[3] % Unreported	94.48%	82.07%	69.90%	57.60%	46.88%	38.19%	28.40%	23.53%	19.53%	15.65%	13.59%	10.54%	8.43%	5.48%	6.12%	5.43%	4.80%

TABLE 19A-2  
LOSS AND LAE DEVELOPMENT FACTORS

Policy Year	Development Factor Year N-1/Year N																
	17/16	18/17	19/18	20/19	21/20	22/21	23/22	24/23	25/24	26/25	27/26	28/27	29/28	30/29	31/30	32/31	
pre-1993																	
1992	1.028290340	1.020212864	1.005248613	1.020931940	1.020396107	1.041496131	1.065708054	1.002567217	0.998365554	1.000000000	1.000051326	1.000000000	0.999999992	1.000000000	1.000000000	1.000000000	
1993	1.011927032	1.016629008	1.003345972	0.998624224	1.000533751	1.005836672	1.001709478	1.001351202	1.001143541	1.000380745	0.995642128	0.998174680	1.000000000	1.002304301	1.002138907		
1994	0.994310094	1.018285979	0.975565959	0.980461739	1.000000000	1.000000000	1.000000000	1.000000000	1.000000000	1.000000000	1.005180752	1.003734562	1.000000000	1.000000000	0.999999999		
1995	1.018231781	1.023511213	1.010403971	1.011696757	1.011635497	0.992948226	0.999662117	0.999338904	1.005336206	1.004221472	1.001691226	1.004209503	1.007761604				
1996	1.001548487	1.001713846	1.000064546	1.001538497	1.000534467	1.001483207	1.003801691	0.996496631	1.001773202	1.000027406	1.000000000	1.000000000	1.000038328				
1997	0.964032058	1.024314555	1.017382563	0.990645703	1.000369891	0.995871150	0.999952616	0.996330590	1.000553610	1.000003318	1.000031033						
1998	1.005442423	0.993203066	1.025277786	1.075019156	0.998342018	1.001499463	0.99217591	1.000000000	1.001850727	1.000686697							
1999	1.001051836	0.996425101	0.999910296	0.999148182	1.026141901	1.003571023	1.001349544	1.000041746	1.000396733								
2000	0.996721102	1.001362797	0.999124783	0.998526308	0.999758509	1.006293779	0.999595986	1.000623825									
2001	1.000656656	0.999685291	0.999684589	1.001055126	1.014204272	0.991426880	1.002638185										
2002	1.008733057	1.013255893	1.012060537	1.011774440	1.008011135	1.000096416											
2003	1.000746969	1.013035756	0.995992144	1.003302378	1.038746175												
2004	0.993212035	1.003481701	1.001646650	1.005104223													
2005	1.036110449	0.974708529	1.016252857														
2006	1.017234060	0.999893027															
2007	1.007576728																
2008																	
2009																	
2010																	
2011																	
2012																	
2013																	
[1] Average	1.007426596	1.006652655	1.00448864	1.007553674	1.008389436	1.003629273	1.007384796	1.000038892	1.001427428	1.001569056	1.000290051	1.000484362	1.001940392	1.000768099	1.001069454	1.000000000	
[2] Development Factor to Ultimate Based on Average	1.065240162	1.057387373	1.050399428	1.045705631	1.03786593	1.028231261	1.025202959	1.017687544	1.017647656	1.016197407	1.014605435	1.014311233	1.013820157	1.011856758	1.011080148	1.01	
At end of year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32
[3] % Unreported	5.43%	4.80%	4.37%	3.85%	2.84%	2.46%	1.74%	1.73%	1.59%	1.44%	1.41%	1.36%	1.17%	1.10%	0.99%	0.89%	1.01%

TABLE 10A-2-3  
LOSS AND LAE DEVELOPMENT FACTORS

Several companies do not have policy year developed losses data for some early calendar years.  
The highlighted entries above use the following development year data for one-year development into the indicated development years ONLY.

		Development Factor Values							
Policy Year	1 for 1/0	2 for 2/1	3 for 3/2	4 for 4/3	5 for 5/4	6 for 6/5	7 for 7/6		
1982		392,578					1,234,094		
1983	161,653.1					1,105,639			
1984					2,576,200				
1985				2,471,937					
1986			2,004,095						
1987		2,988,778							
1988	2,202,974								
		Development Factor Value Deductions							
Total Removal	1 for 1/0	2 for 2/1	3 for 3/2	4 for 4/3	5 for 5/4	6 for 6/5	7 for 7/6	8 for 27/26	
Policy Year									
1982		70,450					364,044		
1983	37,332					351,832			
1984					421,294				
1985				832,532					
1986			1,129,191						
1987		591,527							
1988	764,436								
CLTIC Removal									
Policy Year									
pre-1982								3,362	
1982							364,044		
1983						351,832			
1984					421,294				
1985				832,532					
1986			1,129,191						
1987		591,527							
1988	764,436								
FNTI Removal									
Policy Year									
pre-1982									
1982		70,450							
1983	37,332								

TABLE 16A-3  
LOSS AND LAG DEVELOPMENT FACTORS  
CALCULATED EXCLUDING HIGH AND LOW VALUES

	Development Factor Year N-1/Year N															
	10	21	32	43	54	65	76	87	98	109	120	131	142	153	164	
<b>EXCLUDING HIGHEST AND LOWEST VALUES</b>																
Average excluding high and low values	2.8236652	1.8814074	1.3202071	1.20187432	1.11778444	1.01424388	1.09292883	1.95242307	1.03662703	1.02478729	1.02296369	1.018152149	1.018338471	1.0202004	1.00874903	1.004051163
Development Factor	12.15818093	4.35921174	2.60760947	1.875148919	1.643664026	1.47042853	1.33082014	1.237073955	1.16440731	1.14351168	1.12113093	1.08540343	1.060094379	1.02923693	1.0129818	1.019929519
At end of year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
% Unreported	81.78%	76.78%	81.65%	49.37%	39.18%	32.00%	25.10%	20.45%	18.28%	15.95%	10.80%	7.89%	6.38%	4.85%	3.95%	3.20%
<b>EXCLUDING TWO HIGHEST AND TWO LOWEST VALUES</b>																
Average excluding 2 high and 2 low values	2.76001847	1.6263953	1.33834203	1.19620648	1.11502849	1.06384792	1.05835739	1.05157493	1.03683599	1.024547001	1.03050733	1.01240285	1.014847778	1.00413605	1.00650772	1.004418387
Development Factor	11.2471759	4.63121767	2.47840552	1.894292499	1.69157381	1.427383861	1.218002812	1.248845323	1.185864028	1.141404749	1.114057687	1.081077168	1.068779269	1.031171764	1.046991078	1.037888620
At end of year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
% Unreported	81.15%	75.19%	59.85%	47.21%	37.17%	29.84%	24.96%	19.78%	15.85%	12.30%	10.24%	7.50%	6.20%	4.87%	4.47%	3.94%
<b>Development Factor Year N-1/Year N</b>																
	1718	1817	1916	2019	2120	2221	2323	2423	2524	2625	2726	2827	2928	3029	3100	3201
<b>EXCLUDING HIGHEST AND LOWEST VALUES</b>																
Average excluding high and low values	1.008302075	1.007751288	1.005189444	1.003883332	1.00268805	1.00144034	1.00111520	1.000163752	1.001280322	1.00184528	1.00090369	1.000012776	1	1.000786099	1.0010699	1.0000000
Development Factor	1.647743071	1.541009184	1.633365442	1.027775497	1.023799723	1.017402121	1.01928917	1.01919068	1.01490949	1.013848942	1.012467569	1.01189908	1.011898758	1.011856758	1.0110801	1.0100000
At end of year	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32
% Unreported	3.85%	3.20%	2.70%	2.22%	1.71%	1.60%	1.49%	1.47%	1.35%	1.23%	1.17%	1.17%	1.17%	1.10%	0.99%	0.89%
<b>EXCLUDING TWO HIGHEST AND TWO LOWEST VALUES</b>																
Average excluding 2 high and 2 low values	1.00598388	1.007835924	1.004887202	1.00458904	1.00303302	1.001963857	1.00091924	1.00012086	1.00133027	1.00054587	1.00029001	1.00044382	1.001840392	1.000786099	1.00106945	1.0000000
Development Factor	1.048520736	1.041010757	1.032121017	1.028117769	1.024572875	1.018167413	1.01754559	1.018018079	1.016488091	1.015137613	1.014605435	1.014311233	1.013820157	1.011856758	1.011080148	1.01
At end of year	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	29
% Unreported	3.94%	3.21%	2.73%	2.40%	1.83%	1.72%	1.63%	1.62%	1.49%	1.44%	1.41%	1.38%	1.17%	1.10%	0.89%	0.89%

TABLE 16A-4

PREDICTED ULTIMATE LOSS AND LAE RATIO

Policy Year	Based on Direct Average SELECTED VALUE					Based on Average Excluding High/Low					Based on Average Excluding 2 High and 2 Low				
	(1)	(2)	(3)	(4)-(2)(3)	(5)-(4)(1)	(6)	(7)-(2)(3)	(8)-(4)(1)	(9)	(10)-(2)(3)	(11)-(4)(1)	(12)	(13)-(2)(3)	(14)-(4)(1)	
	Title revenue	Cumulative Loss and LAE Incurred 12/31	Average Factor to Ultimate	Ultimate Loss & LAE	Ultimate Loss & LAE Ratio	Average Factor to Ultimate	Ultimate Loss & LAE	Ultimate Loss & LAE Ratio	Average Factor to Ultimate	Ultimate Loss & LAE	Ultimate Loss & LAE Ratio	Average Factor to Ultimate	Ultimate Loss & LAE	Ultimate Loss & LAE Ratio	
1992	52,276,026	5,845,314	1.01	5,903,767	11.29%	1.01	5,903,767	11.29%	1.01	5,903,767	11.29%	1.01	5,903,767	11.29%	
1993	62,056,101	2,022,819	1.01	2,049,047	3.20%	1.01	2,049,047	3.20%	1.01	2,049,047	3.20%	1.01	2,049,047	3.20%	
1994	91,949,618	1,551,690	1.01	1,567,378	1.70%	1.01	1,567,378	1.70%	1.01	1,567,378	1.70%	1.01	1,567,378	1.70%	
1995	106,304,908	3,020,470	1.01	5,076,735	4.77%	1.01	5,076,735	4.77%	1.01	5,076,735	4.77%	1.01	5,076,735	4.77%	
1996	151,414,179	5,210,230	1.01000140	5,276,055	3.40%	1.0101000140	5,276,055	3.40%	1.0101000140	5,276,055	3.40%	1.0101000140	5,276,055	3.40%	
1997	172,367,401	5,766,455	1.0110267508	5,855,004	3.40%	1.0110267508	5,855,004	3.40%	1.0110267508	5,855,004	3.40%	1.0110267508	5,855,004	3.40%	
1998	166,901,336	8,342,745	1.013020157	6,456,046	5.07%	1.0118567503	6,441,066	5.06%	1.013020157	6,456,046	5.07%	1.013020157	6,456,046	5.07%	
1999	169,885,150	11,168,657	1.014311293	11,259,924	6.73%	1.0116096508	11,351,091	6.71%	1.014311293	11,259,924	6.73%	1.014311293	11,259,924	6.73%	
2000	156,949,878	7,847,570	1.016654455	7,455,296	4.75%	1.0124076566	7,439,861	4.74%	1.016654455	7,455,296	4.75%	1.016654455	7,455,296	4.75%	
2001	153,334,754	7,351,317	1.016197497	7,470,410	4.87%	1.0136466428	7,451,659	4.86%	1.016197497	7,452,619	4.87%	1.016197497	7,452,619	4.87%	
2002	213,671,644	5,161,212	1.017647650	5,282,826	2.47%	1.0149564608	5,269,893	2.47%	1.017647650	5,276,895	2.47%	1.017647650	5,276,895	2.47%	
2003	243,545,839	3,783,878	1.017007544	3,850,826	1.59%	1.0151303988	3,841,155	1.58%	1.017007544	3,849,732	1.59%	1.017007544	3,849,732	1.59%	
2004	245,702,879	6,288,717	1.022029599	6,447,211	2.62%	1.0162691170	6,391,029	2.60%	1.022029599	6,399,590	2.60%	1.022029599	6,399,590	2.60%	
2005	183,316,627	5,251,117	1.020231251	5,404,614	2.95%	1.017432121	5,342,655	2.91%	1.020231251	5,351,767	2.92%	1.020231251	5,351,767	2.92%	
2006	224,340,595	7,950,742	1.027066930	8,258,032	3.68%	1.023769723	8,146,110	3.63%	1.027066930	8,152,262	3.63%	1.027066930	8,152,262	3.63%	
2007	242,232,812	7,617,792	1.040706624	7,599,892	3.14%	1.027775467	7,499,659	3.03%	1.040706624	7,472,147	3.05%	1.040706624	7,472,147	3.05%	
2008	339,493,106	10,908,116	1.050398428	11,415,778	3.38%	1.033085442	11,266,950	3.32%	1.050398428	11,267,348	3.32%	1.050398428	11,267,348	3.32%	
2009	394,818,023	12,334,651	1.057387373	13,042,564	3.30%	1.041091384	12,841,591	3.25%	1.057387373	12,840,564	3.25%	1.057387373	12,840,564	3.25%	
2010	318,217,878	17,881,603	1.062490162	19,106,214	6.03%	1.047748911	18,792,491	5.91%	1.062490162	18,776,165	5.90%	1.062490162	18,776,165	5.90%	
2011	368,450,501	18,484,270	1.057948714	19,555,409	5.31%	1.058093693	19,429,557	5.27%	1.057948714	19,430,141	5.27%	1.057948714	19,430,141	5.27%	
2012	628,368,714	19,686,664	1.092083554	21,389,171	4.05%	1.068094179	20,916,303	3.96%	1.092083554	20,893,670	3.96%	1.092083554	20,893,670	3.96%	
2013	717,204,403	19,429,166	1.117022031	21,718,309	3.03%	1.055346943	21,687,376	3.04%	1.117022031	21,634,418	3.03%	1.117022031	21,634,418	3.03%	
2014	674,622,260	22,511,466	1.157211092	27,554,870	4.08%	1.112136960	26,998,743	3.96%	1.157211092	26,527,332	3.93%	1.157211092	26,527,332	3.93%	
2015	650,551,690	33,034,203	1.183601519	39,166,437	6.02%	1.148931900	37,954,098	5.83%	1.183601519	37,796,431	5.80%	1.183601519	37,796,431	5.80%	
2016	632,271,333	31,609,044	1.242691952	33,531,639	6.09%	1.194463711	31,036,467	5.00%	1.242691952	30,758,736	5.31%	1.242691952	30,758,736	5.31%	
2017	603,678,600	20,100,316	1.307749209	30,166,997	6.02%	1.257677565	30,521,831	6.05%	1.307749209	30,036,608	6.00%	1.307749209	30,036,608	6.00%	
2018	468,028,354	20,089,021	1.399602149	28,056,370	5.99%	1.335602914	26,820,568	5.73%	1.399602149	26,456,288	5.65%	1.399602149	26,456,288	5.65%	
2019	462,980,624	9,822,527	1.617975658	15,892,626	3.25%	1.410462653	14,441,970	2.99%	1.617975658	14,020,531	2.99%	1.617975658	14,020,531	2.99%	
2010	484,750,025	4,236,423	1.692442519	7,974,324	1.65%	1.643964606	6,982,859	1.44%	1.692442519	6,742,581	1.39%	1.692442519	6,742,581	1.39%	
2011	470,428,833	2,782,083	2.383490228	8,521,621	1.90%	1.975149919	7,471,979	1.59%	2.383490228	7,106,099	1.52%	2.383490228	7,106,099	1.52%	
2012	577,092,355	4,705,063	3.322628973	15,634,203	2.71%	2.670609647	12,271,380	2.12%	3.322628973	2,478,652	1.60%	3.322628973	2,478,652	1.60%	
2013	641,797,781	4,838,814	5.516654451	22,428,320	3.49%	4.509221714	17,314,517	2.70%	5.516654451	4,032,170	2.55%	5.516654451	4,032,170	2.55%	
2014	471,653,145	834,705	18.11311764	6,685,173	2.05%	12.15816093	6,501,039	1.98%	18.11311764	6,012,820	1.28%	18.11311764	6,012,820	1.28%	
20-Year Average					3.92%			3.70%			3.60%			3.60%	
Trend projected to 2015					3.44%			2.88%			2.70%			2.70%	
				end 2014	3.97%			3.46%			3.35%			3.35%	

SOURCES

Column

- (1) Per Statistical Reports
- (2) Per Statistical Reports
- (3) Table 10A-2, Row (2)
- (4) (2)/(3)
- (5) (2)/(1)

TABLE 10A-6-1

INDICATED IBNR RESERVE

Assumed Pre-1982 LR 3.50%		Calendar Year-end																	
Ultimate Loss Ratio	National Revenue	PA Revenue	Policy Year	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	
3.50%	320,853,559	13,016,205	1963																
3.50%	336,896,237	13,667,016	1964	20,907	17,462	13,586	11,759	8,314	8,295	7,624	6,886	6,749	6,521	5,605	5,242				
3.50%	353,741,049	14,350,367	1965	24,099	21,953	18,325	14,265	12,347	8,729	8,710	8,006	7,230	7,087	6,847	5,885	5,504			
3.50%	371,428,101	15,067,885	1966	28,622	25,304	23,051	19,241	14,978	12,965	9,166	9,146	8,406	7,592	7,441	7,169	6,180	5,779		
3.50%	389,999,506	15,821,279	1967	33,914	30,053	26,569	24,203	20,203	15,727	13,613	9,624	9,603	8,826	7,971	7,813	7,549	6,489	6,068	
3.50%	409,499,481	16,612,343	1968	31,848	35,610	31,556	27,898	25,413	21,213	16,513	14,294	10,105	10,083	9,268	8,370	8,204	7,926	6,813	
3.50%	429,974,455	17,442,960	1969	51,477	33,440	37,390	33,134	29,293	26,684	22,274	17,339	15,008	10,611	10,587	9,731	8,788	8,614	8,322	
3.50%	451,473,178	18,315,106	1970	67,566	54,051	35,112	39,260	34,790	30,757	28,018	23,388	18,206	15,759	11,141	11,117	10,218	9,228	9,044	
3.50%	474,046,837	19,230,854	1971	91,440	70,945	56,754	36,868	41,223	36,530	32,295	29,419	24,957	19,116	16,547	11,698	11,672	10,728	9,689	
3.50%	497,749,179	20,192,407	1972	110,637	96,012	74,482	59,591	38,711	43,294	38,356	33,910	30,850	25,785	20,072	17,374	12,263	12,256	11,265	
3.50%	522,636,638	21,202,427	1973	144,921	116,168	100,813	78,217	62,571	40,647	45,448	40,274	35,605	32,434	27,074	21,076	16,243	12,897	12,869	
3.50%	469,876,610	19,061,688	1974	157,001	130,291	104,441	90,636	70,321	56,254	36,543	40,860	36,209	32,011	29,160	24,341	18,948	16,401	11,595	
3.50%	531,076,627	21,544,497	1975	214,135	177,450	147,262	118,045	102,441	79,480	63,581	41,303	46,182	40,925	36,181	32,958	27,511	21,416	18,537	
3.50%	750,506,350	30,462,467	1976	407,223	302,772	250,922	208,219	166,908	144,845	112,379	89,900	58,400	65,298	57,865	51,157	46,601	38,899	30,281	
3.50%	1,034,167,208	41,953,510	1977	688,337	560,856	416,983	345,548	286,763	229,866	199,483	154,771	123,812	80,430	89,930	79,693	70,454	64,180	53,573	
3.50%	1,246,259,074	50,557,533	1978	1,019,195	829,504	675,855	502,500	416,414	345,573	277,011	240,384	186,512	146,204	98,924	108,373	96,036	84,903	77,342	
3.50%	1,386,671,151	56,253,690	1979	1,376,236	1,134,025	922,962	752,001	558,115	463,331	384,508	308,221	267,479	207,526	166,014	107,845	120,583	106,857	94,469	
3.50%	1,284,674,800	52,124,073	1980	1,497,285	1,275,206	1,050,775	855,207	696,796	518,070	429,317	356,281	285,594	247,843	192,292	153,627	99,928	111,731	99,012	
3.50%	1,333,940,469	54,114,542	1981	1,769,443	1,534,462	1,323,903	1,090,901	887,865	723,405	537,854	445,712	369,867	296,500	257,308	199,035	159,701	103,744	115,998	
11.29%	1,288,620,478	52,276,026	1982		5,577,828	4,845,375	4,126,703	3,400,420	2,767,540	2,254,907	1,676,531	1,389,316	1,152,964	824,213	802,047	622,276	497,801	323,376	
3.20%		82,656,161	1983			2,502,797	2,174,142	1,851,671	1,525,784	1,241,806	1,011,787	752,267	623,393	517,340	414,669	356,662	279,218	223,365	
1.70%		91,949,618	1984				1,480,846	1,286,386	1,095,590	902,770	734,748	598,650	445,099	368,647	306,088	245,367	212,934	165,207	
4.77%		106,354,908	1985					4,796,456	4,166,609	3,548,612	2,924,071	2,379,648	1,939,027	1,441,673	1,194,693	991,450	794,744	689,692	
3.48%		151,414,179	1986						4,984,771	4,330,196	3,687,936	3,038,874	2,473,284	2,015,156	1,486,275	1,241,599	1,030,376	825,947	
3.40%		172,367,401	1987							5,531,814	4,805,463	4,092,660	3,372,368	2,744,709	2,236,305	1,662,700	1,377,855	1,143,452	
5.07%		166,901,338	1988								7,991,089	6,941,736	5,912,131	4,871,620	3,964,823	3,230,488	2,401,886	1,990,437	
6.73%		168,885,150	1989									10,731,813	9,322,564	7,939,830	6,542,452	5,324,783	4,336,470	3,226,667	
4.75%		158,946,678	1990										7,043,694	6,118,751	5,211,210	4,294,058	3,484,656	2,847,501	
4.87%		153,334,754	1991											7,057,979	6,131,160	5,221,778	4,302,767	3,501,943	
2.47%		213,671,044	1992												4,991,169	4,335,753	3,692,669	3,042,774	
1.58%		243,545,839	1993													3,638,208	3,160,456	2,691,693	
2.62%		245,769,879	1994														6,091,270	5,291,394	
2.95%		183,319,027	1995															5,106,233	
3.63%		224,340,595	1996																
3.14%		242,272,812	1997																
3.38%		339,403,106	1998																
3.30%		394,818,923	1999																
6.00%		318,217,878	2000																
5.31%		368,409,301	2001																
4.05%		528,368,714	2002																
3.03%		717,304,403	2003																
4.08%		674,623,265	2004																
6.02%		650,551,698	2005																
6.09%		632,271,333	2006																
6.30%		583,876,060	2007																
5.99%		468,028,384	2008																
3.29%		482,986,624	2009																
1.65%		484,750,025	2010																
1.90%		470,426,833	2011																
2.71%		577,062,355	2012																
3.49%		641,797,781	2013																
2.05%		471,653,545	2014																

[1]	IBNR	7,754,288	12,043,363	12,658,902	12,089,182	14,809,400	17,345,952	20,072,802	24,701,291	31,465,601	33,548,073	35,048,343	34,156,353	31,896,755	32,297,348	31,633,531
[2]	Change in IBNR	4,289,076	615,539	(569,720)	2,720,218	2,636,551	2,726,651	4,628,469	6,764,310	2,082,472	1,500,270	(891,990)	(2,259,598)	400,593	(683,817)	



TABLE 10A-5-3  
FRACTION OF LOSSES UNREPORTED

National Revenue/PA Revenue	Policy Year/Calendar Year-End	1963	1968	1973	1978	1983	1988	1993	1998	2003	2008	2013	2018	2023	2028	2033	2038	2043	2048
320,853,559	13,016,206	1963	1968	1973	1978	1983	1988	1993	1998	2003	2008	2013	2018	2023	2028	2033	2038	2043	2048
336,896,237	13,667,016	1964	1969	1974	1979	1984	1989	1994	1999	2004	2009	2014	2019	2024	2029	2034	2039	2044	2049
353,741,049	14,350,367	1965	1970	1975	1980	1985	1990	1995	2000	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050
371,428,101	15,067,865	1966	1971	1976	1981	1986	1991	1996	2001	2006	2011	2016	2021	2026	2031	2036	2041	2046	2051
389,999,506	15,821,279	1967	1972	1977	1982	1987	1992	1997	2002	2007	2012	2017	2022	2027	2032	2037	2042	2047	2052
409,499,481	16,612,343	1968	1973	1978	1983	1988	1993	1998	2003	2008	2013	2018	2023	2028	2033	2038	2043	2048	2053
429,974,455	17,442,960	1969	1974	1979	1984	1989	1994	1999	2004	2009	2014	2019	2024	2029	2034	2039	2044	2049	2054
474,046,837	19,230,864	1970	1975	1980	1985	1990	1995	2000	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050	2055
522,636,638	21,202,027	1971	1976	1981	1986	1991	1996	2001	2006	2011	2016	2021	2026	2031	2036	2041	2046	2051	2056
469,876,610	19,061,688	1972	1977	1982	1987	1992	1997	2002	2007	2012	2017	2022	2027	2032	2037	2042	2047	2052	2057
531,078,827	21,544,497	1973	1978	1983	1988	1993	1998	2003	2008	2013	2018	2023	2028	2033	2038	2043	2048	2053	2058
750,909,390	30,462,467	1974	1979	1984	1989	1994	1999	2004	2009	2014	2019	2024	2029	2034	2039	2044	2049	2054	2059
1,034,167,209	41,953,510	1975	1980	1985	1990	1995	2000	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060
1,246,259,074	50,557,533	1976	1981	1986	1991	1996	2001	2006	2011	2016	2021	2026	2031	2036	2041	2046	2051	2056	2061
1,386,671,151	56,253,690	1977	1982	1987	1992	1997	2002	2007	2012	2017	2022	2027	2032	2037	2042	2047	2052	2057	2062
1,284,874,800	52,124,073	1978	1983	1988	1993	1998	2003	2008	2013	2018	2023	2028	2033	2038	2043	2048	2053	2058	2063
1,333,640,469	54,114,642	1979	1984	1989	1994	1999	2004	2009	2014	2019	2024	2029	2034	2039	2044	2049	2054	2059	2064
1,288,620,478	52,276,026	1980	1985	1990	1995	2000	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060	2065
	82,656,161	1981	1986	1991	1996	2001	2006	2011	2016	2021	2026	2031	2036	2041	2046	2051	2056	2061	2066
	106,354,908	1982	1987	1992	1997	2002	2007	2012	2017	2022	2027	2032	2037	2042	2047	2052	2057	2062	2067
	151,414,179	1983	1988	1993	1998	2003	2008	2013	2018	2023	2028	2033	2038	2043	2048	2053	2058	2063	2068
	172,367,401	1984	1989	1994	1999	2004	2009	2014	2019	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069
	166,901,338	1985	1990	1995	2000	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060	2065	2070
	168,885,150	1986	1991	1996	2001	2006	2011	2016	2021	2026	2031	2036	2041	2046	2051	2056	2061	2066	2071
	156,946,678	1987	1992	1997	2002	2007	2012	2017	2022	2027	2032	2037	2042	2047	2052	2057	2062	2067	2072
	153,334,754	1988	1993	1998	2003	2008	2013	2018	2023	2028	2033	2038	2043	2048	2053	2058	2063	2068	2073
	213,671,044	1989	1994	1999	2004	2009	2014	2019	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069	2074
	243,545,839	1990	1995	2000	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060	2065	2070	2075
	245,769,879	1991	1996	2001	2006	2011	2016	2021	2026	2031	2036	2041	2046	2051	2056	2061	2066	2071	2076
	183,319,027	1992	1997	2002	2007	2012	2017	2022	2027	2032	2037	2042	2047	2052	2057	2062	2067	2072	2077
	224,340,595	1993	1998	2003	2008	2013	2018	2023	2028	2033	2038	2043	2048	2053	2058	2063	2068	2073	2078
	394,818,923	1994	1999	2004	2009	2014	2019	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069	2074	2079
	318,217,878	1995	2000	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060	2065	2070	2075	2080
	368,409,301	1996	2001	2006	2011	2016	2021	2026	2031	2036	2041	2046	2051	2056	2061	2066	2071	2076	2081
	451,473,178	1997	2002	2007	2012	2017	2022	2027	2032	2037	2042	2047	2052	2057	2062	2067	2072	2077	2082
	474,046,837	1998	2003	2008	2013	2018	2023	2028	2033	2038	2043	2048	2053	2058	2063	2068	2073	2078	2083
	522,636,638	1999	2004	2009	2014	2019	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069	2074	2079	2084
	469,876,610	2000	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060	2065	2070	2075	2080	2085
	531,078,827	2001	2006	2011	2016	2021	2026	2031	2036	2041	2046	2051	2056	2061	2066	2071	2076	2081	2086
	750,909,390	2002	2007	2012	2017	2022	2027	2032	2037	2042	2047	2052	2057	2062	2067	2072	2077	2082	2087
	1,034,167,209	2003	2008	2013	2018	2023	2028	2033	2038	2043	2048	2053	2058	2063	2068	2073	2078	2083	2088
	1,386,671,151	2004	2009	2014	2019	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069	2074	2079	2084	2089
	1,284,874,800	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060	2065	2070	2075	2080	2085	2090
	1,333,640,469	2006	2011	2016	2021	2026	2031	2036	2041	2046	2051	2056	2061	2066	2071	2076	2081	2086	2091
	1,288,620,478	2007	2012	2017	2022	2027	2032	2037	2042	2047	2052	2057	2062	2067	2072	2077	2082	2087	2092
		2008	2013	2018	2023	2028	2033	2038	2043	2048	2053	2058	2063	2068	2073	2078	2083	2088	2093
		2009	2014	2019	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069	2074	2079	2084	2089	2094
		2010	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060	2065	2070	2075	2080	2085	2090	2095
		2011	2016	2021	2026	2031	2036	2041	2046	2051	2056	2061	2066	2071	2076	2081	2086	2091	2096
		2012	2017	2022	2027	2032	2037	2042	2047	2052	2057	2062	2067	2072	2077	2082	2087	2092	2097
		2013	2018	2023	2028	2033	2038	2043	2048	2053	2058	2063	2068	2073	2078	2083	2088	2093	2098
		2014	2019	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069	2074	2079	2084	2089	2094	2099

TABLE 11-1

AVERAGE AGENTS' RETENTION RATE OF REVENUE SUBJECT TO AGENT RETENTION

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
			=([1]*[2])		=([3]*[4])			=([6]*[7])	=([8]/[5])	=([8]/[3])
	AREA I AGENCY SYSTEM ACTUAL TOTAL TITLE REVENUE	AREA II AGENCY SYSTEM ACTUAL TOTAL TITLE REVENUE	TOTAL AGENCY SYSTEM ACTUAL TOTAL TITLE REVENUE	AGENCY SYSTEM CSL REVENUE	AGENCY SYSTEM TOTAL TITLE REVENUE SUBJECT TO AGENCY RETENTION	AREA I ACTUAL AGENTS' RETENTIONS	AREA II ACTUAL AGENTS' RETENTIONS	TOTAL ACTUAL AGENTS' RETENTIONS	AVERAGE AGENTS' RATE OF RETENTION OF REVENUE SUBJECT TO AGENCY RETENTION	AVERAGE AGENTS' RATE OF RETENTION OF TOTAL REVENUE
1982	23,758,523	8,897,851	32,656,374		32,656,374	19,581,098	7,315,038	26,896,136	82.38%	82.36%
1983	44,659,423	14,096,531	58,755,954		58,755,954	36,054,099	11,358,258	46,012,357	81.71%	81.68%
1984	50,075,191	16,005,768	66,080,959		66,080,959	41,035,850	12,938,606	53,974,456	81.68%	81.21%
1985	58,730,460	19,888,484	78,618,944		78,618,944	46,721,561	17,128,598	63,848,159	81.21%	79.71%
1986	84,465,939	29,475,333	113,941,272		113,941,272	65,919,088	24,901,161	90,820,249	79.71%	82.15%
1987	92,701,629	37,404,077	130,105,706		130,105,706	77,067,766	29,820,488	106,888,234	82.15%	83.19%
1988	82,841,879	42,067,435	124,909,314		124,909,314	71,348,599	32,566,287	103,914,886	83.19%	81.58%
1989	88,954,148	44,057,909	133,011,157		133,011,157	74,687,197	33,826,698	108,513,895	81.58%	82.38%
1990	82,310,983	41,063,297	123,374,280		123,374,280	68,915,012	32,717,853	99,750,106	82.50%	79.34%
1991	79,358,943	41,548,510	120,907,453		120,907,453	69,721,360	30,028,746	99,750,106	79.34%	81.59%
1992	110,325,333	61,910,265	172,235,598		172,235,598	88,607,907	47,954,860	136,652,767	81.59%	80.72%
1993	128,904,478	72,623,362	201,527,840		201,527,840	107,391,607	57,034,696	164,426,303	80.72%	85.80%
1994	141,220,132	70,983,187	212,203,319		212,203,319	117,216,862	58,571,659	175,788,521	82.84%	83.56%
1995	99,448,441	55,338,810	154,785,251		154,785,251	79,844,233	45,104,995	124,949,228	82.84%	81.93%
1996	123,888,248	55,338,810	179,225,058		179,225,058	99,504,096	54,266,982	153,771,078	85.80%	85.35%
1997	140,907,295	65,757,228	206,664,523		206,664,523	117,774,923	53,427,866	171,202,789	83.56%	81.93%
1998			293,299,488		293,299,488			240,290,860 Incl. A/A	81.93%	85.35%
1999			345,476,065		345,476,065			294,871,340 Incl. A/A	85.35%	82.74%
2000			276,490,535	134,952	276,355,583			228,660,550	82.74%	81.69%
2001			321,269,694	2,826,759	318,442,935			262,455,516	82.42%	80.75%
2002			466,676,394	12,170,556	454,505,838			376,851,591	82.91%	80.09%
2003			634,439,653	11,012,164	623,427,489			508,151,251	81.51%	84.04%
2004			592,894,789	10,879,778	582,015,011			489,122,920	84.12%	84.91%
2005			870,933,537	13,278,460	857,655,077			697,559,212	84.91%	85.98%
2006			548,136,746	9,266,012	538,870,734			413,807,693	85.98%	85.06%
2007			489,605,992	8,349,347	481,256,646			325,764,053	85.06%	82.38%
2008			389,406,451	6,443,859	382,962,592			346,526,402	85.87%	83.02%
2009			414,405,901	6,332,932	408,072,969			333,241,512	86.04%	82.38%
2010			417,709,053	14,147,944	403,561,109			402,495,282	86.12%	86.51%
2011			401,406,321	14,081,365	387,324,956			458,150,825	86.12%	83.56%
2012			488,581,098	19,289,543	469,291,555			330,912,645	86.51%	
2013			551,858,732	18,891,080	531,967,652					
2014			395,999,150	13,494,853	382,504,297					
20 Year Average			406,963,222	10,773,307	398,883,241			337,096,145	84.35%	82.91%

SOURCES:

Column

- [1] Per filed Statistical Reports
- [2] Per filed Statistical Reports
- [3] =([1]\*[2])
- [4] Per filed Statistical Reports
- [5] Per filed Statistical Reports
- [6] =([4]\*[5])
- [7] =([6]/[3])



TABLE 11-3

AVERAGE AGENTS' RETENTIONS OF REVENUE SUBJECT TO AGENCY RETENTION AT CURRENT RATES AND PRICE LEVEL

	[1]	[2]	[3]	[4]
	ACTUAL AGENTS' RETENTIONS	REVENUE INFLATION FACTOR	RATE INFLATION FACTOR	AGENTS' RETENTIONS AT CURRENT RATES AND PRICE LEVEL
1982	26,896,136	1.616064106	1.4532	63,163,422
1983	48,012,357	1.647783515	1.4532	114,966,247
1984	53,974,456	1.659388646	1.4532	130,152,813
1985	63,848,159	1.640718112	1.4532	152,229,746
1986	80,820,249	1.608279274	1.4532	212,256,660
1987	106,888,234	1.598804694	1.4532	248,026,951
1988	103,914,886	1.596559528	1.4532	241,090,475
1989	108,512,895	1.574487396	1.4532	248,277,698
1990	101,632,865	1.559433546	1.4532	230,312,873
1991	99,750,108	1.544236908	1.4532	223,843,924
1992	136,652,767	1.543647672	1.4532	306,577,338
1993	164,428,303	1.515232633	1.4532	362,049,356
1994	175,788,521	1.485516629	1.4532	379,476,776
1995	124,949,228	1.447984409	1.3470	243,708,299
1996	153,771,078	1.431955398	1.2874	283,478,978
1997	172,693,132	1.4085368	1.2422	302,162,796
1998	240,290,860	1.386974327	1.1907	396,831,562
1999	294,871,340	1.351609472	1.1735	467,695,765
2000	228,660,550	1.264494572	1.1662	337,204,031
2001	262,455,518	1.240487891	1.1450	372,774,667
2002	376,851,591	1.222478139	1.1187	515,373,118
2003	508,151,251	1.191878789	1.1187	677,540,713
2004	489,122,920	1.138723171	1.1187	623,083,828
2005	480,268,322	1.087846667	1.1187	584,469,610
2006	457,558,212	1.044734559	1.1187	534,764,565
2007	413,807,693	1.037068909	1.1187	480,082,893
2008	325,764,053	1.049205581	1.1187	382,361,414
2009	341,380,688	1.075612991	1.1112	408,038,960
2010	346,528,402	1.078164428	1.0935	408,567,727
2011	333,241,512	1.072551781	1.0935	390,855,366
2012	402,495,282	1.091174165	1.0566	464,033,348
2013	458,150,625	1.054223001	1.0220	493,618,771
2014	330,912,645	1.022643639	1.0164	343,958,863
20 Year Average	337,096,145			435,530,264

SOURCES:

Column

- [1] Table 7 column [3]
- [2] Table 11-2 column [5]
- [3] =[1]X[2]
- [4] Table 11-1 column [7]
- [5] 1 minus ratio of column [1] line [4] to column [1] line [5] in Prior Rate Filing Data worksheet Table 21 for years 1982-1999. 1 - 75% of ratio for year 2000.
- [6] =[4]X[5]
- [7] =[3]X[6]

**TABLE 12**  
**EFFECT OF INFLATION ON AVERAGE**  
**OTHER TITLE EXPENSES**

	[1]	[2]	[3]	[4]	[5]	[6]
				=([1]+[2]+[3])		=[4]X[5]
	AREA I ACTUAL OTHER TITLE EXPENSES	AREA II ACTUAL OTHER TITLE EXPENSES	APPROVED ATTORNEY ACTUAL OTHER TITLE EXPENSES	TOTAL ACTUAL OTHER TITLE EXPENSES	PRICE LEVEL RELATIVE TO CURRENT	OTHER TITLE EXPENSES AT CURRENT PRICE LEVEL
1982	17,602,601	3,531,484	1,718,350	22,852,435	2.740975	62,637,952
1983	19,749,161	3,924,145	2,719,528	26,392,834	2.580268	68,100,579
1984	20,717,324	4,865,031	2,797,353	28,379,708	2.452550	69,602,646
1985	25,369,144	4,536,782	1,844,121	31,750,047	2.336291	74,177,343
1986	30,746,533	5,954,545	1,656,340	38,357,418	2.244805	86,104,940
1987	37,390,276	8,485,521	3,159,037	49,034,834	2.180941	106,942,062
1988	37,216,027	10,172,518	2,757,625	50,146,170	2.081963	104,402,451
1989	39,292,290	13,923,613	2,763,179	55,979,082	1.990262	111,413,027
1990	39,057,126	13,910,691	2,930,755	55,898,572	1.904929	106,482,803
1991	38,588,725	13,676,152	2,589,513	54,854,390	1.835099	100,663,233
1992	39,873,464	12,484,098	1,595,364	53,952,926	1.772800	95,647,727
1993	40,025,523	16,956,230	2,266,979	59,248,732	1.713484	101,521,729
1994	43,973,175	15,073,980	2,606,647	61,653,802	1.668389	102,862,538
1995	30,309,408	14,351,749	2,263,388	46,924,545	1.623854	76,198,598
1996	40,703,259	17,399,604	1,572,212	59,675,075	1.580804	94,334,571
1997	38,489,619	15,519,651	2,097,024	56,106,294	1.537893	86,285,495
1998				71,565,353	1.506811	107,835,484
1999				89,948,290	1.477196	132,871,242
2000				77,343,597	1.437281	111,164,517
2001				83,128,945	1.394561	115,928,404
2002				120,294,624	1.358950	163,474,412
2003				138,320,198	1.317682	182,262,073
2004				124,006,406	1.279464	158,661,707
2005				129,303,156	1.238574	160,151,585
2006				151,164,420	1.198023	181,098,468
2007				165,518,989	1.160538	192,091,153
2008				145,544,416	1.125749	163,846,506
2009				138,884,202	1.113850	154,696,169
2010				121,028,252	1.095630	132,602,145
2011				126,515,967	1.076568	136,203,096
2012				140,790,370	1.053894	148,378,122
2013				141,103,273	1.033726	145,862,109
2014				118,895,372	1.020374	121,317,696
20 Year Average				112,303,087	1.281571	138,263,178

**SOURCES:**

Column

- [1] Per filed Statistical Reports
- [2] Per filed Statistical Reports
- [3] Per filed Statistical Reports
- [4] =[1]+[2]+[3]
- [5] Table 2 column [4]
- [6] =[4]X[5]

TABLE 13  
COMBINED RATIO BASED ON ACTUAL EXPERIENCE  
USING IBNR

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
	TOTAL ACTUAL AGENTS' RETENTIONS	TOTAL ACTUAL CASE-BASED LOSSES & LAE INCURRED	TOTAL NET REINSURANCE CEDED	TOTAL INCREASE IN LOSS RESERVE	TOTAL ACTUAL OTHER TITLE EXPENSES	$=[1]+[2]+[3]+[4]+[5]$	TOTAL ACTUAL TITLE REVENUE	$=[6]/[7]$	$=[2]+[4]/[7]$
								ACTUAL COMBINED RATIO	CALENDAR YEAR LOSS RATIO
1992	26,895,136	2,195,868	154,052	4,289,076	22,852,435	56,387,567	52,276,026	1.0787	12.4%
1993	49,012,357	2,018,198	319,838	615,539	28,392,834	77,358,566	82,656,161	0.9359	3.2%
1994	53,974,456	3,189,155	382,471	(569,720)	28,379,708	85,366,070	91,949,618	0.9284	2.8%
1995	63,848,159	2,998,002	506,990	2,720,218	31,750,047	101,823,416	108,354,808	0.9574	5.4%
1996	90,820,249	2,865,041	297,369	2,536,551	38,357,418	134,876,628	151,414,179	0.8908	3.6%
1997	106,888,234	6,196,031	230,604	2,726,851	49,034,834	165,076,554	172,367,401	0.9577	5.2%
1998	103,914,886	4,078,541	1,109,043	4,628,489	50,146,170	163,877,129	166,801,338	0.9819	5.2%
1999	108,512,895	6,099,558	96,664	6,764,310	55,979,062	177,452,509	169,885,150	1.0507	7.6%
1990	101,832,865	7,025,098	(245,359)	2,082,472	55,898,572	166,393,648	156,946,678	1.0602	5.8%
1991	99,750,105	9,858,743	(5,385,546)	1,500,270	54,654,390	160,567,963	153,334,754	1.0472	7.4%
1992	136,652,767	9,763,070	138,509	(891,990)	53,952,928	199,615,282	213,671,044	0.9342	4.2%
1993	164,426,303	5,687,127	675,088	(2,259,598)	59,248,732	227,777,652	243,545,839	0.9353	1.4%
1994	175,788,521	7,309,568	185,263	400,593	61,653,802	245,337,747	245,769,879	0.9962	3.2%
1995	174,949,228	5,517,266	131,217	(663,817)	46,924,545	176,836,408	183,319,027	0.9648	1.0%
1996	153,771,078	9,059,855	246,576	2,410,816	59,675,075	225,163,432	224,340,585	1.0037	5.1%
1997	172,693,132	7,435,325	164,107	1,425,651	56,108,294	237,824,509	242,272,812	0.9816	3.7%
1998	240,290,860	10,262,909	(208,785)	4,840,370	71,585,353	326,750,707	339,403,106	0.9627	4.4%
1999	294,871,340	9,607,821	(952,358)	5,746,854	89,948,290	399,221,947	394,818,923	1.0112	3.9%
2000	228,650,550	9,400,488	344,996	10,463,596	77,343,597	326,213,227	318,217,878	1.0251	6.2%
2001	262,455,518	9,888,805	(310,101)	9,364,766	83,128,945	364,527,953	368,409,301	0.9895	5.2%
2002	376,851,591	9,582,555	(237,180)	9,528,559	120,294,624	516,021,143	528,365,714	0.9766	3.6%
2003	508,151,251	17,767,188	(166,451)	8,347,327	138,320,198	672,418,513	714,304,403	0.9374	3.6%
2004	489,122,920	19,840,133	(413,742)	12,302,268	124,006,408	644,857,985	674,623,265	0.9559	4.8%
2005	480,268,322	20,379,189	193,611	21,296,793	129,303,156	651,441,071	650,551,698	1.0014	6.4%
2006	457,558,212	16,483,186	5,566	17,377,857	151,164,420	644,589,231	632,271,333	1.0195	5.7%
2007	413,807,693	27,928,207	902,913	12,753,954	165,518,969	620,911,757	583,878,990	1.0634	7.0%
2008	325,764,053	31,942,653	(658,410)	2,178,168	145,544,416	504,770,901	468,028,384	1.0785	7.3%
2009	341,380,688	24,685,769	69,202	(10,307,355)	138,884,202	494,712,526	482,988,624	1.0243	3.0%
2010	346,526,402	17,629,121	239,141	(16,832,330)	121,028,252	468,590,586	484,750,025	0.9667	0.2%
2011	333,241,512	19,452,198	216,845	(13,866,757)	126,515,967	465,439,764	470,428,833	0.9894	1.2%
2012	402,495,282	24,999,276	528,812	(5,182,813)	140,790,370	563,630,926	577,062,355	0.9767	3.4%
2013	458,150,625	17,371,902	575,828	2,584,536	141,103,273	619,766,163	641,797,791	0.9657	3.1%
2014	330,912,645	14,715,320	1,315,269	(9,060,897)	118,895,372	456,777,710	471,653,545	0.9685	1.2%
20 Year Average	337,096,145	16,297,461	99,352	3,228,428	112,303,087	469,024,473	472,724,433	0.9931	4.1%

SOURCES:

Column

- [1] Table 11-1 column [6]
- [2] Table 8 column [4]
- [3] Table 9 column [9]
- [4] Table 10A-5 row [2]
- [5] Table 12 column [4]
- [6]  $=[1]+[2]+[3]+[4]+[5]$
- [7] Table 6-1 column [3] plus Table 6-2 column [1]
- [8]  $=[6]/[7]$
- [9]  $=[2]+[4]/[7]$

0.0315

0.0069

**TABLE 13-A**  
**COMBINED RATIO BASED ON ACTUAL EXPERIENCE**  
**USING SPR**

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
						$=[1]+[2]+[3]+[4]+[5]$		$=[6]/[7]$	$=[2]+[4]/[7]$
	TOTAL ACTUAL AGENTS' RETIEMENTS	TOTAL CASE-BASIS LOSSES & LAE INCURRED	TOTAL NET REINSURANCE CEDED	TOTAL INCREASE IN STATUTORY PREMIUM RESERVE	TOTAL ACTUAL OTHER TITLE EXPENSES	TOTAL ACTUAL EXPENSES	TOTAL ACTUAL TITLE REVENUE	ACTUAL COMBINED RATIO	STATUTORY CALENDAR YEAR LOSS RATIO
1982	26,896,136	2,195,868	154,052	1,107,948	22,852,435	53,206,439	52,276,026	1.0178	6.3%
1983	48,012,357	2,018,198	319,638	1,576,471	26,392,834	78,319,498	82,656,161	0.9475	4.3%
1984	53,974,456	3,189,155	392,471	1,773,793	28,379,708	87,709,583	91,949,618	0.9539	5.4%
1985	63,848,159	2,998,002	506,980	1,693,554	31,750,047	100,796,752	106,354,908	0.9477	4.4%
1986	90,820,249	2,865,041	297,369	2,983,785	38,357,418	135,323,862	151,414,179	0.8937	3.9%
1987	106,888,234	6,196,031	230,604	3,737,621	49,034,834	166,087,324	172,367,401	0.9636	5.8%
1988	103,914,886	4,078,541	1,109,043	3,409,836	50,146,170	162,658,476	166,901,338	0.9746	4.5%
1989	108,512,895	6,099,558	96,664	2,910,354	55,979,082	173,598,553	168,885,150	1.0279	5.3%
1990	101,632,865	7,025,098	-245,359	2,195,697	55,898,572	166,506,873	156,946,678	1.0609	5.9%
1991	98,750,105	9,858,743	-5,395,546	2,172,405	54,854,390	161,240,098	153,334,754	1.0516	7.8%
1992	136,652,767	9,763,070	138,509	3,366,672	53,952,926	203,873,944	213,671,044	0.9541	6.1%
1993	164,426,303	5,887,127	675,088	3,243,428	59,248,732	233,280,678	243,545,839	0.9579	3.7%
1994	175,788,521	7,309,568	185,263	3,435,903	61,653,802	248,373,057	245,769,879	1.0106	4.4%
1995	124,949,228	5,517,266	131,217	1,785,332	46,924,545	179,307,588	183,319,027	0.9781	4.0%
1996	153,771,078	9,059,885	246,578	1,649,152	59,675,075	224,401,768	224,340,595	1.0003	4.8%
1997	172,693,132	7,435,325	164,107	2,758,345	56,106,294	239,155,203	242,272,812	0.9871	4.2%
1998	240,290,860	10,262,909	-208,785	4,265,807	71,565,353	326,176,144	339,403,106	0.9610	4.3%
1999	294,871,340	9,607,821	-952,358	7,879,755	89,948,290	401,354,848	394,818,923	1.0166	4.4%
2000	228,660,550	9,400,488	344,996	2,926,179	77,343,597	318,675,810	318,217,878	1.0014	3.9%
2001	262,455,518	9,888,805	-310,101	5,142,574	83,128,945	360,305,741	368,409,301	0.9780	4.1%
2002	376,851,591	9,582,555	-237,186	7,334,035	120,294,624	513,825,618	526,368,714	0.9725	3.2%
2003	508,151,251	17,767,188	-166,451	13,050,464	138,320,198	677,122,639	717,304,403	0.9440	4.3%
2004	489,122,920	19,840,133	-413,742	11,949,638	124,006,406	644,505,355	674,623,265	0.9554	4.7%
2005	480,268,322	20,379,189	193,611	12,473,880	129,303,156	642,618,158	650,551,698	0.9878	5.1%
2006	457,558,212	18,483,186	5,556	5,229,585	151,164,420	632,440,959	632,271,333	1.0003	3.8%
2007	413,807,693	27,928,207	902,913	5,900,348	165,518,989	614,058,150	583,878,060	1.0517	5.8%
2008	325,764,053	31,942,653	-658,410	(5,011,682)	145,544,416	497,581,030	468,026,384	1.0631	5.8%
2009	341,380,688	24,685,789	69,202	(7,491,050)	138,884,202	497,528,832	482,988,624	1.0301	3.6%
2010	346,526,402	17,629,121	239,141	(740,490)	121,028,252	484,682,426	484,750,025	0.9999	3.5%
2011	333,241,512	19,452,198	216,845	(5,024,942)	126,515,967	474,401,580	470,426,833	1.0084	3.1%
2012	402,495,262	24,999,276	528,812	607,676	140,790,370	569,421,415	577,062,355	0.9868	4.4%
2013	458,150,625	17,371,902	575,628	2,715,862	141,103,273	619,917,490	641,797,781	0.9659	3.1%
2014									
20 Year Average	329,339,939	15,927,173	42,852	3,541,718	109,441,009	458,292,690	461,430,250	99.5%	4.2%

**SOURCES:**

Column

- [1] Table 11-1 column [6]
- [2] Table 8 column [4]
- [3] Table 9 column [9]
- [4] Table 10-1 column [4]
- [5] Table 12 column [4]
- [6]  $=[1]+[2]+[3]+[4]+[5]$
- [7] Table 6-1 column [3] plus Table 6-2 column [1]
- [8]  $=[6]/[7]$
- [9]  $=[2]+[4]/[7]$

TABLE 14  
 COMBINED RATIO AT CURRENT RATES AND PRICE LEVEL  
 USING IBNR

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
			TOTAL NET REINSURANCE CEDED	TOTAL INCREASE IN IBNR LOSS RESERVE	TOTAL OTHER TITLE EXPENSES	[1]+[2]+[3]+[4]+[5] TOTAL EXPENSES	TOTAL TITLE REVENUE	[6]/[7] ON-LEVEL COMBINED RATIO	=[2]+[4]/[7] ON-LEVEL CALENDAR YEAR LOSS RATIO
	AGENTS' RETENTIONS	CASE-BASIS LOSSES & LAE INCURRED							
1982	63,163,422	5,680,395	154,052	11,095,223	62,637,952	142,731,044	124,531,896	1.1461	13.5%
1983	114,969,247	5,099,969	319,638	1,555,462	68,100,579	180,041,895	200,325,174	0.9487	3.3%
1984	130,152,813	7,827,236	392,471	(1,398,281)	69,602,646	206,576,885	224,047,693	0.9220	2.9%
1985	152,229,746	7,161,369	506,990	6,497,823	74,177,343	240,573,272	255,998,105	0.9397	5.3%
1986	212,256,660	6,554,665	297,369	5,803,144	86,104,940	311,016,778	356,796,422	0.8717	3.5%
1987	248,026,951	13,507,521	230,804	5,979,816	106,942,062	374,766,956	402,165,847	0.9319	4.9%
1988	241,050,475	8,643,169	1,109,043	6,808,609	104,402,451	395,053,747	369,533,253	0.9372	4.7%
1989	248,277,698	12,516,864	96,664	13,881,019	111,413,027	386,185,293	388,439,836	0.9942	6.8%
1990	230,312,873	14,091,531	(245,359)	4,177,196	106,482,803	354,819,045	357,493,991	0.9925	5.1%
1991	223,843,924	19,521,497	(5,395,546)	2,970,714	100,663,233	341,603,822	345,663,079	0.9883	6.5%
1992	306,577,338	19,098,679	138,509	(1,744,743)	95,647,727	419,715,509	480,984,976	0.8726	3.6%
1993	362,046,756	10,688,943	675,098	(4,246,909)	101,521,729	470,688,208	537,716,454	0.8753	1.2%
1994	378,476,776	13,258,819	185,263	726,624	102,862,538	496,509,819	531,837,962	0.9336	2.6%
1995	243,708,299	9,662,132	131,217	(1,162,512)	76,198,598	328,537,735	358,426,490	0.9166	2.4%
1996	283,478,978	15,632,742	246,578	4,133,229	94,334,571	397,726,099	414,443,497	0.9597	4.7%
1997	302,162,796	12,447,193	164,107	2,386,628	86,285,495	403,446,219	424,732,479	0.9499	3.5%
1998	396,831,562	16,739,170	(208,785)	7,894,816	107,835,484	529,092,247	561,631,391	0.9421	4.4%
1999	467,695,765	15,104,824	(852,358)	9,034,849	132,871,242	623,754,322	627,006,980	0.9948	3.8%
2000	337,204,031	14,150,951	344,986	15,791,293	111,164,517	479,615,787	470,263,582	1.0178	6.4%
2001	372,774,667	14,211,443	(310,101)	13,458,334	115,928,404	516,062,747	524,314,339	0.9843	5.3%
2002	515,373,116	13,438,501	(237,186)	13,364,181	163,474,412	705,413,025	723,905,149	0.9745	3.7%
2003	677,540,713	23,789,411	(166,451)	11,176,670	182,262,073	894,602,415	958,103,046	0.9337	3.6%
2004	623,083,828	24,824,765	(413,742)	15,393,087	158,661,707	821,549,644	860,395,306	0.9549	4.7%
2005	594,469,610	23,794,936	193,611	24,866,339	160,151,585	793,476,081	792,108,576	1.0017	6.1%
2006	534,764,565	20,392,551	5,556	19,173,038	181,098,468	755,434,179	739,194,675	1.0220	5.4%
2007	480,082,893	30,416,297	902,913	13,890,188	192,091,153	717,363,444	677,551,158	1.0586	6.5%
2008	382,361,414	35,301,563	(658,410)	2,407,236	183,846,506	583,258,328	549,417,582	1.0616	6.9%
2009	406,038,960	28,276,584	69,202	(1,806,663)	154,696,169	579,274,252	577,387,628	1.0033	2.9%
2010	408,567,727	20,265,596	239,141	(19,349,645)	132,602,145	542,324,965	571,646,448	0.9487	0.2%
2011	390,855,366	22,194,711	218,845	(5,958,713)	136,203,096	533,511,306	551,866,458	0.9667	1.1%
2012	484,033,348	28,283,261	528,812	(6,863,644)	148,378,122	635,359,898	685,448,108	0.9548	3.4%
2013	493,618,771	18,733,569	575,926	2,765,556	145,862,109	661,555,853	691,593,038	0.9566	3.1%
2014	343,958,863	15,205,416	1,315,269	(9,362,670)	121,317,696	472,434,573	490,246,722	0.9637	1.2%
20-Year Average	435,530,264	20,138,283	99,352	4,609,580	138,263,178	598,640,656	611,484,233	0.9783	4.0%
								0.9363	

SOURCES:

Column

- [1] Table 11-3 column [7]
- [2] Table 6 column [5]
- [3] Table 9 column [9]
- [4] Table 10-2 column [3]
- [5] Table 12 column [8]
- [6] =[1]+[2]+[3]+[4]+[5]
- [7] Table 7 column [3]
- [8] =[6]/[7]
- [9] =[2]+[4]/[7]

2.171%

TABLE 14-A  
 COMBINED RATIO AT CURRENT RATES AND PRICE LEVEL  
 USING SPR

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
				TOTAL INCREASE IN STATUTORY PREMIUM RESERVE		=(1)+[2]+[3]+[4]+[5]		=[6]/[7]	=[2]+[4]/[7]
	AGENTS' RETENTIONS	CASE-BASIS LOSSES & LAE INCURRED	TOTAL NET REINSURANCE CEDED	TOTAL INCREASE IN STATUTORY PREMIUM RESERVE	TOTAL OTHER TITLE EXPENSES	TOTAL EXPENSES	TOTAL TITLE REVENUE	ON-LEVEL COMBINED RATIO	STATUTORY CALENDAR YEAR LOSS RATIO
1982	63,163,422	5,680,395	154,052	2,866,102	62,637,952	134,501,924	124,531,896	1.0801	6.9%
1983	114,966,247	5,099,969	319,638	3,983,729	68,100,579	192,470,162	200,325,174	0.9608	4.5%
1984	130,152,813	7,827,236	392,471	4,353,472	69,602,646	212,328,639	224,047,693	0.9477	5.4%
1985	152,229,746	7,161,369	506,990	4,045,416	74,177,343	238,120,864	255,998,105	0.9302	4.4%
1986	212,256,660	6,554,665	297,369	6,826,329	86,104,940	312,039,963	356,796,422	0.8746	3.8%
1987	248,026,951	13,587,521	230,604	8,196,377	106,942,062	376,983,514	402,165,847	0.9374	5.4%
1988	241,090,475	8,643,169	1,109,043	7,226,061	104,402,451	362,471,200	389,533,253	0.9305	4.1%
1989	248,277,698	12,516,884	96,664	5,972,329	111,413,027	376,276,602	388,439,636	0.9738	4.8%
1990	230,312,873	14,091,531	(245,359)	4,404,313	106,482,803	355,046,161	357,493,991	0.9932	5.2%
1991	223,843,924	19,521,497	(5,395,546)	4,301,623	100,663,233	342,934,731	345,663,079	0.9921	6.9%
1992	306,577,338	19,096,679	138,509	6,585,250	95,647,727	429,045,503	480,984,978	0.8899	5.3%
1993	362,049,356	10,688,943	675,088	6,096,016	101,521,729	481,031,133	537,716,454	0.8946	3.1%
1994	379,476,776	13,258,619	185,263	6,232,287	102,862,538	502,015,482	531,837,982	0.9439	3.7%
1995	243,708,299	9,662,132	131,217	3,126,569	76,198,598	332,826,816	358,426,490	0.9286	3.6%
1996	283,478,978	15,532,742	246,578	2,827,393	94,334,571	396,420,262	414,443,497	0.9565	4.4%
1997	302,162,796	12,447,193	164,107	4,614,292	86,285,495	405,673,882	424,732,479	0.9551	4.0%
1998	396,831,562	16,739,170	(208,785)	6,957,683	107,835,484	528,155,114	561,631,391	0.9404	4.2%
1999	467,695,765	15,104,824	(952,358)	12,388,065	132,871,242	627,107,538	627,008,980	1.0002	4.4%
2000	337,204,031	14,150,951	344,996	4,404,901	111,164,517	467,269,395	470,263,582	0.9936	3.9%
2001	372,774,667	14,211,443	(310,101)	7,390,518	115,928,404	509,994,931	524,314,339	0.9727	4.1%
2002	515,373,118	13,438,501	(237,186)	10,285,194	163,474,412	702,334,038	723,905,149	0.9702	3.3%
2003	677,540,713	23,789,411	(166,451)	17,473,930	182,262,073	900,899,676	958,103,046	0.9403	4.3%
2004	623,083,828	24,824,765	(413,742)	14,951,862	158,661,707	821,108,420	860,395,306	0.9543	4.6%
2005	584,469,610	23,794,936	193,611	14,564,621	160,151,585	783,174,363	792,108,576	0.9887	4.8%
2006	534,764,565	20,392,551	5,556	5,769,815	181,098,468	742,030,956	739,194,675	1.0038	3.5%
2007	480,082,893	30,416,297	902,913	6,426,002	192,091,153	709,919,258	677,551,158	1.0478	5.4%
2008	382,361,414	35,301,583	(658,410)	(5,538,685)	163,846,506	575,312,407	549,417,582	1.0471	5.4%
2009	408,038,960	28,276,584	69,202	(8,580,698)	154,696,169	582,500,217	577,387,628	1.0089	3.4%
2010	408,567,727	20,265,598	239,141	(851,232)	132,602,145	560,823,379	571,646,448	0.9811	3.4%
2011	390,855,366	22,194,711	216,845	(5,733,395)	136,203,096	543,736,624	551,866,458	0.9853	3.0%
2012	464,033,348	28,283,261	528,812	687,502	148,378,122	641,911,045	665,448,108	0.9646	4.4%
2013	493,618,771	18,733,589	575,828	2,928,744	145,862,109	661,719,041	691,593,038	0.9568	3.1%
2014	343,958,863	15,205,415	1,315,269	(16,658,529)	121,317,696	465,138,715	490,246,722	0.9488	-0.3%
20-Year Average	435,530,264	20,138,283	99,352	3,871,728	138,263,178	597,902,804	611,484,233	0.9772	3.9%

SOURCES:

Column

- [1] Table 11-3 column [7]
- [2] Table 8 column [6]
- [3] Table 9 column [9]
- [4] Table 10-1 column [6]
- [5] Table 12 column [6]
- [6] = [1]+[2]+[3]+[4]+[5]
- [7] Table 7 column [3]
- [8] = [6]/[7]
- [9] = ([2]+[4])/[7]

**TABLE 15**

**INDICATED RATE INCREASE FOR TARGET PRE-TAX MARGIN = 5.00%  
BASED ON THE CALENDAR YEAR LOSS RATIO INCLUDING THE IBNR INCREASE**

Parameters:			IBNR	
[1]	A	=	Fraction of Commissionable Revenue Written through Agency System	0.8576 Average 1995-2014
[2]	C	=	Retentions as Fraction of Commissionable Revenue Written through Agency System	0.8435 Average 1995-2014
[3]	M	=	Projected Pre-tax Operating Profit as Fraction of Total Premium Written	0.0217 Average 1995-2014
[5]	T	=	Target Pre-tax Operating Profit as Fraction of Total Premium Written	0.0500 Per Stipulation
[6]	U	=	Projected Fraction of Revenue which is Non-Retentionable	0.0348 Average 2002-2014
[7]	I	=	Retentionable Rate Needed to Reach Target Operating Profit as Fraction of Current Retentionable Rate	
			$\frac{(1 - AC - M) - U(1 - AC - T)}{(1 - U)(1 - AC - T)}$	112.9% Per formula
			Change Needed In Rates Subject to Agents' Retentions	12.9%
			Line [7] Formula Numerator	0.247046144
			Line [7] Formula Denominator	0.21875144

**SOURCES:**

**ROW**

- [1] Table 11-2 column [5]
- [2] Table 11-3 column [6]
- [3] Table 14 column [8], 20 year average
- [4] Table 15 column [12]
- [5] = [3] + [4]
- [6] Per Memorandum of Understanding
- [7] Table 15 column [13]
- [8] Per formula in table

TABLE 15-A

INDICATED RATE INCREASE FOR TARGET PRE-TAX MARGIN = 5.00%  
 BASED ON THE CALENDAR YEAR STATUARY LOSS RATIO INCLUDING THE SPR INCREASE

Parameters:			Based on SPR
[1]	A	=	Fraction of Revenue Written through Agency System
[2]	C	=	Retentions as Fraction of Revenue Written through Agency System
[3]	MD	=	Projected Pre-tax Operating Profit as Fraction of Total Premium Written
[5]	T	=	Target Pre-tax Operating Profit as Fraction of Total Premium Written
[6]	U	=	Projected Fraction of Revenue which is Non-Retentionable
[7]	I	=	Retentionable Rate Needed to Reach Target Operating Profit as Fraction of Current Retentionable Rate
		=	$\frac{(1 - AC - M) - U(1 - AC - T)}{(1 - U)(1 - AC - T)}$
			112.5% Per formula
			Change Needed In Rates Subject to Agents' Retentions
			12.5%
			Line [7] Formula Numerator 0.245991323
			Line [7] Formula Denominator 0.21875144

SOURCES:

ROW

- [1] Table 11-2 column [5]
- [2] Table 11-3 column [6]
- [3] Table 14-A column [8], 20 year average
- [4] Table 15 column [12]
- [5] = [3] + [4]
- [6] Per Memorandum of Understanding
- [7] Table 15 column [13]
- [8] Per formula in table

**TABLE 16**

**COMPOSITION OF 2014 TITLE REVENUES**

[1]	Total Title Revenues	471,653,545
	LESS	
[2]	CSL Revenues	14,065,599
	EQUALS	
[3]	Commissionable Title Revenues	457,587,946
	LESS	
[4]	Total Non-Rate-Dependent Title Revenue	60,719,504
	EQUALS	
[5]	Rate-Dependent Commissionable Revenues	396,868,442
[6]	Commissionable Revenue Increase Target	12.50%
[7]	Rate Schedule Increase Factor for Commissionable Rate Increase	1.14

Sources:

- {1} Sum of Table 6-1 and 6-2 2014 row
- [2] CSL tab, row [1], 2014 column
- [3] = [1] - [2]
- [4] Per 2014 Statistical Report

Other charges	39,061,244	Page 20, line 18, column 6
LESS		
CSLs	14,065,599	Page 20, line 9, column 6
EQUALS		
Non-rate Dependent other charges	24,995,645	
Total endorsement charges	55,243,380	Page 21B3, line 98, column 6
LESS		
Rate dependent endorsements	19,519,521	Page 23B, sum of total lines for both systems, column 60
EQUALS		
Non-rate dependent endorsements	35,723,859	
Total Non-Rate-Dependent Title Revenue	60,719,504	

- [5] = {3} - [4]
- [6] Specified
- [7] = 1+({3} / [5]) X [6]

## TABLE 17A

### PROPOSED SALE RATE SCHEDULE

UNIT OF INSURANCE OR FRACTION THEREOF			SALE RATE		
			Current	Indicated	Proposed
\$0	to	\$30,000	\$500.00	\$572.06	\$575.00
Add per 1000					
\$30,001	to	\$45,000	\$6.50	\$7.44	\$7.45
\$45,001	to	\$100,000	\$5.50	\$6.29	\$6.30
\$100,001	to	\$500,000	\$5.00	\$5.72	\$5.75
\$500,001	to	\$1,000,000	\$4.00	\$4.58	\$4.55
\$1,000,001	to	\$2,000,000	\$3.00	\$3.43	\$3.45
\$2,000,001	to	\$7,000,000	\$2.00	\$2.29	\$2.30
\$7,000,001	to	\$30,000,000	\$1.50	\$1.72	\$1.70
\$30,000,000	and above		\$1.25	\$1.43	\$1.40

## TABLE 17B

### PROPOSED NON-SALE RATE SCHEDULE

UNIT OF INSURANCE OR FRACTION THEREOF	NON-SALE RATE				
		Current	Indicated	Proposed	
\$0	to	\$30,000	\$450.00	\$514.86	\$515.00
Add per 1000					
\$30,001	to	\$45,000	\$5.25	\$6.01	\$6.00
\$45,001	to	\$100,000	\$4.75	\$5.43	\$5.45
\$100,001	to	\$500,000	\$4.25	\$4.86	\$4.85
\$500,001	to	\$1,000,000	\$3.75	\$4.29	\$4.30
\$1,000,001	to	\$2,000,000	\$2.75	\$3.15	\$3.15
\$2,000,001	to	\$7,000,000	\$1.75	\$2.00	\$2.00
\$7,000,001	to	\$30,000,000	\$1.50	\$1.72	\$1.70
\$30,000,000	and above		\$1.25	\$1.43	\$1.40

## TABLE 17C

### PROPOSED APPROVED ATTORNEY RATE SCHEDULE

		APPROVED ATTORNEY RATE			
			Current	Indicated	Proposed
\$0	to	\$30,000	\$125.00	\$143.02	\$145.00
Add per 1000					
\$30,001	to	\$100,000	\$3.25	\$3.72	\$3.70
\$100,001	to	\$500,000	\$2.75	\$3.15	\$3.15
\$500,001	to	\$1,000,000	\$2.50	\$2.86	\$2.85
\$1,000,001	to	\$2,000,000	\$2.25	\$2.57	\$2.55
\$2,000,001	to	\$7,000,000	\$2.00	\$2.29	\$2.30
\$7,000,001	and above		\$1.50	\$1.72	\$1.70

**TABLE 17D**

**PROPOSED SHERIFF'S DISTRIBUTION POLICY RATE SCHEDULE**

UNIT OF INSURANCE OR FRACTION THEREOF	SHERIFF'S DISTRIBUTION POLICY		
	Current	Indicated	Proposed
\$0 to \$2,000	\$125.00	\$143.02	\$145.00
Add per 1000			
\$2,001 to \$15,000	\$5.00	\$5.72	\$5.70
\$15,001 to \$30,000	\$4.50	\$5.15	\$5.15
\$30,001 to \$50,000	\$4.00	\$4.58	\$4.60
\$50,001 to \$100,000	\$3.50	\$4.00	\$4.00
\$100,001 to \$500,000	\$3.00	\$3.43	\$3.45
\$500,001 to \$1,000,000	\$2.50	\$2.86	\$2.85
\$1,000,001 to \$2,000,000	\$2.00	\$2.29	\$2.30
\$2,000,001 and above	\$1.25	\$1.43	\$1.40
Fund created at a tax sale for distribution of the entire fund	\$200.00	\$228.82	\$230.00

# TECHNICAL APPENDIX

### RATE REQUIREMENTS FORMULA

**Define**

R = Total revenue

R<sub>no</sub> = Revenue not subject to commissions

R<sub>c</sub> = Revenue subject to commissions

$$U = \frac{R_{no}}{R}$$

A = fraction of total revenue written through agency system

C = commission rate

E = total expenses

I = rate increase factor for revenue subject to commissions = 1 + percentage increase

M = profit margin under current rates

$$M = \frac{R_{no} + R_c - ACR_c - E}{R_{no} + R_c} \quad [1]$$

T = target profit margin rate increase

$$T = \frac{R_{no} + IR_c - IACR_c - E}{R_{no} + IR_c} \quad [2]$$

Solve [1] for E

$$E = R_{no}(1-M) + R_c(1-AC-M) \quad [3]$$

Substitute value for E in [2]

$$T = \frac{R_{no} + IR_c - IACR_c - R_{no}(1-M) - R_c(1-AC-M)}{R_{no} + IR_c} \quad [4]$$

Solving [4] for I yields

$$I = \frac{R_{no}(M-T) - R_c(1-AC-M)}{R_c(T-1+AC)} \quad [5]$$

Since

$$R = R_{no} + R_c$$

We can rewrite

$$\begin{aligned} R_{no} &= UR \\ R_c &= (1-U)R \end{aligned}$$

So that [5] becomes

$$I = \frac{UR(M-T) - (1-U)R(1-AC-M)}{(1-U)R(T-1+AC)}$$

Cancelling out the factor of R in numerator and denominator and simplifying yields

**Final Formula**

$$I = \frac{(1-AC-M)-U(1-AC-T)}{(1-U)(1-AC-T)}$$

# MANUAL OF THE TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA

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## NOTICE

THIS RATE MANUAL HAS BEEN APPROVED BY THE  
PENNSYLVANIA INSURANCE DEPARTMENT  
AS AMENDED THROUGH ~~APRIL 1~~ \_\_\_\_\_, 20156

This Manual includes the rates and forms that the Pennsylvania Insurance Department has approved for members to use to provide title insurance in Pennsylvania. Any descriptions or summaries of coverage in the Manual are purely informational to the members and their agents, and such descriptions or summaries do not amend, alter, or expand the coverage as set forth in the approved rates, rules, and/or forms. The Manual does not contain legal advice. Any member or agent seeking legal advice regarding approved rates, rules, and/or forms should consult with their own counsel.

**TITLE INSURANCE RATE MANUAL  
COMMONWEALTH OF PENNSYLVANIA**

This Manual sets forth the definitions, general rules, rating systems, coverages, schedule of rates and Charges, and approved policy forms, endorsements and other forms for use by members of and subscribers to the Title Insurance Rating Bureau of Pennsylvania (“TIRBOP”).

TIRBOP is licensed by the Pennsylvania Insurance Department pursuant to Section 741 of The Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, 40 P.S. § 910-41 (“The Insurance Company Law of 1921”).

This Manual and its contents have been filed with and approved by the Pennsylvania Insurance Department in accordance with The Insurance Company Law of 1921. The provisions of this Manual are binding upon all members and subscribers of TIRBOP and their agents and must be used on and after the effective date hereof unless a specific deviation from this Manual has been filed by an individual member or subscriber company with, and approved by, the Pennsylvania Insurance Department.

MEMBERS OF TIRBOP AS OF THE MOST RECENT AMENDMENT DATE ARE:

American Guaranty Title Insurance Company  
Chicago Title Insurance Company  
Commonwealth Land Title Insurance Company  
Fidelity National Title Insurance Company  
First American Title Insurance Company  
General Title Insurance Company  
Investors Title Insurance Company  
National Title Insurance Company of New York, Inc.  
North American Title Insurance Company  
Old Republic National Title Insurance Company  
Premier Land Title Insurance Company  
Stewart Title Guaranty Company  
The Security Title Guarantee Corporation of Baltimore  
Title Resources Guaranty Company  
Westcor Land Title Insurance Company  
WFG National Title Insurance Company

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- ALTA U.S. Policy (12/03/12)
- ALTA Short-Form Residential Loan Policy – Current Violations , as modified by TIRBOP (~~06/16/07~~Revised 04/02/15)

Sheriff’s Distribution Policy (03/01/95)

Record Owner and Lien Certificate (03/01/95)  
ALTA Homeowners Policy of Title Insurance (For a One-to-Four Family Residence)  
(Revised ~~02/03/10~~12/02/13)  
ALTA Expanded Coverage Residential Loan Policy (For a One-to-Four Family Residence) –  
Current Assessments, as modified by TIRBOP (Revised ~~07/26/10~~04/02/15)  
ALTA Short Form Expanded Coverage Residential Loan Policy (For a One-to-Four Family  
Residence) – Current Assessments, as modified by TIRBOP (Revised ~~07/26/10~~04/02/14)

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TIRBOP - ENDORSEMENT PA 500 (ALTA ENDORSEMENT 11-06, as modified  
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TIRBOP - ENDORSEMENT PA 810 (ALTA ENDORSEMENT 4.1-06) (04/01/07)  
TIRBOP - ENDORSEMENT PA 820 (ALTA ENDORSEMENT 5.1-06) (04/01/07)  
TIRBOP - ENDORSEMENT PA 900 (ALTA ENDORSEMENT 8.1-06) (04/01/07)  
TIRBOP - ENDORSEMENT PA 910 (04/01/07)  
TIRBOP - ENDORSEMENT PA 1015 (Rev'd 04/01/07)  
TIRBOP - ENDORSEMENT PA 1020 (Rev'd 04/01/07)  
TIRBOP - ENDORSEMENT PA 1030 (ALTA ENDORSEMENT 9-06 (revised 04-02-12))  
(04/01/13)  
TIRBOP - ENDORSEMENT PA 1031 (ALTA ENDORSEMENT 9.1-06 (revised 04-02-12))  
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TIRBOP - ENDORSEMENT PA 1032 (ALTA ENDORSEMENT 9.2-06 (revised 04-02-12))  
(04/01/13)  
TIRBOP - ENDORSEMENT PA 1033 (ALTA ENDORSEMENT 9.6-06, as modified by  
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TIRBOP - ENDORSEMENT PA 1034 (ALTA ENDORSEMENT 9.7-06) (04/01/13)  
TIRBOP - ENDORSEMENT PA 1035 (ALTA ENDORSEMENT 9.8-06) (04/01/13)  
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TIRBOP - ENDORSEMENT PA 1080 (Rev'd 10/01/08)  
TIRBOP - ENDORSEMENT PA 1100 (Rev'd 04/01/07)  
TIRBOP - ENDORSEMENT PA 1110 (ALTA ENDORSEMENT 20-06) (04/01/13)  
TIRBOP - ENDORSEMENT PA 1130 (ALTA ENDORSEMENT 13-06 (revised 04-02-12))  
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TIRBOP - ENDORSEMENT PA 1140 (ALTA ENDORSEMENT 13.1-06  
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TIRBOP - ENDORSEMENT PA 1150 (ALTA ENDORSEMENT 14.2-06) (10/01/08)  
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~~(10/01/08)~~  
~~(00/00/16)~~

TIRBOP - ENDORSEMENT PA 1190 (ALTA ENDORSEMENT 16-06) (04/01/07)  
TIRBOP - ENDORSEMENT PA 1200 (ALTA ENDORSEMENT 17-06) (04/01/07)  
TIRBOP - ENDORSEMENT PA 1201 (ALTA ENDORSEMENT 17-06) (04/01/07)  
TIRBOP - ENDORSEMENT PA 1210 (ALTA ENDORSEMENT 17.1-06) (04/01/07)  
TIRBOP - ENDORSEMENT PA 1211 (ALTA ENDORSEMENT 17.1-06) (04/01/07)  
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TIRBOP - ENDORSEMENT PA 1251 (ALTA ENDORSEMENT 19.1-06) (00/00/16)

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TIRBOP - ENDORSEMENT PA 1270 (04/01/07)

TIRBOP - ENDORSEMENT PA 1271 (04/01/07)

TIRBOP - ENDORSEMENT PA 1280 (ALTA ENDORSEMENT 22-06, as modified by  
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TIRBOP - ENDORSEMENT PA 1290 (ALTA ENDORSEMENT 18-06) (04/01/07)

TIRBOP - ENDORSEMENT PA 1310 (ALTA ENDORSEMENT 28-06) (03/01/11)

TIRBOP - ENDORSEMENT PA 1311 (ALTA ENDORSEMENT 28-06) (03/01/11)

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TIRBOP - ENDORSEMENT PA 1320 (ALTA ENDORSEMENT 29-06) (03/01/11)

TIRBOP - ENDORSEMENT PA 1330 (ALTA ENDORSEMENT 29.1-06) (03/01/11)

TIRBOP - ENDORSEMENT PA 1340 (ALTA ENDORSEMENT 35-06) (04/01/13)

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TIRBOP - ENDORSEMENT PA 1350 (ALTA ENDORSEMENT 35.1-06) (04/01/13)

TIRBOP - ENDORSEMENT PA 1351 (ALTA ENDORSEMENT 35.1-06) (07/01/14)

TIRBOP - ENDORSEMENT PA 1360 (ALTA ENDORSEMENT 35.3-06) (04/01/13)

TIRBOP - ENDORSEMENT PA 1361 (ALTA ENDORSEMENT 35.3-06) (07/01/14)

TIRBOP - ENDORSEMENT PA 1400 (ALTA ENDORSEMENT 31-06) (04/01/13)

TIRBOP - ENDORSEMENT PA 1410 (ALTA ENDORSEMENT 36-06) (04/01/13)

TIRBOP - ENDORSEMENT PA 1420 (ALTA ENDORSEMENT 36.1-06) (04/01/13)

TIRBOP - ENDORSEMENT PA 1430 (ALTA ENDORSEMENT 36.2-06) (04/01/13)

TIRBOP - ENDORSEMENT PA 1440 (ALTA ENDORSEMENT 36.3-06) (04/01/13)

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TIRBOP - ENDORSEMENT PA 1460 (ALTA ENDORSEMENT 36.5-06) (04/01/13)

TIRBOP - ENDORSEMENT PA 1470 (ALTA ENDORSEMENT 36.6-06) (04/01/13)

TIRBOP - ENDORSEMENT PA 1471 (ALTA ENDORSEMENT 36.6-06) (04/01/13)

TIRBOP - ENDORSEMENT PA 1480 (ALTA ENDORSEMENT 9.3-06 (revised 04/02/13))  
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TIRBOP - ENDORSEMENT PA 1490 (ALTA ENDORSEMENT 9.9-06 (revised 04/02/13))  
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(07/01/14)

TIRBOP - ENDORSEMENT PA 1520 (ALTA ENDORSEMENT 33-06) (07/01/14)

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TIRBOP – ENDORSEMENT PA 1560 (ALTA ENDORSEMENT 37-06) (04/01/15)

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TIRBOP – ENDORSEMENT PA 1580 (ALTA ENDORSEMENT 40.1-06) (04/01/15)

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TIRBOP – ENDORSEMENT PA 1640 (ALTA ENDORSEMENT 43-06) (00/00/16)

TIRBOP – ENDORSEMENT PA 1650 (ALTA ENDORSEMENT 45-06) (00/00/16)

10. SUPPLEMENTAL FORMS

CLOSING ~~SERVICE~~PROTECTION LETTER – SINGLE TRANSACTION (ALTA Form  
12/01/15)- TIRBOP PA ~~CSL~~CPL (09/14/0900/00/16)

TIRBOP - 31 PA Code § 126.1 Waiver of Owner's Title Insurance (01/01/02)

3.5 CLOSING ~~SERVICE~~PROTECTION LETTER — SINGLE TRANSACTION ~~SPECIFIC~~

This letter, ~~which~~ is limited to a ~~specific~~single transaction, ~~when requested~~It provides (i) a lender secured by a mortgage of an interest in land, ~~its assignees or a warehouse lender~~, (ii) a purchaser of an interest in land, or (iii) a lessee of an interest in land, ~~with certain~~ protection against fraud, theft, dishonesty or misapplication in the handling of funds or documents or the failure to follow written closing instructions by the Agent or Approved Attorney, subject to the ~~provisions~~conditions and exclusions contained therein. The Charge for the issuance of the letter(s) shall be \$125.00 per transaction, regardless of the number of letters issued for a ~~specific~~single transaction. The Charge shall be remitted in its entirety to the Insurer (which for purposes of this Section does not include Agent or Approved Attorney). (See Supplemental Form Closing Protection~~Service~~ Letter — Single Transaction (ALTA Form 12/01/15) - TIRBOP PA CSLCPL (09/14/09)00/00/16)

- C. The Charge for a new policy or endorsement to an existing policy issued less than 10 years ago in conjunction with an extension or modification agreement that increases the unpaid principal balance shall be calculated in two steps. First, the Charge for the new policy or endorsement that relates to the unpaid principal balance of the loan immediately prior to the increase shall be calculated as set forth above in paragraph B. Second, the Charge for the new policy or endorsement which relates to the increase in coverage amount, i.e., the difference between the unpaid balance of the loan immediately prior to its increase and the new coverage amount, shall be 80% of the Non-Sale Rate.

Example: On January 1, 2009, owner modifies his mortgage loan (originally created in the amount of \$100,000 on January 1, 2003) by increasing the amount of the loan to \$150,000. The unpaid balance immediately prior to the modification is \$80,000. The Charge for the new policy or endorsement is calculated as follows: 70% of the Non-Sale Rate for \$80,000 of coverage to which is added the difference between (i) 80% of the Non-Sale Rate on an \$80,000 policy and (ii) 80% of the Non-Sale Rate on a \$150,000 policy.

- D. If under a modification agreement, new property(ties) are added, 80% of the Non-Sale Rate shall be charged from dollar one based upon the value of the new property(ties), together with charging the applicable rate under paragraph B of this Section, based upon the unpaid principal balance of the loan. Any increases in the unpaid principal balance of the loan shall be charged the applicable rate under Paragraph C of this Section.

Example No. 1: On January 1, 2009, the owner and lender modify the mortgage loan (mortgage originally created in the amount of \$900,000 on January 1, 2005) by adding new property(ties) to the mortgage as collateral, pursuant to a mortgage modification agreement. The new property(ties) have a fair market value of \$200,000. The current unpaid principal balance of the loan secured by the mortgage is \$700,000. The Charge for the new policy or endorsement to the existing policy is calculated as follows:

(i)	80% of Non-Sale Rate on \$200,000.....	<del>\$972.00</del> <u>1,111.80</u>	to which is added
(ii)	50% of Non-Sale Rate on \$700,000.....	<del>\$1,620.00</del> <u>1,852.38</u>	
	Total Charge:	<del>\$2,592.00</del> <u>2,964.18</u>	

Example No. 2: Same facts as Example #1 above and in addition, new monies are loaned in the amount of \$300,000, thereby increasing the unpaid principal balance of the loan to \$1,000,000. The Charge for the new policy or endorsement to the existing policy is calculated in the same manner as Example #No.1, to which is added ~~\$900~~1,032.00 (being the difference between (i) 80% of the Non-Sale Rate on a \$1,000,000 policy and (ii) 80% of the Non-Sale Rate on a \$700,000 policy); thus making for a total Charge of ~~\$3,492.00~~3,996.18.

- E. When a new policy is issued in connection with an extension or modification of a previously insured mortgage loan, the original policy must be returned for cancellation.

5.6.1 EXTENSION OR MODIFICATION OF AN INSURED MORTGAGE AND CHARGE FOR TIRBOP - ENDORSEMENT PA 501

- A. Where a mortgage which was previously insured is still in effect, and that mortgage is to be amended by an extension or modification agreement, an endorsement to the existing policy may be issued by the same Insurer which covers the extension or modification agreement, after continuation searches have been obtained. The Charge for the issuance of this endorsement shall be made in accordance with subparagraph **BC** below.
- B. This endorsement is only available within ten (10) years of the date of the Insured Mortgage. This endorsement is not available if the extension or modification agreement either (a) increases the unpaid principal balance or (b) adds new property(ies).
- C. The Charge for this endorsement shall be 25% of the Non-Sale Rate calculated on the basis of the unpaid principal balance.

5.7 ASSIGNMENT OF MORTGAGE

- A. When the mortgage being assigned was not previously insured, the Charge for a policy shall be based on the amount of the unpaid principal balance. There is no additional Charge when the mortgage or the assignment of mortgage is part of a single transaction being insured.
- B. When an assignee desires an endorsement to an existing policy changing the name of the Insured only and does not require a change in the effective date of the policy nor require that the assignment be included as an insured instrument, the Charge shall be \$25.00.
- C. Endorsement PA 1600 shall be issued when an assignee desires an endorsement (i) to insure the effectiveness of a post-policy assignment of the Insured Mortgage to vest title in the assignee to the Insured Mortgage and (ii) to insure that the Insured Mortgage, except as shown of record, has not been modified, released or satisfied. The Charge for this endorsement is \$500.00.
- ED.** Where the Insurer is being asked to insure an assignment of a previously insured mortgage and the assignment of mortgage is being made within 10 years from the date of the execution of the mortgage, the title must be certified down from the date of the recording of the mortgage, through the date of the recording of the assignment. A new policy or endorsement to the existing policy furnishing coverage up to and including the date of recording of the assignment shall be issued for 60% of the Non-Sale Rate provided that it is being issued by the same Insurer which issued the original policy.

5.8 ALTA SHORT FORM RESIDENTIAL LOAN POLICY

- A. This policy insures the lender making a mortgage loan on a 1 to 4 family residence or condominium unit. This policy is an abbreviated short form version of the current ALTA Loan Policy, incorporating all of the terms and provisions of the ALTA Loan Policy, which is designed to be delivered to the lender at closing. This policy contains blanket exceptions to taxes, covenants and restrictions, easements, reservations of minerals or mineral rights, and offers certain affirmative assurances with respect to these exceptions desired by lenders, including certain affirmative assurances with respect to survey matters. This policy also includes an Addendum, which can be used to set forth additional exceptions or to limit the affirmative assurances. This policy is designed so that certain ALTA endorsement forms may be specified, and thus incorporated, by checking appropriate boxes, and making the appropriate endorsement Charge(s) in accordance with this Manual.
- B. The Charge for the ALTA Short Form Residential Loan Policy shall be \$100.00 in addition to the otherwise applicable Charge. When this policy form is used, there can be no separate Charge for TIRBOP Endorsements PA 100 and PA 300.

5.9 ENHANCED COVERAGE RESIDENTIAL POLICIES - Application of Rates for both the Company or Agent Procedure and the Approved Attorney Procedure

A. HOMEOWNER’S POLICY OF TITLE INSURANCE

The ALTA Homeowner’s Policy of Title Insurance (For a One-to-Four Family Residence) (hereinafter the “Homeowner’s Policy”) provides coverage beyond that included in the current ALTA Owner’s Policy. The Homeowner’s Policy may only be issued to a homeowner who will reside in premises improved by a one-to-four family residence.

The Charge for the Homeowner’s Policy is the Charge under the applicable Schedule of Rates in Sections 5.50 and 5.51 for the stated amount of insurance in Schedule A, plus an additional 10% Charge. The additional 10% Charge shall be calculated by applying that percentage to the Sale Rate under Section 5.50 A, notwithstanding that the Charge for the Homeowner’s Policy may have been made under Section 5.51.

**Example under Company or Agent Procedure:**

	Amount of Insurance	Charge	+10%	Charge*
Homeowner’s Policy	\$200,000	<del>\$1,400.00</del> +	<del>\$140.00</del> =	<del>\$1,540.00</del>
		<u>1,608.25</u>	<u>160.83</u>	<u>1,769.08</u>

\*The Charge for this transaction is ~~\$1,540.00~~1,769.08, plus the Charge for any endorsements issued with the Homeowner’s Policy.

**Example under the Approved Attorney Procedure:**

	Amount of Insurance	Charge	+10%	Charge*
Homeowner's Policy	\$200,000	\$ <del>627.50</del>	+ \$140.00 =	\$ <del>767.75</del>
		<u>719.00</u>	<u>160.83</u>	<u>879.83</u>

\*The Charge for this transaction is \$~~767.75~~879.83, plus the Charge for any endorsements issued with the Homeowner's Policy.

**B. EXPANDED COVERAGE RESIDENTIAL LOAN POLICY**

The ALTA Expanded Coverage Residential Loan Policy (For a One-to- Four Family Residence) (hereinafter the "Expanded Coverage Residential Loan Policy") is the companion loan policy to the Homeowner's Policy. This policy may only be issued when the homeowner/borrower resides in premises improved by a one-to-four family residence.

The Charge for the Expanded Coverage Residential Loan Policy is the Charge under the applicable Schedule of Rates in Sections 5.50 B and 5.51 for the stated amount of insurance in Schedule A, plus an additional 10% Charge and a flat endorsement fee of \$200. The additional 10% Charge shall be calculated by applying that percentage to the Non-Sale Rate under Section 5.50 B, notwithstanding that the Charge for the Expanded Coverage Residential Loan Policy may have been made under Section 5.51.

For the above flat endorsement fee of \$200, the Expanded Coverage Residential Loan Policy incorporates the following endorsement coverages within its body by reference without the need to issue endorsements: ALTA Form 4.1-06 (Endorsement PA 810), ALTA Form 5.1-06 (Endorsement PA 820), ALTA Form 6-06 (Endorsement PA 710), ALTA Form 6.2-06 (Endorsement PA 710-6.2), ALTA Form 8.1-06 (Endorsement PA 900), and ALTA Form 9.10-06 (Endorsement PA ~~1030~~1590).

When this policy form is used, there can be no separate Charge for the endorsements described above or for Endorsement PA 100 and Endorsement PA 300.

**Example under Company or Agent Procedure:**

	Amount of Insurance	Charge	+10%(on Non-Sale Rate)	Charge*
Expanded Coverage Residential Loan Policy	\$200,000	\$ <del>1,215.00</del>	+ \$121.50 =	\$ <del>1,336.50</del>
		<u>1,389.75</u>	<u>138.98</u>	<u>1,528.73</u>
			+\$200.00 endorsement fee	<u>200.00</u>
				\$ <del>1,536.50</del>
				<u>1,728.73</u>

\*The Charge for this transaction is \$~~1,536.50~~1,728.73, plus the Charge for any endorsement issued with the Expanded Coverage Residential Loan Policy not already included in the policy as described above.

**Example under Approved Attorney Procedure:**

	Amount of Insurance	Charge	+10%(on Non-Sale Rate)	Charge*
Expanded Coverage Residential Loan Policy	\$200,000	<del>\$627.50</del> <u>719.00</u>	+ <del>\$121.50</del> <u>138.98</u>	= <del>\$749.00</del> <u>857.98</u>
			+ \$200.00 endorsement fee	<u>200.00</u>
				<del>\$949.00</del> <u>1,057.98</u>

\*The Charge for this transaction is ~~\$949.00~~1,057.98, plus the Charge for any endorsements issued with the Expanded Coverage Residential Loan Policy not already included in the policy as described above.

C. SIMULTANEOUS ISSUANCE – Enhanced Coverage Residential Policies

When a Homeowner’s Policy is being issued, the Enhanced Coverage Residential Loan Policy shall be issued absent contrary instructions from the lender. When the Homeowner’s Policy and the Expanded Coverage Residential Loan Policy (collectively, hereinafter the “Enhanced Coverage Residential Policies”) are simultaneously issued on the same property, they shall be treated as a single policy.

The Charge is the Charge under the applicable Schedule of Rates in Section 5.50 A or 5.51 for the policy with the highest limits, plus an additional 10% Charge and a flat endorsement fee of \$200.00. This additional 10% Charge is calculated by applying that percentage to the Sale Rate under Section 5.50 A, notwithstanding that the Charge for the Enhanced Coverage Residential Policies may have been made under Section 5.51.

**Example under Company or Agent Procedure:**

	Amount of Insurance	Charge	+10% (on Sale Rate)	Charge*
Homeowner’s Policy	\$200,000	<del>\$1,400.00</del>	+ <del>\$140.00</del>	= <del>\$1,540.00</del>
Expanded Coverage Residential Loan Policy	\$175,000	<u>1,608.25</u>	<u>160.83</u>	<u>1,769.08</u>
			+ \$200 (endorsement fee)	<u>200.00</u>
				<del>\$1,740.00</del>
				<u>1,969.08</u>

\*The Charge for this transaction is ~~\$1,740.00~~1,969.08, plus the Charge for any endorsements issued with the Homeowner’s Policy or with the Expanded Coverage Residential Loan Policy that are not already included in the policy per Section 5.9 B above.

**Example under Approved Attorney Procedure:**

	Amount of Insurance	Charge	+10% (on Sale Rate)	Charge*
Homeowner’s Policy	\$200,000	<del>\$627.50</del>	+ <del>\$140.00</del>	= <del>\$767.50</del>
Expanded Coverage Residential Loan Policy	\$175,000	<u>719.00</u>	<u>160.83</u>	<u>879.83</u>
			+ \$200 (endorsement fee)	<u>200.00</u>
				<del>\$967.50</del>
				<u>1,079.83</u>

\*The Charge for this transaction is ~~\$967.50~~1,079.83, plus the Charge for any endorsements issued with the Homeowner's Policy or ~~and for any endorsements~~ issued with the Expanded Coverage Residential Loan Policy that are not already included in the policy(ies) per Section 5.9 B above.

D. SIMULTANEOUS ISSUANCE – Expanded Coverage Residential Loan Policy issued with 2006 ALTA Owner's Policy

When an Expanded Coverage Residential Loan Policy is issued simultaneously with the 2006 ALTA Owner's Policy, they shall be treated as a single policy. The Charge is the Charge under the applicable Schedule of Rates in Section 5.50 A or 5.51 and shall be based on for the policy with the highest limits, plus an additional 10% Charge and any endorsement Charges for the owner's Policy calculated in accordance with Section 5.2 and a flat endorsement fee of \$200.00. This additional 10% Charge shall be calculated by applying that percentage to the Sale Rate for the owner's policy limit under Section 5.50 A. ~~In the event that the calculated Charge for the Expanded Coverage Residential Loan Policy exceeds the Charge for the issuance of the current ALTA Owner's Policy, the Charge shall be based upon the Expanded Coverage Residential Loan Policy, together with the flat endorsement fee of \$200.00 (see Example No. 2 below).~~

**Example Under Company or Agent Procedure ~~No. 1:~~**

	Amount of Insurance	Charge	+10% (On Sale Rate)	Charge*
2006 ALTA Owner's Policy -	\$200,000	<del>\$1,400.00</del> 1,608.25	+ \$140.00 160.83	= <del>\$1,540.00</del> 1,769.08
Enhanced Coverage Residential Loan Policy-	\$150,000	<del>\$1,002.50</del> + 200.00 (endorsement fee)		\$200.00
				<u>\$1,969.08</u>

\*The Charge for this transaction is ~~Since the \$1,540.00~~1,969.08, plus the Charge for any endorsements issued with the Owner's Policy or with the Expanded Coverage Residential Loan Policy that are not already included in the policy per Section 5.9B above. ~~is greater than the \$1,002.50, the Charge for this transaction is \$1,540.00, plus the Charges for any endorsements issued with the Expanded Coverage Residential Loan Policy and the ALTA Owner's Policy.~~

**Example ~~No. 2~~ Under Approved Attorney Procedure:**

	Amount of Insurance	Charge	+10% (On Sale Rate)	Charge*
2006 ALTA Owner's Policy -	\$200,000	<del>\$1,400.00</del> 719.00	+ \$140.00 160.83	= <del>\$1,540.00</del> 879.83
Enhanced Coverage Residential Loan Policy -	<del>\$190,000</del> 150,000	<del>\$1,172.50</del> +200.00 (endorsement fee)		\$200.00 -

\$1,079.08

\*The Charge for this transaction is ~~Since the \$1,540.00~~ \$1,079.83, plus the Charge for any endorsements issued with the Owner's Policy or with the Expanded Coverage Residential Loan Policy that are not already included in the policy per Section 5.9B above, ~~is greater than the \$1,172.50, the Charge for this transaction is \$1,540.00, plus the Charges for any endorsements issued with the Expanded Coverage Residential Loan Policy and the ALTA Owner's Policy.~~

E. SIMULTANEOUS ISSUANCE – Homeowner's Policy Issued with 2006 ALTA Loan Policy

When a Homeowner's Policy is being issued, the Enhanced Coverage Residential Loan Policy shall be issued absent contrary instructions from the lender.

When the Homeowner's Policy and the 2006 ALTA Loan Policy are simultaneously issued on the same property on the instructions from the lender, they shall be treated as a single policy. The Charge is the Charge under the applicable Schedule of Rates in Section 5.50 A or 5.51 and shall be based on the policy with the highest limits, plus an additional 10% Charge and any endorsement Charges for the 2006 ALTA Loan Policy to be calculated in accordance with Section 5.2. The additional 10% Charge is calculated by applying that percentage to the Sale Rate under Section 5.50 A to the amount of the Homeowner's Policy, notwithstanding that the Charge for the Homeowner's Policy may have been made under Section 5.51.

**Example under Company or Agent Procedure:**

	Amount of Insurance	Charge	+10% (on Sale Rate)	Charge*
Homeowner's Policy	\$200,000	<del>\$1,400.00</del> 1,608.25	<del>+\$140.00</del> 160.83	<del>\$1,540.00</del> 1,769.08
2006 ALTA Loan Policy	\$175,000			

\*The Charge for this transaction is ~~\$1,540.00~~ 1,769.08, plus the Charge for any endorsements issued with the Homeowner's Policy or with the 2006 ALTA Loan Policy.

**Example under Approved Attorney Procedure:**

	Amount of Insurance	Charge	+10% (on Sale Rate)	Charge*
Homeowner's Policy	\$200,000	<del>\$627.50</del> 719.00	<del>+140.00</del> 160.83	<del>\$767.50</del> 879.83
2006 ALTA Loan Policy	\$175,000			

\*The Charge for this transaction is ~~\$767.50~~ 879.83, plus the Charge for any endorsements issued with the Homeowner's Policy or with the 2006 ALTA Loan Policy.

F. WAIVER OF OWNER'S POLICY

In a transaction involving the purchase of all or part of the real estate securing a mortgage with said mortgage, and the lender requires the Enhanced Coverage

Residential Loan Policy, the Homeowner's Policy shall be issued unless the new owner has waived, in writing, the purchase of an owner's policy in accordance with 31 Pa. Code §126.1. (See Supplemental Form TIRBOP - 31 Pa. Code §126.1 Waiver of Owner's Title Insurance (01/01/02)).

When owner's insurance has been waived in accordance with this Section, the Charge for the loan policy under the Company or Agent Procedure shall be based on the Sale Rate being applied to the amount of insurance for the loan policy. The Charge for the loan policy under the Approved Attorney Procedure shall be based on the Approved Attorney Rate being applied to the amount of insurance for the loan policy.

In addition, under either the Company or Agent Procedure or the Approved Attorney Procedure, whichever is applicable, there shall an additional 10% Charge, calculated by applying that percentage to the Sale Rate under Section 5.50 A, notwithstanding that the Charge for the loan policy may have been calculated under Section 5.51.

**Example under Company or Agent Procedure:**

**Facts:** The purchaser has waived, in writing, owner's title insurance as set forth above. The purchase price is \$200,000 and the purchaser is simultaneously creating a mortgage in the amount of \$175,000.

	Amount of Insurance	Charge	+10%(on Sale Rate)	Charge*
Expanded Coverage Residential Loan Policy	\$175,000	<del>\$1,275.00</del> 1,464.50	+ <del>\$127.50</del> 146.45	= <del>\$1,402.50</del> 1,610.95

\*The Charge for this transaction is ~~\$1,402.50~~1,610.95, plus the Charge for any endorsements issued with the Enhanced Coverage Residential Loan Policy.

**Example under the Approved Attorney Procedure**

**Facts:** The purchaser has waived, in writing, owner's title insurance as set forth above. The purchase price is \$200,000 and the purchaser is simultaneously creating a mortgage in the amount of \$175,000.

	Amount of Insurance	Charge	+10% (on Sale Rate)	Charge*
Expanded Coverage Residential Loan Policy	\$175,000	<del>\$558.75</del> 640.25	+ <del>\$127.50</del> 146.45	= <del>\$686.25</del> 786.70

\*The Charge for this transaction is ~~\$686.25~~786.70, plus the Charge for any endorsements issued with the Enhanced Coverage Residential Loan Policy.

**G. APPROVED ATTORNEY PROCEDURE - Calculation of Additional 10% Charge**

Whenever an Enhanced Coverage Residential Policy is issued under the Approved Attorney Procedure, the additional 10% charge is calculated in accordance with

Sections 5.9 A through F above, notwithstanding the fact that the Charge for the Enhanced Coverage Residential Loan Policy is made under the Approved Attorney Procedure.

#### H. SHORT FORM EXPANDED COVERAGE RESIDENTIAL LOAN POLICY

The ALTA Short Form Expanded Coverage Residential Loan Policy is an abbreviated short form version of the current Expanded Coverage Residential Loan Policy, incorporating all of the terms and provisions of said policy, which is designed to be delivered to the lender at closing. The Charge for the issuance of this policy shall be the same as the Expanded Coverage Residential Loan Policy as described in this Section.

#### I. POSTPONEMENT OF OWNER'S POLICY NOT ALLOWED

The provisions contained in Sections 5.2 E and 5.3 E, relating to the postponement of an owner's policy do not apply to the Enhanced Coverage Residential Policies.

### 5.10 LEASEHOLD TITLE INSURANCE

- A. Leasehold title insurance is provided by attaching Endorsement PA 1130 to the ALTA Owner's Policy of Title Insurance, as modified by TIRBOP (06/17/06) or by attaching Endorsement PA 1140 to the ALTA Loan Policy of Title Insurance, as modified by TIRBOP (6/17/16). There is no charge for these endorsements.
- B. The Charge for the issuance of an owner's policy with Endorsement PA 1130 attached or the issuance of a loan policy with Endorsement PA 1140 attached shall be the same Charge for the issuance of a policy insuring a fee simple estate under this Manual.
- C. Where an owner's policy and loan policy are issued simultaneously on the same property with Endorsements PA 1130 and PA 1140 respectively attached, they shall be treated as a single policy and the Charge shall be based on the policy with the highest limits.
- D. Where a leasehold interest is to be insured simultaneously with the interest of an owner and/or mortgagee of the fee simple estate, the Charge shall be the applicable rate for owner and/or mortgagee plus 30% of the applicable Charge for the leasehold interest. Where a leasehold interest is to be insured simultaneously with the interest of an owner and/or mortgagee of the fee simple estate, the Charge for an endorsement priced as a percentage shall be 30% of the Charge for an endorsement priced as a percentage if issued with a policy insuring the interest of an owner and/or a mortgagee.

The Charge for any insurance in excess of the face amount of such owner's and/or loan policy shall be determined under the applicable Schedule of Rates in Sections 5.50 and 5.51.

#### E. DETERMINATION OF AMOUNT

When title insurance is issued for a leasehold estate by the issuance of an owner's policy and/or loan policy with Endorsement PA 1130 and/or Endorsement PA 1140 attached, the amount of insurance shall be equal to:

- (1) the aggregate of the total rentals payable under the lease; or
- (2) the aggregate of the total rents for the 6 years immediately following the settlement or closing of the lease transaction; or
- (3) a reasonable statement of estimated rents on percentage leases; or
- (4) the appraised value at the time of insuring the premises as established by an appraiser acceptable to the Insurer; or
- (5) the land and total projected costs of such proposed improvements in the case of proposed construction; or
- (6) the purchase price of the estate when insuring an assignment of a leasehold estate, including all obligations assumed.

#### 5.11 MECHANICS' LIEN INSURANCE

If, by reason of the visible commencement of erection or construction of an improvement, a statutory lien for labor or material may gain priority over the instrument being insured, an additional Charge for insurance covering unfiled mechanics' and materialmen's liens shall be made as follows:

##### A. Non Construction Mortgage

When a Loan Policy is to be issued insuring a mortgage, other than a purchase money mortgage or a construction mortgage as provided in Section 5.11B, the additional Charge shall be 20%, calculated in accordance with Section 5.2.

##### B. Construction Mortgage

When a Loan Policy is to be issued insuring a construction mortgage, the additional Charge shall be 20% calculated in accordance with Section 5.2, unless it is issued with either TIRBOP Endorsement PA 1500 or PA 1510 and with TIRBOP Endorsement PA 1520. In that event, the additional Charge shall be 10% calculated in accordance with Section 5.2 for either TIRBOP Endorsement PA 1500 or 1510 and \$100.00 for TIRBOP Endorsement PA 1520. The Charge for the TIRBOP Endorsement PA 1520 shall be made each time it is issued.

##### C. Owners Policy

When insurance covering unfiled mechanics' and materialmen's liens is provided in an Owner's Policy, the additional Charge shall be 25% calculated in accordance with Section 5.2.

##### D. Waiver of Additional Charge

The Insurer reserves the right to waive the additional Charge, as set forth in Sections 5.11A or C above, when, in its opinion, based upon the protective devices and procedures used in the transaction, the risk involved does not warrant payment thereof. The additional Charge, when insuring a construction mortgage as set forth in Section 5.11 B above, shall not be waived.

5.12 CO-INSURANCE - BASIS FOR CALCULATING CHARGE

In a transaction where the total liability is assumed by two or more Insurers with the liability being divided between the Insurers from the first dollar, the Charge for the liability assumed by each Insurer shall be calculated as though each Insurer was the primary insurer from the first dollar of its liability based upon the amount of liability assumed. Co-Insurance coverage is provided through Endorsement PA 1610.

5.13 SHERIFF'S DISTRIBUTION POLICY

The Charge for Insurance under this Section shall be:

A. Fund Created at a Judicial Sale Other Than a Tax Sale

For distribution in amounts up to \$2,000.....~~\$125.00~~145.00

For amounts over \$2,000:

\$2,001 to \$15,000 inclusive .....add ~~\$5.00~~5.70 per.....\$1,000

\$15,001 to \$30,000 inclusive .....add ~~\$4.50~~5.15 per.....\$1,000

\$30,001 to \$50,000 inclusive .....add ~~\$4.00~~4.60 per .....\$1,000

\$50,001 to \$100,000 inclusive .....add ~~\$3.50~~4.00 per .....\$1,000

\$100,001 to \$500,000 inclusive.....add ~~\$3.00~~3.45per .....\$1,000

\$500,001 to \$1,000,000 inclusive .....add ~~\$2.50~~2.85 per .....\$1,000

\$1,000,001 to \$2,000,000 inclusive .....add ~~\$2.00~~2.30 per .....\$1,000

\$2,000,001 and over .....add ~~\$1.25~~1.40 per .....\$1,000

For each distribution endorsement.....\$25.00

B. Fund created at a tax sale for distribution of the entire fund.....~~\$200.00~~230.00

5.14 RECORD OWNER AND LIEN CERTIFICATE

The basic liability hereunder shall be \$2,000.00. The Charge for the certificate which gives information about the state of title of the record owner shall be \$250.00 per chain of title. Insurer in its discretion may increase the liability limit, applying the Sale Rate for the amount of increased liability. When insurance is requested from the same Insurer upon the same property within six (6) months from the date of the certificate, the Charge for the certificate will be credited against the Charge for the insurance.

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A. The Sale Rate Charge shall be:

UNIT OF INSURANCE ——— SALE RATE  
 OR  
FRACTION THEREOF

\$ 0 to \$30,000 ——— \$500.00

\$30,001 to \$45,000  
 Add per 1,000 ——— \$6.50

\$45,001 to \$100,000  
 Add per 1,000 ——— \$5.50

\$100,001 to \$500,000  
 Add per 1,000 ——— \$5.00

\$500,001 to \$1,000,000  
 Add per 1,000 ——— \$4.00

\$1,000,001 to \$2,000,000  
 Add per 1,000 ——— \$3.00

\$2,000,001 to \$7,000,000  
 Add per 1,000 ——— \$2.00

\$7,000,001 to \$30,000,000  
 Add per 1,000 ——— \$1.50

\$30,000,000 and above ——— \$1.25

B. The Non-Sale Rate Charge shall be:

UNIT OF INSURANCE ——— NON-SALE RATE  
 OR  
FRACTION THEREOF

\$ 0 to \$30,000 ——— \$450.00

\$30,001 to \$45,000  
 Add per 1,000 ——— \$5.25

\$45,001 to \$100,000  
 Add per 1,000 ——— \$4.75

\$100,001 to \$500,000  
 Add per 1,000 ——— \$4.25

\$500,001 to \$1,000,000  
 Add per 1,000 ——— \$3.75

\$1,000,001 to \$2,000,000  
 Add per 1,000 ——— \$2.75

\$2,000,001 to \$7,000,000  
 Add per 1,000 ——— \$1.75

\$7,000,001 to \$30,000,000  
 Add per 1,000 ——— \$1.50

\$30,000,000 and above ——— \$1.25

5.50 SCHEDULE OF RATES - COMPANY OR AGENT PROCEDURE

A. The Sale Rate Charge shall be:		B. The Non-Sale Rate Charge shall be:	
<u>UNIT OF INSURANCE</u>	<u>SALE RATE</u>	<u>UNIT OF INSURANCE</u>	<u>NON-SALE RATE</u>
<u>OR</u>		<u>OR</u>	
<u>FRACTION THEREOF</u>		<u>FRACTION THEREOF</u>	
\$ 0 to \$30,000	\$575.00	\$ 0 to \$30,000	\$515.00
<u>\$30,001 to \$45,000</u>		<u>\$30,001 to \$45,000</u>	
Add per 1,000	\$7.45	Add per 1,000	\$6.00
<u>\$45,001 to \$100,000</u>		<u>\$45,001 to \$100,000</u>	
Add per 1,000	\$6.30	Add per 1,000	\$5.45
<u>\$100,001 to \$500,000</u>		<u>\$100,001 to \$500,000</u>	
Add per 1,000	\$5.75	Add per 1,000	\$4.85
<u>\$500,001 to \$1,000,000</u>		<u>\$500,001 to \$1,000,000</u>	
Add per 1,000	\$4.55	Add per 1,000	\$4.30
<u>\$1,000,001 to \$2,000,000</u>		<u>\$1,000,001 to \$2,000,000</u>	
Add per 1,000	\$3.45	Add per 1,000	\$3.15
<u>\$2,000,001 to \$7,000,000</u>		<u>\$2,000,001 to \$7,000,000</u>	
Add per 1,000	\$2.30	Add per 1,000	\$2.00
<u>\$7,000,001 to \$30,000,000</u>		<u>\$7,000,001 to \$30,000,000</u>	
Add per 1,000	\$1.70	Add per 1,000	\$1.70
<u>\$30,000,000 and above</u>	\$1.40	<u>\$30,000,000 and above</u>	\$1.40

5.51 SCHEDULE OF RATES - APPROVED ATTORNEY PROCEDURE

The Approved Attorney Rate Charge shall be:

UNIT OF INSURANCE  
 OR  
FRACTION THEREOF

	\$ 0 to \$30,000.....	\$ <del>125.00</del> <u>145.00</u>
	\$30,001 to \$100,000.....add \$ <del>3.25</del> <u>3.70</u> per \$1,000 or fraction thereof	
	\$100,001 to \$500,000.....add \$ <del>2.75</del> <u>3.15</u> per \$1,000 or fraction thereof	
	\$500,001 to \$1,000,000 .....add \$ <del>2.50</del> <u>2.85</u> per \$1,000 or fraction thereof	
	\$1,000,001 to \$2,000,000 .....add \$ <del>2.25</del> <u>2.55</u> per \$1,000 or fraction thereof	
	\$2,000,001 to \$7,000,000 .....add \$ <del>2.00</del> <u>2.30</u> per \$1,000 or fraction thereof	
	\$7,000,001 and above .....add \$ <del>1.50</del> <u>1.70</u> per \$1,000 or fraction thereof	

6. ENDORSEMENTS AND RATES

- 6.1 TIRBOP - ENDORSEMENT PA 100 - WHERE THERE IS NO APPARENT VIOLATION OF RESTRICTIONS BY EXISTING CONSTRUCTION (Revised 04/01/07)

Loan Policy Only

This endorsement insures that the restrictions have not been violated and that a future violation thereof will not cause a forfeiture or reversion of title. The Charge for this endorsement is \$50.00.

- 6.2 TIRBOP - ENDORSEMENT PA 101 - WHERE RESTRICTIONS APPEAR TO BE VIOLATED BY EXISTING CONSTRUCTION (Revised 04/01/07)

Owner's and/or Loan Policy

This endorsement insures against loss or damage (loss of income or profit excluded) occasioned by the enforcement or attempted enforcement of said restrictions to remove the whole or any portion of the improvements now on the premises and/or to collect money damages in lieu thereof. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.3 TIRBOP - ENDORSEMENT PA 102 - WHERE PROPOSED NEW CONSTRUCTION DOES NOT INDICATE THAT RESTRICTIONS WILL BE VIOLATED (Rev'd 04/01/07)

Owner's and/or Loan Policy

This endorsement insures that existing and/or presently contemplated construction on the described real estate will not violate the covenants, conditions and restrictions referred to in Schedule "B" of the title insurance policy. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.4 TIRBOP - ENDORSEMENT PA 103 - WHERE PROPOSED CONSTRUCTION WILL APPARENTLY VIOLATE RESTRICTIONS (Revised 04/01/07)

Owner's and/or Loan Policy

This endorsement insures that the proposed new construction completed in strict accordance with plans and specifications filed with the Insurer will not violate the restrictions set forth in Schedule "B" of the policy, except to the extent set out on the endorsement. Thereafter, the policy will insure against loss or damage (loss of income or profit excluded) occasioned by the enforcement or attempted enforcement of said restrictions to require the removal of the whole or any portion of the improvements, then on the premises or proposed to be constructed in accordance with the said plans and specifications and/or collect money damages in lieu thereof.

The Charge for this endorsement shall be as follows:

\$10.00 per \$1,000 for the initial \$500,000 of coverage

\$5.00 per \$1,000 for the next \$500,000 of coverage

\$2.50 per \$1,000 for the next \$1,000,000 of coverage

\$1.25 per \$1,000 for the excess over \$2,000,000

- 6.5 TIRBOP - ENDORSEMENT PA 104 - WHERE THERE IS NO APPARENT VIOLATION OF RESTRICTIONS BY EXISTING CONSTRUCTION (Revised 04/01/07)

Owner's Policy Only

This endorsement offers the same coverage to an owner or lessee as TIRBOP Endorsement PA 100 offers to a mortgagee. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.6 TIRBOP - ENDORSEMENT PA 300 - SURVEY EXCEPTION (Revised 10/01/08)

Loan Policy Only

This endorsement has the effect of insuring without exception for matters discoverable by survey (except as might be specifically noted) and will further insure against loss or damage by reason of encroachment (other than by party walls), whether by the building on the mortgaged premises encroaching upon adjacent property, or by any building on adjacent property encroaching on the mortgaged premises. The Charge for this endorsement is \$50.00.

- 6.7 TIRBOP - ENDORSEMENT PA 301 - SURVEY EXCEPTION (Revised 10/01/08)

Owner's Policy Only

This endorsement offers the same coverage to an owner or lessee as TIRBOP Endorsement PA 300 offers to a mortgagee. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.8 TIRBOP - ENDORSEMENT PA 400 - (ALTA ENDORSEMENT 7-06) - MANUFACTURED HOUSING UNIT (04/01/07)

Owner's Policy and/or Loan Policy

This endorsement amends the definition of "land" in the policy to include a manufactured housing unit located on the land on the date of the policy. The Charge for this endorsement is \$50.00.

- 6.9 TIRBOP - ENDORSEMENT PA 500 - (ALTA ENDORSEMENT 11-06 as modified by TIRBOP) - MORTGAGE MODIFICATION (04/01/07)

Loan Policy Only

This endorsement insures against loss sustained by reason of the invalidity or unenforceability of the Insured Mortgage as a result of a post-policy modification of the Insured Mortgage. It changes the Date of Policy. The Charge for this endorsement is set forth in Section 5.6 of this Manual.

- 6.10 TIRBOP - ENDORSEMENT PA 501 - (ALTA ENDORSEMENT 11-06) - MORTGAGE MODIFICATION (07/01/14)

Loan Policy Only

This endorsement insures against loss sustained by reason of the invalidity or unenforceability of the Insured Mortgage as a result of a post-policy modification of the Insured Mortgage. It also insures against loss or damage resulting from the failure of the priority of the Insured Mortgage over defects, liens or encumbrances occurring after the

effective date of the policy and before the date of endorsement, except as to any specified exceptions. ~~This endorsement does not change the Date of Policy.~~ This endorsement is not only available if the extension or modification agreement (a) increases the unpaid principal balance or (b) adds new property(ies) within one year from the date of the Insured Mortgage. This endorsement does not change the Date of Policy and is only available within ten (10) years from the date of the Insured Mortgage. Use of this endorsement is prohibited in conjunction with the issuance of a policy insuring 1-4 family residential property. The Charge for this endorsement is set forth in Section 5.6.1 of this Manual.

6.11 TIRBOP - ENDORSEMENT PA 710 (ALTA ENDORSEMENT 6-06) - VARIABLE RATE (04/01/07)

Loan Policy Only

Where required by a mortgagee, an Insurer may provide coverage under this endorsement to insure the priority of the lien of a mortgage that can by its terms be renegotiated as to its rate of interest. This coverage insures the priority of the lien through any number of renegotiated interest terms. The Charge for this endorsement is \$50.00.

6.12 TIRBOP - ENDORSEMENT PA 710-6.2 (ALTA ENDORSEMENT 6.2-06) - VARIABLE RATE, NEGATIVE AMORTIZATION (04/01/07)

Loan Policy Only

Where required by a mortgagee, an Insurer may provide coverage under this endorsement to insure the priority of the lien of a mortgage that can by its terms be renegotiated as to its rate of interest. This coverage insures the priority of the lien through any number of renegotiated interest terms, including negative amortization. The Charge for this endorsement is \$50.00.

6.13 TIRBOP - ENDORSEMENT PA 810 (ALTA ENDORSEMENT 4.1-06) - CONDOMINIUM ENDORSEMENT UNDER PA UNIFORM CONDOMINIUM ACT (04/01/07)

Owner's and/or Loan Policy

This endorsement affords multiple forms of coverage with respect to the Condominium Regime and Documentation, when affixed to a policy in which the insured land is a condominium unit together with its percentage interest in the common elements. The Charge for this endorsement is \$50.00.

6.14 TIRBOP - ENDORSEMENT PA 820 (ALTA ENDORSEMENT 5.1-06) - PLANNED UNIT DEVELOPMENT (04/01/07)

Owner's and/or Loan Policy

This endorsement affords multiple forms of coverage with respect to the Planned Unit Development Regime and Documentation, when affixed to a policy in which the insured land is a Planned Unit Development. The Charge for this endorsement is \$50.00.

- 6.15 TIRBOP - ENDORSEMENT PA 900 (ALTA ENDORSEMENT 8.1-06) - ENVIRONMENTAL PROTECTION LIEN (04/01/07)

Loan Policy Only (Primarily Residential Property)

This endorsement provides coverage to a lender by insuring the lien priority of the insured mortgage over those environmental protection liens recorded in the land records except with respect to environmental protection liens provided for by certain statutes identified in the endorsement. The Charge for this endorsement is \$50.00.

- 6.16 TIRBOP - ENDORSEMENT PA 910 - ENVIRONMENTAL PROTECTION LIEN ENDORSEMENT (04/01/07)

Loan Policy Only (Non-Residential Property)

This endorsement provides coverage to a lender by insuring the lien priority of the insured mortgage over those environmental protection liens recorded in the land records. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.17 RESERVED FOR FUTURE USE

- 6.18 RESERVED FOR FUTURE USE

- 6.19 TIRBOP - ENDORSEMENT PA 1015 - OPEN END MORTGAGE/CONSTRUCTION (Revised 04/01/07)

Loan Policy Only

This endorsement provides limited insurance for construction loan advances made pursuant to a mortgage that qualifies as an "Open End Mortgage" by statute. Such advances must be made to pay toward or to provide funds to the mortgagor to pay toward all or part of the costs of completing any erection, construction, alteration, or repair of any part of the mortgaged premises which is the statutory requirement and made at all times during which the mortgagor of the insured mortgage is still the owner of the estate or interest covered by the policy. The endorsement insures the lien priority of such advances. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$50.00.

- 6.20 TIRBOP - ENDORSEMENT PA 1020 - FNMA BALLOON (Revised 04/01/07)

Loan Policy Only

This endorsement insures a lender against the invalidity or unenforceability or loss of priority of the insured mortgage resulting from provisions which provide for a conditional right to refinance and a change in the rate of interest as set forth in the mortgage. The Charge for this endorsement is \$50.00.

- 6.21 TIRBOP - ENDORSEMENT PA 1030 (ALTA ENDORSEMENT 9-06  
(Revised 04-02-12)) - RESTRICTIONS, ENCROACHMENTS, MINERALS (04/01/13)

Loan Policy Only

This endorsement insures against loss or damage by reason of a violation of a Covenant that divests, subordinates or extinguishes the lien of the Insured Mortgage or that results in the invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage; violation of an enforceable Covenant by an Improvement on the Land; enforced removal of an Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan, notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection; encroachment of an Improvement; damage to an Improvement that encroaches upon an easement area or that results from the exercise of an easement and insurance against damage to an Improvement resulting from the right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.22 TIRBOP - ENDORSEMENT PA 1031 (ALTA ENDORSEMENT 9.1-06  
(Revised 04-02-12)) - COVENANTS, CONDITIONS AND RESTRICTIONS -  
UNIMPROVED LAND (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of a violation on the Land of an enforceable Covenant and of a notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection describing any part of the Land. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.23 TIRBOP - ENDORSEMENT PA 1032 - (ALTA ENDORSEMENT 9.2-06  
(Revised 04-02-12)) - COVENANTS, CONDITIONS AND RESTRICTIONS -  
IMPROVED LAND (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of a violation on the Land of an enforceable Covenant, enforced removal of an Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan and notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection describing any part of the Land. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.24 TIRBOP – ENDORSEMENT PA 1033 (ALTA ENDORSEMENT 9.6-06, as modified by  
TIRBOP) - PRIVATE RIGHTS (Revised 04/2/13) (07/01/14)

Loan Policy Only

This endorsement insures against loss or damage due to the enforcement of a Private Right contained in a Covenant that (a) results in the invalidity, unenforceability, or lack of priority

of the lien of the Insured Mortgage, or (b) causes a loss of the Insured's Title acquired in satisfaction or partial satisfaction of the indebtedness. Private Right is defined as (i) a private charge or assessment; (ii) an option to purchase; (iii) a right of first refusal; or (iv) a right of prior approval of a future purchaser or occupant. This endorsement permits a specific Private Right to be excluded from coverage. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.25 TIRBOP – ENDORSEMENT PA 1034 (ALTA ENDORSEMENT 9.7-06) -  
RESTRICTIONS, ENCROACHMENTS, MINERALS – LAND UNDER DEVELOPMENT  
(04/01/13)

Loan Policy Only

This endorsement insures against loss or damage by reason of a violation of a Covenant that divests, subordinates or extinguishes the lien of the Insured Mortgage or that results in the invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage; violation of an enforceable Covenant by an Improvement or a Future Improvement; enforced removal of an Improvement or a Future Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan, notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection; encroachment of an Improvement or a Future Improvement; damage to an Improvement or a Future Improvement that encroaches upon an easement area or that results from the exercise of an easement and insurance against damage to an Improvement or a Future Improvement resulting from the right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for this endorsement is 15%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

6.26 TIRBOP – ENDORSEMENT PA 1035 (ALTA ENDORSEMENT 9.8-06) -  
COVENANTS, CONDITIONS AND RESTRICTIONS – LAND UNDER  
DEVELOPMENT (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of a violation of an enforceable Covenant by an Improvement or a Future Improvement, enforced removal of an Improvement or a Future Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan and a notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection describing any part of the Land. The Charge for the endorsement is 15%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

6.27 TIRBOP - ENDORSEMENT PA 1070 - GENERAL ENDORSEMENT  
(Revised 04/01/07)

This endorsement is to be used only for purposes of correcting and/or amending previously issued policies or for granting coverage not otherwise covered by the other endorsements set forth in this Manual.

This endorsement may not be used to provide the following coverages: Truth-in-Lending; Zoning; Creditors Rights; Doing Business; Usury; Tie-In Interstate; or Subdivision.

- 6.28 TIRBOP - ENDORSEMENT PA 1080 - ABBREVIATED FORM ENDORSEMENT(S)  
(Revised 10/01/08)

Loan Policy Only

This endorsement incorporates by reference nine (9) other endorsements, and one (1) optional additional endorsement, contained in this Manual. The sequence for listing these endorsements is at the discretion of the Insurer. Each of the referenced endorsements, as requested by the lender, can be checked in the appropriate block. The Charge for each endorsement so checked shall be made in accordance with this Manual. There is no other Charge to be made for the use of this endorsement.

- 6.29 TIRBOP - ENDORSEMENT PA 1100 - WAIVER OF ARBITRATION (Revised 04/01/07)

Loan Policy Only

This endorsement amends the ALTA Loan Policy by deleting Paragraph 13 of the Conditions and Stipulations Section of the policy, relating to arbitration. The Charge for this endorsement is \$100.00.

- 6.30 TIRBOP - ENDORSEMENT PA 1110 (ALTA ENDORSEMENT 20-06) - FIRST LOSS - MULTIPLE PARCEL TRANSACTIONS (04/01/13)

Loan Policy Only

This endorsement provides, under certain conditions, that the amount which the insurer shall be liable to pay under the policy shall be determined without requiring maturity of the indebtedness by acceleration or otherwise. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00.

- 6.31 RESERVED FOR FUTURE USE

- 6.32 TIRBOP - ENDORSEMENT PA 1130 - (ALTA ENDORSEMENT 13-06)  
(Revised 04-02-12)  
LEASEHOLD OWNER'S (04/01/13)

Owner's Policy Only

This endorsement may only be issued at the time of the issuance of the ALTA Owner's Policy. The endorsement sets forth how the leasehold estate is valued for purposes of a loss under the policy and the items covered by the issuance of the endorsement. The Charge for this endorsement, together with the ALTA Owner's Policy, is set forth in Section 5.10.

- 6.33 TIRBOP - ENDORSEMENT PA 1140 - (ALTA ENDORSEMENT 13.1-06)  
(Revised 04-02-12)  
LEASEHOLD LOAN (04/01/13)

Loan Policy Only

This endorsement may only be issued at the time of the issuance of the ALTA Loan Policy. The endorsement sets forth how the leasehold estate is valued for purposes of a loss under the

policy and the items covered by the issuance of the endorsement. The Charge for this endorsement, together with the ALTA Loan Policy, is set forth in Section 5.10.

- 6.34 TIRBOP - ENDORSEMENT PA 1150 - (ALTA ENDORSEMENT 14.2-06)  
FUTURE ADVANCE - LETTER OF CREDIT (10/01/08)

Loan Policy Only

This endorsement provides limited insurance for loan advances made pursuant to a letter of credit, surety agreement or reimbursement agreement. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.35 TIRBOP - ENDORSEMENT 1160 (ALTA ENDORSEMENT 15-06)  
NONIMPUTATION - FULL EQUITY TRANSFER (10/01/08)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability to certain incoming parties (in a full equity transfer) as a result of the Insured having knowledge imputed to it in partnership, corporate, or limited liability company transactions. This endorsement may only be issued with a simultaneously issued owner's policy. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.36 TIRBOP - ENDORSEMENT 1170 - (ALTA ENDORSEMENT 15.1-06)  
NONIMPUTATION - ADDITIONAL INSURED (10/01/08)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability to certain incoming parties (additional insureds) as a result of the Insured having knowledge imputed to it in partnership, corporate, or limited liability company transactions. This endorsement may be issued subsequent to the issuance of the owner's policy. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.37 TIRBOP - ENDORSEMENT 1180 - (ALTA ENDORSEMENT 15.2-06)  
NONIMPUTATION - PARTIAL EQUITY TRANSFER (~~10/01/08~~00/00/16)

Owner's Policy Only

This endorsement insures that the Insurer will not deny liability to certain incoming parties (in a partial equity transfer) as a result of the Insured having knowledge imputed to it in partnership, corporate, or limited liability company transactions. This endorsement may only be issued with a simultaneously issued owner's policy. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.38 TIRBOP - ENDORSEMENT 1190 - (ALTA ENDORSEMENT 16-06)  
MEZZANINE FINANCING (04/01/07)

Owner's Policy Only

This endorsement provides certain coverages to a mezzanine lender under an owner's policy. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.39 TIRBOP - ENDORSEMENT 1200 - (ALTA ENDORSEMENT 17-06)  
ACCESS AND ENTRY (04/01/07)

Loan Policy Only

This endorsement provides coverage to a lender with regard to vehicular and pedestrian access to the insured property. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.40 TIRBOP - ENDORSEMENT 1201 - (ALTA ENDORSEMENT 17-06)  
ACCESS AND ENTRY (04/01/07)

Owner's Policy Only

This endorsement provides coverage to an owner with regard to vehicular and pedestrian access to the insured property. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.41 TIRBOP - ENDORSEMENT PA 1210 - (ALTA ENDORSEMENT 17.1-06)  
INDIRECT ACCESS AND ENTRY (04/01/07)

Loan Policy Only

This endorsement provides coverage to a lender with regard to vehicular and pedestrian access indirectly to the insured property. The Charge for this endorsement is \$250.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.42 TIRBOP - ENDORSEMENT PA 1211 - (ALTA ENDORSEMENT 17.1-06)  
INDIRECT ACCESS AND ENTRY (04/01/07)

Owner's Policy Only

This endorsement provides coverage to an owner with regard to vehicular and pedestrian access indirectly to the insured property. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.43 TIRBOP - ENDORSEMENT PA 1220 - (ALTA ENDORSEMENT 14.3-06)  
FUTURE ADVANCE - REVERSE MORTGAGE (10/01/08)

Loan Policy Only

This endorsement provides coverage to a lender in conjunction with a reverse annuity mortgage. The Charge for this endorsement is \$50.00.

6.44 TIRBOP - ENDORSEMENT PA 1230 - (ALTA ENDORSEMENT 18-06)  
SINGLE TAX PARCEL (04/01/07)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to assessment as a single tax parcel. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of owner's and/or loan policies insuring 1-4 family residential property.

6.45 TIRBOP - ENDORSEMENT PA 1240 - (ALTA ENDORSEMENT 18.1-06) - MULTIPLE  
TAX PARCELS (10/01/08)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to assessment as multiple tax parcels. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of owner's and/or loan policies insuring 1-4 family residential property.

6.46 TIRBOP - ENDORSEMENT PA 1250 - (ALTA ENDORSEMENT 19-06 as modified by  
TIRBOP) - CONTIGUITY (04/01/07)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to contiguity of the insured premises. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of owner's and/or loan policies insuring 1-4 family residential property.

6.46.1 TIRBOP - ENDORSEMENT PA 1251 - (ALTA ENDORSEMENT 19.1-06) -  
CONTIGUITY-SINGLE PARCEL (00/00/16)

Owner's and/or Loan Policy

This endorsement insures against loss or damage in the event that the insured Land is not contiguous to other identified land not insured under the policy. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of owner's and/or loan policies insuring 1-4 family residential property.

6.47 TIRBOP - ENDORSEMENT PA 1260 (ALTA ENDORSEMENT 12-06, as modified by  
TIRBOP, (revised 04/2/13)) - AGGREGATION/TIE-IN/INTRASTATE ONLY (07/01/14)

Loan Policy Only

This endorsement aggregates the coverage of two or more policies insuring premises in Pennsylvania. Certain Conditions of the policy are amended by this endorsement. The Charge for this endorsement is \$100.00. Use of this endorsement shall also be prohibited to aggregate the liability of any policies issued for Pennsylvania properties with properties situate outside the Commonwealth of Pennsylvania. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.48 TIRBOP - ENDORSEMENT PA 1270 - SAME AS SURVEY (04/01/07)

Loan Policy Only

This endorsement insures that the land described in the policy is the same as depicted on the survey referenced in the endorsement. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.49 TIRBOP - ENDORSEMENT PA 1271 - SAME AS SURVEY (04/01/07)

Owner's Policy Only

This endorsement insures that the land described in the policy is the same as depicted on the survey referenced in the endorsement. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2, with a minimum charge of \$100.00, unless it is issued with TIRBOP Endorsement PA 301, in which case it will be priced as \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.50 TIRBOP - ENDORSEMENT PA 1280 (ALTA ENDORSEMENT 22-06, as modified by TIRBOP) - LOCATION (04/01/07)

Loan Policy Only

This endorsement provides coverage to a lender with regard to the physical improvements of the insured premises. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property, and shall only be issued for land that has been improved.

6.51 TIRBOP - ENDORSEMENT PA 1290 - MORTGAGE RELEASE (04/01/07)

Loan Policy Only

This endorsement provides assurances, in conjunction with the release of a portion of the mortgaged lands from the lien of the insured mortgage, as to the validity and priority of the lien of the insured mortgage on the remaining portion of the mortgaged lands not released. The Charge for this endorsement is \$250.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property, and shall only be issued for land that has been improved.

6.52 TIRBOP - ENDORSEMENT PA 1310 - (ALTA ENDORSEMENT 28-06) EASEMENT – DAMAGE OR ENFORCED REMOVAL (03/01/11)

Loan Policy Only

This endorsement insures against loss or damage sustained by reason of damage to an existing building located on the land from the exercise of the granted or reserved rights of use or maintenance of an easement excepted in Schedule B of the policy. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.53 TIRBOP - ENDORSEMENT PA 1311 - (ALTA ENDORSEMENT 28-06)  
EASEMENT – DAMAGE OR ENFORCED REMOVAL (03/01/11)

Owner's Policy Only

This endorsement insures against loss or damage sustained by reason of damage to an existing building located on the land as a result of the exercise of the right of use or maintenance of an easement excepted in Schedule B of the policy. The Charge for this endorsement is 20%, calculated in accordance with Section 5.2. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.54 TIRBOP - ENDORSEMENT PA 1312 - (ALTA ENDORSEMENT 28.1-06)  
ENCROACHMENTS - BOUNDARIES AND EASEMENTS (04/01/13)

Loan Policy Only

This endorsement insures against loss or damage by reason of an encroachment of any Improvement located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of any improvement located on adjoining land onto the Land; enforced removal of any Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of the encroaching Improvement and enforced removal of any improvement located on the Land that encroaches onto adjoining land. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 1030 or PA 1034 in which case the Charge will be \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.55 TIRBOP - ENDORSEMENT PA 1313 - (ALTA ENDORSEMENT 28.1-06)  
ENCROACHMENTS - BOUNDARIES AND EASEMENTS (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of an encroachment of any Improvement located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of any improvement located on adjoining land onto the Land; enforced removal of any Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of the encroaching Improvement and enforced removal of any improvement located on the Land that encroaches onto adjoining land. The Charge for the endorsement is 20%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsements PA 1031, PA 1032 or PA 1035, in which case it will be priced at 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.55.1 TIRBOP - ENDORSEMENT PA 1314 - (ALTA ENDORSEMENT 28.3-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS - DESCRIBED  
IMPROVEMENTS AND LAND UNDER DEVELOPMENT (00/00/16)

Loan Policy

This endorsement insures against loss or damage by reason of an encroachment of any Improvement or Future Improvement located on the Land onto adjoining land or onto that

portion of the Land subject to an easement; an encroachment of any improvement located on adjoining land onto the Land; enforced removal of any Improvement or Future Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of the encroaching Improvement or Future Improvement and enforced removal of any Improvement or Future Improvement located on the Land that encroaches onto adjoining land. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 1034, in which case the Charge is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.55.2 TIRBOP - ENDORSEMENT PA 1315 - (ALTA ENDORSEMENT 28.3-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS - DESCRIBED  
IMPROVEMENTS AND LAND UNDER DEVELOPMENT (00/00/16)

Owner's Policy Only

This endorsement insures against loss or damage by reason of an encroachment of any Improvement or Future Improvement located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of any improvement located on adjoining land onto the Land; enforced removal of any Improvement or Future Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of the encroaching Improvement or Future Improvement and enforced removal of any Improvement or Future Improvement located on the Land that encroaches onto adjoining land. The Charge for the endorsement is 20%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 1035, in which case the Charge is 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.56 TIRBOP - ENDORSEMENT PA 1320 - (ALTA ENDORSEMENT 29-06)  
INTEREST RATE SWAP ENDORSEMENT - DIRECT OBLIGATION (03/01/11)

Loan Policy Only

This endorsement insures against loss by reason of the invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage as security for the repayment of the Swap Obligation at Date of Endorsement. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, if issued at Date of Policy; and 20% if issued subsequent to Date of Policy. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.57 TIRBOP - ENDORSEMENT PA 1330 - (ALTA ENDORSEMENT 29.1-06)  
INTEREST RATE SWAP ENDORSEMENT - ADDITIONAL INTEREST (03/01/11)

Loan Policy Only

This endorsement insures against loss by reason of the invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage as security for the Additional Interest calculated pursuant to the formula provided in the loan documents secured by the Insured Mortgage at Date of Endorsement for repayment of the Swap Obligation. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2,

if issued at Date of Policy; and 20% if issued subsequent to Date of Policy. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.58 TIRBOP - ENDORSEMENT PA 1340 - (ALTA ENDORSEMENT 35-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - BUILDINGS (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement [buildings] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.59 TIRBOP - ENDORSEMENT PA 1341 - (ALTA ENDORSEMENT 35-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - BUILDINGS (07/01/14)

Loan Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement [buildings] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.60 TIRBOP - ENDORSEMENT PA 1350 - (ALTA ENDORSEMENT 35.1-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - IMPROVEMENTS  
(04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement [including a building, structure located on the surface of the Land and any paved road, walkway, parking area, driveway or curb] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.61 TIRBOP - ENDORSEMENT PA 1351 - (ALTA ENDORSEMENT 35.1-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - IMPROVEMENTS  
(07/01/14)

Loan Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement [including a building, structure located on the surface of the Land and any paved road, walkway, parking area, driveway or curb] resulting from the future

exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for the endorsement is 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.62 TIRBOP - ENDORSEMENT PA 1360 - (ALTA ENDORSEMENT 35.3-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - LAND UNDER  
DEVELOPMENT (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement or Future Improvement [including a building, structure located on the surface of the Land and any paved road, walkway, parking area, driveway or curb] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for the endorsement is 15%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.63 TIRBOP - ENDORSEMENT PA 1361 - (ALTA ENDORSEMENT 35.3-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - LAND UNDER  
DEVELOPMENT (07/1/14)

Loan Policy Only

This endorsement insures against loss or damage by reason of the enforced removal or alteration of any Improvement or Future Improvement [including a building, structure located on the surface of the Land and any paved road, walkway, parking area, driveway or curb] resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances. The Charge for the endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.64 TIRBOP - ENDORSEMENT PA 1400 - (ALTA ENDORSEMENT 31-06)  
SEVERABLE IMPROVEMENTS (04/01/13)

Owner's and/or Loan Policy

Used in projects where the main costs are in the purchase of improvements which may be severed from the Land, and where the improvements may not be considered real property in the jurisdiction where the Land is located. By the endorsement, the calculation of loss by reason of a covered Policy Defect, includes the diminution in the value of and the removal or relocation cost of the Severable Improvements. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's or loan policy insuring 1-4 family residential property.

This endorsement shall be issued only when the Amount of Insurance in Schedule A of the Policy includes the aggregate of the Full Value of the Land or the Full Value of the Leasehold Estate and the Full Value of the Severable Improvement.

6.65 TIRBOP - ENDORSEMENT PA 1410 - (ALTA ENDORSEMENT 36-06)  
ENERGY PROJECT - LEASEHOLD/EASEMENT (04/01/13)

Owner's Policy Only

This endorsement, issued with a Policy that insures a Leasehold and/or Easement Estate, recognizes the unique characteristics of an Energy Project. By Section 3, "Valuation of Title as an Integrated Project", the endorsement treats the Energy Project as an integrated whole, providing that in computing loss or damage, Valuation of Title as a result of an Eviction from a portion of the Land shall be the value of the affected Leasehold or Easement Estate and any Electrical Facility plus any reduction in the value of another insured Leasehold or Easement Estate; and further provides that the computation of loss or damage for a covered defect affecting one parcel (or fewer than all parcels) shall include resulting loss or damage to the Integrated Project. By Section 4, "Valuation of Severable Improvements", the endorsement includes the diminution of the value of a Severable Improvement in the event of an Eviction. By Section 5, "Additional items of loss covered by this endorsement", the endorsement expands on the items of loss appropriate to an Energy Project. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.66 TIRBOP - ENDORSEMENT PA 1420 - (ALTA ENDORSEMENT 36.1-06)  
ENERGY PROJECT - LEASEHOLD/EASEMENT (04/01/13)

Loan Policy Only

This endorsement, issued with a Policy that insures a Leasehold and/or Easement Estate, recognizes the unique characteristics of an Energy Project. By Section 3, "Valuation of Title as an Integrated Project", the endorsement treats the Energy Project as an integrated whole, providing that in computing loss or damage, Valuation of Title as a result of an Eviction from a portion of the Land shall be the value of the affected Leasehold or Easement Estate and any Electrical Facility plus any reduction in the value of another insured Leasehold or Easement Estate; and further provides that the computation of loss or damage for a covered defect affecting one parcel (or fewer than all parcels) shall include resulting loss or damage to the Integrated Project. By Section 4, "Valuation of Severable Improvements", the endorsement includes the diminution of the value of a Severable Improvement in the event of an Eviction. By Section 5, "Additional items of loss covered by this endorsement", the endorsement expands on the items of loss appropriate to an Energy Project. The Charge for this endorsement is \$500.00. Use of this endorsement is

prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.67 TIRBOP - ENDORSEMENT PA 1430 - (ALTA ENDORSEMENT 36.2-06)  
ENERGY PROJECT - LEASEHOLD (04/01/13)

Owner's Policy Only

This endorsement, issued with a Policy that insures a Leasehold Estate, recognizes the unique characteristics of an Energy Project. By Section 3, "Valuation of Title as an Integrated Project", the endorsement treats the Energy Project as an integrated whole, providing that in computing loss or damage, Valuation of Title as a result of an Eviction from a portion of the Land shall be the value of the affected Leasehold Estate and any Electrical Facility plus any reduction in the value of another insured Leasehold Estate; and further provides that the computation of loss or damage for a covered defect affecting one parcel (or fewer than all parcels) shall include resulting loss or damage to the Integrated Project. By Section 4, "Valuation of Severable Improvements", the endorsement includes the diminution of the value of a Severable Improvement in the event of an Eviction. By Section 5, "Additional items of loss covered by this endorsement", the endorsement expands on the items of loss appropriate to an Energy Project. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.68 TIRBOP - ENDORSEMENT PA 1440 - (ALTA ENDORSEMENT 36.3-06)  
ENERGY PROJECT - LEASEHOLD (04/01/13)

Loan Policy Only

This endorsement, issued with a Policy that insures a Leasehold Estate, recognizes the unique characteristics of an Energy Project. By Section 3, "Valuation of Title as an Integrated Project", the endorsement treats the Energy Project as an integrated whole, providing that in computing loss or damage, Valuation of Title as a result of an Eviction from a portion of the Land shall be the value of the affected Leasehold Estate and any Electrical Facility plus any reduction in the value of another insured Leasehold Estate; and further provides that the computation of loss or damage for a covered defect affecting one parcel (or fewer than all parcels) shall include resulting loss or damage to the Integrated Project. By Section 4, "Valuation of Severable Improvements", the endorsement includes the diminution of the value of a Severable Improvement in the event of an Eviction. By Section 5, "Additional items of loss covered by this endorsement", the endorsement expands on the items of loss

appropriate to an Energy Project. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.69 TIRBOP - ENDORSEMENT PA 1450 - (ALTA ENDORSEMENT 36.4-06)  
ENERGY PROJECT - COVENANTS, CONDITIONS AND RESTRICTIONS -  
LAND UNDER DEVELOPMENT (04/01/13)

Owner's Policy Only

Patterned after TIRBOP Endorsement PA 1035 ( ALTA Endorsement 9.8-06) but tailored to an Energy Project, this endorsement insures against loss or damage by reason of a violation of an enforceable Covenant by any Electrical Facility or Severable Improvement, enforced removal of any Electrical Facility or Severable Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan and a notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection describing any part of the Land. The Charge for the endorsement is 15%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.70 TIRBOP - ENDORSEMENT PA 1460 - (ALTA ENDORSEMENT 36.5-06)  
ENERGY PROJECT - COVENANTS, CONDITIONS AND RESTRICTIONS -  
LAND UNDER DEVELOPMENT (04/01/13)

Loan Policy Only

Patterned after TIRBOP Endorsement PA 1034 ( ALTA Endorsement 9.7-06) but tailored to an Energy Project, this endorsement insures against loss or damage by reason of a violation of an enforceable Covenant by any Electrical Facility or Severable Improvement, enforced removal of any Electrical Facility or Severable Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan and a notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection describing any part of the Land. The Charge for the endorsement is 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.71 TIRBOP - ENDORSEMENT PA 1470 - (ALTA ENDORSEMENT 36.6-06)  
ENERGY PROJECT - ENCROACHMENTS (04/01/13)

Owner's Policy Only

This endorsement insures against loss or damage by reason of an encroachment of any Electrical Facility or Severable Improvement, located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of an improvement located on adjoining land onto the Land; enforced removal of any Electrical Facility or Severable Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of any Electrical Facility or Severable Improvement, and damage to any Electrical Facility or Severable Improvement located on or encroaching into that portion of the Land subject to an easement which damage results from the exercise of the easement. The Charge for the endorsement is 15%, calculated in accordance with Section 5.2, unless it is issued with TIRBOP Endorsement PA 301 in which case it will be priced at 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

6.72 TIRBOP - ENDORSEMENT PA 1471 - (ALTA ENDORSEMENT 36.6-06)  
ENERGY PROJECT - ENCROACHMENTS (04/01/13)

Loan Policy Only

This endorsement insures against loss or damage by reason of an encroachment of any Electrical Facility or Severable Improvement, located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of an improvement located on adjoining land onto the Land; enforced removal of any Electrical Facility or Severable Improvement located on the Land in the event that the easement owner, in the exercise of the easement, compels removal or relocation of any Electrical Facility or Severable Improvement, and damage to any Electrical Facility or Severable Improvement located on or encroaching into that portion of the Land subject to an easement which damage results from the exercise of the easement. The Charge for the endorsement is 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of a Loan policy insuring 1-4 family residential property.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

- 6.73 TIRBOP - ENDORSEMENT PA 1480 - (ALTA ENDORSEMENT 9.3-06 (Revised 4/02/13)) - COVENANTS, CONDITIONS AND RESTRICTIONS (07/01/14)

Loan Policy Only

This endorsement insures against loss or damage by reason of a violation of a Covenant that (a) divests, subordinates or extinguishes the lien of the Insured Mortgage or (b) that results in the invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage. It also insures against loss or damage by reason of (i) a violation of an enforceable Covenant unless an exception in Schedule B identifies the violation, (ii) enforced removal of an Improvement as a result of a violation of a building setback line shown on a recorded subdivision plan, and (iii) notice of a violation recorded in the Public Records of an enforceable Covenant relating to environmental protection. The Charge for this endorsement is 5%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

- 6.74 TIRBOP - ENDORSEMENT 1490 - (ALTA ENDORSEMENT 9.9-06 (Revised 4/02/13), as modified by TIRBOP) PRIVATE RIGHTS (07/01/14)

Owner's Policy Only

This endorsement insures against loss or damage if enforcement of a Private Right in a Covenant affecting the Title at Date of Policy causes a loss of the Insured's Title. Private Right is defined as (i) an option to purchase; (ii) a right of first refusal; or (iii) a right of prior approval of a future purchaser or occupant. This endorsement permits a specific Private Right to be excluded from coverage. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.75 TIRBOP - ENDORSEMENT PA 1500 - (ALTA ENDORSEMENT 32-06) CONSTRUCTION LOAN-LOSS OF PRIORITY (07/01/14)

Loan Policy Only

This endorsement deletes Covered Risk 11(a) of the ALTA Loan Policy of Title Insurance, as modified by TIRBOP, (06/17/06) and provides the coverage set forth in section 3 which insures against (a) loss or damage by reason of the invalidity or unenforceability of the lien of the Insured Mortgage as security for each Construction Loan Advance made on or before the Date of Coverage; (b) the lack of priority of the lien of the Insured Mortgage for each Construction Loan Advance over any recorded lien or encumbrance not shown in Schedule B; and (c) the lack of priority of the lien of the Insured Mortgage over any unrecorded mechanics' liens but only for such mechanic lien claims which were designated for payment in the Construction Loan Advance and disbursed on or before Date of Coverage. The Charge for this endorsement is set forth in Section 5.11B of this Manual.

- 6.76 TIRBOP - ENDORSEMENT PA - 1510 (ALTA ENDORSEMENT 32.1-06) (Revised 4/02/13) - CONSTRUCTION LOAN-LOSS OF PRIORITY-DIRECT PAYMENT (07/01/14)

Loan Policy Only

This endorsement deletes Covered Risk 11(a) of the ALTA Loan Policy of Title Insurance, as modified by TIRBOP, (06/17/06) and provides the coverage set forth in section 3 which insures against (a) loss or damage by reason of the invalidity or unenforceability of the lien of the Insured Mortgage as security for each Construction Loan Advance made on or before the Date of Coverage; (b) the lack of priority of the lien of the Insured Mortgage for each Construction Loan Advance over any recorded lien or encumbrance not shown in Schedule B; and (c) the lack of priority of the lien of the Insured Mortgage over any unrecorded mechanics' liens but only for such mechanic lien claims which were designated for payment in the Construction Loan Advance. This endorsement requires direct payment to contractors and materialmen to be made by the Company or by the Insured with the Company's written approval. The Charge for this endorsement is set forth in Section 5.11B of this Manual.

- 6.77 TIRBOP - ENDORSEMENT PA 1520 – (ALTA ENDORSEMENT 33-06) DISBURSEMENT (07/01/14)

Loan Policy Only

This endorsement can only be issued in conjunction with TIRBOP Endorsement PA 1500 or 1510 and advances the Date of Coverage for Construction Loan Advances. The endorsement includes an option to state the current disbursement amount and to state the aggregate amount, including the current disbursement amount. The Charge for this endorsement is set forth in Section 5.11B of this Manual.

The endorsement shall only be issued when the Amount of Insurance in Schedule A includes the aggregate of the Full Value of the Land or Full Value of the Leasehold Estate and/or Easement Estate and Full Value of the Severable Improvements and Full Valuable of the Electricity Facility.

- 6.78 TIRBOP - ENDORSEMENT PA 1530 (ALTA ENDORSEMENT 14-06) FUTURE ADVANCE - PRIORITY (04/01/15)

Loan Policy Only

This endorsement insures against loss or damage sustained by reason of the invalidity, unenforceability, or lack of priority of the lien of the Insured Mortgage (1) as security for Advances and re-Advances made after the Date of Policy and (2) resulting from any provisions of the note or loan agreement that provide for (i) interest on interest, (ii) changes in the rate of interest, or (iii) the addition of unpaid interest to the Indebtedness. It also includes coverage for the failure of the Insured Mortgage to comply with the requirements of state law to secure Advances. The Charge for this endorsement is \$100.00 when issued with a loan policy insuring 1-4 family residential property. When a policy is issued insuring other property, the Charge is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00.

- 6.79 TIRBOP - ENDORSEMENT PA 1540 (ALTA ENDORSEMENT 14.1-06)  
FUTURE ADVANCE - KNOWLEDGE (04/01/15)

Loan Policy Only

This endorsement provides the same coverage as TIRBOP Endorsement PA 1530, except that there is an additional exclusion from coverage for loss or damage resulting from the lack of priority of any Advance made after the Insured has Knowledge of the existence of liens, encumbrances or other matters affecting the Land intervening between Date of Policy and the Advance. The Charge for this endorsement is \$100.00 when issued with a loan policy insuring 1-4 family residential property. When a policy is issued insuring other property, the Charge is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$500.00.

- 6.80 TIRBOP - ENDORSEMENT PA 1550 (ALTA ENDORSEMENT 17.2-06)  
UTILITY ACCESS (04/01/15)

Owner's Policy Only

This endorsement provides coverage for loss or damage sustained by the Insured by reason of the lack of a right of access to specifically selected utilities or services, either over, under or upon rights of way or easements for the benefit of the Land. The Charge when issued with an owner's policy is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.81 TIRBOP - ENDORSEMENT PA 1551 (ALTA ENDORSEMENT 17.2-06)  
UTILITY ACCESS (04/01/15)

Loan Policy Only

This endorsement provides coverage for loss or damage sustained by the Insured by reason of the lack of a right of access to specifically selected utilities or services, either over, under or upon rights of way or easements for the benefit of the Land. The Charge for this endorsement when issued with a loan policy is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.82 TIRBOP - ENDORSEMENT PA 1560 (ALTA ENDORSEMENT 37-06)  
ASSIGNMENT OF RENTS OR LEASES (04/01/15)

Loan Policy Only

This endorsement provides coverage for loss or damage sustained by the Insured by reason of (1) a defect in the execution of the Assignment of Rents or Leases or (2) any recorded Assignment of Rents or Leases at Date of Policy other than as shown in the Policy. The Charge for this endorsement is \$100.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.83 TIRBOP - ENDORSEMENT PA 1570 (ALTA ENDORSEMENT 40-06)  
TAX CREDIT-OWNER'S POLICY (04/01/15)

Owner's Policy Only

This endorsement provides coverage for loss or damage, not exceeding the Amount of Insurance, sustained by the Tax Credit Investor by a reduction in a Tax Credit caused solely by a defect, lien or encumbrance insured against by the policy, and subject to certain limitations set forth in the endorsement. By the endorsement, the Insured assigns to the Tax Credit Investor the right to receive payment of a loss under the policy to the extent of the reduction in the amount of the Tax Credit. The Tax Credit itself is not insured, but the endorsement allows consideration of the reduction of the Tax Credit as an element of loss. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.84 TIRBOP - ENDORSEMENT PA 1580 (ALTA ENDORSEMENT 40.1-06)  
TAX CREDIT-DEFINED AMOUNT-OWNER'S POLICY (04/01/15)

Owner's Policy Only

This endorsement provides the same coverage as TIRBOP Endorsement PA 1570, except that (1) it establishes an Additional Amount of Insurance designated solely for losses addressed in the endorsement (2) it does not require the Insured to assign its rights to receive loss payments under the policy to the Tax Credit Investor, as the Additional Amount of Insurance is applicable only to the payment of a loss to the Tax Credit Investor and (3) the Amount of Insurance in Schedule A is not available for loss payment to the Tax Credit Investor and a payment of any loss pursuant to the terms of the endorsement to the Tax Credit Investor does not reduce the Amount of Insurance available to the Insured. The Charge for this endorsement is the difference between the Charge for the Amount of Insurance on Schedule A and the Charge when adding the Additional Amount of Insurance. Example: The Amount of Insurance on Schedule A is \$30,000,000.00. The Additional Amount of Insurance is \$5,000,000.00. The Charge for the endorsement is ~~\$6,250.00~~7,000.00, being the difference between the Charge for a \$30,000,000.00 policy and the Charge for a \$35,000,000.00 policy. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.85 TIRBOP - ENDORSEMENT PA 1590 (ALTA ENDORSEMENT 9.10-06)

RESTRICTIONS, ENCROACHMENTS, MINERALS – CURRENT VIOLATIONS  
(00/00/16)

Loan Policy Only

This endorsement provides coverage similar to that in TIRBOP Endorsement PA 1030 but limits coverage to a violation of a Covenant on or before Date of Policy. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00.

6.86 TIRBOP – ENDORSEMENT 1600 (ALTA Endorsement 10-06)  
ASSIGNMENT (00/00/16)

Loan Policy Only

This endorsement insures against loss or damage from (i) the failure of the post-policy assignment of the Insured Mortgage to vest title to the Insured Mortgage in the assignee and from (ii) any recorded modification, release or satisfaction of the Insured Mortgage prior to the date of endorsement. This endorsement does not change the Date of Policy. The Charge for this endorsement is \$500.00.

6.87 TIRBOP - ENDORSEMENT 1610 (ALTA Endorsement 23-06)  
CO-INSURANCE - SINGLE POLICY (00/00/16)

Owner's and/or Loan Policy

This endorsement allows the lead insurer to issue a single policy with other co-insurers adopting the policy as their own to the extent of their proportionate liability set forth in the endorsement. While there is no Charge for the issuance of the endorsement, Section 5.12 describes the manner by which the Charge for the liability assumed by each Insurer is calculated. Use of this endorsement is prohibited in conjunction with the issuance of a policy insuring 1-4 family residential property.

6.88 TIRBOP - ENDORSEMENT 1620 (ALTA Endorsement 39-06)  
POLICY AUTHENTICATION (00/00/16)

Owner's and/or Loan Policy

This endorsement authenticates a policy or endorsements issued electronically or lacking signatures. If this endorsement is issued simultaneously with a policy, there is no Charge. If issued subsequent to Date of Policy, the Charge for the endorsement is \$100.00.

6.89 TIRBOP - ENDORSEMENT 1630 (ALTA Endorsement 42-06)  
COMMERCIAL LENDER GROUP ENDORSEMENT (00/00/16)

Loan Policy Only

This endorsement (i) insures against loss or damage by reason of the invalidity, unenforceability, or loss of priority of the lien of the Insured Mortgage caused by transfers after the Date of Policy of portions of the Indebtedness by the Participants, (ii) provides that the Participant is an Insured, as long as it continues to own a portion of the Indebtedness, whether acquired on or after the Date of Policy and (iii) under certain conditions, protects Participants against imputation of Knowledge from other Participants. The Charge for this

endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.90 TIRBOP - ENDORSEMENT 1640 (ALTA Endorsement 43-06)  
ANTI-TAINT ENDORSEMENT (00/00/16)

Loan Policy Only

This endorsement insures against loss or damage by reason of a loss of priority of the lien of the Insured Mortgage as security for the Term Loan by reason of reductions and subsequent increases of the outstanding principal amount of the Indebtedness payable as the Revolving Credit Loan. The Charge for this endorsement is \$500.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.91 TIRBOP - ENDORSEMENT 1650 (ALTA Endorsement 45-06)  
PARI PASSU MORTGAGE (00/00/16)

Loan Policy Only

This endorsement insures against loss or damage by reason of (i) the invalidity or unenforceability of the lien of the Insured Mortgage resulting solely from the provisions of the Pari Passu Mortgage or Intercreditor Agreement establishing lien priority or (ii) the lack of equal lien priority of the Insured Mortgage to the other Pari Passu Mortgages. The Charge for this endorsement is 10%, calculated in accordance with Section 5.2, with a minimum Charge of \$75.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

7. RESERVED FOR FUTURE USE