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December 10, 2019

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**Insurance Product Regulation**  
**and Administration**

DEC 10 2019

**Pennsylvania**  
**Insurance Department**

***VIA HAND DELIVERY***

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

**Re: Title Insurance Rating Bureau of Pennsylvania  
Rate/Rule Filing:  
Manual Revisions;  
Proposed Increase in Rates of 4.95%;  
Proposed Effective Date: April 1, 2020**

Dear Mr. Lersch:

Buchanan Ingersoll & Rooney PC represents the Title Insurance Rating Bureau of Pennsylvania (the "Rating Bureau"). On behalf of the Rating Bureau, our firm recently submitted the Composite Statistical Report for calendar year 2018 and a Rate Analysis prepared by Nelson Lipshutz, Ph.D. At that time, the Rating Bureau advised the Department that, based upon the Rate Analysis, it would be submitting a filing seeking approval for an increase in its rates. Enclosed with this letter is the captioned filing seeking approval of a rate increase of 4.95%.

As described in the enclosed materials, a rate increase of 4.95% at this time will enable Rating Bureau members to move towards the target pre-tax profit level of 5%, as permitted in the Stipulation entered into by the Rating Bureau and Department and dated March 31, 1998. The Rating Bureau proposes to achieve the rate increase in the following manner:

- 1) Increasing the charge for all endorsements priced as a flat rate by 100%;
- 2) Increasing the flat charges in Sections 5.7C, 5.8B, 5.9B & C and 5.11B of the Manual.
- 3) Increasing the minimum charge for endorsements priced as a percentage of the otherwise applicable rate if the minimum charge is \$100 or less.

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## **RATES:**

Enclosed with this filing is an Economic Justification of Rates (the "Economic Justification") dated December 3, 2019 prepared by Nelson Lipshutz, Ph.D. The Economic Justification supports the request by the Rating Bureau for a rate increase of 4.95%, as more fully described in the Economic Justification.

Table 1 of the Economic Justification reflects the historic rate changes approved by the Department.

The Economic Justification indicates that a rate increase is necessary for title insurers to move towards realization of the target 5% pre-tax profit margin. The Economic Justification relies upon two different bases to calculate the rate increase needed to achieve the 5% pre-tax 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 5.7%, while using SPR it supports a rate increase of 7.3%. The Rating Bureau has elected to seek a rate increase of 4.95% through the change in the charges for certain endorsements rather than through an increase in the Sale and Non-Sale rates.

Importantly, the Economic Justification is based on the most recent 20-year average of data collected by the Rating Bureau as statistical agent for the Department. 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% pre-tax profit margin over that time period. Indeed, according to the Economic Justification, in most of the past 20 years, "the industry would have failed to achieve the target profit margin." Economic Justification at p. 7.

Pages 8 – 11 of the Economic Justification discuss the proposed rate changes related to endorsements and certain sections in the Manual. The discussion notes that the current flat rates for most of the endorsements priced using flat rates have not been changed for many years. Tables 17, 18 and 19 reflect the impact of the proposed increase in the rates for endorsements and for flat charges set forth in Sections 5.7C, 5.8B, 5.9B & C and 5.11B of the Manual as more fully described above and in the Economic Justification.

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

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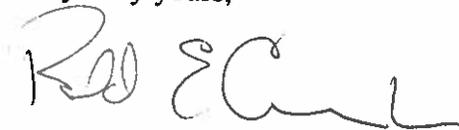
past few years. The factors and data reflected in the Economic Justification support the increase in title insurance rates proposed in this filing.

**GENERAL REVISIONS:**

The enclosed Manual revisions are necessary to incorporate the revised rates for endorsements and in Sections 5.7C, 5.8B, 5.9B & C and 5.11B to reflect the change in flat rate charges in those sections of the Manual. In addition, several non-substantive changes are being made to enhance consistency within the Manual or to correct inaccurate references. Finally, Section 5.9I is being deleted. Specifically, the changes impact the Table of Contents, Section 5, and Section 6. To assist the Department with its review, enclosed with this Rate/Rule Filing is a red-lined copy of the Manual that reflect all of the revisions.

Enclosed with this letter are two copies of this Rate/Rule Filing, consisting of the clean, revised Manual, the Economic Justification and two disks containing the Economic Justification and the tables with supporting data for the Economic Justification. Please contact the undersigned with any questions. Otherwise we appreciate the Department's attention to these matters and have included an additional copy of this letter along with a self-addressed, postage prepaid envelope for your convenience in responding to this request for approval.

Very truly yours,



Ronald E. Chronister  
Specialist/Insurance Industry Consultant

Enclosures

cc: Michael J. Fromhold, Esq.

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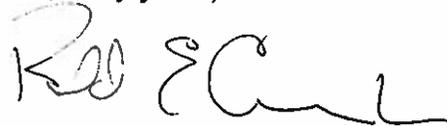
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Enclosures

cc: Michael J. Fromhold, Esq.

# MANUAL OF THE TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA

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RECEIVED  
Insurance Product Regulation  
and Administration

DEC 10 2019

Pennsylvania  
Insurance Department

## NOTICE

**THIS RATE MANUAL HAS BEEN APPROVED BY THE  
PENNSYLVANIA INSURANCE DEPARTMENT  
AS AMENDED THROUGH 100/010/1920**

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 10/01/19 ARE:

Agents National Title Insurance Company  
American Guaranty Title Insurance Company  
AmTrust Title Insurance Company  
CATIC 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 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  
US National Title Insurance 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 –  
12/01/18) TIRBOP PA CPL, as modified by TIRBOP (10/01/19)

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

RECORD OWNER AND LIEN CERTIFICATE (03/01/95)

1. DEFINITIONS

- 1.1 "Insured" is the party to whom coverage is extended by the terms of the policy.
- 1.2 "Insurer" is a title insurance company which is a member or subscriber of the Title Insurance Rating Bureau of Pennsylvania. Unless otherwise indicated, "Insurer" includes all who are expressly authorized to act on behalf of the Insurer, including its employees and Agents.
- 1.3 "Agent" is a person, firm, association, corporation, partnership, cooperative or joint stock company expressly authorized by written contract with an Insurer to solicit risks, collect fees, and prepare Commitments and/or title insurance policies on its behalf and certified by the Insurance Department of the Commonwealth of Pennsylvania ("Department").
- 1.4 "Approved Attorney" is an attorney admitted to practice in Pennsylvania who because of experience and knowledge of real estate law in Pennsylvania is approved by an Insurer and upon whose examination of title and report the Insurer or Agent may issue a policy of title insurance. Such Approved Attorney must take financial responsibility for the search, examination, closing, and the final certification of title to the Insurer or Agent in a real estate transaction. Such Approved Attorney may not also act as an employee of an Insurer, an Agent, or an employee or affiliate of an Agent in a transaction in which he or she acts as an Approved Attorney.
- 1.5 "Commitment", as used herein, is the agreement of an Insurer to issue its policy or policies of title insurance to a proposed Insured, as owner or mortgagee of an estate or interest in the land described therein, all subject to the provisions set forth in the Schedules and Conditions and Stipulations of said Commitment. The Commitment sets forth the requirements including payment of premium and Charges, that must be complied with prior to the issuance of the policy or policies.
- 1.6 "Charge(s)" used herein means "fee" as defined in Section 701 of The Insurance Company Law of 1921 and includes "premium, examination and settlement or closing fee and every other Charge" provided for in this Manual made by an Insurer, Agent or by Approved Attorney.

## 2. GENERAL RULES

### 2.1 TITLE INSURANCE CHARGE

All Charges for title insurance coverage provided by the approved policies and endorsements must be made as set forth in this Manual.

The Charge(s) set forth in this Manual include transmittal of documents and/or funds by first class U.S. mail, transfer of funds by the issuance of checks, the delivery of documents and checks for recording, and the delivery of documents and checks to the lender, purchaser, creditor and/or other person with an interest in the insured transaction (collectively "Interested Party") by first class U.S. mail and other means chosen by the Insurer or Agent.

The Charge(s) set forth in this Manual do not include the following:

- (a) document preparation, other than the commitment, closing statement and title insurance policy with endorsements;
- (b) government charges for recording documents;
- (c) overnight delivery requested by an Interested Party;
- (d) bank wire transfer of funds requested by an Interested Party; or
- (e) receipt and printing of documents (other than the commitment, closing statement and title insurance policy with endorsements) transmitted electronically by an Interested Party.

### 2.2 CANCELLATION NOTIFICATION

Insurer, upon notification to its applicant, may decline to search, examine, issue its Commitment or insure any title, or to issue any endorsement to a policy. Insurer may, at any time, in its sole discretion, refuse an application or cancel any unclosed application of the applicant, without liability on the part of Insurer.

### 2.3 ADDITIONAL WORK CHARGES

Insurer may impose additional Charges in especially difficult title matters. Insurer may impose additional Charges for examination of title which may involve multiple chains of title, land under water, coal, oil, gas or mineral searches, railroad property searches, land in beds of streets, rights-of-way, driveways, foreclosures, tax sales, proceedings under federal bankruptcy or state insolvency related statutes, or which involve other unusual difficulties or unusual expenditures. There shall be a reasonable relationship between the services performed, expenses incurred and the amount charged by the Insurer or Agent.

These Charges will be filed with the Department each quarter by Insurer. Agents are responsible for the filing of this information with Insurer for inclusion in Insurer's quarterly report which will report on Charges collected both by Insurer and by the Agent under this Section of the Manual.

## 2.4 CHARGES FOR ADDITIONAL COVERAGES

Nothing herein shall prohibit Insurer from charging an additional special fee for affirmative risk coverage(s) not contained in this Manual. These fees will be filed with the Department each quarter by Insurer. Agents are responsible for the filing of this information with Insurer for inclusion in the Insurer's quarterly report which will report on Charges collected both by Insurer and the Agent under this Section.

## 2.5 DELIVERY OF POLICY-LIABILITY

Insurer may withhold delivery of the policy of title insurance and have no liability until all applicable Charges, set forth in this Manual, have been paid in full and all conditions of the Insurer's Commitment satisfied.

## 2.6 PAYMENT OF CHARGES

All Charges made pursuant to this Manual must be paid at the time of closing, unless otherwise agreed to by Insurer or as otherwise set forth in this Manual.

## 2.7 PROHIBITION OF USE OF UNAPPROVED FORMS

No policy, endorsement or other coverage may be issued which varies the terms, conditions, stipulations or exclusions of a policy unless first approved by the Department. Approved policies, endorsements and supplemental forms are for use by members and subscribers of TIRBOP as set forth in Sections 8 through 10 of this Manual.

3. SUPPLEMENTAL CHARGES

3.1 CANCELLATION CHARGE

If application is canceled after the Commitment is issued under Company or Agent Procedure, a minimum Charge of \$100.00 is to be made for such cancellation.

3.2 ESCROW SERVICE CHARGE

All escrows and escrow services shall be the subject of a written agreement when the Insurer or its Agent holds funds from a settlement or closing for disbursement at some later date. A minimum service Charge of \$25.00 shall be made for the first 6 months and a minimum Charge of \$25.00 shall be made for each year beyond the initial 6 month period for which the funds are held.

3.3 COMMITMENT ISSUED UNDER THE APPROVED ATTORNEY PROCEDURE

When under the Approved Attorney Procedure an Insurer issues a Commitment, the Charge for same shall be a minimum of \$25.00. The Charge may be applied as a credit toward the applicable rate for title insurance.

3.4 PASS-THROUGH CHARGES

Search and examination services are included in the Sale Rate and Non-Sale Rate for policies issued under the Company or Agent Procedure. Additional Searches and Certifications may be required in a particular closing. If so, they must comply with the following rules:

- (a) The actual fee charged the appropriate party will not exceed the charge made by the issuing governmental agency for the Searches and Certifications shown below.
  - (1) Real Estate Tax Searches and/or Certifications.
  - (2) Water and Sewer Searches and/or Certifications.
  - (3) Municipal Lien Searches and/or Certifications.
  - (4) Domestic Relations and Support Lien Searches and/or Certifications.
  
- (b) The actual cost of obtaining certain other Searches and Certifications shown below may be passed on to an Interested Party.
  - (1) Corporate Lien Searches.
  - (2) Corporate Good Standing Certificates.
  - (3) Uniform Commercial Code Searches.
  - (4) Condominium, Cooperative and Planned Community Certifications.

### 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 12/01/18) - TIRBOP PA CPL, as modified by TIRBOP (10/01/19))

### 3.6 RECORD OWNER AND LIEN CERTIFICATE

The Charge for the certificate, which gives information about the state of title of the record owner for 1-4 family residential property, shall be \$350.00 per chain of title, and the liability thereunder shall be \$2,500.00. The Charge for the certificate, which gives information about the state of title of the record owner for property other than 1-4 family residential, shall be \$750.00 per chain of title, and the liability thereunder shall be \$5,000.00.

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.

4. RESERVED FOR FUTURE USE

5. POLICIES AND RATES

5.1 METHODS OF OPERATION

- A. "Company or Agent Procedure". Under this procedure, the Insurer or Agent examines title and handles settlement and issues a Commitment and/or policy.
- B. "Approved Attorney Procedure". Under this procedure, the Approved Attorney certifies the title to the Insurer or Agent on a preliminary report of title based upon the Approved Attorney's examination of title. "Examination" for the purpose of this section is the process of abstracting or searching or causing an abstract or search to be made of the appropriate public records for those matters affecting title to a specific parcel of land, examining the results thereof, and reporting such results and conclusions to the Insurer or its Agent in a preliminary report of title. The Insurer or its Agent, in reliance upon such report, may issue a Commitment and the Approved Attorney may conduct a settlement or closing based upon such report and Commitment. Subsequently, the title insurance policy shall be issued by the Insurer or Agent based upon the Approved Attorney's final certificate of title. In certain cases an Approved Attorney may submit only a final certificate of title to the Insurer or Agent, and based upon such certificate the Insurer or Agent may issue the title insurance policy.
- C. The charge for the search, examination of title and the settlement by the Approved Attorney is not governed by this Manual.

5.2 APPLICATION OF RATES UNDER THE COMPANY OR AGENT PROCEDURE

A. APPLICATION OF SALE RATE

The Sale Rate is set forth in Section 5.50 A. of the Schedule of Rates – Company or Agent Procedure and applies to all owner's policies of title insurance issued under the Company or Agent Procedure described in Section 5.1 above. The Sale Rate is to be applied to calculate the Charge for a loan policy of title insurance only in certain situations (as described in this Section 5.2, paragraphs C, D and E).

B. APPLICATION OF NON-SALE RATE

The Non-Sale Rate is set forth in Section 5.50 B. of the Schedule of Rates – Company or Agent Procedure, and with certain exceptions as hereinafter described, applies to loan policies of title insurance issued under the Company or Agent Procedure, described in Section 5.1 above. Paragraphs C, D and E of this Section 5.2 describe those exceptions where the Sale Rate applies in calculating the Charge for a loan policy of title insurance.

C. SIMULTANEOUS ISSUANCE

Where owner's and loan policies are issued simultaneously on the same property, they shall be treated as a single policy for rate calculation purposes. The Charge, including any endorsements priced as a percentage, shall be based on the Sale Rate and applied to the policy with the highest limits.

D. WAIVER OF OWNER'S POLICY

In a transaction involving the purchase of all or a part of the real estate securing a mortgage with said mortgage being simultaneously insured, an owner's policy must be issued unless the new owner has waived, in writing, the purchase of an owner's policy in accordance with Title 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 paragraph, the Charge for the loan policy shall be based on the Sale Rate being applied to the amount of insurance for the loan policy.

E. POSTPONEMENT OF OWNER'S POLICY

When an owner acquires a premises and purchases title insurance and the owner does not grant a mortgage on the premises at the time of the acquisition, at the written request of the Insured Owner, the issuance of an owner's policy may be postponed for a period not to exceed 12 months after the date of recording the deed. If, during the 12 month period, the Insured Owner places a mortgage on the premises, no separate charge other than an additional Charge due for a loan policy in an amount in excess of the owner's policy, if any, shall be charged for the issuance of the owner's and loan policies. However, a work Charge for conducting the loan closing and issuance of an updated title Commitment, if required, may be made which shall not exceed 25% of the Sale Rate for such loan policy. In no event shall the provisions of this Section apply beyond the 12 month period.

F. MORTGAGE FORECLOSURE OR DEED IN LIEU OF FORECLOSURE

If an insured lender desires to purchase an owner's policy when it acquires title to the land by foreclosure or by deed in lieu of foreclosure, the Charge for the owner's policy shall be based on the Sale Rate and the amount of insurance shall not be less than the fair market value of the property as of the time the owner's policy is issued.

G. ENDORSEMENT CHARGES – Multiple Policies & Percentage Endorsements

The Charge for an endorsement shall be made each time an endorsement is attached to a policy regardless of the number of policies issued in a particular transaction; provided, however, a Charge for endorsements priced as a percentage shall only be made once in transactions where multiple policies are issued in accordance with 5.4 (D), 5.5 (D) or (E). The Charges for an endorsement priced as a percentage shall be calculated by applying the specified percentage to the rate applicable to the transaction as determined by this Section 5.2. 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.

H. ENHANCED COVERAGE RESIDENTIAL POLICIES

Whenever Enhanced Coverage Residential Policies are issued, the Charge for said policies shall be calculated in accordance with Section 5.9.

5.3 APPLICATION OF RATES UNDER THE APPROVED ATTORNEY PROCEDURE

A. APPROVED ATTORNEY RATE

The Approved Attorney Rate, as set forth in Section 5.51 of the Schedule of Rates – Approved Attorney Procedure, applies to all owner's and loan policies issued under the Approved Attorney Procedure.

B. SIMULTANEOUS ISSUANCE

Where a loan policy and owner's policy are issued simultaneously on the same property, they shall be treated as a single policy. The Charge under the Approved Attorney Procedure shall be based on the policy with the highest limits.

C. ENDORSEMENT CHARGES – Multiple Policies & Percentage Charges

The Charge for an endorsement shall be made each time an endorsement is attached to a policy regardless of the number of policies issued in a particular transaction; provided, however, a Charge for endorsements priced as a percentage shall only be made once in transactions where multiple policies are issued in accordance with Section 5.4(D), 5.5 (D) or (E). The Charge for an endorsement priced as a percentage shall be calculated by applying the specified percentage to the rate which would have been applicable to the transaction under the Company or Agent Procedure set forth in Section 5.2. 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.

D. WAIVER OF OWNER'S POLICY

In a transaction involving the purchase of all or a part of the real estate securing the mortgage with said mortgage being simultaneously insured, an owner's policy must be issued unless the new owner has waived, in writing, the purchase of an owner's policy in accordance with Title 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 paragraph, the Charge for the loan policy shall be based on the amount of insurance for the loan policy.

E. POSTPONEMENT OF OWNER'S POLICY

When an owner acquires a premises and purchases title insurance and the owner does not grant a mortgage on the premises at the time of the acquisition, at the written request of the Insured Owner, the issuance of an owner's policy may be postponed for a period not to exceed 12 months after the date of recording the deed. If, during the 12 month period, the Insured Owner places a mortgage on the premises, no separate charge other than an additional Charge due for a loan policy in an amount in excess of the owner's policy, if any, shall be charged for the issuance of the owner's and loan policies. In no event shall the provisions of this Section apply beyond the 12 month period.

F. MORTGAGE FORECLOSURE OR DEED IN LIEU OF FORECLOSURE

If an insured lender desires to purchase an owner's policy when it acquires title to the land by foreclosure or by deed in lieu of foreclosure, the Charge for the owner's policy shall be based on the amount of insurance which shall be not less than the fair market value of the property as of the time the owner's policy is issued.

G. ENHANCED COVERAGE RESIDENTIAL POLICIES

Whenever Enhanced Coverage Residential Policies are issued, the Charge for said policies shall be calculated in accordance with Section 5.9.

5.4 OWNER'S TITLE INSURANCE – DETERMINATION OF AMOUNT OF INSURANCE

- A. An owner's policy issued at the time of the purchase of the property shall be based on the full consideration, including the aggregate unpaid principal sum of any mortgage(s) or other liens, claims, taxes and any other municipal charge not being paid. A policy may be issued in an amount in excess of the full consideration where agreed to by the Insurer and the Insured.
- B. Where an owner desires that an owner's policy be issued after acquisition of title, the rate shall be based upon any amount the owner may request but not less than the present fair market value of the property as of the time the owner's policy is issued.
- C. When an insured lender desires to purchase an owner's policy when it acquires title to the land by foreclosure or by deed in lieu of foreclosure, the Charge shall be based upon the amount of insurance the lender may request but not less than the present fair market value of the property as of the time the owner's policy is issued.
- D. When more than one owner's policy is issued simultaneously, in the same transaction, to insure multiple properties to the same buyer or to multiple buyers owned or controlled by the same person or entity, the Charge for these policies shall be determined by the aggregate liability of the owner's policies to be issued.

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 from the date of the Initial Policy ..... 50% of Non-Sale Rate  
Over 5 years to 10 years from the date of the Initial Policy..... 70% of Non-Sale Rate  
Over 10 years from the date of the Initial Policy ..... 100% of Non-Sale Rate

“Initial Policy” shall mean the first loan policy of title insurance issued in connection with a loan to be secured by an interest in real estate. Any new policy or

endorsement to an existing policy issued in conjunction with an extension or modification agreement pursuant to this Section 5.6 shall not be considered an Initial Policy.

- C. When the date of the Initial Policy is less than 10 years ago, the Charge for a new policy or endorsement to an existing policy 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 .....	\$1,106.60; to which is added
(ii)	50% of Non-Sale Rate on \$700,000 .....	<u>\$1,844.63</u>
	Total Charge:	\$2,951.23

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 \$1,024.80 (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 \$3,976.20.

- E. When a new policy is issued in connection with an extension or modification of a previously insured mortgage loan, the Initial Policy or existing policy, as the case may be, 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 Initial Policy. 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 \$51,000.00.
- 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 \$~~1~~200.00 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.
- C. The Charge for an endorsement to a Short Form Residential Loan Policy priced as a percentage shall be calculated by applying the specified percentage to the rate applicable to the transaction as determined by the Schedule of Rates in Sections 5.50 and ~~5.51~~. The \$~~1~~200.00 Charge in Section 5.8 B shall thereafter be added.

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.

The Charge for an endorsement to a Homeowner's Policy priced as a percentage shall be calculated after the additional 10% Charge is added.

**Example under Company or Agent Procedure:**

Amount of Insurance	Charge	+10%	Charge*
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Homeowner's Policy	Amount of Insurance \$200,000	Charge \$1,595.00	+10% + \$159.50	=	Charge* \$1,754.50
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\*The Charge for this transaction is \$1,754.50, plus the Charge for any endorsements issued with the Homeowner's Policy.

**Example under the Approved Attorney Procedure:**

Homeowner's Policy	Amount of Insurance \$200,000	Charge \$714.00	+10% + \$159.50	=	Charge* \$873.50
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\*The Charge for this transaction is \$873.50, 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 \$2400. 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 \$2400, 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.

The Charge for an endorsement to an Expanded Coverage Residential Loan Policy priced as a percentage shall be calculated after the additional 10% Charge is added but before the flat endorsement fee of \$2400.00 is added.

**Example under Company or Agent Procedure:**

Expanded Coverage Residential Loan Policy	Amount of Insurance \$200,000	Charge \$1,383.25	+10% (on Non-Sale Rate) + \$138.33	=	Charge* \$1,521.58
			+ \$2400.00 endorsement fee		<u>2400.00</u>
					<u>0</u>

Amount of Insurance	Charge	+10% (on Non-Sale Rate)	Charge*
			\$1,9721.58

\*The Charge for this transaction is \$1,9721.58, 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	\$714.00	+ \$138.33 =	\$852.33
			+ \$2400.00 endorsement fee	<u>2400.00</u>
				0
				\$1,2952.33

\*The Charge for this transaction is \$1,2952.33, 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 Expanded Coverage Residential Loan Policy (or Short Form thereof) shall be issued absent contrary instructions from the lender. When the Homeowner's Policy and the Expanded Coverage Residential Loan Policy (or Short Form thereof) (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 \$2400.00. 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	\$1,595.00	+ \$159.50 =	\$1,754.50
Expanded Coverage Residential Loan Policy	\$175,000		+ \$2400.00 endorsement fee	<u>2400.00</u>
				\$2,154.50

\*The Charge for this transaction is \$2,154.50, 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	\$714.00	+ \$159.50 =	\$873.50
Expanded Coverage			+ \$2400.00 endorsement fee	<u>2400.00</u>
Residential Loan Policy	\$175,000			\$1,2073.50

\*The Charge for this transaction is \$1,2073.50, 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. INTENTIONALLY DELETED

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

When a Homeowner's Policy is being issued, the Expanded Coverage Residential Loan Policy (or Short Form thereof) shall be issued absent contrary instructions from the lender.

When the Homeowner's Policy and the 2006 ALTA Loan Policy (or Short Form thereof) 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	\$1,595.00	+ \$159.50 =	\$1,754.50
2006 ALTA Loan Policy	\$175,000			

\*The Charge for this transaction is \$1,754.50, 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	\$714.00	+ \$159.50 =	\$873.50
2006 ALTA Loan Policy	\$175,000			

\*The Charge for this transaction is \$873.50, 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 Expanded 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	\$1,452.50	+ \$145.25	= \$1,597.75

\*The Charge for this transaction is \$1,597.75, plus the Charge for any endorsements issued with the Expanded 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	\$635.75	+ \$145.25	= \$781.00

\*The Charge for this transaction is \$781.00, plus the Charge for any endorsements issued with the Expanded Coverage Residential Loan Policy.

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

Whenever an Expanded Coverage Residential Loan 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

Expanded 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 (6/17/06). 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 \$1200.00 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.

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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 .....	\$142.00
	For amounts over \$2,000:	
	\$2,001 to \$15,000 inclusive ..... add \$5.70 per .....	\$1,000
	\$15,001 to \$30,000 inclusive ..... add \$5.13 per .....	\$1,000
	\$30,001 to \$50,000 inclusive ..... add \$4.56 per .....	\$1,000
	\$50,001 to \$100,000 inclusive ..... add \$3.99 per .....	\$1,000
	\$100,001 to \$500,000 inclusive ..... add \$3.42 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 \$2.28 per .....	\$1,000
	\$2,000,001 and over..... add \$1.42 per .....	\$1,000
	For each distribution endorsement .....	\$25.00
B.	Fund created at a tax sale for distribution of the entire fund .....	\$227.00

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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	\$569.00	\$ 0 to \$30,000	\$512.00
\$30,001 to \$45,000 Add per 1,000	\$7.41	\$30,001 to \$45,000 Add per 1,000	\$5.98
\$45,001 to \$100,000 Add per 1,000	\$6.27	\$45,001 to \$100,000 Add per 1,000	\$5.41
\$100,001 to \$500,000 Add per 1,000	\$5.70	\$100,001 to \$500,000 Add per 1,000	\$4.84
\$500,001 to \$1,000,000 Add per 1,000	\$4.56	\$500,001 to \$1,000,000 Add per 1,000	\$4.27
\$1,000,001 to \$2,000,000 Add per 1,000	\$3.42	\$1,000,001 to \$2,000,000 Add per 1,000	\$3.13
\$2,000,001 to \$7,000,000 Add per 1,000	\$2.28	\$2,000,001 to \$7,000,000 Add per 1,000	\$1.99
\$7,000,001 to \$30,000,000 Add per 1,000	\$1.71	\$7,000,001 to \$30,000,000 Add per 1,000	\$1.71
\$30,000,000 and above Add per 1,000	\$1.42	\$30,000,000 and above Add per 1,000	\$1.42

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 .....	\$142.00
\$30,001 to \$100,000 .....	add \$3.70 per \$1,000 or fraction thereof
\$100,001 to \$500,000 .....	add \$3.13 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 \$2.56 per \$1,000 or fraction thereof
\$2,000,001 to \$7,000,000 .....	add \$2.28 per \$1,000 or fraction thereof
\$7,000,001 and above .....	add \$1.71 per \$1,000 or fraction thereof

6. ENDORSEMENTS AND RATES

6.1 TIRBOP – ENDORSEMENT PA 100 – COVENANTS, CONDITIONS AND RESTRICTIONS (Revised 10/01/19)

Loan Policy Only

This endorsement insures against loss or damage by reason of a violation of an enforceable Covenant set forth in Schedule B of the Policy or that a future violation thereof will not cause a forfeiture or reversion of Title. The Charge for this endorsement is \$5100.00.

6.2 RESERVED FOR FUTURE USE

6.3 RESERVED FOR FUTURE USE

6.4 RESERVED FOR FUTURE USE

6.5 RESERVED FOR FUTURE USE

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 \$5100.00.

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 \$1750.00.

6.8 TIRBOP – ENDORSEMENT PA 400 – (ALTA ~~Endorsement~~ ~~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 \$5100.00.

6.9 TIRBOP – ENDORSEMENT PA 500 – (ALTA ~~Endorsement~~ ~~ENDORSEMENT~~ 11-06 as modified by TIRBOP) – MORTGAGE MODIFICATION (10/01/17)

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~~NDORSEMENT 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~~NDORSEMENT 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 \$~~5~~100.00.

6.12 TIRBOP – ENDORSEMENT PA 710-6.2 (ALTA ~~Endorsement~~NDORSEMENT 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 \$~~5~~100.00.

6.13 TIRBOP – ENDORSEMENT PA 810 (ALTA ~~Endorsement~~NDORSEMENT 4.1-06) – CONDOMINIUM – CURRENT ASSESSMENTS (08/01/18)

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 \$~~5~~100.00.

- 6.14 TIRBOP – ENDORSEMENT PA 820 (ALTA ~~Endorsement~~ENDORSEMENT 5.1-06) – PLANNED UNIT DEVELOPMENT – CURRENT ASSESSMENTS (08/01/18)

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 \$5100.00.

- 6.15 TIRBOP – ENDORSEMENT PA 900 (ALTA ~~Endorsement~~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 Public Records except with respect to environmental protection liens provided for by certain statutes identified in the endorsement. The Charge for this endorsement is \$5100.00.

- 6.16 TIRBOP – ENDORSEMENT PA 910 – (ALTA ~~Endorsement~~ENDORSEMENT 8.2-06) COMMERCIAL ENVIRONMENTAL PROTECTION LIEN (08/01/18)

Owner's and/or Loan Policy (Non-Residential Property)

This endorsement provides coverage over those environmental protection liens recorded in the Public Records. The Charge for this endorsement is \$1200.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's or loan policy insuring 1-4 family residential property.

- 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 \$5100.00.

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 \$~~5~~100.00.

6.21 TIRBOP – ENDORSEMENT PA 1030 (ALTA ~~Endorsement~~**ENDORSEMENT** 9-06 (Revised 04-02-12)) – RESTRICTIONS, ENCROACHMENTS, MINERALS (10/01/17)

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 \$~~7~~150.00.

6.22 TIRBOP – ENDORSEMENT PA 1031 (ALTA ~~Endorsement~~**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 \$~~7~~150.00.

6.23 TIRBOP – ENDORSEMENT PA 1032 – (ALTA ~~Endorsement~~**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 ~~\$7150.00~~.

- 6.24 TIRBOP – ENDORSEMENT PA 1033 (ALTA ~~Endorsement~~NDORSEMENT 9.6-06) – PRIVATE RIGHTS (Revised 04/2/13) (10/01/17)

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 ~~\$51,000.00~~. 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~~NDORSEMENT 9.7-06) – RESTRICTIONS, ENCROACHMENTS, MINERALS – LAND UNDER DEVELOPMENT (08/01/18)

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 ~~\$7150.00~~.

- 6.26 TIRBOP – ENDORSEMENT PA 1035 (ALTA ~~Endorsement~~NDORSEMENT 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 ~~\$7150.00~~.

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 (08/01/18)

Owner's and/or Loan Policy

This endorsement amends the ALTA Owner's or Loan Policy by deleting the CONDITIONS paragraph entitled ARBITRATION. The Charge for this endorsement is ~~\$1~~200.00.

6.30 TIRBOP – ENDORSEMENT PA 1110 (ALTA ~~Endorsement~~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~~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~~NDORSEMENT 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~~NDORSEMENT 14.2-06)  
FUTURE ADVANCE – LETTER OF CREDIT (08/01/18)

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~~NDORSEMENT 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~~NDORSEMENT 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~~NDORSEMENT 15.2-06)  
NONIMPUTATION – PARTIAL EQUITY TRANSFER (05/01/16)

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~~NDORSEMENT 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~~NDORSEMENT 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 \$1200.00. 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~~NDORSEMENT 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~~NDORSEMENT 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 \$2500.00. 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~~NDORSEMENT 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~~NDORSEMENT 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 \$~~5~~100.00.

- 6.44 TIRBOP – ENDORSEMENT PA 1230 – (ALTA ~~Endorsement~~NDORSEMENT 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 \$~~1~~200.00. 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~~NDORSEMENT 18.1-06) –  
MULTIPLE TAX PARCELS - EASEMENTS (10/01/17)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to assessment as multiple tax parcels. The Charge for this endorsement is \$~~1~~200.00. 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~~NDORSEMENT 19-06) –  
CONTIGUITY-MULTIPLE PARCELS (10/01/19)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to contiguity of the insured premises. The Charge for this endorsement is \$~~1~~200.00. 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~~NDORSEMENT 19.1-06) – CONTIGUITY-SINGLE PARCEL (05/01/16)

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 \$~~51,000~~.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.

- 6.46.2 TIRBOP – ENDORSEMENT PA 1252 – (ALTA ~~Endorsement~~NDORSEMENT 19.2-06) – CONTIGUITY-SPECIFIED PARCELS (10/01/19)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to contiguity of specified parcels within the insured premises. The Charge for this endorsement is \$~~1200~~.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~~NDORSEMENT 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 \$~~1200~~.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 – (ALTA ~~Endorsement~~NDORSEMENT 25-06) - SAME AS SURVEY (10/01/19)

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 \$~~1200~~.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 – (ALTA ~~Endorsement~~NDORSEMENT 25-06) - SAME AS SURVEY (10/01/19)

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 \$~~1200~~.00, unless it is issued with TIRBOP Endorsement PA 301, in which case it will be priced as \$~~1200~~.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~~NDORSEMENT 22-06, as modified by TIRBOP) – LOCATION (10/01/17)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to the physical improvements of the Land. The Charge for this endorsement is \$1200.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's or loan policy insuring 1-4 family residential property, 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 \$2500.00. 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~~NDORSEMENT 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~~NDORSEMENT 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~~NDORSEMENT 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~~or 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 \$~~51,000~~.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~~NDORSEMENT 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~~or 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 \$~~7150~~.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~~NDORSEMENT 28.3-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS – LAND UNDER  
DEVELOPMENT (10/01/17)

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; ~~or~~ ~~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 \$51,000.00. 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~~NDORSEMENT 28.3-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS – LAND UNDER  
DEVELOPMENT (10/01/17)

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; ~~or~~ ~~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 \$7150.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.55.3 TIRBOP – ENDORSEMENT PA 1316 – (ALTA ~~Endorsement~~NDORSEMENT 28.2-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS – DESCRIBED  
IMPROVEMENTS (10/01/19)

Loan Policy

This endorsement insures against loss or damage by reason of an encroachment of a specified Improvement located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of a specified Improvement located on adjoining land onto the Land; enforced removal of a specified 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 specified Improvement; ~~or~~ ~~and~~ enforced removal of a specified 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 \$51,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.55.4 TIRBOP – ENDORSEMENT PA 1317 – (ALTA ~~Endorsement~~NDORSEMENT 28.2-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS – DESCRIBED  
IMPROVEMENTS (10/01/19)

Owner's Policy Only

This endorsement insures against loss or damage by reason of an encroachment of a specified Improvement located on the Land onto adjoining land or onto that portion of the Land subject

to an easement; an encroachment of a specified Improvement located on adjoining land onto the Land; enforced removal of a specified 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 specified Improvement; ~~or and~~ enforced removal of a specified 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 \$7150.00. 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~~NDORSEMENT 29-06)  
INTEREST RATE SWAP ENDORSEMENT – DIRECT OBLIGATION (10/01/17)

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~~NDORSEMENT 29.1-06)  
INTEREST RATE SWAP ENDORSEMENT – ADDITIONAL INTEREST (10/01/17)

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.

- 6.57.1 TIRBOP – ENDORSEMENT PA 1331 – (ALTA ~~Endorsement~~NDORSEMENT 29.2-06)  
INTEREST RATE SWAP – DIRECT OBLIGATION – DEFINED AMOUNT (10/01/17)

Loan Policy Only

This endorsement provides the same coverage as TIRBOP Endorsement PA 1320, except that it establishes an Additional Amount of Insurance designated solely for losses addressed in the endorsement. 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. Use of this endorsement is prohibited in conjunction with issuance of a loan policy insuring 1-4 family residential property.

- 6.57.2 TIRBOP – ENDORSEMENT PA 1332 (ALTA ~~Endorsement~~NDORSEMENT 29.3-06)  
INTEREST RATE SWAP – ADDITIONAL INTEREST – DEFINED AMOUNT (10/01/17)

Loan Policy Only

This endorsement provides the same coverage as TIRBOP Endorsement PA 1330, except that it establishes an Additional Amount of Insurance designated solely for losses addressed in the endorsement. 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. Use of this endorsement is prohibited in conjunction with issuance of a loan policy insuring 1-4 family residential property.

6.58 TIRBOP – ENDORSEMENT PA 1340 – (ALTA ~~Endorsement~~NDORSEMENT 35-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES – BUILDINGS (10/01/17)

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 \$51,000.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.59 TIRBOP – ENDORSEMENT PA 1341 – (ALTA ~~Endorsement~~NDORSEMENT 35-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES – BUILDINGS (10/01/17)

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 \$51,000.00. 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~~NDORSEMENT 35.1-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES – IMPROVEMENTS  
(10/01/17)

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~~NDORSEMENT 35.1-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES – IMPROVEMENTS  
(10/01/17)

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~~NDORSEMENT 35.3-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES - LAND UNDER  
DEVELOPMENT (10/01/17)

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~~NDORSEMENT 35.3-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES – LAND UNDER  
DEVELOPMENT (10/01/17)

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~~NDORSEMENT 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 \$51,000.00. 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~~NDORSEMENT 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 \$51,000.00. 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~~NDORSEMENT 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 \$51,000.00. 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~~ ~~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 \$51,000.00. 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~~ ~~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 \$~~51,000.00~~. 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~~NDORSEMENT 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 \$~~7150.00~~. 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~~NDORSEMENT 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 \$~~7150.00~~. 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~~NDORSEMENT 36.6-06)  
ENERGY PROJECT – ENCROACHMENTS (10/01/17)

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 \$7150.00. 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.

6.72 TIRBOP – ENDORSEMENT PA 1471 – (ALTA ~~Endorsement~~NDORSEMENT 36.6-06)  
ENERGY PROJECT – ENCROACHMENTS (10/01/17)

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 \$7150.00. 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 Eendorsement 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 \$7150.00.

- 6.74 TIRBOP – ENDORSEMENT 1490 – (ALTA Eendorsement 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 Eendorsement 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 Eendorsement 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 Eendorsement 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.

6.78 TIRBOP – ENDORSEMENT PA 1530 (ALTA Eendorsement 14-06) FUTURE ADVANCE – PRIORITY (10/01/19)

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 \$4200.00 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 Eendorsement 14.1-06) FUTURE ADVANCE – KNOWLEDGE (10/01/19)

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 \$1200.00 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 Eendorsement 17.2-06)  
UTILITY ACCESS (10/01/17)

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 an owner's loan policy insuring 1-4 family residential property.

- 6.81 TIRBOP – ENDORSEMENT PA 1551 (ALTA Eendorsement 17.2-06)  
UTILITY ACCESS (10/01/17)

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 \$51,000.00. 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 Eendorsement 37-06)  
ASSIGNMENT OF RENTS OR LEASES (10/01/17)

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 \$1200.00. 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 Eendorsement 40-06)  
TAX CREDIT-OWNER'S POLICY (10/01/17)

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 \$51,000.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

- 6.84 TIRBOP – ENDORSEMENT PA 1580 (ALTA Eendorsement 40.1-06)  
TAX CREDIT-DEFINED AMOUNT-OWNER'S POLICY (10/01/17)

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 \$7,100.00, 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 Eendorsement 9.10-06)  
RESTRICTIONS, ENCROACHMENTS, MINERALS – CURRENT VIOLATIONS  
(10/01/17)

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 \$7150.00.

- 6.86 TIRBOP – ENDORSEMENT 1600 (ALTA Endorsement 10-06)  
ASSIGNMENT (05/01/16)

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 \$51,000.00.

6.87 TIRBOP – ENDORSEMENT 1610 (ALTA Endorsement 23-06)  
CO-INSURANCE – SINGLE POLICY (05/01/16)

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.

6.87.1 TIRBOP – ENDORSEMENT 1611 (ALTA Endorsement 23.1-06)  
CO-INSURANCE – MULTIPLE POLICIES (10/01/19)

Owner's and/or Loan Policy

This endorsement allows the lead insurer to issue multiple policies with other co-insurers adopting the policies 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 policies insuring 1-4 family residential property.

6.88 TIRBOP – ENDORSEMENT 1620 (ALTA Endorsement 39-06)  
POLICY AUTHENTICATION (05/01/16)

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 \$~~1~~200.00.

6.89 TIRBOP – ENDORSEMENT 1630 (ALTA Endorsement 42-06)  
COMMERCIAL LENDER GROUP ENDORSEMENT (05/01/16)

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 \$~~5~~1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.90 TIRBOP – ENDORSEMENT 1640 (ALTA Endorsement 43-06)  
ANTI-TAINT ENDORSEMENT (05/01/16)

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 \$51,000.00. 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 (05/01/16)

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 \$7150.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.92 TIRBOP ENDORSEMENT 1660 (ALTA Endorsement 34-06)  
IDENTIFIED RISK COVERAGE (10/01/17)

Owner's and/or Loan Policy

This endorsement insures against enforcement of an Identified Risk excepted for in Schedule B and, subject to certain conditions, insures against loss or damage by reason of the release of prospective purchaser or lessee of the Title or lender on the Title from the obligation to purchase, lease or lend as a result of the Identified Risk. The Charge for this endorsement is \$1200.00.

7. RESERVED FOR FUTURE USE

# **MANUAL OF THE TITLE INSURANCE RATING BUREAU OF PENNSYLVANIA**

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Insurance Product Regulation  
and Administration**

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**Pennsylvania  
Insurance Department**

## **NOTICE**

**THIS RATE MANUAL HAS BEEN APPROVED BY THE  
PENNSYLVANIA INSURANCE DEPARTMENT  
AS AMENDED THROUGH 00/00/20**

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 10/01/19 ARE:**

Agents National Title Insurance Company  
American Guaranty Title Insurance Company  
AmTrust Title Insurance Company  
CATIC 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 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  
US National Title Insurance 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 –  
12/01/18) TIRBOP PA CPL, as modified by TIRBOP (10/01/19)

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

RECORD OWNER AND LIEN CERTIFICATE (03/01/95)

1. DEFINITIONS

- 1.1 "Insured" is the party to whom coverage is extended by the terms of the policy.
- 1.2 "Insurer" is a title insurance company which is a member or subscriber of the Title Insurance Rating Bureau of Pennsylvania. Unless otherwise indicated, "Insurer" includes all who are expressly authorized to act on behalf of the Insurer, including its employees and Agents.
- 1.3 "Agent" is a person, firm, association, corporation, partnership, cooperative or joint stock company expressly authorized by written contract with an Insurer to solicit risks, collect fees, and prepare Commitments and/or title insurance policies on its behalf and certified by the Insurance Department of the Commonwealth of Pennsylvania ("Department").
- 1.4 "Approved Attorney" is an attorney admitted to practice in Pennsylvania who because of experience and knowledge of real estate law in Pennsylvania is approved by an Insurer and upon whose examination of title and report the Insurer or Agent may issue a policy of title insurance. Such Approved Attorney must take financial responsibility for the search, examination, closing, and the final certification of title to the Insurer or Agent in a real estate transaction. Such Approved Attorney may not also act as an employee of an Insurer, an Agent, or an employee or affiliate of an Agent in a transaction in which he or she acts as an Approved Attorney.
- 1.5 "Commitment", as used herein, is the agreement of an Insurer to issue its policy or policies of title insurance to a proposed Insured, as owner or mortgagee of an estate or interest in the land described therein, all subject to the provisions set forth in the Schedules and Conditions and Stipulations of said Commitment. The Commitment sets forth the requirements including payment of premium and Charges, that must be complied with prior to the issuance of the policy or policies.
- 1.6 "Charge(s)" used herein means "fee" as defined in Section 701 of The Insurance Company Law of 1921 and includes "premium, examination and settlement or closing fee and every other Charge" provided for in this Manual made by an Insurer, Agent or by Approved Attorney.

## 2. GENERAL RULES

### 2.1 TITLE INSURANCE CHARGE

All Charges for title insurance coverage provided by the approved policies and endorsements must be made as set forth in this Manual.

The Charge(s) set forth in this Manual include transmittal of documents and/or funds by first class U.S. mail, transfer of funds by the issuance of checks, the delivery of documents and checks for recording, and the delivery of documents and checks to the lender, purchaser, creditor and/or other person with an interest in the insured transaction (collectively "Interested Party") by first class U.S. mail and other means chosen by the Insurer or Agent.

The Charge(s) set forth in this Manual do not include the following:

- (a) document preparation, other than the commitment, closing statement and title insurance policy with endorsements;
- (b) government charges for recording documents;
- (c) overnight delivery requested by an Interested Party;
- (d) bank wire transfer of funds requested by an Interested Party; or
- (e) receipt and printing of documents (other than the commitment, closing statement and title insurance policy with endorsements) transmitted electronically by an Interested Party.

### 2.2 CANCELLATION NOTIFICATION

Insurer, upon notification to its applicant, may decline to search, examine, issue its Commitment or insure any title, or to issue any endorsement to a policy. Insurer may, at any time, in its sole discretion, refuse an application or cancel any unclosed application of the applicant, without liability on the part of Insurer.

### 2.3 ADDITIONAL WORK CHARGES

Insurer may impose additional Charges in especially difficult title matters. Insurer may impose additional Charges for examination of title which may involve multiple chains of title, land under water, coal, oil, gas or mineral searches, railroad property searches, land in beds of streets, rights-of-way, driveways, foreclosures, tax sales, proceedings under federal bankruptcy or state insolvency related statutes, or which involve other unusual difficulties or unusual expenditures. There shall be a reasonable relationship between the services performed, expenses incurred and the amount charged by the Insurer or Agent.

These Charges will be filed with the Department each quarter by Insurer. Agents are responsible for the filing of this information with Insurer for inclusion in Insurer's quarterly report which will report on Charges collected both by Insurer and by the Agent under this Section of the Manual.

## 2.4 CHARGES FOR ADDITIONAL COVERAGES

Nothing herein shall prohibit Insurer from charging an additional special fee for affirmative risk coverage(s) not contained in this Manual. These fees will be filed with the Department each quarter by Insurer. Agents are responsible for the filing of this information with Insurer for inclusion in the Insurer's quarterly report which will report on Charges collected both by Insurer and the Agent under this Section.

## 2.5 DELIVERY OF POLICY-LIABILITY

Insurer may withhold delivery of the policy of title insurance and have no liability until all applicable Charges, set forth in this Manual, have been paid in full and all conditions of the Insurer's Commitment satisfied.

## 2.6 PAYMENT OF CHARGES

All Charges made pursuant to this Manual must be paid at the time of closing, unless otherwise agreed to by Insurer or as otherwise set forth in this Manual.

## 2.7 PROHIBITION OF USE OF UNAPPROVED FORMS

No policy, endorsement or other coverage may be issued which varies the terms, conditions, stipulations or exclusions of a policy unless first approved by the Department. Approved policies, endorsements and supplemental forms are for use by members and subscribers of TIRBOP as set forth in Sections 8 through 10 of this Manual.

3. SUPPLEMENTAL CHARGES

3.1 CANCELLATION CHARGE

If application is canceled after the Commitment is issued under Company or Agent Procedure, a minimum Charge of \$100.00 is to be made for such cancellation.

3.2 ESCROW SERVICE CHARGE

All escrows and escrow services shall be the subject of a written agreement when the Insurer or its Agent holds funds from a settlement or closing for disbursement at some later date. A minimum service Charge of \$25.00 shall be made for the first 6 months and a minimum Charge of \$25.00 shall be made for each year beyond the initial 6 month period for which the funds are held.

3.3 COMMITMENT ISSUED UNDER THE APPROVED ATTORNEY PROCEDURE

When under the Approved Attorney Procedure an Insurer issues a Commitment, the Charge for same shall be a minimum of \$25.00. The Charge may be applied as a credit toward the applicable rate for title insurance.

3.4 PASS-THROUGH CHARGES

Search and examination services are included in the Sale Rate and Non-Sale Rate for policies issued under the Company or Agent Procedure. Additional Searches and Certifications may be required in a particular closing. If so, they must comply with the following rules:

- (a) The actual fee charged the appropriate party will not exceed the charge made by the issuing governmental agency for the Searches and Certifications shown below.
  - (1) Real Estate Tax Searches and/or Certifications.
  - (2) Water and Sewer Searches and/or Certifications.
  - (3) Municipal Lien Searches and/or Certifications.
  - (4) Domestic Relations and Support Lien Searches and/or Certifications.
- (b) The actual cost of obtaining certain other Searches and Certifications shown below may be passed on to an Interested Party.
  - (1) Corporate Lien Searches.
  - (2) Corporate Good Standing Certificates.
  - (3) Uniform Commercial Code Searches.
  - (4) Condominium, Cooperative and Planned Community Certifications.

### 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 12/01/18) - TIRBOP PA CPL, as modified by TIRBOP (10/01/19))

### 3.6 RECORD OWNER AND LIEN CERTIFICATE

The Charge for the certificate, which gives information about the state of title of the record owner for 1-4 family residential property, shall be \$350.00 per chain of title, and the liability thereunder shall be \$2,500.00. The Charge for the certificate, which gives information about the state of title of the record owner for property other than 1-4 family residential, shall be \$750.00 per chain of title, and the liability thereunder shall be \$5,000.00.

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.

4. RESERVED FOR FUTURE USE

5. POLICIES AND RATES

5.1 METHODS OF OPERATION

- A. "Company or Agent Procedure". Under this procedure, the Insurer or Agent examines title and handles settlement and issues a Commitment and/or policy.
- B. "Approved Attorney Procedure". Under this procedure, the Approved Attorney certifies the title to the Insurer or Agent on a preliminary report of title based upon the Approved Attorney's examination of title. "Examination" for the purpose of this section is the process of abstracting or searching or causing an abstract or search to be made of the appropriate public records for those matters affecting title to a specific parcel of land, examining the results thereof, and reporting such results and conclusions to the Insurer or its Agent in a preliminary report of title. The Insurer or its Agent, in reliance upon such report, may issue a Commitment and the Approved Attorney may conduct a settlement or closing based upon such report and Commitment. Subsequently, the title insurance policy shall be issued by the Insurer or Agent based upon the Approved Attorney's final certificate of title. In certain cases an Approved Attorney may submit only a final certificate of title to the Insurer or Agent, and based upon such certificate the Insurer or Agent may issue the title insurance policy.
- C. The charge for the search, examination of title and the settlement by the Approved Attorney is not governed by this Manual.

5.2 APPLICATION OF RATES UNDER THE COMPANY OR AGENT PROCEDURE

A. APPLICATION OF SALE RATE

The Sale Rate is set forth in Section 5.50 A. of the Schedule of Rates – Company or Agent Procedure and applies to all owner's policies of title insurance issued under the Company or Agent Procedure described in Section 5.1 above. The Sale Rate is to be applied to calculate the Charge for a loan policy of title insurance only in certain situations (as described in this Section 5.2, paragraphs C, D and E).

B. APPLICATION OF NON-SALE RATE

The Non-Sale Rate is set forth in Section 5.50 B. of the Schedule of Rates – Company or Agent Procedure, and with certain exceptions as hereinafter described, applies to loan policies of title insurance issued under the Company or Agent Procedure, described in Section 5.1 above. Paragraphs C, D and E of this Section 5.2 describe those exceptions where the Sale Rate applies in calculating the Charge for a loan policy of title insurance.

C. SIMULTANEOUS ISSUANCE

Where owner's and loan policies are issued simultaneously on the same property, they shall be treated as a single policy for rate calculation purposes. The Charge, including any endorsements priced as a percentage, shall be based on the Sale Rate and applied to the policy with the highest limits.

D. WAIVER OF OWNER'S POLICY

In a transaction involving the purchase of all or a part of the real estate securing a mortgage with said mortgage being simultaneously insured, an owner's policy must be issued unless the new owner has waived, in writing, the purchase of an owner's policy in accordance with Title 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 paragraph, the Charge for the loan policy shall be based on the Sale Rate being applied to the amount of insurance for the loan policy.

E. POSTPONEMENT OF OWNER'S POLICY

When an owner acquires a premises and purchases title insurance and the owner does not grant a mortgage on the premises at the time of the acquisition, at the written request of the Insured Owner, the issuance of an owner's policy may be postponed for a period not to exceed 12 months after the date of recording the deed. If, during the 12 month period, the Insured Owner places a mortgage on the premises, no separate charge other than an additional Charge due for a loan policy in an amount in excess of the owner's policy, if any, shall be charged for the issuance of the owner's and loan policies. However, a work Charge for conducting the loan closing and issuance of an updated title Commitment, if required, may be made which shall not exceed 25% of the Sale Rate for such loan policy. In no event shall the provisions of this Section apply beyond the 12 month period.

F. MORTGAGE FORECLOSURE OR DEED IN LIEU OF FORECLOSURE

If an insured lender desires to purchase an owner's policy when it acquires title to the land by foreclosure or by deed in lieu of foreclosure, the Charge for the owner's policy shall be based on the Sale Rate and the amount of insurance shall not be less than the fair market value of the property as of the time the owner's policy is issued.

G. ENDORSEMENT CHARGES – Multiple Policies & Percentage Endorsements

The Charge for an endorsement shall be made each time an endorsement is attached to a policy regardless of the number of policies issued in a particular transaction; provided, however, a Charge for endorsements priced as a percentage shall only be made once in transactions where multiple policies are issued in accordance with 5.4 (D), 5.5 (D) or (E). The Charges for an endorsement priced as a percentage shall be calculated by applying the specified percentage to the rate applicable to the transaction as determined by this Section 5.2. 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.

#### H. ENHANCED COVERAGE RESIDENTIAL POLICIES

Whenever Enhanced Coverage Residential Policies are issued, the Charge for said policies shall be calculated in accordance with Section 5.9.

### 5.3 APPLICATION OF RATES UNDER THE APPROVED ATTORNEY PROCEDURE

#### A. APPROVED ATTORNEY RATE

The Approved Attorney Rate, as set forth in Section 5.51 of the Schedule of Rates – Approved Attorney Procedure, applies to all owner's and loan policies issued under the Approved Attorney Procedure.

#### B. SIMULTANEOUS ISSUANCE

Where a loan policy and owner's policy are issued simultaneously on the same property, they shall be treated as a single policy. The Charge under the Approved Attorney Procedure shall be based on the policy with the highest limits.

#### C. ENDORSEMENT CHARGES – Multiple Policies & Percentage Charges

The Charge for an endorsement shall be made each time an endorsement is attached to a policy regardless of the number of policies issued in a particular transaction; provided, however, a Charge for endorsements priced as a percentage shall only be made once in transactions where multiple policies are issued in accordance with Section 5.4(D), 5.5 (D) or (E). The Charge for an endorsement priced as a percentage shall be calculated by applying the specified percentage to the rate which would have been applicable to the transaction under the Company or Agent Procedure set forth in Section 5.2. 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.

#### D. WAIVER OF OWNER'S POLICY

In a transaction involving the purchase of all or a part of the real estate securing the mortgage with said mortgage being simultaneously insured, an owner's policy must be issued unless the new owner has waived, in writing, the purchase of an owner's policy in accordance with Title 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 paragraph, the Charge for the loan policy shall be based on the amount of insurance for the loan policy.

E. POSTPONEMENT OF OWNER'S POLICY

When an owner acquires a premises and purchases title insurance and the owner does not grant a mortgage on the premises at the time of the acquisition, at the written request of the Insured Owner, the issuance of an owner's policy may be postponed for a period not to exceed 12 months after the date of recording the deed. If, during the 12 month period, the Insured Owner places a mortgage on the premises, no separate charge other than an additional Charge due for a loan policy in an amount in excess of the owner's policy, if any, shall be charged for the issuance of the owner's and loan policies. In no event shall the provisions of this Section apply beyond the 12 month period.

F. MORTGAGE FORECLOSURE OR DEED IN LIEU OF FORECLOSURE

If an insured lender desires to purchase an owner's policy when it acquires title to the land by foreclosure or by deed in lieu of foreclosure, the Charge for the owner's policy shall be based on the amount of insurance which shall be not less than the fair market value of the property as of the time the owner's policy is issued.

G. ENHANCED COVERAGE RESIDENTIAL POLICIES

Whenever Enhanced Coverage Residential Policies are issued, the Charge for said policies shall be calculated in accordance with Section 5.9.

5.4 OWNER'S TITLE INSURANCE – DETERMINATION OF AMOUNT OF INSURANCE

A. An owner's policy issued at the time of the purchase of the property shall be based on the full consideration, including the aggregate unpaid principal sum of any mortgage(s) or other liens, claims, taxes and any other municipal charge not being paid. A policy may be issued in an amount in excess of the full consideration where agreed to by the Insurer and the Insured.

B. Where an owner desires that an owner's policy be issued after acquisition of title, the rate shall be based upon any amount the owner may request but not less than the present fair market value of the property as of the time the owner's policy is issued.

C. When an insured lender desires to purchase an owner's policy when it acquires title to the land by foreclosure or by deed in lieu of foreclosure, the Charge shall be based upon the amount of insurance the lender may request but not less than the present fair market value of the property as of the time the owner's policy is issued.

D. When more than one owner's policy is issued simultaneously, in the same transaction, to insure multiple properties to the same buyer or to multiple buyers owned or controlled by the same person or entity, the Charge for these policies shall be determined by the aggregate liability of the owner's policies to be issued.

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 from the date of the Initial Policy ..... 50% of Non-Sale Rate  
Over 5 years to 10 years from the date of the Initial Policy..... 70% of Non-Sale Rate  
Over 10 years from the date of the Initial Policy ..... 100% of Non-Sale Rate

“Initial Policy” shall mean the first loan policy of title insurance issued in connection with a loan to be secured by an interest in real estate. Any new policy or

endorsement to an existing policy issued in conjunction with an extension or modification agreement pursuant to this Section 5.6 shall not be considered an Initial Policy.

- C. When the date of the Initial Policy is less than 10 years ago, the Charge for a new policy or endorsement to an existing policy 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 .....	\$1,106.60; to which is added
(ii)	50% of Non-Sale Rate on \$700,000 .....	\$1,844.63
	Total Charge:	\$2,951.23

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 \$1,024.80 (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 \$3,976.20.

- E. When a new policy is issued in connection with an extension or modification of a previously insured mortgage loan, the Initial Policy or existing policy, as the case may be, 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 Initial Policy. 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 \$1,000.00.
- 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 \$200.00 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.
- C. The Charge for an endorsement to a Short Form Residential Loan Policy priced as a percentage shall be calculated by applying the specified percentage to the rate applicable to the transaction as determined by the Schedule of Rates in Section 5.50. The \$200.00 Charge in Section 5.8 B shall thereafter be added.

## 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.

The Charge for an endorsement to a Homeowner's Policy priced as a percentage shall be calculated after the additional 10% Charge is added.

**Example under Company or Agent Procedure:**

Homeowner's Policy	Amount of Insurance \$200,000	Charge \$1,595.00	+10% + \$159.50 =	Charge* \$1,754.50
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\*The Charge for this transaction is \$1,754.50, plus the Charge for any endorsements issued with the Homeowner's Policy.

**Example under the Approved Attorney Procedure:**

Homeowner's Policy	Amount of Insurance \$200,000	Charge \$714.00	+10% + \$159.50 =	Charge* \$873.50
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\*The Charge for this transaction is \$873.50, 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 \$400. 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 \$400, 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.

The Charge for an endorsement to an Expanded Coverage Residential Loan Policy priced as a percentage shall be calculated after the additional 10% Charge is added but before the flat endorsement fee of \$400.00 is added.

**Example under Company or Agent Procedure:**

	Amount of Insurance	Charge	+10% (on Non-Sale Rate)	Charge*
Expanded Coverage Residential Loan Policy	\$200,000	\$1,383.25	+ \$138.33 + \$400.00 endorsement fee	= \$1,521.58 <u>400.00</u> \$1,921.58

\*The Charge for this transaction is \$1,921.58, 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	\$714.00	+ \$138.33 + \$400.00 endorsement fee	= \$852.33 <u>400.00</u> \$1,252.33

\*The Charge for this transaction is \$1,252.33, 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 Expanded Coverage Residential Loan Policy (or Short Form thereof) shall be issued absent contrary instructions from the lender. When the Homeowner's Policy and the Expanded Coverage Residential Loan Policy (or Short Form thereof) (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 \$400.00. 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	\$1,595.00	+ \$159.50	= \$1,754.50
Expanded Coverage Residential Loan Policy	\$175,000		+ \$400.00 endorsement fee	<u>400.00</u> \$2,154.50

\*The Charge for this transaction is \$2,154.50, 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	\$714.00	+ \$159.50 =	\$873.50
Expanded Coverage			+ \$400.00 endorsement fee	400.00
Residential Loan Policy	\$175,000			<u>\$1,273.50</u>

\*The Charge for this transaction is \$1,273.50, 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. INTENTIONALLY DELETED

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

When a Homeowner's Policy is being issued, the Expanded Coverage Residential Loan Policy (or Short Form thereof) shall be issued absent contrary instructions from the lender.

When the Homeowner's Policy and the 2006 ALTA Loan Policy (or Short Form thereof) 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	\$1,595.00	+ \$159.50 =	\$1,754.50
2006 ALTA Loan Policy	\$175,000			

\*The Charge for this transaction is \$1,754.50, 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	\$714.00	+ \$159.50 =	\$873.50
2006 ALTA Loan Policy	\$175,000			

\*The Charge for this transaction is \$873.50, 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 Expanded 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	\$1,452.50	+ \$145.25	= \$1,597.75

\*The Charge for this transaction is \$1,597.75, plus the Charge for any endorsements issued with the Expanded 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	\$635.75	+ \$145.25	= \$781.00

\*The Charge for this transaction is \$781.00, plus the Charge for any endorsements issued with the Expanded Coverage Residential Loan Policy.

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

Whenever an Expanded Coverage Residential Loan 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 Expanded 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.

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 (6/17/06). 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 \$200.00 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.

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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 .....	\$142.00
	For amounts over \$2,000:	
	\$2,001 to \$15,000 inclusive ..... add \$5.70 per .....	\$1,000
	\$15,001 to \$30,000 inclusive ..... add \$5.13 per .....	\$1,000
	\$30,001 to \$50,000 inclusive ..... add \$4.56 per .....	\$1,000
	\$50,001 to \$100,000 inclusive ..... add \$3.99 per .....	\$1,000
	\$100,001 to \$500,000 inclusive ..... add \$3.42 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 \$2.28 per .....	\$1,000
	\$2,000,001 and over .....	\$1,000
	For each distribution endorsement .....	\$25.00
B.	Fund created at a tax sale for distribution of the entire fund.....	\$227.00

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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	\$569.00	\$ 0 to \$30,000	\$512.00
\$30,001 to \$45,000 Add per 1,000	\$7.41	\$30,001 to \$45,000 Add per 1,000	\$5.98
\$45,001 to \$100,000 Add per 1,000	\$6.27	\$45,001 to \$100,000 Add per 1,000	\$5.41
\$100,001 to \$500,000 Add per 1,000	\$5.70	\$100,001 to \$500,000 Add per 1,000	\$4.84
\$500,001 to \$1,000,000 Add per 1,000	\$4.56	\$500,001 to \$1,000,000 Add per 1,000	\$4.27
\$1,000,001 to \$2,000,000 Add per 1,000	\$3.42	\$1,000,001 to \$2,000,000 Add per 1,000	\$3.13
\$2,000,001 to \$7,000,000 Add per 1,000	\$2.28	\$2,000,001 to \$7,000,000 Add per 1,000	\$1.99
\$7,000,001 to \$30,000,000 Add per 1,000	\$1.71	\$7,000,001 to \$30,000,000 Add per 1,000	\$1.71
\$30,000,000 and above Add per 1,000	\$1.42	\$30,000,000 and above Add per 1,000	\$1.42

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 .....	\$142.00
\$30,001 to \$100,000 .....	add \$3.70 per \$1,000 or fraction thereof
\$100,001 to \$500,000 .....	add \$3.13 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 \$2.56 per \$1,000 or fraction thereof
\$2,000,001 to \$7,000,000 .....	add \$2.28 per \$1,000 or fraction thereof
\$7,000,001 and above .....	add \$1.71 per \$1,000 or fraction thereof

6. ENDORSEMENTS AND RATES

6.1 TIRBOP – ENDORSEMENT PA 100 – COVENANTS, CONDITIONS AND RESTRICTIONS (Revised 10/01/19)

Loan Policy Only

This endorsement insures against loss or damage by reason of a violation of an enforceable Covenant set forth in Schedule B of the Policy or that a future violation thereof will not cause a forfeiture or reversion of Title. The Charge for this endorsement is \$100.00.

6.2 RESERVED FOR FUTURE USE

6.3 RESERVED FOR FUTURE USE

6.4 RESERVED FOR FUTURE USE

6.5 RESERVED FOR FUTURE USE

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 \$100.00.

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 \$150.00.

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 \$100.00.

6.9 TIRBOP – ENDORSEMENT PA 500 – (ALTA Endorsement 11-06 as modified by TIRBOP) – MORTGAGE MODIFICATION (10/01/17)

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 \$100.00.

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 \$100.00.

6.13 TIRBOP – ENDORSEMENT PA 810 (ALTA Endorsement 4.1-06) – CONDOMINIUM – CURRENT ASSESSMENTS (08/01/18)

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 \$100.00.

6.14 TIRBOP – ENDORSEMENT PA 820 (ALTA Endorsement 5.1-06) – PLANNED UNIT DEVELOPMENT – CURRENT ASSESSMENTS (08/01/18)

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 \$100.00.

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 Public Records except with respect to environmental protection liens provided for by certain statutes identified in the endorsement. The Charge for this endorsement is \$100.00.

6.16 TIRBOP – ENDORSEMENT PA 910 – (ALTA Endorsement 8.2-06) COMMERCIAL ENVIRONMENTAL PROTECTION LIEN (08/01/18)

Owner's and/or Loan Policy (Non-Residential Property)

This endorsement provides coverage over those environmental protection liens recorded in the Public Records. The Charge for this endorsement is \$200.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's or loan policy insuring 1-4 family residential property.

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 \$100.00.

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 \$100.00.

- 6.21 TIRBOP – ENDORSEMENT PA 1030 (ALTA Endorsement 9-06 (Revised 04-02-12)) – RESTRICTIONS, ENCROACHMENTS, MINERALS (10/01/17)

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 \$150.00.

- 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 \$150.00.

- 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 \$150.00.

- 6.24 TIRBOP – ENDORSEMENT PA 1033 (ALTA Endorsement 9.6-06) – PRIVATE RIGHTS (Revised 04/2/13) (10/01/17)

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 \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.25 TIRBOP – ENDORSEMENT PA 1034 (ALTA Endorsement 9.7-06) – RESTRICTIONS, ENCROACHMENTS, MINERALS – LAND UNDER DEVELOPMENT (08/01/18)

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 \$150.00.

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 \$150.00.

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 (08/01/18)

Owner's and/or Loan Policy

This endorsement amends the ALTA Owner's or Loan Policy by deleting the CONDITIONS paragraph entitled ARBITRATION. The Charge for this endorsement is \$200.00.

- 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 (08/01/18)

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 (05/01/16)

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 \$200.00. 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 \$500.00. 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 \$100.00.

- 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 \$200.00. 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 - EASEMENTS (10/01/17)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to assessment as multiple tax parcels. The Charge for this endorsement is \$200.00. 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) – CONTIGUITY-  
MULTIPLE PARCELS (10/01/19)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to contiguity of the insured premises. The Charge for this endorsement is \$200.00. 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 (05/01/16)

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 \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of owner's and/or loan policies insuring 1-4 family residential property.

- 6.46.2 TIRBOP – ENDORSEMENT PA 1252 – (ALTA Endorsement 19.2-06) – CONTIGUITY-  
SPECIFIED PARCELS (10/01/19)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to contiguity of specified parcels within the insured premises. The Charge for this endorsement is \$200.00. 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 \$200.00. 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 – (ALTA Endorsement 25-06) - SAME AS SURVEY (10/01/19)

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 \$200.00. 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 – (ALTA Endorsement 25-06) - SAME AS SURVEY (10/01/19)

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 \$200.00, unless it is issued with TIRBOP Endorsement PA 301, in which case it will be priced as \$200.00. 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 (10/01/17)

Owner's and/or Loan Policy

This endorsement provides coverage with regard to the physical improvements of the Land. The Charge for this endorsement is \$200.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's or loan policy insuring 1-4 family residential property, 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 \$500.00. 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; or 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 \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.55 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; or 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 \$150.00. 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 – LAND UNDER  
DEVELOPMENT (10/01/17)

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; or 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 \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.55.2 TIRBOP – ENDORSEMENT PA 1315 – (ALTA Endorsement 28.3-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS – LAND UNDER  
DEVELOPMENT (10/01/17)

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; or 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 \$150.00. Use of this endorsement is prohibited in conjunction with the issuance of an owner's policy insuring 1-4 family residential property.

6.55.3 TIRBOP – ENDORSEMENT PA 1316 – (ALTA Endorsement 28.2-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS – DESCRIBED  
IMPROVEMENTS (10/01/19)

Loan Policy

This endorsement insures against loss or damage by reason of an encroachment of a specified Improvement located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of a specified Improvement located on adjoining land onto the Land; enforced removal of a specified 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 specified Improvement; or enforced removal of a specified 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 \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

6.55.4 TIRBOP – ENDORSEMENT PA 1317 – (ALTA Endorsement 28.2-06)  
ENCROACHMENTS-BOUNDARIES AND EASEMENTS – DESCRIBED  
IMPROVEMENTS (10/01/19)

Owner's Policy Only

This endorsement insures against loss or damage by reason of an encroachment of a specified Improvement located on the Land onto adjoining land or onto that portion of the Land subject to an easement; an encroachment of a specified Improvement located on adjoining land onto the Land; enforced removal of a specified 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 specified Improvement; or enforced removal of a specified 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 \$150.00. 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 (10/01/17)

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 (10/01/17)

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.

- 6.57.1 TIRBOP – ENDORSEMENT PA 1331 – (ALTA Endorsement 29.2-06) INTEREST RATE  
SWAP – DIRECT OBLIGATION – DEFINED AMOUNT (10/01/17)

Loan Policy Only

This endorsement provides the same coverage as TIRBOP Endorsement PA 1320, except that it establishes an Additional Amount of Insurance designated solely for losses addressed in the endorsement. 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. Use of this endorsement is prohibited in conjunction with issuance of a loan policy insuring 1-4 family residential property.

- 6.57.2 TIRBOP – ENDORSEMENT PA 1332 (ALTA Endorsement 29.3-06) INTEREST RATE  
SWAP – ADDITIONAL INTEREST – DEFINED AMOUNT (10/01/17)

Loan Policy Only

This endorsement provides the same coverage as TIRBOP Endorsement PA 1330, except that it establishes an Additional Amount of Insurance designated solely for losses addressed in the endorsement. 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. Use of this endorsement is prohibited in conjunction with 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 (10/01/17)

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 \$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.

- 6.59 TIRBOP – ENDORSEMENT PA 1341 – (ALTA Endorsement 35-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES – BUILDINGS (10/01/17)

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 \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.60 TIRBOP – ENDORSEMENT PA 1350 – (ALTA Endorsement 35.1-06)  
MINERALS AND OTHER SUBSURFACE SUBSTANCES – IMPROVEMENTS  
(10/01/17)

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  
(10/01/17)

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 (10/01/17)

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 (10/01/17)

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 \$1,000.00. 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 \$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.

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 \$1,000.00. 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 \$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.

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 \$1,000.00. 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 \$150.00. 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 \$150.00. 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 (10/01/17)

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 \$150.00. 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.

6.72 TIRBOP – ENDORSEMENT PA 1471 – (ALTA Endorsement 36.6-06)  
ENERGY PROJECT – ENCROACHMENTS (10/01/17)

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 \$150.00. 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 \$150.00.

- 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.

6.78 TIRBOP – ENDORSEMENT PA 1530 (ALTA Endorsement 14-06)  
FUTURE ADVANCE – PRIORITY (10/01/19)

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 \$200.00 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 (10/01/19)

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 \$200.00 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 (10/01/17)

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 an owner's policy insuring 1-4 family residential property.

- 6.81 TIRBOP – ENDORSEMENT PA 1551 (ALTA Endorsement 17.2-06)  
UTILITY ACCESS (10/01/17)

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 \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.82 TIRBOP – ENDORSEMENT PA 1560 (ALTA Endorsement 37-06)  
ASSIGNMENT OF RENTS OR LEASES (10/01/17)

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 \$200.00. 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 (10/01/17)

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 \$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.

- 6.84 TIRBOP – ENDORSEMENT PA 1580 (ALTA Endorsement 40.1-06)  
TAX CREDIT-DEFINED AMOUNT-OWNER'S POLICY (10/01/17)

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 \$7,100.00, 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  
(10/01/17)

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 \$150.00.

- 6.86 TIRBOP – ENDORSEMENT 1600 (ALTA Endorsement 10-06)  
ASSIGNMENT (05/01/16)

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 \$1,000.00.

6.87 TIRBOP – ENDORSEMENT 1610 (ALTA Endorsement 23-06)  
CO-INSURANCE – SINGLE POLICY (05/01/16)

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.

6.87.1 TIRBOP – ENDORSEMENT 1611 (ALTA Endorsement 23.1-06)  
CO-INSURANCE – MULTIPLE POLICIES (10/01/19)

Owner's and/or Loan Policy

This endorsement allows the lead insurer to issue multiple policies with other co-insurers adopting the policies 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 policies insuring 1-4 family residential property.

6.88 TIRBOP – ENDORSEMENT 1620 (ALTA Endorsement 39-06)  
POLICY AUTHENTICATION (05/01/16)

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 \$200.00.

6.89 TIRBOP – ENDORSEMENT 1630 (ALTA Endorsement 42-06)  
COMMERCIAL LENDER GROUP ENDORSEMENT (05/01/16)

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 \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.90 TIRBOP – ENDORSEMENT 1640 (ALTA Endorsement 43-06)  
ANTI-TAINT ENDORSEMENT (05/01/16)

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 \$1,000.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.91 TIRBOP – ENDORSEMENT 1650 (ALTA Endorsement 45-06)  
PARI PASSU MORTGAGE (05/01/16)

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 \$150.00. Use of this endorsement is prohibited in conjunction with the issuance of a loan policy insuring 1-4 family residential property.

- 6.92 TIRBOP ENDORSEMENT 1660 (ALTA Endorsement 34-06)  
IDENTIFIED RISK COVERAGE (10/01/17)

Owner's and/or Loan Policy

This endorsement insures against enforcement of an Identified Risk excepted for in Schedule B and, subject to certain conditions, insures against loss or damage by reason of the release of prospective purchaser or lessee of the Title or lender on the Title from the obligation to purchase, lease or lend as a result of the Identified Risk. The Charge for this endorsement is \$200.00.

7. RESERVED FOR FUTURE USE

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Insurance Department

**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**

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**December 3, 2019**

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## **I. INTRODUCTION**

The Title Insurance Rating Bureau of Pennsylvania (TIRBOP) has requested Regulatory Research Corporation to determine the impact on Pennsylvania title insurers of an increase in the rates of 4.95%.

TIRBOP has demonstrated in its last several rate filings that the Pennsylvania title insurance industry has failed to achieve the pre-tax profit allowance (henceforth "profit margin") of 5% which TIRBOP and the Insurance Department (Department) have stipulated is to be used in establishing title insurance rates and charges. In fact, the 20-year average achieved profit margin was 1.4%, and adjusted to current rates and price levels was 3.8%. Rate relief is clearly indicated. TIRBOP is requesting a 4.95% increase in rates that will produce a 4% profit margin, which is less than the 5% target. TIRBOP proposes to carry out this rate increase by increasing certain fixed rate endorsement charges and the fixed additional charges for enhanced coverages without altering any of the rate schedules.

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

Our analysis is based on composite data for the entire Pennsylvania title insurance industry for the most recent 20-year period for which data have been collected by the Pennsylvania Insurance 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 1999-2018.

Our analysis is based on the 2018 composite data submitted to the Insurance Department. The use of the composite data does not limit the applicability of the analysis, however, because the current members of TIRBOP write about 98% of all Pennsylvania title insurance business. Hence, the composite data is highly representative of the experience of TIRBOP members.

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 2016. 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 the third quarter of 2019 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 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, of 2.2% effective September 1, 2014, and of 12.1% effective May 1, 2016. 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 and 5. Tables whose sequence number ends in a two-digit number between 99 and 18 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 and 5 are presented only in the accompanying Excel file, which contains all the calculations and associated workpapers. The table for 2018 of each type appears in the text to make it easier to follow the flow of the calculations.] Tables 4-99 through 4-18 calculate revenue inflation factors for revenues written through the Company or Agent Procedure. Tables 5-99 through 5-18 calculate revenue inflation factors for 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 Sale Rate to the average liability within each liability range.
- We applied the current Sale Rate to the average liability within each liability range inflated to 2019 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 or Agent Procedure to determine what revenues would have been in each year from 1999 through 2018 at current rates and price levels. Table 6-2 performs the same computation for revenues written through the Approved Attorney Procedure. 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 1999 through 2018 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 SPR. 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 2018. Table 10A-2 generates loss development factors based on these data. At the Department's recommendation, we have excluded the highest and lowest annual values in calculating the average development factors for each development year. 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 by agents. 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 1999 through 2018. Table 13-A 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 98.6% and based on the SPR calculation was 98.9%, corresponding to an average profit margin of well-below 2%. Further, based on the IBNR calculation, the

combined ratio exceeded 95% in all but three years, so that the industry failed to achieve the target profit margin in 17 out of 20 years. Based on the SPR calculation, the industry failed to achieve the target profit margin in 18 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 14-A 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 96.2%, and based on the SPR calculation would have been 96.6%, corresponding to an average profit margin of less than 4%. Further, in 12 out of the 20 years in the experience period, the combined ratio, based on the IBNR calculation exceeded 95% so that, under current conditions, the industry would have failed to achieve the target profit margin of 5% in 12 out of 20 years. Based on the SPR calculation, the industry would have failed to achieve the target profit margin of 5% in 14 out of 20 years.

### **III. REQUIRED RATE INCREASE TO ACHIEVE STIPULATED 5% PRE-TAX PROFIT ALLOWANCE**

Because the TIRBOP manual includes a number of fixed charges which do not depend on the basic rates, and also includes Closing Protection Letter – Single Transaction (CPL) 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 6 of Tables 15 and 15-A.

Table 15 sets forth our analysis which demonstrates that it would require a 5.7% 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 7.3% increase in commissionable title revenue to produce the stipulated target 5% profit margin on total title revenue based on the SPR calculation. The Bureau believes that the indication based on the IBNR calculation is the most reliable. TIRBOP is proposing to increase the commissionable title revenues by 5 %, which will produce an average 4% profit margin as shown on Tables 16 (IBNR calculation) and Table 16-A (SPR calculation).

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

TIRBOP proposes to change only flat rate manual charges, but to make no changes to the percentages used to calculate non-flat rate endorsement charges and to make no changes to the overall schedules of rates. Three types of charges are affected:

- a) Flat rates for certain endorsements;
- b) Flat charges which are added to the schedule rate for certain policies; and
- c) The minimum charges for endorsements for which the rate is a percentage of the schedule rate and the minimum charge is \$100 or less.

The Bureau proposes to double these charges. The overall impact will be to generate an increase of 4.95 % in commissionable Pennsylvania title insurance revenues.

##### **a. Flat Rate Endorsements**

There are 43 endorsements in the Bureau manual, with 46 different rates. While these endorsements were introduced at dates ranging from before 2002 through 2018, almost none have ever had their rates increased. Table 17 lists the flat rate endorsements in the Bureau rate manuals in effect in 2018, their current rates, the number issued in 2018, and the aggregate revenue each generated in 2018. In total, these endorsements generated revenues of \$29,739,325 or 4.33% of total Pennsylvania title revenues. The

Bureau proposes to double these flat rates, which will generate a 4.33% revenue increase.

**b. Flat Additional Policy Charges**

The current Bureau manual (Para. 5.8 B) adds \$100 to the schedule rate for the short form residential policy, which covers the costs of two endorsements the coverage of which is already included in the language of the short form residential policy. This change generates \$1,648,061 or 0.24% of total Pennsylvania title revenues.

The current Bureau manual (Para. 5.9 B) adds \$200 to 110% of the schedule rate for the Expanded Coverage Residential Loan Policy, which covers the costs of eight endorsements the coverage of which is already included in the language of the policy. This charge generates \$1,392,666 or 0.20% of total Pennsylvania title revenues.

The current Bureau manual (Para. 5.9 C) adds \$200 to 110% of the schedule rate for simultaneous issuance of the Homeowners Policy and the Expanded Coverage Residential Loan Policy, which covers the costs of eight endorsements the coverage of which is already included in the language of the policy. This charge generates \$336,600 or 0.05% of total Pennsylvania title revenues.

The Bureau proposes to double these flat additional policy charges. Table 18 presents an analysis of the impacts. Doubling these flat charges will generate a 0.49% revenue increase.

**c. Minimum Charges For Endorsements For Which The Rate Is a Percentage Of the Schedule Rate and the Minimum Charge is \$100 or Less**

The impact of changing the minima for endorsements priced as a percentage of the rate is much smaller than one might have expected. There are several reasons for this. The first is that these minima were established when rates were considerably lower, and so that even when these endorsements are used, these minima are infrequently invoked.

For example, consider an endorsement with a \$50 minimum. The lowest rate for a Sale Rate policy is \$569. Therefore, the lowest charge for an endorsement with a \$50 minimum which is priced at 10% of the rate is \$56.90, which exceeds \$50, so the minimum charge will never be invoked. In contrast, if the minimum charge were to be doubled to \$100 then every policy with a liability of \$96,037 or less would be priced at the minimum charge. The larger the minimum charge, the more policies will be subject to the minimum charge. The second reason is that these endorsements are very infrequently used.

For both Sale Rates and Non-sale Rates, for each endorsement, we calculated the largest liability at which the minimum charge would be invoked. Based on the statistical plan data for 2018, we then calculated the number of endorsements which would be charged the minimum. (The cutoff liability invariably ended within a liability reporting range, rather than at the range limit. We estimated the number of endorsements below the cutoff by multiplying the number of endorsements reported within the range by the fraction of the range included below the cutoff.) We then calculated the impact of the minimum charge by multiplying the number of endorsements by the excess of the minimum over the percentage endorsement charge calculated at the midpoint of each effective liability range.

The statistical report does not classify endorsements as to whether they were issued in connection with a Sale Rate or Non-Sale Rate policy. Therefore, we carried out our calculations based on both the sale rate and the non-sale rate, and then weighted them according to the ratio of Sale Rate and Non-Sale Rate reported title revenue in each liability range.

The Bureau proposes to double these minimum policy charges. Table 19 presents an analysis of the impacts. Doubling these minima will generate a 0.13% revenue increase.

Table 20 presents the overall effect of all the proposed changes, which total 4.95%.

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# **TABLES**

TABLE 1

RATE LEVEL ADJUSTMENT FACTORS

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Historic Rate Changes				Historic Rate Changes Commissionable Rate			Basic Rate Adjustment Factors		Commissionable Rate Adjustment Factors	
Date	Rate Change	Rate Factor	Cumulative Factor	Rate Change	Rate Factor	Cumulative Factor	Factor to 1982 Rates	Factor to Current Rates	Factor to 1982 Rates	Factor to Current Rates
3/1/1995	9.46%	109.46%	109.46%	9.46%	109.46%	109.46%	1.0000	1.629006378	1.0000	1.5581
4/1/1996	4.16%	104.16%	114.62%	4.16%	104.16%	114.02%	1.0000	1.629006378	1.0000	1.5581
5/1/1997	3.90%	103.90%	118.47%	3.90%	103.90%	118.47%	1.0000	1.629006378	1.0000	1.5581
5/1/1998	4.53%	104.53%	123.83%	4.53%	104.53%	123.83%	1.0000	1.629006378	1.0000	1.5581
10/1/2000	2.49%	102.49%	126.92%	2.49%	102.49%	126.92%	1.0000	1.629006378	1.0000	1.5581
1/1/2002	2.35%	102.35%	129.90%	2.35%	102.35%	129.90%	1.0000	1.629006378	1.0000	1.5581
9/1/2009	2.30%	102.30%	132.89% CSL only	0.00%	100.00%	129.90%	1.0000	1.629006378	1.0000	1.5581
7/1/2012	7.00%	107.00%	142.19%	7.00%	107.00%	138.99%	1.0000	1.629006378	1.0000	1.5581
9/1/2014	2.20%	102.20%	145.32% CSL only	0.00%	100.00%	138.99%	1.0000	1.629006378	1.0000	1.5581
5/1/2018	12.10%	112.10%	162.90%	12.10%	112.10%	155.81%	1.0000	1.629006378	1.0000	1.5581
1982							1.0000	1.629006378	1.0000	1.5581
1983							1.0000	1.629006378	1.0000	1.5581
1984							1.0000	1.629006378	1.0000	1.5581
1985							1.0000	1.629006378	1.0000	1.5581
1986							1.0000	1.629006378	1.0000	1.5581
1987							1.0000	1.629006378	1.0000	1.5581
1988							1.0000	1.629006378	1.0000	1.5581
1989							1.0000	1.629006378	1.0000	1.5581
1990							1.0000	1.629006378	1.0000	1.5581
1991							1.0000	1.629006378	1.0000	1.5581
1992							1.0000	1.629006378	1.0000	1.5581
1993							1.0000	1.629006378	1.0000	1.5581
1994							1.0000	1.629006378	1.0000	1.5581
1995							1.0788	1.510005291	1.0000	1.5581
1996							1.1288	1.443188043	1.0000	1.5581
1997							1.1898	1.392526083	1.1288	1.3804
1998							1.2204	1.334769101	1.1898	1.3319
1999							1.2383	1.315483080	1.2204	1.2767
2000							1.2460	1.307344839	1.2383	1.2582
2001							1.2692	1.283523329	1.2460	1.2504
2002							1.2890	1.254053082	1.2692	1.2277
2003							1.2990	1.254053082	1.2890	1.1995
2004							1.2990	1.254053082	1.2990	1.1995
2005							1.2990	1.254053082	1.2990	1.1995
2006							1.2990	1.254053082	1.2990	1.1995
2007							1.2990	1.254053082	1.2990	1.1995
2008							1.2990	1.254053082	1.2990	1.1995
2009							1.3077	1.245985534	1.2990	1.1995
2010							1.3289	1.225858340	1.3077	1.1995
2011							1.3289	1.225858340	1.3289	1.1995
2012							1.3754	1.184404193	1.3289	1.1995
2013							1.4219	1.145862000	1.3754	1.1589
2014							1.4297	1.139395326	1.4219	1.1210
2015							1.4532	1.121000000	1.4297	1.1210
2016							1.5704	1.037322840	1.4532	1.1210
2017							1.6290	1.000000000	1.5704	1.0373
2018							1.6290	1.000000000	1.6290	1.0000

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	
	2012=100 Series	Factor to Current Price Level	2012=100 Series	Factor to Current Price Level
1982	43.646	3.087591	38.058	3.097351
1983	44.68	3.016137	40.396	2.918086
1984	46.003	2.929396	42.498	2.773754
1985	47.267	2.851059	44.577	2.844391
1986	49.351	2.730664	46.408	2.540058
1987	51.486	2.617430	47.796	2.466294
1988	53.278	2.529393	50.082	2.353720
1989	55.02	2.449309	52.443	2.247755
1990	56.288	2.394134	54.846	2.149273
1991	57.021	2.383357	56.992	2.088343
1992	57.723	2.334615	59.018	1.997340
1993	60.074	2.243250	61.059	1.930575
1994	62.247	2.164940	62.719	1.879478
1995	64.473	2.090193	64.471	1.828403
1996	65.856	2.048298	66.24	1.779574
1997	67.444	1.998117	68.107	1.730791
1998	69.223	1.946766	69.549	1.694906
1999	71.816	1.876476	70.97	1.660669
2000	75.004	1.796718	72.938	1.616153
2001	78.564	1.715302	75.171	1.568145
2002	80.51	1.673842	77.123	1.528455
2003	84.325	1.598114	79.506	1.482643
2004	90.243	1.493313	81.965	1.436163
2005	96.706	1.393512	84.673	1.392168
2006	102.355	1.318604	87.616	1.345405
2007	103.708	1.299427	90.516	1.302300
2008	102.249	1.317989	93.235	1.264321
2009	98.671	1.365761	94.231	1.250958
2010	98.317	1.370879	95.957	1.228456
2011	99.049	1.360549	97.814	1.205134
2012	100	1.347610	100	1.178790
2013	105.054	1.282778	102.316	1.152107
2014	111.106	1.212905	104.852	1.124242
2015	114.1	1.181078	106.823	1.103498
2016	118.185	1.140255	109.325	1.078244
2017	123.495	1.081226	111.984	1.052841
2018	130.44	1.033126	114.954	1.025445
2019Q3	134.761	1.000000	117.879	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	569.00	512.00	142.00
15	30	0.00	0.00	0.00
30	45	7.41	5.98	3.70
45	100	6.27	5.41	3.70
100	500	5.70	4.84	3.13
500	1000	4.56	4.27	2.85
1000	2000	3.42	3.13	2.56
2000	7000	2.28	1.99	2.28
7000	10000	1.71	1.71	1.71
10000	15000	1.71	1.71	1.71
15000	30000	1.71	1.71	1.71
30000	and up	1.42	1.42	1.71

SOURCE: Rates as filed by Bureau

TABLE 4-18 (For other years see Excel file)

DERIVATION OF REVENUE INFLATION FACTOR

TOTAL REVENUE

ALL-INCLUSIVE RATE SYSTEM

		130.4					
GDP Deflator - Residential Fixed Investment						Current	
Liability Inflation to 2019 [1]		1.033126				Sale Rate	
						at 2018	
						Average	
						Liability	
						Inflated	
						to 2019	
						Average	
						Liability	
						Inflated	
						to 2019	
FROM	TO	2018 Total Number of Policies	2018 Average Liability	Current Sale Rate 2018 Average Liability	2018 Average Liability Inflated 2019	Current Sale Rate at 2018 Average Liability Inflated to 2019	
0	30	14,024	17,804	569.00	18,393	569.00	
30	45	9,512	38,147	629.37	39,410	638.73	
45	100	49,709	74,449	864.65	76,915	880.11	
100	200	101,005	147,925	1,298.17	152,825	1,326.10	
200	300	87,974	169,583	1,421.62	175,201	1,453.65	
300	400	27,057	345,792	2,426.02	357,247	2,491.31	
400	500	13,199	445,180	2,992.53	459,927	3,076.58	
500	1000	14,767	667,231	3,797.57	689,334	3,898.36	
1000	2000	3,562	1,391,653	6,924.45	1,437,753	7,082.12	
2000	5000	1,899	3,197,540	11,735.39	3,303,463	11,976.90	
5000	7000	360	5,989,003	18,099.93	8,187,397	18,552.27	
7000	10000	332	8,439,562	22,866.65	8,719,134	23,344.72	
10000	15000	283	12,230,774	29,349.62	12,635,935	30,042.45	
15000	20000	173	17,421,304	38,225.43	17,998,408	39,212.28	
20000	25000	93	22,292,525	48,555.22	23,030,994	47,818.00	
25000	50000	195	35,158,080	67,059.47	36,322,738	68,713.29	
50000	100000	97	88,918,383	114,996.26	71,199,330	118,238.05	
100000	and up	67	205,727,499	309,268.05	212,542,499	318,945.35	
				1,848.66		1,891.74	
Distribution-Weighted Rate							
Liability Inflation Factor [2]							1.02330

NOTES

[1] Third quarter 2019 value of divided by historic year value. 134.761

[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 6-18 (For other years see Excel file)

DERIVATION OF REVENUE INFLATION FACTOR

TOTAL REVENUE

APPROVED ATTORNEY SYSTEM

GDP Deflator - Residential Fixed Investment	130.440					
Liability Inflation to 2019 [1]	1.033128					
			2018	Current	2018	Current
			Total	A/A Rate	Average	A/A Rate
			Number of	2018	Liability	Average
			Policies	Average	Inflated	Liability
				Liability	to 2019	Inflated
						to 2019
FROM	TO					
0	30	420	17,804	142.00	18,393	142.00
30	45	227	38,147	172.14	39,410	178.82
45	100	1182	74,449	306.46	76,915	315.59
100	200	1962	147,825	551.00	152,825	566.34
200	300	366	169,583	618.79	175,201	636.38
300	400	376	345,792	1,170.33	357,247	1,206.18
400	500	154	445,180	1,481.41	459,927	1,527.57
500	1000	223	667,231	2,129.61	689,334	2,192.60
1000	2000	63	1,391,653	4,080.63	1,437,753	4,198.65
2000	5000	36	3,197,540	8,368.39	3,303,463	8,609.90
5000	7000	3	5,989,003	14,732.93	6,187,397	15,185.27
7000	10000	2	8,439,562	19,499.65	8,719,134	19,977.72
10000	15000	3	12,230,774	25,982.62	12,635,935	26,675.45
15000	20000	0	17,421,304	34,858.43	17,998,408	35,845.28
20000	25000	0	22,292,525	43,188.22	23,030,994	44,451.00
25000	50000	1	35,158,080	65,188.32	36,322,738	67,179.88
50000	100000	0	68,916,363	122,915.01	71,199,330	126,818.85
100000	and up	0	205,727,499	356,862.02	212,542,499	368,515.67
Distribution-Weighted Rate			75,378.90		76,750.92	
Liability Inflation Factor [2]					1.031056	

NOTES

[1] Third quarter 2019 value of divided by historic year value. 134.761

[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]x[2]		[3]x[4]
	AREA I ALL-INCLUSIVE ACTUAL TOTAL TITLE REVENUE	AREA I ALL-INCLUSIVE ACTUAL TOTAL TITLE REVENUE	ALL-INCLUSIVE ACTUAL TOTAL TITLE REVENUE	ALL-INCLUSIVE ACTUAL TOTAL TITLE REVENUE INFLATION FACTOR	ALL-INCLUSIVE TITLE REVENUE AT CURRENT PRICE LEVEL
1982	38,715,093	11,206,245	49,921,338	1.830811824	91,396,578
1983	61,179,546	17,759,430	78,938,976	1.871477301	147,732,502
1984	68,166,035	19,626,165	87,792,200	1.886685403	165,636,262
1985	79,084,488	22,545,751	101,630,239	1.884394815	189,478,891
1986	111,912,758	33,247,799	145,160,555	1.82309604	264,641,633
1987	124,138,465	42,931,309	167,069,774	1.804139506	301,417,180
1988	113,680,456	46,724,628	160,405,084	1.79910807	286,586,081
1989	113,824,870	49,051,175	162,876,045	1.788576803	288,059,121
1990	105,297,900	45,864,127	151,162,027	1.746122236	263,947,377
1991	101,349,906	46,716,693	148,066,599	1.724559419	255,349,648
1992	139,319,131	68,721,931	208,041,062	1.720818187	358,000,843
1993	157,388,231	80,325,473	237,713,704	1.684196103	400,356,494
1994	163,282,856	76,892,538	240,175,394	1.644108570	394,874,423
1995	118,194,585	60,741,285	178,935,870	1.602695493	286,779,712
1996	146,612,181	72,818,359	219,430,540	1.581936281	347,125,132
1997	165,796,506	71,380,917	237,177,423	1.596486708	389,163,506
1998			331,412,075	1.536639421	509,260,859
1999			368,258,452	1.497733624	561,507,738
2000			310,756,875	1.449516563	450,449,846
2001			358,350,988	1.426931694	511,342,454
2002			512,546,849	1.409180534	722,273,861
2003			691,745,705	1.375973138	951,823,508
2004			653,211,734	1.312722338	857,485,634
2005			634,833,845	1.258716064	798,823,816
2006			615,990,938	1.207389741	743,747,269
2007			568,974,235	1.198067896	681,669,765
2008			459,811,642	1.213363308	558,039,811
2009			476,616,612	1.246754239	596,717,539
2010			479,627,406	1.25058724	599,815,913
2011			464,789,420	1.244308308	578,341,337
2012			570,237,924	0.983500591	560,829,335
2013			633,730,132	1.109968611	754,131,639
2014			465,998,515	1.149852276	535,826,453
2015			558,930,387	1.122555478	627,430,367
2016			644,631,580	1.094035134	705,249,607
2017			670,771,567	1.064336389	713,926,588
2018			683,104,871	1.023300727	699,021,712
20 Year Average			542,241,184		661,422,666

**SOURCES:**

Column

- [1] Per filed Statistical Reports
- [2] Per filed Statistical Reports
- [3] =(1)x[2]
- [4] Tables 4-82 through 4-18
- [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	2.557578472	6,022,299
1983	3,717,185	2.510959694	9,333,702
1984	4,157,418	2.453244898	10,199,164
1985	4,724,669	2.393232657	11,307,662
1986	6,253,624	2.316594911	14,487,114
1987	5,297,627	2.259940264	11,972,321
1988	6,496,254	2.213155150	14,377,218
1989	6,009,105	2.172295867	13,053,554
1990	5,784,651	2.134758306	12,348,832
1991	5,268,155	6.51173784	34,304,844
1992	5,629,982	2.088148076	11,756,236
1993	5,832,135	2.022850103	11,797,535
1994	5,594,485	1.967801489	11,008,836
1995	4,383,157	1.909549962	8,369,857
1996	4,910,055	1.878866603	9,225,348
1997	5,095,389	1.839480913	9,372,769
1998	7,991,031	1.803855612	14,414,666
1999	6,560,471	1.747714225	11,465,828
2000	7,459,204	1.651410502	12,319,207
2001	10,058,313	1.80038868	16,097,213
2002	15,819,864	1.556409609	24,622,189
2003	25,558,698	1.502995334	38,414,604
2004	21,411,531	1.416315031	30,325,473
2005	15,917,853	1.410100394	22,445,771
2006	16,280,395	1.271231119	20,696,144
2007	14,903,825	1.260283729	18,783,048
2008	8,116,743	1.276605919	10,361,882
2009	4,371,812	1.313187998	5,741,011
2010	5,122,620	1.319110882	6,757,303
2011	5,639,413	1.309821833	7,385,498
2012	6,824,431	1.300104958	8,872,477
2013	8,067,650	1.242822615	10,027,464
2014	5,655,030	1.183522809	6,692,857
2015	5,828,453	1.156581194	6,741,080
2016	3,845,285	1.121541054	4,312,645
2017	2,230,763	1.078573208	2,406,041
2018	1,690,382	1.031056019	1,742,879
	9,568,137		13,310,481

**SOURCES:**

Column

- [1] Per filed Statistical Reports
- [2] Tables 5-62 through 5-18
- [3] =[1]X[2]

TABLE 7  
EFFECT OF RATE INCREASES  
ON TOTAL PENNSYLVANIA TITLE REVENUE

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
			=(1)-(2)		=(3) x (4)	see note	=(5)-(6)
	TOTAL TITLE REVENUE AT CURRENT PRICE LEVEL	CSL FEES AT CURRENT PRICE LEVEL	TOTAL TITLE REVENUE AT CURRENT PRICE LEVEL EXCLUDING CSL FEES	RATE INCREASE FACTOR FOR COMMISSIONABLE REVENUE	TOTAL TITLE REVENUE AT CURRENT PRICE LEVEL EXCLUDING CSL FEES AT CURRENT RATE LEVEL	CSL FEES AT CURRENT PRICE LEVEL AND RATES AND INCIDENCE RATES	TOTAL TITLE REVENUE AT CURRENT RATES AND PRICE LEVEL
1982	97,418,875		97,418,875	1.5581	151,788,674	0	151,788,674
1983	157,098,203		157,098,203	1.5581	244,725,374	0	244,725,374
1984	175,835,427		175,835,427	1.5581	273,989,764	0	273,989,764
1985	200,786,553		200,786,553	1.5581	312,846,196	0	312,846,196
1986	278,128,747		278,128,747	1.5581	434,911,429	0	434,911,429
1987	313,389,500		313,389,500	1.5581	488,293,223	0	488,293,223
1988	302,983,298		302,983,299	1.5581	472,048,124	0	472,048,124
1989	301,112,675		301,112,675	1.5581	469,164,880	0	469,164,880
1990	278,298,206		278,298,206	1.5581	430,498,042	0	430,498,042
1991	289,854,492		289,854,492	1.5581	451,311,626	0	451,311,626
1992	389,757,079		389,757,079	1.5581	576,119,736	0	576,119,736
1993	412,154,029		412,154,029	1.5581	642,178,584	0	642,178,584
1994	405,893,258		405,893,259	1.5581	632,408,057	0	632,408,057
1995	295,149,570		295,149,570	1.5581	459,873,527	0	459,873,527
1996	356,350,480		356,350,480	1.3904	491,895,828	0	491,895,828
1997	378,536,275		378,536,275	1.3319	504,178,490	0	504,178,490
1998	523,875,525		523,875,525	1.2787	668,562,314	0	668,562,314
1999	592,973,567		592,973,567	1.2582	746,094,888	0	746,094,888
2000	482,788,053	1,275,230	484,063,283	1.2504	577,070,108	1,275,230	578,345,338
2001	527,439,867	6,329,123	533,768,990	1.2277	639,745,291	8,328,123	648,073,414
2002	746,898,050	22,395,877	769,293,927	1.1995	869,016,223	22,395,877	891,412,099
2003	890,238,112	21,892,237	912,130,349	1.1995	1,101,501,827	21,892,237	1,123,394,064
2004	897,811,107	19,232,524	917,043,631	1.1995	1,041,833,963	19,232,524	1,061,066,477
2005	821,269,587	26,355,938	847,625,525	1.1995	953,475,076	26,355,938	979,831,013
2006	784,443,443	17,942,143	802,385,586	1.1995	895,405,814	17,942,143	913,347,957
2007	700,452,812	18,082,181	718,534,993	1.1995	818,483,101	18,082,181	836,565,282
2008	588,401,792	13,455,012	601,856,804	1.1995	685,842,015	13,455,012	699,297,027
2009	802,458,551	15,274,557	817,733,108	1.1995	904,309,585	15,274,557	922,584,142
2010	606,573,216	25,057,417	631,630,633	1.1995	697,510,756	25,057,417	722,568,173
2011	585,728,838	26,819,211	612,548,049	1.1995	670,392,928	26,819,211	697,212,140
2012	589,701,812	33,530,817	623,232,629	1.1589	621,372,970	33,530,817	654,903,788
2013	784,158,104	34,878,859	819,036,963	1.1210	817,747,356	34,878,859	854,426,213
2014	542,522,310	23,442,888	565,965,198	1.1210	581,888,282	23,442,888	605,331,170
2015	634,171,447	22,875,870	657,047,317	1.1210	685,282,342	22,875,870	708,158,212
2016	709,562,252	24,835,118	734,397,370	1.0373	710,490,423	24,835,118	735,125,541
2017	718,332,829	24,443,807	742,776,636	1.0000	691,888,822	24,443,807	716,332,629
2018	700,784,591	22,875,281	723,659,872	1.0000	678,089,309	22,875,281	700,964,590
	674,733,347		674,733,347				781,380,752

SOURCES:

Column

- [1] Table 6-1 column (5) plus Table 6-2 column (3)
- [2] CSL Data row (2)
- [3] [1]-(2)
- [4] Table 1 column (1)
- [5] = [3] x [4]
- [6] = CSL data 2010-2016 ÷ average of line (4) x ([2]+[5])
- [7] = [5]-(6)

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
AREA I ACTUAL CASE-BASIS LOSSES & LAE INCURRED	AREA II ACTUAL CASE-BASIS LOSSES & LAE INCURRED	APPROVED ATTORNEY ACTUAL CASE-BASIS LOSSES & LAE INCURRED	=(1)+(2)+(3) TOTAL ACTUAL CASE-BASIS LOSSES & LAE INCURRED	CURRENT LIABILITY LEVEL RELATIVE TO HISTORIC	=(4)/(5) CASE-BASIS LOSSES & LAE INCURRED AT CURRENT PRICE LEVEL	TOTAL TITLE REVENUE AT CURRENT RATES AND PRICE LEVEL	=(6)/(7) LOSS AND LAE RATIO AT CURRENT RATES AND PRICE LEVEL	
1982	2,088,039	258,157	(128,328)	2,195,868	3,087,581	6,779,942	151,788,874	4.47%
1983	1,368,837	825,876	25,485	2,018,198	3,018,137	6,087,182	244,725,374	2.49%
1984	2,845,853	488,456	56,846	3,189,155	2,929,396	9,342,298	273,988,764	3.41%
1985	2,250,157	348,549	389,298	2,988,002	2,851,059	8,547,450	312,848,196	2.73%
1986	2,883,989	378,752	(175,700)	2,885,041	2,730,684	7,825,484	434,911,429	1.80%
1987	4,470,610	1,614,858	110,763	6,196,031	2,617,430	16,217,877	488,283,223	3.32%
1988	2,746,630	1,194,097	137,814	4,078,541	2,529,383	10,318,233	472,048,124	2.19%
1989	5,394,483	584,088	121,006	6,099,588	2,449,309	14,838,704	489,184,880	3.18%
1990	5,789,058	1,255,881	79	7,025,088	2,394,134	16,818,024	430,498,042	3.91%
1991	6,617,517	2,850,410	380,818	9,858,743	2,363,357	23,299,733	451,311,828	5.16%
1992	8,087,836	1,886,821	(20,887)	9,763,070	2,334,615	22,793,013	578,119,738	3.98%
1993	4,485,427	1,208,911	12,789	5,887,127	2,243,250	12,757,548	642,178,584	1.99%
1994	5,393,170	1,793,882	123,338	7,309,588	2,184,940	15,824,774	632,408,057	2.50%
1995	3,758,143	1,700,198	58,925	5,517,266	2,080,193	11,532,150	459,873,527	2.51%
1996	5,477,280	3,416,480	188,145	9,059,885	2,048,298	18,538,224	491,895,828	3.77%
1997	4,428,798	3,004,518	2,011	7,435,325	1,898,117	14,858,849	504,178,490	2.95%
1998				10,282,908	1,848,788	19,978,485	688,562,314	2.99%
1999				9,807,821	1,876,478	18,928,845	748,094,888	2.42%
2000				8,400,486	1,798,718	16,890,821	578,345,338	2.92%
2001				9,888,805	1,715,302	16,982,289	848,074,414	2.63%
2002				10,582,555	1,673,842	16,038,680	891,412,099	1.80%
2003				17,767,188	1,598,114	26,393,999	1,183,284,084	2.40%
2004				19,840,133	1,493,313	29,827,519	1,061,088,477	2.79%
2005				20,379,189	1,393,512	28,398,850	979,831,013	2.90%
2006				18,483,188	1,318,904	24,335,038	913,348,087	2.86%
2007				27,928,207	1,289,427	36,290,873	838,585,282	4.34%
2008				31,842,853	1,317,888	42,099,423	879,097,027	6.20%
2009				24,885,789	1,383,761	33,714,887	719,584,142	4.89%
2010				17,828,121	1,370,979	24,183,857	722,568,173	3.34%
2011				19,453,188	1,380,549	26,485,885	897,212,140	3.80%
2012				24,999,276	1,347,810	33,889,274	854,903,788	5.14%
2013				17,371,902	1,282,778	22,284,308	852,428,213	2.81%
2014				14,715,320	1,212,905	17,948,282	825,330,847	2.85%
2015				18,759,888	1,181,078	22,158,883	708,138,212	3.13%
2016				13,831,325	1,140,255	15,771,233	735,125,541	2.15%
2017				12,715,757	1,091,228	13,875,764	716,332,829	1.94%
2018				10,781,140	1,033,128	11,138,280	700,784,591	1.59%
20 Year Average				17,488,191		23,908,739	781,380,752	3.12%

**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)/(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 II 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	85,026	5,430	344,822	154,052
1983	670,572	63,458	56,608	790,638	414,006	46,891	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	928,397	163,583	94,217	1,186,197	526,760	145,405	7,042	679,207	506,990
1986	833,313	155,592	71,604	1,060,499	490,476	89,790	182,864	763,130	297,369
1987	803,862	259,383	53,001	1,116,265	740,945	134,171	10,546	885,662	230,604
1988	1,630,928	698,973	142,134	2,472,035	946,745	396,205	20,042	1,362,992	1,109,043
1989	808,058	184,230	71,461	1,063,749	664,298	298,490	4,297	967,085	96,664
1990	747,508	524,555	76,832	1,348,895	1,080,640	488,823	14,891	1,584,254	(245,359)
1991	2,006,971	1,555,786	307,561	3,870,320	5,387,676	3,287,976	590,214	9,265,866	(5,395,546)
1992	610,394	207,067	86,889	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	876,849	185,263
1995	387,969	253,747	110,147	751,863	363,302	255,263	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	436,629	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				1,346,979				2,298,337	(952,358)
2000				1,855,213				1,310,217	344,996
2001				398,927				709,028	(310,101)
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				659,079	5,556
2007				1,497,109				594,196	902,913
2008				696,144				1,354,554	(658,410)
2009				737,927				868,725	(130,798)
2010				763,227				524,066	239,141
2011				446,074				228,229	217,845
2012				847,951				319,139	528,812
2013				777,976				202,148	575,828
2014				1,472,364				157,095	1,315,269
2015				2,294,611				964,792	1,329,819
2016				2,070,926				411,821	1,659,105
2017				2,198,187				908,231	1,289,956
2018				1,542,442				299,475	1,242,967
20 Year Average				1,076,252				717,463	358,789

**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	61,289	1,107,968	3.087591	3,420,890
1983	1,110,703	334,487	131,281	1,576,471	3.016137	4,754,852
1984	1,274,420	404,700	94,673	1,773,793	2.929396	5,196,142
1985	1,304,522	269,365	119,667	1,693,554	2.851059	4,828,422
1986	2,102,214	683,044	198,527	2,983,785	2.730664	8,147,714
1987	2,608,967	954,491	174,163	3,737,621	2.617430	9,782,961
1988	2,252,332	942,373	215,131	3,409,836	2.529393	8,624,815
1989	1,834,446	924,487	151,421	2,910,354	2.449309	7,128,357
1990	1,467,355	566,384	161,958	2,195,697	2.394134	5,256,792
1991	1,369,068	646,203	157,134	2,172,405	2.363357	5,134,169
1992	2,171,268	994,753	200,651	3,366,672	2.334615	7,859,884
1993	1,970,338	1,010,935	262,155	3,243,428	2.243250	7,275,820
1994	2,267,705	931,129	237,069	3,435,903	2.164940	7,438,523
1995	1,313,282	513,944	(41,894)	1,785,332	2.090193	3,371,688
1996	1,106,952	520,796	19,404	1,649,152	2.046298	3,374,656
1997	1,900,211	735,703	120,431	2,756,345	1.998117	5,507,500
1998				4,265,807	1.946766	8,304,529
1999				7,879,755	1.876476	14,786,171
2000				2,926,179	1.796718	5,257,517
2001				5,142,574	1.715302	8,821,068
2002				7,334,035	1.673842	12,276,013
2003				13,050,454	1.598114	20,856,118
2004				11,949,638	1.493313	17,844,543
2005				12,473,880	1.393512	17,382,505
2006				5,229,585	1.316804	6,885,292
2007				5,900,348	1.299427	7,667,073
2008				(5,011,882)	1.317969	(6,605,241)
2009				(7,491,050)	1.365781	(10,230,983)
2010				(740,490)	1.370679	(1,014,974)
2011				(5,024,942)	1.360549	(6,836,678)
2012				607,676	1.347610	818,910
2013				2,715,862	1.282776	3,483,849
2014				(16,121,588)	1.212905	(19,553,963)
2015				7,055,600	1.181076	8,333,214
2016				4,244,472	1.140255	4,839,779
2017				6,529,427	1.091226	7,125,083
2018				1,480,738	1.033126	1,529,790
20 Year Average				3,006,523		4,683,254

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	493,071	3.087591	1,522,402
1983	4,057,724	3.018137	12,236,653
1984	422,235	2.928396	1,236,884
1985	(758,011)	2.951059	(2,161,135)
1986	2,637,290	2.790864	7,201,553
1987	2,075,100	2.917430	5,431,430
1988	2,416,091	2.529393	6,111,245
1989	4,584,785	2.449309	11,229,582
1990	5,968,859	2.394134	14,290,246
1991	1,285,827	2.363357	3,038,397
1992	1,066,807	2.334815	2,490,583
1993	(1,342,838)	2.243250	(3,011,868)
1994	(1,025,475)	2.164940	(2,220,092)
1995	325,915	2.090193	681,225
1996	(589,743)	2.046298	(1,208,789)
1997	2,246,162	1.998117	4,488,094
1998	8,071,774	1.946766	15,713,858
1999	5,247,595	1.876476	9,846,985
2000	9,487,094	1.796718	17,045,828
2001	8,687,481	1.715302	14,901,620
2002	9,113,144	1.673842	15,253,961
2003	7,926,802	1.598114	12,667,617
2004	11,761,643	1.493313	17,563,809
2005	19,774,958	1.393512	27,556,647
2006	16,733,978	1.316604	22,032,022
2007	10,537,278	1.299427	13,692,425
2008	(318,782)	1.317969	(420,145)
2009	(12,203,558)	1.365761	(16,667,143)
2010	(16,180,423)	1.370679	(22,178,158)
2011	(13,894,322)	1.380549	(18,831,794)
2012	(10,256,703)	1.347610	(13,822,038)
2013	(6,091,851)	1.282778	(7,814,465)
2014	(9,675,031)	1.212905	(11,734,891)
2015	(6,277,544)	1.181078	(7,414,269)
2016	(4,035,223)	1.140255	(4,601,182)
2017	(1,131,433)	1.091226	(1,234,650)
2018	(1,919,898)	1.033126	(1,983,498)
20 Year Average	874,249		2,202,923

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	5,596,479	5,640,882
1988	127,228	2,250,944	3,580,905	4,816,217	5,500,613	5,568,027	5,696,463	5,882,951	6,138,004	6,418,320	6,798,475	7,136,652	7,240,132	7,280,152	7,282,612	7,361,766	7,559,686
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	11,205,588	11,176,339	11,087,251
1990	734,044	1,628,631	1,983,170	2,649,249	3,340,428	3,954,106	6,426,375	6,541,227	6,830,735	6,930,973	7,044,843	7,104,122	7,165,835	7,183,933	7,272,428	7,278,780	7,283,415
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	4,458,576	4,536,614	4,598,270	4,551,044	4,561,789	4,575,033	4,871,605	4,910,380
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	5,698,295	5,933,580	6,038,606	6,089,990	6,115,648	6,155,828	6,205,402	6,231,663	6,267,303
1995	739,728	1,428,615	2,505,900	3,227,330	4,131,791	4,198,054	4,306,117	4,442,385	4,560,080	4,720,373	4,850,252	4,928,956	4,912,086	5,002,993	4,836,330	5,033,506	5,116,455
1996	655,141	1,241,070	3,413,858	3,834,111	4,881,725	5,629,218	6,163,344	6,608,835	7,470,087	7,696,176	7,753,517	7,838,958	7,843,973	7,895,914	7,858,119	7,855,452	7,822,766
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	6,877,485	6,979,535	7,108,563	7,081,697	7,079,603	7,172,122	7,193,631	7,213,140
1998	707,132	1,979,644	2,721,077	4,962,145	6,156,419	7,935,230	9,023,452	9,540,455	9,929,033	9,890,507	10,062,933	10,257,236	10,367,760	10,515,951	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	10,188,987	10,393,461	10,790,884	11,229,835	11,489,230	11,829,784	12,019,392	12,117,937	12,176,741	12,334,650	12,359,147
2000	1,735,422	4,373,156	5,186,274	10,906,246	14,957,262	16,736,751	16,932,663	17,797,657	17,313,876	17,553,222	17,441,599	17,655,709	17,718,861	17,876,320	17,936,057	18,173,952	18,122,530
2001	802,997	2,644,278	4,907,583	6,964,479	9,644,210	11,097,468	11,424,814	12,240,172	13,529,488	13,620,770	14,177,038	14,569,763	18,067,682	18,476,010	18,701,018	18,632,691	18,667,338
2002	1,241,109	3,396,887	6,944,192	9,819,354	11,355,356	12,679,266	13,550,406	14,303,590	15,971,030	17,729,800	18,467,931	18,716,466	19,585,655	20,144,819	20,595,920	20,762,426	20,941,997
2003	4,396,425	8,555,759	11,914,259	14,536,480	15,849,345	16,247,240	17,215,612	17,361,044	18,458,835	18,898,955	19,035,837	19,429,157	20,384,098	20,747,061	20,980,661	21,208,937	
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	23,811,447	25,068,984	25,428,549	25,952,097	26,630,693		
2005	2,072,582	6,415,765	11,721,393	20,530,879	21,554,146	24,416,906	28,255,261	31,724,057	32,093,611	33,034,333	34,753,968	35,830,741	36,247,652	36,588,510			
2006	1,269,891	4,556,574	12,750,890	18,592,343	21,975,880	25,015,585	28,929,279	29,261,321	31,006,844	33,190,435	35,355,711	36,361,816	36,923,743				
2007	6,125,174	10,248,667	14,268,873	15,999,423	20,074,343	22,428,191	25,596,381	28,000,316	29,980,953	30,684,154	31,885,885	33,279,903					
2008	3,595,361	8,214,239	9,927,505	14,229,628	17,082,878	18,625,544	20,195,021	22,209,916	22,893,757	23,871,625	23,997,200						
2009	2,181,185	5,154,518	6,576,203	8,398,730	9,281,143	9,822,536	10,715,062	11,190,030	11,818,232	11,988,723							
2010	1,274,821	2,164,863	3,697,334	3,756,413	4,240,582	4,914,330	5,474,147	5,590,206	5,878,762								
2011	1,715,403	2,752,858	3,228,811	3,767,033	4,685,362	4,676,653	5,389,082	5,200,918									
2012	3,245,901	3,936,632	4,693,788	4,622,434	5,071,476	5,272,688	5,499,293										
2013	2,849,912	4,286,611	5,846,394	6,211,596	6,815,191	6,955,634											
2014	509,453	1,600,487	2,320,647	2,604,804	2,834,335												
2015	531,055	2,229,194	3,123,526	3,639,203													
2016	1,051,467	2,855,128	3,653,385														
2017	2,041,796	3,762,158															
2018	2,057,327																

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

Policy Year	Development Year											27	28	29	30	31	32	33	34	35	36
	17	18	19	20	21	22	23	24	25	26											
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	782,668	836,229	847,233	848,048	884,311	914,328	902,889	
1982	4,924,438	5,023,975	5,050,344	5,156,057	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	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	2,638,162	2,676,085	2,676,085	2,681,117		
1984	1,579,213	1,608,091	1,568,799	1,538,147	1,538,147	1,538,147	1,538,147	1,538,147	1,538,147	1,546,085	1,551,859	1,551,859	1,551,859	1,551,859	1,553,759	1,553,729	1,553,729	1,553,729	1,553,844		
1985	4,673,175	4,783,047	4,833,049	4,889,435	4,946,326	4,910,951	4,910,294	4,909,994	4,936,194	4,957,032	4,966,853	4,987,758	5,026,471	5,043,331	5,040,808	5,072,416	5,061,797				
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	5,217,892	5,218,035	5,218,035	5,218,235	5,219,135	5,219,136	5,219,136	5,219,136	5,219,135				
1987	5,607,218	5,743,555	5,843,277	5,788,618	5,790,758	5,782,577	5,782,303	5,778,432	5,781,631	5,784,541	5,786,456	5,837,315	5,841,861	5,844,095	5,844,095						
1988	7,600,829	7,549,602	7,740,439	8,321,120	8,315,645	8,328,114	8,321,598	8,321,598	8,336,999	8,342,749	8,375,764	8,417,411	8,492,710	8,520,045							
1989	11,098,913	11,054,236	11,053,244	11,043,802	11,111,660	11,151,359	11,166,415	11,171,881	11,198,657	11,217,959	11,216,039	11,216,665	11,178,666								
1990	7,259,369	7,269,330	7,262,924	7,252,147	7,250,384	7,296,331	7,293,389	7,297,970	7,297,970	7,297,874	7,297,874	7,297,874	7,297,910								
1991	7,288,851	7,286,579	7,284,135	7,291,820	7,395,395	7,331,994	7,351,337	7,369,821	7,369,821	7,369,821	7,369,821	7,369,821	7,369,821	7,379,981							
1992	4,958,174	5,023,899	5,084,490	5,144,356	5,190,713	5,191,213	5,198,669	5,183,140	5,183,140	5,183,395											
1993	3,597,122	3,644,012	3,629,299	3,642,736	3,783,878	3,967,648	5,375,459	5,417,720	5,457,885												
1994	6,224,760	6,246,495	6,256,781	6,288,717	6,317,228	6,314,120	6,335,783	6,359,431													
1995	5,301,213	5,167,136	5,251,116	5,331,962	5,318,553	5,365,489	5,369,296														
1996	7,957,584	7,956,733	7,957,202	7,996,192	8,131,966	8,172,279															
1997	7,267,792	7,360,814	7,402,492	7,387,301	7,406,384																
1998	10,965,049	10,997,358	11,082,514	11,153,283																	
1999	12,424,068	12,629,041	12,684,661																		
2000	18,123,281	18,196,459																			
2001	18,915,729																				
2002																					
2003																					
2004																					
2005																					
2006																					
2007																					
2008																					
2009																					
2010																					
2011																					
2012																					
2013																					
2014																					
2015																					
2016																					
2017																					
2018																					

SOURCE:

Per filed Statistical Reports

TABLE 18A-2-1  
LOSS AND LAE DEVELOPMENT FACTORS

Policy Year	Development Factor Year N+1/Year N	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			
	1/0	2/1	3/2														
pre-1982																	
1982	1.516570564	3.076318914	0.947194108	1.141134007	1.099840074	1.143549638	1.482974152	1.082814617	0.987928189	1.048154309	1.031581729	1.048115273	1.058678517	1.054082171	1.027844914	1.014692186	
1983	3.394985190	1.529084178	0.845883597	1.872840883	0.786108197	2.943128040	0.814304129	1.097495532	1.295876153	1.012416858	1.107489275	1.011518151	1.004421376	0.998702658	0.998542057	0.981382134	
1984	5.373035289	2.048007127	1.038067309	1.184011305	2.728705911	0.800898881	0.941884584	1.032581079	1.020883548	1.075885810	0.948083480	1.358401261	0.784354298	1.028350790	0.991401378		
1985	5.456452284	1.465842718	1.263690538	3.005495427	1.015948505	1.107799572	1.184006273	1.062710212	0.989852852	1.018897079	1.023382874	1.024800259	1.044002386	0.988848502	0.984578100	1.008574095	
1986	2.602517838	1.099556539	4.474574090	0.790887235	1.155755428	0.884763782	1.033911539	1.011984937	1.081200888	1.048477819	1.101758341	1.023745323	1.001538406	1.008457780	1.002088231	1.002471320	
1987	17.082206368	1.327759512	1.345197839	1.421022236	1.012255708	1.023068855	0.332737505	1.043354509	1.045868021	1.049881319	1.058080091	1.014499795	1.005527582	1.000337924	1.010886887	1.028884755	
1988	2.420815440	1.769150489	1.087258821	1.050783837	1.105581724	1.074794843	1.054862956	1.056620191	1.034772538	1.023781721	1.089611977	1.089325382	1.044109840	1.022734601	0.987389784	0.992028989	
1989	2.218710388	1.217891088	1.335868080	1.280880031	1.183712550	1.825240800	1.017871991	1.044258880	1.014674572	1.018428183	1.008414537	1.008898981	0.026255983	1.012318439	1.008737504	1.003634791	
1990	2.273235448	1.288871202	1.257760654	1.017350478	1.143386174	0.988589708	1.015049141	1.077587171	0.998563631	1.005877288	1.017780799	1.015878302	0.989849511	1.010731795	0.998833463	0.985285380	
1991	5.472029558	1.099588731	1.840717049	1.088447827	1.157936653	1.136871762	1.307518629	1.000968288	1.051156898	1.017502949	1.013590811	0.985729859	1.002380879	1.002903177	1.004824078	1.007959382	
1992	2.003440884	1.297723146	1.296590711	1.338483038	1.101898898	1.037477557	1.022841517	1.032787054	1.018388880	1.030684307	1.025789485	1.003823434	1.047724420	0.867680727	1.025552324	1.018083248	
1993	2.545847917	1.802974348	1.235542638	1.10880738	1.085386974	1.181811808	0.58188846	0.588188653	0.412904800	1.017700377	1.008591010	1.004213201	1.008570032	1.008053141	1.004323032	1.005719143	
1994	1.931271544	1.754077090	1.287892444	1.280250407	1.018037437	1.025741137	0.31645348	1.026493524	1.035151482	1.027514428	1.016228608	0.986577470	1.018506780	0.989887357	1.040789827	1.016479318	
1995	1.864355551	2.750737837	1.123102114	1.273203513	1.153120758	1.094884589	1.072280705	1.130318302	1.030265927	1.007450559	1.011019823	1.000039883	1.008621849	0.985213302	0.989800038	0.986839039	
1996	4.260870748	1.635078952	1.125964252	1.248057787	1.151855530	1.080258800	1.082213480	1.042804280	1.095234008	1.014638298	1.018488958	0.988220337	0.989704308	1.013086294	1.002286068	1.002711938	
1997	2.789541438	1.374526339	1.823585782	1.240877089	1.288935862	1.137138119	1.057295457	1.040728464	0.996119857	1.017433532	1.018006785	1.010775189	1.014283398	1.018552484	1.009119170	1.010995700	
1998	4.824858088	1.878944414	1.270888881	1.230771701	1.123581721	1.147051091	1.022008900	1.038237838	1.040877881	1.022008759	1.020841212	1.018027980	1.008188845	1.004852583	1.012988094	1.001888084	
1999	2.519838061	1.85933959	2.102905838	1.371438981	1.118971958	1.011705494	1.051084354	0.972817712	1.013823980	0.993840653	1.042275832	1.003578850	1.008886545	1.003341856	1.013283486	0.997170570	
2000	3.283012121	1.855925388	1.419128084	1.384771188	1.150887056	1.028487343	1.071387288	1.105334798	1.007486447	1.040839882	1.027701470	1.240080708	1.022899925	1.012178367	0.989534890	1.001858474	
2001	2.738978600	2.044281054	1.414038427	1.158425887	1.118589013	1.088706897	1.055883825	1.118574938	1.110122338	1.041832231	1.013457819	1.048438608	1.028549711	1.022382696	1.008084388	1.008648872	
2002	1.948071907	1.362842330	1.220009997	1.080315228	1.025104825	1.058602242	1.008447858	1.083232991	1.023843388	1.007242829	1.020892050	1.049149608	1.017808175	1.011258438	1.010880298		
2003	3.068895432	1.467828975	1.307700281	1.152785424	1.087228749	1.018878098	1.102708845	1.054318578	1.084838903	1.048887258	1.052812259	1.014349009	1.020888228	1.011635581	1.009403388		
2004	3.068542293	1.828887253	1.751573350	1.049840418	1.132817109	1.157200704	1.122708405	1.011848995	1.02811823	1.052059883	1.030882748	1.011635581	1.009403388				
2005	3.588181687	2.798350103	1.458121167	1.181985488	1.138320084	1.158450218	1.011477731	1.058852913	1.070422848	1.085237977	1.028458849	1.015435751					
2006	1.874304389	1.392286154	1.121281505	1.254891888	1.117258553	1.141258285	1.083918697	1.070738230	1.024549225	1.038164524	1.043718972						
2007	2.284677119	1.088833872	1.383088827	1.200514773	1.090304780	1.084284732	1.069771889	1.030789885	1.042713284	1.005260429							
2008	2.363138073	1.275813385	1.277138782	1.105065010	1.058332578	1.080655182	1.044327109	1.058139484	1.014428085								
2009	1.068170351	1.707883508	1.018978092	1.128891414	1.158881027	1.113915308	1.021201235	1.051818083									
2010	1.004787842	1.172884328	1.188993288	1.243780511	0.986141211	1.152337389	0.985084288										
2011	1.212800775	1.823380599	0.984786318	1.087144020	1.038678074	1.042977182											
2012	1.904120285	1.383873133	1.084653335	1.097172219	1.020073732												
2013	3.141588355	1.448822867	1.122447352	1.088118289													
2014	4.187888370	1.401180718	1.165984516														
2015	2.715377042	1.279586849															
2016	1.870049887																
2017																	
2018																	
[1] Average	3.258752867	1.644115858	1.370384835	1.238072256	1.148354321	1.151233389	1.083223570	1.052381728	1.046811522	1.028940304	1.035807892	1.023428452	1.030089939	0.997478737	1.011115504	1.003747799	
[2] Development Factor to Ultimate Based on Average	17.448870580	5.353881888	3.258389864	2.376241928	1.918307954	1.669889114	1.450528606	1.364275243	1.296383823	1.238858085	1.206163890	1.184468875	1.137806481	1.104584375	1.107388388	1.095212540	
At end of year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
[3] % Unreported	94.27%	81.32%	69.29%	57.92%	47.80%	40.12%	31.08%	26.70%	22.88%	19.27%	17.08%	14.12%	12.11%	9.47%	9.70%	8.88%	8.35%

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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 ONL.

Policy Year	Development Factor Values						
	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						

Policy Year	Development Factor Value Deductions							
	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
1982		70,450					384,044	
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	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
pre-1982								3,362
1982		70,450					384,044	
1983	37,332					351,832		
1984					421,294			
1985				832,532				
1986			1,129,191					
1987		591,527						
1988	764,436							

FNTI Removal		
Policy Year	1 for 1/0	2 for 2/1
pre-1982		
1982		70,450
1983	37,332	

TABLE 10A-3  
LOSS AND LAE DEVELOPMENT FACTORS  
CALCULATED EXCLUDING HIGH AND LOW VALUES

Development Factor Year N-1/Year N	Development Factor Year N-1/Year N																			
	1Q	2Q	3Q	4Q	5A	6S	7A	8Q	8A	10B	11A	12A	13A	14A	15A	16A				
<b>EXCLUDING HIGHEST AND LOWEST VALUES</b>																				
Average excluding High and low values	2.883570123	1.81780318	1.200571183	1.182580703	1.108817372	1.101521048	1.057836783	1.052430322	1.08261472	1.026740378	1.033983381	1.017294857	1.018838484	1.005884498	1.002548842	1.003707204				
Development Factor to Ultimate	11.88485801	4.184608344	2.974740437	1.805039481	1.872875879	1.808702932	1.398853841	1.284788828	1.230278872	1.183778383	1.15284818	1.11507447	1.08128288	1.077875713	1.071888478	1.061840084	1.057918188			
At end of year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16			
% Unreported	81.80%	75.88%	61.18%	49.88%	40.22%	33.72%	28.89%	22.77%	18.72%	15.82%	13.27%	10.30%	8.77%	7.23%	6.80%	6.82%	6.47%			
<b>EXCLUDING TWO HIGHEST AND TWO LOWEST VALUES</b>																				
Average excluding 2 High and 2 low values	2.813613573	1.983802027	1.278322927	1.182082436	1.108337488	1.088306364	1.032889333	1.051707236	1.038438782	1.038673807	1.032038808	1.015188288	1.015887031	1.005811007	1.003274814	1.003847548				
Development Factor	10.78147228	3.831488934	2.409804088	1.880618944	1.80887531	1.43788564	1.323720485	1.257480423	1.185837322	1.151382884	1.121588348	1.088786442	1.070533422	1.053888825	1.048788983	1.038188008				
At end of year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16			
% Unreported	80.72%	75.80%	58.40%	48.82%	37.14%	30.48%	24.48%	20.47%	18.38%	13.15%	10.84%	7.88%	6.98%	6.12%	4.47%	3.88%	4.88%			
<b>Development Factor Year N-1/Year N</b>																				
	1776	1817	1878	2018	2108	2213	2332	2423	2514	2613	2728	2817	2928	3009	3100	3201	3302	3403	3504	3605
<b>EXCLUDING HIGHEST AND LOWEST VALUES</b>																				
Average excluding High and low values	1.808304885	1.03808708	1.00489124	1.004489043	1.008144844	1.005010022	1.008883738	1.000887748	1.001300734	1.000843837	1.000818878	1.001325787	1.001482147	1.001328287	1.0004772	1.0024201	1.0008708	1.0002247	1.0008402	1.0000000
Development Factor to Ultimate	1.051280113	1.042089887	1.037730038	1.033882441	1.028783224	1.021884881	1.014881488	1.014189887	1.012888487	1.012017382	1.01188323	1.008744844	1.008288273	1.008088354	1.008488708	1.004038188	1.0008848	1.000840217	1.000000038	1.000000038
At end of year	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
% Unreported	4.88%	3.84%	3.30%	2.81%	2.12%	1.47%	1.40%	1.27%	1.18%	1.10%	0.97%	0.82%	0.88%	0.84%	0.40%	0.10%	0.00%	3.78E-08	3.78E-08	3.78E-08
<b>EXCLUDING TWO HIGHEST AND TWO LOWEST VALUES</b>																				
Average excluding 2 High and 2 low values	1.005887892	1.007880238	1.004782488	1.004288807	1.005823808	1.002788721	1.001480003	1.000787784	1.000884782	1.000481895	1.000888127	1.00180483	1.00178884	1.001328287	1.00047716	1.00242815	1.00087083	1.00022488	1.00084018	1.000000004
Development Factor	1.048313411	1.042373588	1.034112801	1.028221428	1.024825878	1.018188834	1.018581448	1.014828826	1.01407891	1.013083578	1.012885805	1.011802105	1.01078884	1.008388273	1.008848354	1.008488108	1.00403818	1.00088480	1.00084032	1.000000004
At end of year	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	
% Unreported	4.07%	3.30%	2.84%	2.47%	1.88%	1.81%	1.48%	1.38%	1.28%	1.24%	1.18%	1.02%	0.82%	0.88%	0.84%	0.40%	0.10%	0.08%	0.02%	0.00%

TABLE 10A-4  
PREDICTED ULTIMATE LOSS AND LAE RATIO

Policy Year	Based on Overall Average					Based on Average Excluding High and low			Based on Average Excluding 2 High and 2 low		
	(1)	(2)	(3)	(4)=(2)(3)	(5)=(4)(1)	(3)	(4)=(2)(3)	(5)=(4)(1)	(3)	(4)=(2)(3)	(5)=(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
1982	52,278,008	5,845,314	1.01	5,903,767	11.29%	1.01	5,903,767	11.29%	1.01	5,903,767	11.29%
1983	82,658,161	2,881,117	1.01	2,707,828	3.26%	1.01	2,707,828	3.26%	1.01	2,707,828	3.26%
1984	81,949,818	1,553,844	1.01	1,569,382	1.71%	1.01	1,569,382	1.71%	1.01	1,569,382	1.71%
1985	106,354,908	5,081,797	1.01	5,112,415	4.81%	1.01	5,112,415	4.81%	1.01	5,112,415	4.81%
1986	151,414,179	5,219,135	1.0000000	5,219,135	3.45%	1.01	5,271,327	3.48%	1.01	5,271,327	3.48%
1987	172,387,401	5,844,095	1.0040392	5,867,894	3.40%	1.004039189	5,867,894	3.40%	1.01	5,902,538	3.42%
1988	166,801,338	8,520,045	1.0054881	8,575,154	5.14%	1.005488108	8,575,154	5.14%	1.004038188	8,554,450	5.13%
1989	168,835,150	11,178,898	1.008948354	11,258,339	6.67%	1.008948354	11,258,339	6.67%	1.006468108	11,250,870	6.66%
1990	156,948,678	7,287,910	1.008280373	7,358,340	4.69%	1.008280373	7,358,340	4.69%	1.008948354	7,348,819	4.68%
1991	153,334,754	7,379,981	1.009744544	7,451,898	4.86%	1.009744544	7,451,898	4.86%	1.008280373	7,441,090	4.85%
1992	213,671,044	5,183,385	1.011083230	5,240,844	2.45%	1.011083230	5,240,844	2.45%	1.010078984	5,235,839	2.45%
1993	243,545,839	5,457,865	1.012012392	5,523,447	2.27%	1.012012392	5,523,447	2.27%	1.011902105	5,522,845	2.27%
1994	285,768,879	6,358,431	1.012888467	6,441,255	2.82%	1.012888467	6,441,255	2.82%	1.012805505	6,439,595	2.82%
1995	383,319,027	5,368,288	1.014183957	5,445,454	2.97%	1.014183957	5,445,454	2.97%	1.013063378	5,438,889	2.97%
1996	224,340,595	8,172,279	1.014881458	8,293,894	3.70%	1.014881458	8,293,894	3.70%	1.014070810	8,287,270	3.69%
1997	242,272,812	7,408,384	1.021864881	7,586,840	3.12%	1.021864881	7,586,840	3.12%	1.014639338	7,518,288	3.10%
1998	339,403,108	11,153,283	1.026783224	11,452,004	3.37%	1.026783224	11,452,004	3.37%	1.018351448	11,335,855	3.34%
1999	354,818,923	12,684,561	1.033092441	13,104,427	3.32%	1.033092441	13,104,427	3.32%	1.019195934	12,828,155	3.27%
2000	318,217,878	18,198,459	1.037730038	18,883,012	5.93%	1.037730038	18,883,012	5.93%	1.024825878	18,848,202	5.86%
2001	368,408,301	18,915,729	1.042908597	19,727,395	5.35%	1.042908597	19,727,395	5.35%	1.028221428	19,468,474	5.28%
2002	528,368,714	20,841,997	1.051280113	22,016,115	4.17%	1.051280113	22,016,115	4.17%	1.034112801	21,658,387	4.10%
2003	717,304,403	21,208,937	1.042908597	22,119,004	3.08%	1.057918165	22,437,320	3.13%	1.042374358	22,107,852	3.08%
2004	674,623,265	26,830,893	1.037730038	27,835,470	4.10%	1.061840084	28,277,537	4.19%	1.048313411	27,917,312	4.14%
2005	650,551,898	36,588,510	1.033092441	37,799,314	5.81%	1.071988478	39,210,790	6.00%	1.053988825	38,563,885	5.93%
2006	632,271,333	36,923,743	1.026783224	37,812,880	6.00%	1.077975719	39,802,888	6.30%	1.070533422	39,528,101	6.25%
2007	583,878,080	33,278,203	1.021864881	34,000,900	5.82%	1.098128289	38,479,042	6.25%	1.088789442	38,167,581	6.19%
2008	488,028,384	23,697,200	1.014881458	24,354,313	5.02%	1.115074470	28,758,885	5.72%	1.121588348	28,814,979	5.79%
2009	482,988,824	11,888,723	1.014183957	12,158,771	2.52%	1.042908597	13,822,353	2.86%	1.151382984	13,803,732	2.86%
2010	484,750,025	5,878,762	1.012888467	5,854,401	1.23%	1.163776383	6,859,139	1.44%	1.195637322	7,028,867	1.45%
2011	470,428,833	5,800,918	1.012012392	5,263,394	1.12%	1.230278872	6,398,589	1.36%	1.257480423	6,539,949	1.39%
2012	577,082,355	5,498,283	1.011083230	5,560,243	0.96%	1.294789828	7,120,312	1.23%	1.323720165	7,278,525	1.26%
2013	641,797,781	8,955,834	1.009744544	7,023,414	1.09%	1.369653841	8,528,811	1.48%	1.437888540	10,001,863	1.58%
2014	471,893,545	2,834,335	1.008280373	2,857,804	0.61%	1.506702532	4,278,168	0.91%	1.580875310	4,509,073	0.96%
2015	564,758,840	3,639,203	1.008948354	3,864,490	0.68%	1.672875879	6,087,836	1.08%	1.880513844	6,843,573	1.21%
2016	648,478,875	3,853,383	1.005488108	3,877,015	0.57%	1.985039491	7,288,847	1.12%	2.403904088	8,782,387	1.35%
2017	673,002,330	3,782,158	1.004038188	3,777,351	0.56%	2.574740437	9,886,582	1.44%	3.831488634	14,414,680	2.14%
2018	684,795,254	2,897,327	1.000984900	2,858,312	0.30%	4.164908344	8,588,577	1.25%	10.78147225	22,181,010	3.24%
20-Year Average					2.92%			3.23%			3.38%

SOURCES:

Column

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

TABLE 10A-4-1

INDICATED IBNR RESERVE  
(Of average less highest and lowest values)

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	13,018,208	1983																
3.50%	336,886,237	13,887,018	1984	23,337	17,392	15,323	12,477	10,143	7,014	8,890	6,078	5,878	5,243	4,616	3,828	3,301	3,074	1,924	
3.50%	353,741,049	14,350,367	1985	27,486	24,504	18,281	18,089	13,101	10,651	7,365	7,024	6,380	5,982	5,508	4,847	4,125	3,488	3,228	
3.50%	371,428,101	15,067,885	1986	30,714	28,872	25,730	19,174	16,893	13,758	11,183	7,733	7,378	8,899	8,280	5,781	5,089	4,331	3,839	
3.50%	389,989,506	15,821,279	1987	37,032	32,249	30,318	27,018	20,133	17,738	14,444	11,742	8,120	7,744	7,034	6,573	6,070	5,344	4,548	
3.50%	409,499,481	16,612,343	1988	42,058	38,884	33,862	31,832	28,367	21,140	18,625	15,188	12,328	8,526	8,132	7,388	8,901	8,374	5,811	
3.50%	429,974,455	17,442,960	1989	53,540	44,181	40,828	35,555	33,423	29,785	22,197	19,588	15,925	12,848	8,952	8,538	7,755	7,247	6,892	
3.50%	451,473,178	18,315,108	1970	86,153	58,217	48,389	42,870	37,333	35,085	31,274	23,307	20,534	18,721	13,593	9,400	8,985	8,143	7,609	
3.50%	474,048,837	19,230,884	1971	89,289	69,481	59,028	48,887	45,015	38,189	36,849	32,838	24,472	21,560	17,557	14,273	8,870	8,413	8,550	
3.50%	497,748,179	20,192,407	1972	108,718	93,753	72,934	81,979	51,122	47,264	41,159	38,892	34,480	25,686	22,638	18,435	14,988	10,363	9,884	
3.50%	522,638,838	21,202,027	1973	138,697	115,203	98,441	78,581	85,078	83,878	48,627	43,217	40,826	36,204	26,980	23,770	19,357	15,736	10,881	
3.50%	489,878,810	19,061,888	1974	151,888	124,875	103,574	88,503	88,850	58,509	48,259	44,817	38,854	36,525	32,549	24,257	21,471	17,403	14,147	
3.50%	531,078,827	21,544,497	1975	203,511	171,670	141,141	117,084	100,031	77,818	66,129	54,545	50,429	43,915	41,283	36,789	27,418	24,154	19,899	
3.50%	750,909,380	30,482,487	1976	359,495	287,751	242,728	199,563	185,521	141,437	110,029	93,502	77,123	71,303	62,093	58,371	52,017	38,785	34,153	
3.50%	1,034,167,208	41,953,510	1977	732,381	495,104	398,297	334,292	274,842	227,959	184,799	151,534	128,773	108,215	98,200	85,516	80,389	71,839	53,367	
3.50%	1,246,259,074	50,557,533	1978	1,082,255	862,557	596,843	477,571	402,850	331,208	274,710	234,738	182,812	155,183	127,988	118,359	103,054	88,878	86,331	
3.50%	1,388,671,151	58,253,890	1979	1,486,149	1,204,189	981,992	863,884	531,378	448,237	368,525	305,890	261,185	203,188	172,667	142,419	131,672	114,885	107,791	
3.50%	1,284,874,800	52,124,079	1980	1,670,841	1,386,318	1,115,789	909,903	815,130	492,389	415,332	341,471	283,222	242,011	188,270	158,981	131,984	122,008	108,247	
3.50%	1,333,940,469	54,114,542	1981		1,734,648	1,439,255	1,158,397	944,860	838,620	511,171	431,192	354,511	294,037	251,253	195,480	168,101	137,004	128,865	
11.28%	1,288,620,478	52,276,028	1982			5,407,020	4,488,285	3,810,811	2,944,544	1,980,625	1,593,359	1,344,059	1,105,037	916,535	783,175	609,262	517,749	427,051	
3.28%		82,858,181	1983				2,480,081	2,057,751	1,656,199	1,192,572	958,852	782,740	629,183	423,558	357,288	292,749	243,840	208,189	161,959
1.71%		91,949,818	1984					1,437,334			3,126,811	2,549,851	1,723,798	1,378,782	1,163,888	956,915	793,881	678,197	
4.81%		108,354,908	1985						4,882,253	3,884,817	3,126,811	2,549,851	1,723,798	1,378,782	1,163,888	956,915	793,881	678,197	
3.48%		151,414,179	1986							4,827,794	4,005,874	3,224,003	2,629,110	1,777,380	1,422,670	1,200,077	886,880	818,352	
3.40%		172,367,401	1987								5,373,982	4,458,853	3,598,748	2,826,552	1,978,482	1,583,823	1,335,847	1,088,285	
5.14%		188,901,338	1988									7,853,834	6,516,248	5,244,891	4,278,918	2,891,380	2,314,335	1,852,200	
8.67%		188,885,150	1989										10,309,223	8,553,677	6,884,505	5,814,175	3,795,399	3,037,957	
4.88%		158,948,878	1990											8,738,204	5,591,563	4,500,444	3,670,022	2,481,078	
4.86%		153,334,754	1991												8,824,888	5,982,888	4,557,864	3,716,884	
2.45%		213,671,044	1992													4,789,878	3,982,511	3,205,380	
2.27%		243,545,839	1993														5,058,701	4,197,280	
2.62%		245,789,879	1994															5,898,283	
2.97%		183,319,027	1995																
3.70%		224,340,585	1996																
3.12%		242,272,812	1997																
3.37%		339,403,108	1998																
3.32%		394,818,923	1999																
5.83%		318,217,878	2000																
5.35%		368,409,301	2001																
4.17%		528,388,714	2002																
3.13%		717,304,403	2003																
4.18%		674,823,285	2004																
6.03%		850,551,898	2005																
6.30%		832,271,333	2006																
6.25%		583,878,950	2007																
5.72%		488,028,384	2008																
2.86%		482,986,624	2009																
1.44%		484,750,025	2010																
1.36%		470,428,833	2011																
1.23%		577,082,355	2012																
1.48%		641,787,781	2013																
0.91%		471,653,545	2014																
1.08%		584,758,840	2015																
1.12%		845,476,875	2016																
1.44%		873,022,330	2017																
1.25%		884,795,254	2018																
[1]	IBNR			6,314,734	8,807,805	10,885,530	11,287,785	10,529,754	13,167,044	15,242,144	17,858,235	22,243,031	28,211,890	29,497,517	30,584,324	29,221,688	28,198,213	28,522,128	
[2]	Change in IBNR			493,071	4,087,724	422,235	(758,011)	2,837,290	2,075,100	2,418,091	4,584,785	5,988,858	1,285,627	1,088,807	(1,342,636)	(1,025,475)		325,915	



TABLE 10A-5-3  
FRACTION OF LOSSES UNREPORTED

National Revent	PA Revenue	PolicyCalendar	Year-End	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	
320,853,559	13,016,206	1983	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
336,896,237	13,857,010	1984	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%
353,741,049	14,350,367	1985	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%
371,426,101	15,067,885	1986	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%
389,999,508	15,821,279	1987	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%
409,499,481	16,612,343	1988	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%
429,974,455	17,442,960	1989	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%
451,473,178	18,315,108	1970	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%
474,046,837	19,230,864	1971	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%
497,749,179	20,192,407	1972	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%
522,036,638	21,202,027	1973	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%
488,876,610	19,061,888	1974	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%
531,078,627	21,544,497	1975	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%	1.47%
750,909,390	30,482,467	1976	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%	2.12%
1,034,167,208	41,953,510	1977	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%	2.61%
1,246,259,074	50,557,533	1978	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%	3.20%
1,386,671,151	56,253,690	1979	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%	3.64%
1,284,874,800	52,124,073	1980	91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%	4.88%
1,333,940,469	54,114,542	1981		91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%	5.47%
1,286,620,478	52,276,026	1982			91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%	5.82%
	82,656,161	1983				91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.69%
	91,949,618	1984					91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%
	106,354,908	1985						91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%
	151,414,179	1986							91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%
	172,367,401	1987								91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%	13.27%
	166,901,338	1988									91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%	15.52%
	168,865,150	1989										91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%	18.72%
	156,946,678	1990											91.59%	75.99%	61.16%	49.88%	33.72%	26.99%	22.77%
	153,334,754	1991												91.59%	75.99%	61.16%	49.88%	33.72%	26.99%
	213,671,044	1992													91.59%	75.99%	61.16%	49.88%	33.72%
	243,545,839	1993														91.59%	75.99%	61.16%	49.88%
	245,769,879	1994															91.59%	75.99%	61.16%
	183,319,027	1995																91.59%	75.99%
	224,340,595	1996																	91.59%
	242,272,812	1997																	
	339,403,108	1998																	
	394,816,923	1999																	
	318,217,878	2000																	
	368,409,301	2001																	
	528,368,714	2002																	
	717,304,403	2003																	
	674,623,265	2004																	
	650,551,898	2005																	
	632,271,333	2006																	
	583,678,060	2007																	
	498,028,384	2008																	
	482,989,624	2009																	
	484,750,025	2010																	
	470,428,833	2011																	
	577,062,355	2012																	
	641,797,761	2013																	
	471,853,545	2014																	
	564,758,640	2015																	
	648,478,875	2016																	
	673,002,330	2017																	
	684,795,254	2018																	

TABLE 10A-5-3 (continued)

FRACTION OF LOSSES UNREPORTED

National Revenue*	#A Revenue	Policy Year	Calendar Year-End	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
320,853,559	13,016,206	1983	1988	1989	2000																	
336,808,237	13,667,016	1984	3.76E-08	3.76E-08	3.76E-08																	
353,741,049	14,350,367	1985	0.00%	3.76E-08	3.76E-08	3.76E-08																
371,426,101	15,067,865	1986	0.10%	0.06%	3.76E-08	3.76E-08	3.76E-08															
389,899,508	15,821,279	1987	0.40%	0.10%	0.06%	3.76E-08	3.76E-08	3.76E-08														
429,974,455	16,812,343	1988	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08													
451,473,178	16,315,108	1989	0.82%	0.64%	0.40%	0.10%	0.06%	3.76E-08	3.76E-08	3.76E-08												
474,046,837	19,230,864	1971	0.97%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08											
487,749,179	20,192,407	1972	1.10%	0.97%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08										
522,536,038	21,202,027	1973	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08								
468,878,810	19,081,888	1974	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08							
531,078,627	21,544,497	1975	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08						
750,909,390	30,482,467	1976	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08					
1,034,167,208	41,953,510	1977	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08				
1,246,259,074	50,557,533	1978	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08			
1,388,871,151	58,253,890	1979	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08		
1,284,874,800	52,124,073	1980	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08	
1,333,940,489	54,114,542	1981	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08	3.76E-08
1,288,620,478	52,276,926	1982	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08	3.76E-08
	82,656,161	1983	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%	3.76E-08
	91,940,818	1984	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%	0.09%
	106,354,908	1985	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%	0.10%
	151,414,179	1986	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%	0.40%
	172,367,401	1987	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%	0.64%
	186,901,338	1988	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%	0.69%
	188,885,150	1989	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%	0.82%
	156,946,878	1990	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%	0.97%
	153,334,754	1991	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%	1.10%
	213,871,044	1992	26.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%	1.19%
	243,545,839	1993	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%	1.27%
	245,789,879	1994	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%	1.40%
	183,318,027	1995	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%	1.47%
	221,340,595	1996	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%	2.12%
	242,272,812	1997	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%	2.61%
	339,403,106	1998	91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%	3.20%
	394,818,923	1999		91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%	3.64%
	318,217,878	2000			91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%	4.89%
	368,409,301	2001				91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%	5.47%
	528,368,714	2002					91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%	5.82%
	717,304,403	2003						91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%	6.89%
	674,623,205	2004							91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%	7.23%
	590,551,898	2005								91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%	8.77%
	632,271,333	2006									91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%	10.32%
	583,878,090	2007										91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%	13.27%
	488,028,384	2008											91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%	15.52%
	482,988,624	2009												91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%	18.72%
	484,750,025	2010													91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%	22.77%
	470,428,833	2011														91.59%	75.99%	61.16%	49.88%	40.22%	33.72%	28.99%
	577,062,355	2012															91.59%	75.99%	61.16%	49.88%	40.22%	33.72%
	641,797,781	2013																91.59%	75.99%	61.16%	49.88%	40.22%
	471,663,545	2014																	91.59%	75.99%	61.16%	49.88%
	594,750,840	2015																		91.59%	75.99%	61.16%
	646,476,975	2016																			91.59%	75.99%
	673,002,330	2017																				91.59%
	684,795,254	2018																				91.59%

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)	=(9)/(5)	=(10)/(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 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%	82.38%
1983	44,659,423	14,066,531	58,725,954		58,725,954	36,854,099	11,358,258	48,212,357	81.71%	81.71%
1984	50,075,191	16,005,788	66,080,959		66,080,959	41,035,850	12,838,606	53,874,456	81.68%	81.68%
1985	58,730,460	19,888,484	78,618,944		78,618,944	48,721,561	17,128,598	65,850,159	81.21%	81.21%
1986	84,465,939	28,475,333	112,941,272		112,941,272	65,919,088	24,801,161	90,720,249	79.71%	79.71%
1987	92,701,629	37,404,077	130,105,706		130,105,706	77,007,768	29,820,468	106,828,236	82.15%	82.15%
1988	82,841,879	42,087,435	124,929,314		124,929,314	71,348,599	32,586,287	103,934,886	83.19%	83.19%
1989	88,954,148	44,057,009	133,011,157		133,011,157	74,887,197	33,825,698	108,712,895	81.58%	81.58%
1990	82,310,983	41,063,297	123,374,280		123,374,280	68,915,012	32,717,853	101,632,865	82.38%	82.38%
1991	79,358,943	41,548,510	120,907,453		120,907,453	69,721,380	30,028,748	99,750,128	82.50%	82.50%
1992	110,325,333	61,910,265	172,235,598		172,235,598	88,887,907	47,954,880	136,842,787	79.34%	79.34%
1993	128,904,478	72,823,382	201,727,860		201,727,860	107,391,607	57,034,696	164,426,303	81.50%	81.50%
1994	141,220,132	70,983,187	212,203,319		212,203,319	117,218,862	58,571,859	175,790,721	82.84%	82.84%
1995	99,448,441	55,338,810	154,787,251		154,787,251	79,844,233	45,104,995	124,949,228	80.72%	80.72%
1996	123,888,248	55,338,810	179,227,058		179,227,058	89,504,096	54,288,982	143,793,078	85.80%	85.80%
1997	140,807,295	85,757,228	226,564,523		226,564,523	117,774,823	53,427,886	171,202,709	83.56%	83.56%
1998			293,299,488		293,299,488			240,280,880 Incl. A/A	81.93%	81.93%
1999			345,478,065		345,478,065			284,871,340 Incl. A/A	85.35%	85.35%
2000			278,490,535	134,952	278,625,487			228,680,550	82.74%	82.70%
2001			321,289,894	2,828,759	324,118,653			262,459,518	82.42%	81.89%
2002			488,878,384	12,170,558	501,048,942			378,851,591	82.91%	80.75%
2003			634,438,853	11,012,184	645,451,037			508,151,251	81.51%	80.09%
2004			592,894,789		592,894,789			488,122,820	82.50%	82.50%
2005			570,933,537	13,278,480	584,212,017			480,268,322	82.12%	84.12%
2006			548,138,749	9,268,012	557,406,761			457,558,212	84.01%	83.48%
2007			489,605,992	8,349,347	497,955,339			413,807,693	84.52%	84.52%
2008			389,408,451	4,443,859	393,852,310			325,784,053	85.06%	83.88%
2009			414,405,901	3,332,932	417,738,833			341,380,888	83.86%	82.38%
2010			417,709,053	14,147,944	431,856,997			346,526,402	85.87%	82.96%
2011			401,408,321	14,081,385	415,489,706			333,241,512	86.04%	83.02%
2012			488,581,088	19,289,543	507,870,631			402,495,282	85.77%	82.38%
2013			551,858,732	19,891,060	571,749,792			458,150,625	86.12%	83.02%
2014			395,899,150	13,484,853	409,384,003			330,912,845	86.51%	83.56%
2015			471,457,748	20,832,320	492,290,068			383,003,996	84.99%	81.24%
2016			551,890,889	24,018,871	575,909,760			451,810,125	85.57%	81.85%
2017			584,384,325	23,757,422	608,141,747			485,847,148	85.11%	81.71%
2018			551,175,980	21,500,280	572,676,260			483,784,589	87.56%	84.14%
20 Year Average			473,714,942	13,247,816	486,962,758			391,722,222	84.91%	82.76%

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 11-2

AGENCY SYSTEM TITLE REVENUE SUBJECT TO AGENCY RETENTION AS FRACTION  
ALL SYSTEMS TITLE REVENUE SUBJECT TO AGENCY RETENTION

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
			=(1)+(2)				=(6)/(5)
	ALL-INCLUSIVE ACTUAL TOTAL TITLE REVENUE	APPROVED ATTORNEY ACTUAL TOTAL TITLE REVENUE	ALL SYSTEMS ACTUAL TOTAL TITLE REVENUE	ALL SYSTEMS CSL REVENUE	ALL SYSTEMS ACTUAL TOTAL TITLE REVENUE	AGENCY SYSTEM ACTUAL TOTAL TITLE REVENUE	COMMISSIONABLE AGENCY SYSTEM ACTUAL TITLE REVENUE TOTAL TITLE FRACTION OF REVENUE ALL SYSTEMS REVENUE
1982	49,921,336	2,354,686	52,276,022		52,276,022	32,856,374	0.6247
1983	78,936,978	3,717,185	82,654,163		82,654,161	58,755,954	0.7108
1984	87,792,200	4,157,418	91,949,618		91,949,618	66,080,959	0.7187
1985	101,630,239	4,724,999	106,355,238		106,354,908	78,818,944	0.7392
1986	145,100,555	6,253,624	151,354,179		151,414,179	113,841,272	0.7525
1987	167,089,774	5,297,627	172,387,401		172,387,401	130,105,706	0.7546
1988	180,405,084	6,488,254	186,893,338		186,901,338	124,908,314	0.7484
1989	182,876,045	6,009,105	188,885,150		188,885,150	133,011,157	0.7078
1990	151,182,027	5,784,651	156,966,678		156,946,678	123,374,280	0.7861
1991	148,086,599	5,268,155	153,354,754		153,334,754	120,907,453	0.7885
1992	208,041,082	5,629,982	213,671,064		213,671,044	172,235,588	0.8061
1993	237,713,704	5,821,335	243,535,039		243,545,839	201,527,840	0.8275
1994	240,178,394	5,594,485	245,772,879		245,769,879	212,203,319	0.8634
1995	178,935,870	4,383,157	183,319,027		183,319,027	154,785,251	0.8443
1996	219,430,540	4,910,955	224,341,495		224,340,595	179,225,058	0.7999
1997	237,177,423	5,065,388	242,242,812		242,272,812	206,884,523	0.8530
1998	331,412,075	7,991,031	339,403,106		339,403,108	293,299,486	0.8642
1999	368,258,452	8,580,471	376,838,923	785,138	384,818,923	345,476,065	0.8750
2000	310,756,878	7,459,204	318,216,082	785,138	318,216,082	278,355,583	0.8705
2001	350,350,988	10,059,313	360,410,301	3,797,474	364,207,775	318,442,835	0.8734
2002	512,548,849	15,819,864	528,368,714	13,437,526	541,806,240	454,505,838	0.8387
2003	691,745,705	25,588,898	717,334,603	13,135,342	730,470,045	623,427,489	0.8533
2004	653,211,734	21,411,531	674,623,265	11,539,515	686,162,780	582,015,011	0.8777
2005	834,633,845	15,917,853	850,551,698	15,813,562	866,365,260	757,855,077	0.8748
2006	815,990,938	16,280,395	832,271,333	10,765,298	843,036,631	738,670,734	0.8760
2007	569,974,235	14,903,325	584,877,560	10,849,308	595,726,868	481,256,646	0.8096
2008	459,911,942	8,116,743	468,028,684	8,073,007	476,101,691	382,862,592	0.8042
2009	478,816,812	4,371,812	483,188,624	8,164,734	491,353,358	406,072,989	0.8282
2010	479,627,406	5,122,620	484,750,025	15,034,450	499,784,475	403,561,109	0.8092
2011	464,789,420	5,639,413	470,428,833	16,091,527	486,520,360	387,324,956	0.7962
2012	570,237,924	6,824,431	577,062,355	20,118,490	597,180,845	489,291,355	0.8200
2013	833,730,132	8,867,650	842,597,781	20,807,315	863,405,096	531,967,652	0.6159
2014	463,998,815	5,865,330	470,064,145	14,065,599	484,129,744	382,504,297	0.7902
2015	558,990,387	5,828,483	564,818,870	22,875,870	587,694,740	450,825,426	0.7673
2016	644,631,590	3,845,285	648,476,875	24,835,118	673,311,993	527,871,818	0.7840
2017	670,771,567	2,230,763	673,002,330	24,443,807	697,446,137	570,628,903	0.8182
2018	883,104,871	1,690,382	884,795,254	22,675,281	907,470,535	729,675,880	0.8040
20 Year Aver	542,241,184	8,588,137	550,829,321	14,638,229	565,467,550	481,128,517	0.8514

SOURCES:

Column

- [1] Per Med Statistical Reports
- [2] Per Med Statistical Reports
- [3] =(1)+(2)
- [4] Table 11-1 column [3]
- [5] =(4)/[3]

TABLE 11-3

AVERAGE AGENTS' RETENTIONS OF REVENUE SUBJECT TO AGENCY RET 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	1.830811824	1.5581	76,723,756
1983	48,012,357	1.871477301	1.5581	140,001,873
1984	53,974,456	1.836835403	1.5581	158,696,053
1985	63,848,159	1.864394815	1.5581	185,473,779
1986	90,820,249	1.823098040	1.5581	257,981,457
1987	108,888,234	1.804139508	1.5581	300,486,649
1988	103,914,886	1.799108007	1.5581	281,283,821
1989	108,512,895	1.788578803	1.5581	289,021,226
1990	101,832,885	1.748122238	1.5581	276,506,323
1991	99,750,106	1.724599419	1.5581	268,032,701
1992	136,652,767	1.720818187	1.5581	366,385,113
1993	194,426,303	1.684196103	1.5581	431,478,538
1994	175,788,521	1.644108570	1.5581	450,315,878
1995	124,949,228	1.602695483	1.5581	312,018,882
1996	153,771,078	1.581936281	1.3804	335,783,585
1997	172,893,132	1.556486708	1.3319	358,011,759
1998	240,260,860	1.538639421	1.2767	471,399,198
1999	294,871,340	1.497733824	1.2582	555,881,417
2000	228,880,550	1.449518563	1.2504	414,455,639
2001	262,455,518	1.426931894	1.2277	458,765,300
2002	376,851,581	1.408190534	1.1895	638,950,853
2003	508,151,251	1.375973138	1.1895	838,872,388
2004	489,122,820	1.312722338	1.1895	770,158,787
2005	480,268,322	1.258718064	1.1895	725,105,346
2006	457,558,212	1.207389741	1.1895	682,853,986
2007	413,807,883	1.188087896	1.1895	594,860,898
2008	325,764,053	1.213363308	1.1895	474,114,885
2009	341,380,888	1.248754239	1.1895	510,515,808
2010	348,528,402	1.25058724	1.1895	519,804,114
2011	333,241,512	1.244306308	1.1895	497,388,451
2012	402,495,282	0.983500591	1.1589	458,758,854
2013	458,150,825	1.189868811	1.1210	811,162,503
2014	330,912,645	1.148852278	1.1210	428,541,237
2015	383,003,986	1.122555478	1.1210	481,986,385
2016	451,810,125	1.094035134	1.0373	512,744,588
2017	485,647,148	1.023300727	1.0000	496,963,078
2018	463,764,569	1.064336389	1.0000	493,801,507
20 Year Average	391,722,222			557,083,881

SOURCES:

Column

- [1] Table 7 column [3]
- [2] Table 11-2 column [5]
- [3]  $\frac{[1]}{[2]}$
- [4] Table 11-1 column [7]
- [5] 1 minus rate of column [1] line [4] to column [1] line [6] in Prior Rate Filing Data worksheet Table 21 for years 1982-1999, 1 - 75% of rate for year 2000.
- [6]  $\frac{[4]}{[5]}$
- [7]  $\frac{[3]}{[6]}$

**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	17,802,801	3,531,484	1,718,350	22,852,435	3.087351	70,782,022
1983	19,749,161	3,924,145	2,719,528	26,392,834	2.918088	77,018,558
1984	20,717,324	4,885,031	2,787,353	28,379,708	2.773754	78,718,330
1985	25,369,144	4,536,762	1,844,121	31,750,047	2.644391	83,958,526
1986	30,746,533	5,954,545	1,850,340	38,551,418	2.540058	97,430,057
1987	37,390,278	8,485,521	3,159,037	49,034,834	2.466294	120,934,329
1988	37,218,027	10,172,518	2,757,825	50,148,170	2.353720	118,030,038
1989	39,292,290	13,823,813	2,783,179	55,979,082	2.247755	125,627,245
1990	39,057,128	13,810,891	2,830,755	55,698,772	2.149273	120,141,284
1991	38,588,725	13,876,152	2,569,513	54,854,390	2.089343	113,457,889
1992	39,873,464	12,484,098	1,585,364	53,952,926	1.997340	107,762,326
1993	40,025,523	16,856,230	2,286,979	59,248,732	1.930575	114,384,141
1994	43,973,175	15,073,880	2,806,847	61,853,902	1.879478	115,878,883
1995	30,306,408	14,351,749	2,253,388	46,924,545	1.828403	85,787,001
1996	40,703,259	17,389,904	1,572,212	59,675,075	1.779574	106,198,228
1997	38,489,619	15,519,651	2,097,024	56,106,294	1.730791	97,108,283
1998				71,585,353	1.684906	121,288,528
1999				89,848,280	1.660889	149,401,359
2000				77,343,597	1.618153	124,999,121
2001				83,128,945	1.568145	130,358,209
2002				120,294,624	1.528455	183,864,865
2003				138,520,188	1.482843	205,079,449
2004				124,008,406	1.438183	178,341,379
2005				129,303,158	1.392188	180,011,653
2006				151,184,420	1.345405	203,377,359
2007				185,518,989	1.302300	215,555,403
2008				145,544,416	1.284321	184,014,911
2009				138,884,202	1.250956	173,739,270
2010				121,028,252	1.228456	148,677,842
2011				126,515,967	1.205134	152,488,723
2012				140,790,370	1.178790	165,982,280
2013				141,103,273	1.152107	162,588,098
2014				119,895,372	1.124242	133,867,146
2015				141,247,579	1.103496	155,878,814
2016				144,779,064	1.078244	158,107,124
2017				164,833,003	1.052841	173,510,051
2018				164,125,575	1.025445	168,301,743
20 Year Average				131,343,785		167,298,895

**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-BASIS LOSSES & LAE INCURRED	TOTAL NET REINSURANCE CEDED	TOTAL INCREASE IN IBNR LOSSES RESERVE	TOTAL ACTUAL OTHER TITLE EXPENSES	TOTAL ACTUAL EXPENSES	TOTAL ACTUAL TITLE REVENUE	ACTUAL COMBINED RATIO	CALENDAR YEAR LOSS RATIO
					=(1)+(2)+(3)+(4)+(5)			=(6)/(7)	
								=(2)+(4)/(7)	
1982	26,888,136	2,185,868	154,052	493,071	22,852,435	52,581,562	52,278,026	1.0080	5.1%
1983	48,012,357	2,018,198	319,638	4,057,724	28,392,834	80,800,751	82,656,161	0.9778	7.4%
1984	53,974,456	3,189,155	392,471	422,235	28,379,708	88,358,025	91,949,818	0.9382	3.9%
1985	83,848,159	2,988,002	506,990	(758,011)	31,750,047	98,245,187	106,354,908	0.9247	2.1%
1986	90,820,249	2,985,041	297,389	2,837,290	38,357,418	134,977,367	151,414,179	0.8914	3.6%
1987	106,886,234	6,196,031	230,804	2,075,100	49,034,834	164,424,803	172,367,401	0.9538	4.8%
1988	103,914,896	4,079,541	1,109,043	2,418,091	50,146,170	161,864,731	168,901,338	0.9686	3.9%
1989	106,512,895	8,059,556	98,864	4,584,795	55,979,062	175,272,584	168,895,150	1.0378	6.3%
1990	101,832,885	7,025,098	(245,399)	5,988,658	55,898,572	170,280,035	156,948,878	1.0850	8.3%
1991	99,750,106	9,858,743	(5,395,546)	1,285,827	54,854,390	160,363,320	153,334,754	1.0458	7.3%
1992	136,852,787	9,763,070	138,509	1,088,807	53,952,926	201,574,078	213,871,044	0.9434	5.1%
1993	164,428,303	5,687,127	675,088	(1,342,638)	58,248,732	228,694,614	243,545,839	0.9390	1.8%
1994	175,788,521	7,309,588	185,283	(1,025,475)	61,853,802	243,911,678	245,769,879	0.9924	2.6%
1995	124,949,228	5,517,288	131,217	325,915	48,924,545	177,848,171	183,319,027	0.9702	3.2%
1996	153,771,078	9,059,885	248,578	(589,743)	59,875,075	222,182,873	224,340,585	0.9803	3.8%
1997	172,893,132	7,435,325	164,107	2,248,182	58,108,294	238,845,020	242,272,812	0.9850	4.0%
1998	240,290,880	10,262,909	(208,785)	8,071,774	71,585,353	329,982,111	339,403,108	0.9722	5.4%
1999	294,871,340	9,807,821	(952,358)	5,247,595	89,848,290	398,722,688	394,818,923	1.0089	3.8%
2000	228,080,580	9,400,489	344,998	9,487,094	77,343,587	325,238,725	318,217,878	1.0221	5.3%
2001	282,455,518	9,888,805	(310,101)	8,687,481	83,129,945	363,850,628	368,409,301	0.9876	5.0%
2002	378,891,591	9,582,555	(237,186)	9,113,144	120,294,824	515,804,727	528,388,714	0.9758	3.5%
2003	508,151,251	17,787,188	(188,451)	7,828,802	138,320,188	671,898,787	717,304,403	0.9388	3.6%
2004	489,122,820	19,840,133	(413,742)	11,781,643	124,008,406	644,317,261	674,623,285	0.9551	4.7%
2005	480,268,322	20,379,189	193,811	18,774,958	129,303,158	649,818,238	650,551,898	0.9890	6.2%
2006	457,558,212	18,483,186	5,556	16,733,878	151,164,420	643,945,352	632,271,333	1.0185	5.6%
2007	413,807,883	27,828,207	902,913	10,537,278	185,518,989	618,895,080	583,878,080	1.0696	6.8%
2008	325,784,053	31,842,853	(858,410)	(318,782)	145,544,418	502,273,930	488,028,384	1.0732	6.8%
2009	341,380,688	24,885,789	89,202	(12,203,558)	138,884,202	492,818,323	482,988,824	1.0203	2.6%
2010	348,528,402	17,828,121	239,141	(18,180,423)	121,028,282	489,242,493	484,750,025	0.9880	0.3%
2011	333,241,512	19,452,189	218,845	(13,894,322)	126,515,967	485,732,189	470,428,833	0.9800	1.2%
2012	402,495,282	24,898,278	528,812	(10,258,703)	140,790,370	558,557,038	577,082,265	0.9679	2.6%
2013	458,150,825	17,371,802	575,828	(9,891,851)	141,103,273	611,109,778	641,797,781	0.9522	1.8%
2014	330,912,645	14,715,320	1,315,289	(9,675,031)	118,895,372	458,163,578	471,853,545	0.9672	1.1%
2015	383,003,986	18,759,988	1,329,819	(6,277,544)	141,347,579	538,163,818	564,758,840	0.9529	2.5%
2016	451,810,125	13,831,325	1,858,105	(4,035,223)	144,779,084	608,044,386	648,478,875	0.9377	1.8%
2017	485,647,146	12,715,752	1,289,855	(1,131,433)	164,833,003	683,354,423	673,002,330	0.9857	1.7%
2018	483,784,589	10,781,140	1,242,967	(1,919,898)	184,125,575	637,884,353	684,785,254	0.9317	1.3%
20 Year Average	391,722,222	17,488,101	358,789	874,249	131,343,785	541,787,145	551,609,321	0.9858	3.4%

SOURCES:

- Column
- (1) Table 11-1 column (8)
- (2) Table 8 column (4)
- (3) Table 9 column (9)
- (4) Table 10A-6 row (2)
- (5) Table 12 column (4)
- (6) =(1)+(2)+(3)+(4)+(5)
- (7) Table 8-1 column (2) plus Table 8-2 column (1)
- (8) =(6)/(7)
- (9) =(2)+(4)/(7)

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	TOTAL ACTUAL AGENTS' RETENTIONS	TOTAL CASE-BASED LOSSES & LAE INCURRED	TOTAL NET REINSURANCE CEDES	TOTAL INCREASE IN SPR	TOTAL ACTUAL OTHER TITLE EXPENSES	TOTAL ACTUAL EXPENSES	TOTAL ACTUAL TITLE REVENUE	ACTUAL COMBINED RATIO	CALENDAR YEAR LOSS RATIO
						=(1)+(2)+(3)+(4)+(5)		=(6)/(7)	=(2)+(4)/(7)
1982	26,896,138	2,195,888	154,052	1,107,948	22,852,435	53,208,439	52,278,028	1.0178	6.3%
1983	46,012,357	2,018,198	319,638	1,576,471	26,382,834	78,318,498	82,656,161	0.9475	4.3%
1984	53,874,456	3,188,155	392,471	1,773,793	28,378,708	87,709,583	91,949,618	0.9539	5.4%
1985	63,948,159	2,988,002	506,890	1,893,554	31,750,047	100,786,752	106,354,908	0.9477	4.4%
1986	90,820,249	2,865,041	297,389	2,883,785	38,357,418	135,323,862	151,414,178	0.8937	3.9%
1987	106,888,234	6,198,031	230,804	3,737,821	49,034,834	166,067,324	172,367,401	0.9638	5.8%
1988	103,914,688	4,078,541	1,109,043	3,409,838	50,146,170	162,858,478	168,901,338	0.9746	4.5%
1989	106,512,895	6,099,558	96,664	2,810,354	55,978,082	173,598,553	168,885,150	1.0279	5.3%
1990	101,832,865	7,025,086	-245,359	2,195,897	55,898,572	168,508,873	158,948,878	1.0609	5.9%
1991	99,750,108	9,858,743	-395,546	2,172,405	54,854,390	161,240,088	153,334,754	1.0518	7.8%
1992	136,852,767	9,763,070	138,509	3,386,672	53,952,826	203,873,944	213,871,044	0.9541	6.1%
1993	184,426,303	5,687,127	675,088	3,243,428	59,249,732	233,280,678	243,545,839	0.9579	3.7%
1994	175,788,521	7,309,588	185,263	3,435,903	61,853,802	248,373,057	245,769,879	1.0108	4.4%
1995	124,948,228	5,517,288	131,217	1,785,332	48,924,545	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	58,106,294	239,155,203	242,272,812	0.9871	4.2%
1998	240,280,880	10,262,909	-208,785	4,285,807	71,585,353	328,178,144	339,403,106	0.9610	4.3%
1999	294,871,340	9,607,821	-952,358	7,879,755	89,848,290	401,354,848	394,818,923	1.0188	4.4%
2000	228,690,550	9,400,488	344,988	2,926,179	77,343,597	318,875,810	318,217,878	1.0014	3.9%
2001	282,455,518	9,888,805	-310,101	5,142,574	83,129,945	380,305,741	386,408,301	0.9780	4.1%
2002	376,851,591	9,582,555	-237,188	7,334,035	120,294,824	513,825,618	528,368,714	0.9725	3.2%
2003	508,151,251	17,767,188	-168,451	13,050,454	138,320,198	677,122,839	717,304,403	0.9440	4.3%
2004	489,122,920	18,840,133	-413,742	11,849,638	124,008,408	644,505,355	674,823,285	0.9584	4.7%
2005	480,288,322	20,379,169	193,811	12,473,680	129,303,158	642,818,158	650,551,698	0.9878	5.1%
2006	457,558,212	18,493,186	5,556	5,229,585	151,164,420	632,440,959	632,271,333	1.0003	3.8%
2007	413,807,893	27,928,207	802,913	5,900,348	165,518,989	614,058,150	583,878,080	1.0517	5.8%
2008	325,764,053	31,842,853	-658,410	(5,011,882)	145,544,416	497,581,030	488,028,384	1.0631	5.8%
2009	341,380,888	24,885,789	89,202	(7,491,050)	138,884,202	487,528,832	482,988,824	1.0301	3.6%
2010	348,626,402	17,628,121	239,141	(740,490)	121,028,252	484,882,426	484,750,025	0.9999	3.5%
2011	333,241,512	18,452,198	218,845	(5,024,942)	126,515,967	474,481,580	470,428,833	1.0084	3.1%
2012	402,495,282	24,999,276	528,812	607,678	140,790,370	589,421,415	577,062,355	0.9868	4.4%
2013	458,150,825	17,371,902	575,828	2,715,862	141,103,273	619,917,490	641,787,781	0.9859	3.1%
2014	330,912,845	14,715,320	1,315,269	(18,121,988)	118,896,372	449,717,008	471,853,545	0.9535	-0.3%
2015	383,003,996	18,759,986	1,328,819	7,055,800	141,347,579	551,496,980	564,758,840	0.9785	4.6%
2016	451,810,126	13,831,325	1,859,105	4,244,472	144,778,084	618,324,090	648,478,875	0.9504	2.8%
2017	483,847,146	12,715,752	1,289,955	6,529,427	184,833,003	671,015,283	673,002,330	0.9970	2.9%
2018	483,784,588	10,781,140	1,242,967	1,480,738	184,125,575	641,384,889	684,795,254	0.9386	1.8%
20 Year Average	391,722,222	17,488,101	358,789	3,006,523	131,343,785	543,919,419	551,809,321	0.9888	3.7%

SOURCES:

Column

- [1] Table 11-1 column (8)
- [2] Table 8 column (4)
- [3] Table 9 column (8)
- [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 13-A  
COMBINED RATIO BASED ON ACTUAL EXPERIENCE  
USING SPR

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
	TOTAL ACTUAL AGENTS' RETENTIONS	TOTAL CASE-BASIS LOSSES & LAE INCURRED	TOTAL NET REINSURANCE CEDED	TOTAL INCREASE IN SPR	TOTAL ACTUAL OTHER TITLE EXPENSES	TOTAL ACTUAL ACTUAL EXPENSES	TOTAL ACTUAL TITLE REVENUE	ACTUAL COMBINED RATIO	CALENDAR YEAR LOSS RATIO
								$\frac{[8]}{[7]}$	$\frac{[9]}{[2]+[4]+[7]}$
1982	26,898,138	2,195,868	154,052	1,107,948	22,852,435	53,208,438	52,276,026	1.0178	6.3%
1983	48,012,357	2,018,198	318,838	1,576,471	28,392,834	78,319,488	82,656,161	0.9475	4.3%
1984	53,974,458	3,189,155	392,471	1,773,783	26,379,708	67,709,583	91,949,618	0.8539	5.4%
1985	63,848,159	2,898,002	506,990	1,893,554	31,750,047	100,798,752	106,354,908	0.8477	4.4%
1986	80,820,249	2,865,041	297,369	2,883,785	38,357,418	135,323,882	151,414,179	0.8937	3.9%
1987	108,888,234	8,186,031	230,804	3,737,621	49,034,834	188,087,324	172,367,401	0.9636	5.8%
1988	103,914,886	4,078,541	1,109,043	3,406,836	50,146,170	162,858,476	188,901,338	0.9748	4.5%
1989	108,512,865	6,089,558	96,664	2,910,354	55,979,082	173,568,553	168,885,150	1.0279	5.3%
1990	101,832,865	7,025,088	-245,359	2,195,687	55,899,572	186,508,873	186,948,878	1.0009	5.9%
1991	99,750,108	9,858,743	-5,395,548	2,172,405	54,654,390	181,240,098	153,354,754	1.0518	7.8%
1992	136,852,767	9,783,070	136,509	3,368,872	53,952,828	203,873,944	213,871,044	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	185,283	3,435,903	61,653,602	248,373,057	245,769,879	1.0108	4.4%
1995	124,949,228	5,517,268	131,217	1,785,332	46,924,545	179,307,588	183,318,027	0.9781	4.0%
1996	153,771,078	9,058,885	246,578	1,848,152	59,675,075	224,401,788	224,340,595	1.0003	4.8%
1997	172,893,132	7,435,325	184,107	2,758,345	56,106,284	238,155,203	242,272,812	0.9871	4.2%
1998	240,280,860	10,282,909	-208,785	4,265,807	71,565,353	326,178,144	339,403,106	0.9810	4.3%
1999	284,871,340	9,807,821	-952,358	7,879,755	89,948,290	401,354,848	394,818,923	1.0188	4.4%
2000	228,880,550	9,400,488	344,896	2,928,179	77,343,567	318,675,810	318,217,878	1.0014	3.9%
2001	282,455,518	8,888,805	-310,101	5,142,574	83,128,945	380,305,741	388,406,301	0.9780	4.1%
2002	378,851,591	9,582,555	-237,188	7,334,035	120,284,624	513,825,818	528,368,714	0.9725	3.2%
2003	508,151,251	17,767,188	-168,451	13,050,454	138,520,198	677,122,539	717,304,403	0.9440	4.3%
2004	489,122,920	19,840,133	-413,742	11,949,858	124,008,408	644,505,355	674,623,285	0.9554	4.7%
2005	480,288,322	20,378,189	193,611	12,473,890	129,303,158	642,618,158	650,551,688	0.9878	5.1%
2006	457,556,212	18,483,188	5,566	5,229,585	151,164,420	832,440,999	832,271,333	1.0003	3.8%
2007	413,807,693	27,928,207	902,913	5,900,348	165,518,989	614,058,150	583,878,080	1.0517	5.8%
2008	325,784,053	31,942,853	-658,410	(5,011,882)	145,544,416	497,561,030	468,026,384	1.0631	5.8%
2009	341,380,688	24,885,789	68,202	(7,491,050)	138,884,202	497,528,832	482,988,624	1.0301	3.6%
2010	346,526,402	17,628,121	238,141	(740,490)	121,028,252	484,882,426	484,750,025	0.9998	3.5%
2011	333,241,512	19,452,198	218,845	(5,024,942)	128,515,867	474,401,580	470,428,833	1.0084	3.1%
2012	402,495,282	24,899,276	528,812	807,678	140,790,370	589,421,415	577,062,355	0.9868	4.4%
2013	458,150,625	17,371,902	575,828	2,715,882	141,103,273	619,817,490	641,797,781	0.9859	3.1%
2014	330,912,845	14,715,320	1,315,269	(16,121,598)	116,895,372	448,717,006	471,853,545	0.9535	-0.3%
2015	383,003,996	18,759,868	1,329,819	7,055,900	141,347,579	551,496,980	564,758,840	0.9765	4.6%
2016	451,810,125	13,831,325	1,658,105	4,244,472	144,779,084	618,324,090	646,478,875	0.9504	2.8%
2017	485,847,148	12,715,752	1,289,955	8,529,427	164,833,003	671,015,283	673,002,330	0.9870	2.9%
2018	483,764,589	10,781,140	1,242,967	1,480,738	164,125,575	641,394,989	684,795,254	0.9388	1.8%
20 Year Average	391,722,222	17,488,101	358,789	3,008,523	131,343,785	543,919,419	551,808,321	0.9888	3.7%

SOURCES:

Column

- [1] Table 11-1 column [8]
- [2] Table 8 column [4]
- [3] Table 9 column [8]
- [4] Table 10-1 column [4]
- [5] Table 12 column [4]
- [6]  $\frac{[1]+[2]+[3]+[4]+[5]}{[5]}$
- [7] Table 6-1 column [2] plus Table 6-2 column [1]
- [8]  $\frac{[6]}{[7]}$
- [9]  $\frac{[2]+[4]+[7]}{[7]}$

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
						=(1)+(2)+(3)+(4)+(5)		=(6)/(7)	=(2)/(4)+(7)
	AGENTS' RETENTIONS	CASE-BASIS LOSSES & LAE INCURRED	TOTAL NET REINSURANCE CEDED	TOTAL INCREASE IN IBNR LOSS RESERVE	TOTAL OTHER TITLE EXPENSES	TOTAL EXPENSES	TOTAL TITLE REVENUE	ON-LEVEL COMBINED RATIO	ON-LEVEL CALENDAR YEAR LOSS RATIO
1982	78,723,758	6,779,942	154,052	1,522,402	70,782,022	155,982,174	151,788,674	1.0275	5.5%
1983	140,001,873	6,997,182	319,838	12,228,653	77,016,558	235,863,883	244,725,374	0.9830	7.5%
1984	158,888,053	9,342,298	382,471	1,298,894	78,718,330	248,358,048	273,989,764	0.9085	3.9%
1985	185,473,779	8,547,480	508,990	(2,181,135)	83,959,528	278,378,640	312,848,198	0.8833	2.0%
1986	257,881,457	7,823,484	297,369	7,201,553	97,430,057	370,733,900	434,911,429	0.8524	3.5%
1987	300,488,849	16,217,877	230,804	5,431,430	120,894,329	443,280,889	488,263,223	0.9078	4.4%
1988	291,293,821	10,316,233	1,109,043	8,111,245	118,030,038	426,860,380	472,048,124	0.9043	3.5%
1989	299,021,228	14,838,704	98,864	11,229,582	125,827,245	451,114,423	489,164,880	0.9815	5.8%
1990	276,508,323	18,818,024	(245,359)	14,260,248	120,141,284	427,511,498	430,498,042	0.9931	7.2%
1991	288,032,701	23,289,733	(5,385,546)	3,038,397	113,457,889	402,432,975	451,311,828	0.8917	5.4%
1992	368,395,113	22,793,013	138,509	2,490,583	107,782,328	499,579,544	576,119,738	0.8671	4.4%
1993	431,479,538	12,757,848	675,088	(3,011,868)	114,284,141	558,284,547	642,178,584	0.8862	1.5%
1994	450,315,878	15,824,774	185,283	(2,220,092)	115,878,983	579,882,807	632,408,057	0.9171	2.3%
1995	312,018,862	11,532,150	131,217	681,225	85,797,001	410,180,455	459,873,527	0.8919	2.7%
1996	335,783,985	18,539,224	248,578	(1,208,788)	108,198,228	459,558,807	491,885,828	0.9343	3.5%
1997	358,011,759	14,858,648	184,107	4,488,084	97,108,283	474,628,891	504,178,480	0.9414	3.8%
1998	471,399,198	19,979,485	(208,785)	15,713,858	121,286,528	628,180,282	688,562,314	0.9388	5.3%
1999	555,881,417	18,028,845	(852,358)	9,848,985	149,401,359	732,008,249	748,094,888	0.9811	3.7%
2000	414,455,838	16,890,021	344,896	17,045,828	124,999,121	573,735,405	578,345,338	0.9820	5.9%
2001	458,785,300	16,982,289	(310,101)	14,801,620	130,358,209	621,877,317	848,074,414	0.9822	4.9%
2002	638,880,853	18,039,880	(237,186)	15,253,891	183,884,865	851,802,174	891,412,099	0.9657	3.5%
2003	838,872,388	28,283,889	(188,451)	12,867,817	208,879,449	1,084,847,002	1,183,384,084	0.9188	3.5%
2004	770,158,797	29,827,519	(413,742)	17,583,809	178,341,379	985,277,762	1,061,088,477	0.9380	4.4%
2005	725,105,348	28,388,850	193,811	27,558,847	180,011,653	981,285,908	979,831,013	0.9811	5.7%
2006	682,853,898	24,335,038	5,556	22,032,022	203,377,359	912,403,971	913,348,057	0.9890	5.1%
2007	594,880,898	38,290,873	802,913	13,892,425	215,565,403	861,102,312	838,585,282	1.0293	6.6%
2008	474,114,885	42,059,423	(858,410)	(420,145)	184,014,911	698,150,464	679,097,027	1.0295	6.1%
2009	510,515,808	33,714,887	88,202	(16,887,143)	173,738,270	701,371,022	719,584,142	0.9747	2.4%
2010	519,804,114	24,183,857	239,141	(22,178,158)	148,677,942	670,708,897	722,568,173	0.9282	0.3%
2011	497,388,451	26,485,865	218,845	(18,831,784)	152,468,723	657,885,890	697,212,140	0.9436	1.1%
2012	458,758,864	33,889,274	528,812	(19,822,036)	185,982,280	845,117,184	854,803,788	0.9851	3.0%
2013	611,182,503	22,284,300	575,828	(7,814,495)	182,586,098	788,774,232	852,428,213	0.9253	1.7%
2014	428,541,237	17,848,282	1,315,269	(11,734,881)	133,687,148	587,837,044	805,330,947	0.9377	1.0%
2015	481,888,385	22,158,983	1,329,819	(7,414,289)	155,978,814	884,015,712	708,138,212	0.9238	2.1%
2016	512,744,588	15,771,233	1,858,105	(4,801,182)	158,107,124	881,880,867	735,125,541	0.9273	1.5%
2017	489,863,078	13,875,784	1,289,895	(1,234,850)	173,510,051	884,404,198	718,332,629	0.9654	1.8%
2018	483,801,507	11,138,280	1,242,987	(1,989,498)	168,301,743	872,301,000	700,764,591	0.9584	1.3%
20-Year Average	557,883,891	23,908,733	358,789	2,202,823	187,288,895	750,853,130	781,380,752	0.9822	3.3%

**SOURCES:**

**Column**

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

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	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
						=(1)+(2)+(3)+(4)+(5)		=(8)/(7)	=(2)+(4)/(7)
1982	78,723,756	6,779,842	154,052	3,420,890	70,782,022	157,880,863	151,788,874	1.0400	6.7%
1983	140,001,873	6,087,162	319,638	4,754,852	77,016,558	228,180,083	244,725,374	0.9324	4.4%
1984	158,698,053	9,342,298	392,471	5,196,142	78,718,330	252,315,294	273,969,784	0.9210	5.3%
1985	165,473,779	8,547,480	508,990	4,828,422	83,959,526	283,316,197	312,846,196	0.9058	4.3%
1986	257,981,457	7,823,464	297,389	8,147,714	97,430,057	371,680,082	434,811,429	0.8546	3.7%
1987	300,486,949	16,217,877	230,804	9,762,961	120,834,329	447,832,221	488,293,223	0.9187	5.3%
1988	291,293,821	10,318,233	1,109,043	8,824,815	118,030,038	429,373,950	472,048,124	0.9098	4.0%
1989	299,021,228	14,839,704	98,884	7,128,357	125,827,245	447,013,199	499,184,890	0.9528	4.7%
1990	278,506,323	18,819,024	(245,359)	5,258,792	120,141,284	418,478,044	430,498,042	0.9721	6.3%
1991	268,032,701	23,299,733	(5,395,546)	5,134,189	113,457,689	404,828,747	451,311,828	0.8963	5.3%
1992	386,395,113	22,793,013	138,509	7,859,884	107,782,326	504,948,845	578,119,736	0.8795	3.1%
1993	431,478,538	12,757,648	675,088	7,275,820	114,384,141	598,572,235	642,178,564	0.8823	3.7%
1994	450,315,878	15,824,774	185,263	7,438,523	115,878,983	589,841,421	632,408,057	0.9324	3.3%
1995	335,783,585	11,532,150	131,217	3,731,888	85,797,001	413,210,917	459,873,527	0.8985	3.3%
1996	358,011,759	14,858,849	248,578	3,374,856	106,198,228	484,140,253	491,895,828	0.9436	4.5%
1997	471,399,196	19,979,485	164,107	5,507,500	97,108,283	475,848,298	504,178,490	0.9434	4.0%
1998	555,881,417	18,028,845	(208,785)	8,304,529	121,298,528	620,770,853	688,582,314	0.9285	4.2%
1999	414,455,838	18,880,021	(952,358)	14,788,171	149,401,359	738,945,435	746,094,888	0.9677	4.4%
2000	459,785,300	18,982,289	344,998	5,257,517	124,899,121	581,947,284	578,345,338	0.9718	3.8%
2001	838,980,853	18,039,880	(310,101)	8,821,088	130,358,209	615,598,764	848,074,414	0.9528	4.0%
2002	838,872,388	28,393,999	(237,186)	12,278,013	183,864,885	848,924,226	891,412,099	0.9523	3.2%
2003	770,158,797	29,827,519	(188,451)	20,858,118	205,079,449	1,092,835,503	1,183,394,084	0.9235	4.2%
2004	725,105,348	28,398,850	(413,742)	17,844,843	178,341,379	998,558,498	1,091,088,477	0.9363	4.5%
2005	682,653,998	24,335,038	183,811	17,382,505	180,011,653	951,081,788	979,831,013	0.9707	3.4%
2006	594,680,898	38,290,673	5,566	6,885,282	203,377,359	897,287,242	813,348,057	0.9824	5.3%
2007	474,114,895	42,099,423	902,913	7,687,073	215,555,403	855,078,959	836,585,282	1.0221	2.9%
2008	510,515,806	33,714,867	(858,410)	(8,808,241)	184,014,911	682,985,388	678,087,027	1.0204	5.2%
2009	518,804,114	24,183,857	69,202	(10,230,983)	173,738,270	707,807,182	718,584,142	0.9838	3.3%
2010	497,368,451	26,465,885	238,141	(1,014,874)	148,677,942	691,870,081	722,588,173	0.9575	3.2%
2011	458,758,854	33,889,274	218,845	(6,836,878)	152,468,723	688,681,005	697,212,140	0.9605	2.8%
2012	611,162,503	22,284,300	528,812	818,810	165,962,280	858,758,130	854,903,788	1.0074	5.6%
2013	428,541,237	17,848,282	575,828	3,483,849	162,586,086	800,072,577	852,426,213	0.9386	3.0%
2014	481,388,395	22,158,883	1,315,289	(19,563,983)	133,687,146	558,617,871	605,330,947	0.9248	0.8%
2015	512,744,588	15,771,233	1,329,819	8,333,214	155,978,814	689,763,195	706,138,212	0.9458	4.3%
2016	496,983,078	13,875,784	1,859,105	4,839,779	158,107,124	691,121,828	735,125,541	0.9401	2.8%
2017	493,801,507	11,138,280	1,288,955	7,125,083	173,510,051	692,763,831	718,332,629	0.9871	2.9%
2018			1,242,967	1,528,790	188,301,743	675,814,287	700,784,591	0.9644	1.8%
20-Year Average	557,083,891	23,908,733	358,789	4,683,254	167,298,895	753,333,462	781,380,752	0.9858	3.6%

SOURCE S:

Column

- [1] Table 11-3 column (7)
- [2] Table 8 column (8)
- [3] Table 9 column (9)
- [4] Table 10-1 column (8)
- [5] Table 12 column (8)
- [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	0.8574 Average 1999-2018
[2]	C	=	Retentions as Fraction of Commissionable Revenue Written through Agency System	0.8491 Average 1999-2018
[3]	M	=	Projected Pre-tax Operating Profit as Fraction of Total Premium Written	0.0378 Average 1999-2018
[4]	T	=	Target Pre-tax Operating Profit as Fraction of Total Premium Written	0.0500 Per Stipulation
[5]	U	=	Projected Fraction of Revenue which is Non-Retentionable	0.0373 Average 2010-2018
[6]	I	=	Retentionable Rate Needed to Reach Target Operating Profit as Fraction of Current Retentionable Rate	
			$\frac{(1 - AC - M) - U(1 - AC - T)}{(1 - U)(1 - AC - T)}$	105.7% Per formula
			Change Needed in Rate <sup>1</sup> Subject to Agents' Retentions	5.7%
			Line [7] Formula Numerator	0.225889497
			Line [7] Formula Denominator	0.21384954

**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 STATUORY LOSS RATIO INCLUDING THE SPR INCREASE

	Parameters:			SPR
[1]	A	=	Fraction of Revenue Written through Agency System	0.8574 Average 1999-2018
[2]	C	=	Retentions as Fraction of Revenue Written through Agency System	0.8491 Average 1999-2018
[3]	M	=	Projected Pre-tax Operating Profit as Fraction of Total Premium Written	0.0344 Average 1999-2018
[4]	T	=	Target Pre-tax Operating Profit as Fraction of Total Premium Written	0.0500 Per Stipulation
[5]	U	=	Projected Fraction of Revenue which is Non-Retentionable	0.0373 Average 1999-2018
[6]	I	=	Retentionable Rate Needed to Reach Target Operating Profit as Fraction of Current Retentionable Rate	1.0730 Per formula
			$\frac{(1 - AC - M) - U(1 - AC - T)}{(1 - U)(1 - AC - T)}$	
			Change Needed in Rates Subject to Agents' Retentions	7.3%
			Line [7] Formula Numerator	0.22923949
			Line [7] Formula Denominator	0.21364854

SOURCES:

ROW

- [1] Table 11-2 column [5]
- [2] Table 11-3 column [5]
- [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

PROJECTED PERFORMANCE AT PROPOSED RATES

Rate Schedule Increase = 4.96%  
CSL Change = 125

USING ISMAR

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	ADMITTED RETIREMENTS	CASES & LOSSES & LAE INCURRED	TOTAL NET REINSURANCE CEEDED	TOTAL INCREASE IN RISK RESERVE	TOTAL OTHER TITLE EXPENSES	TOTAL REVENUE BEFORE PROPOSED CHANGE	TOTAL REVENUE AT CURRENT RATES	TOTAL REVENUE AT PROPOSED RATES	TOTAL REVENUE EXCLUDING CSL FEES BEFORE PROPOSED CHANGE	TOTAL REVENUE EXCLUDING CSL FEES AFTER PROPOSED CHANGE	CSL FEES AT CURRENT RATE	CSL FEES AFTER PROPOSED CHANGE	TOTAL REVENUE AFTER PROPOSED CHANGE	ON-LEVEL COMBINED RATIO	ON-LEVEL CALENDAR YEAR LOSS RATIO	
1982	80,822,861	6,778,842	154,052	1,522,402	70,782,022	198,791,389	191,768,874	191,768,874	151,748,674	158,264,881	0	158,264,881	1,029	1,029	5.7%	
1983	148,924,516	6,037,102	319,839	1,228,885	77,616,556	242,984,529	244,725,574	244,725,574	204,614,142	210,843,743	0	210,843,743	8345	8345	7.1%	
1984	186,822,916	6,342,286	367,471	1,208,864	79,719,320	258,271,020	278,989,764	278,989,764	227,998,764	237,536,282	0	237,536,282	8891	8891	3.7%	
1985	184,688,113	6,547,480	458,880	1,261,128	83,859,528	285,510,874	312,848,198	312,848,198	263,844,198	278,337,787	0	278,337,787	9088	9088	1.9%	
1986	270,756,343	7,825,499	297,288	1,201,383	97,433,057	383,888,869	434,911,428	434,911,428	354,911,428	366,447,474	0	366,447,474	9402	9402	2.3%	
1987	318,243,277	16,217,877	290,804	6,431,430	126,504,320	484,186,287	528,223,223	528,223,223	448,223,223	462,472,811	0	462,472,811	9840	9840	4.2%	
1988	305,718,376	19,319,235	1,100,043	8,112,245	118,020,029	441,284,735	472,048,124	472,048,124	392,048,124	405,423,113	0	405,423,113	9897	9897	3.3%	
1989	312,828,221	18,828,704	88,864	11,229,862	125,877,245	495,921,428	498,184,880	498,184,880	408,184,880	422,398,888	0	422,398,888	9462	9462	5.9%	
1990	281,305,207	29,289,725	6,288,848	3,638,367	119,497,889	415,795,481	451,211,828	451,211,828	371,211,828	385,818,544	0	385,818,544	9785	9785	6.9%	
1991	364,528,822	22,785,913	128,809	2,464,853	107,962,329	517,722,783	578,119,798	578,119,798	498,119,798	512,648,167	0	512,648,167	9779	9779	5.9%	
1992	425,842,643	12,757,848	675,086	1,011,808	114,286,141	577,860,851	642,178,864	642,178,864	562,178,864	576,878,112	0	576,878,112	9871	9871	1.9%	
1994	472,814,725	18,824,774	183,283	1,220,870	116,876,883	602,291,853	652,408,887	652,408,887	572,408,887	586,723,787	0	586,723,787	9974	9974	2.9%	
1995	527,488,484	11,532,150	131,217	881,253	89,787,021	628,911,077	689,873,527	689,873,527	609,873,527	624,445,651	0	624,445,651	9974	9974	2.9%	
1996	525,416,974	14,838,224	248,879	1,204,788	108,198,228	678,188,318	749,189,828	749,189,828	669,189,828	684,253,841	0	684,253,841	9974	9974	3.4%	
1997	375,739,288	14,858,849	194,107	4,488,084	87,159,293	482,387,201	504,178,480	504,178,480	424,178,480	439,144,518	0	439,144,518	9974	9974	3.7%	
1998	484,742,051	19,978,485	208,788	15,713,858	121,284,828	681,523,157	749,242,914	749,242,914	669,242,914	684,253,841	0	684,253,841	9974	9974	5.1%	
1999	582,197,779	14,038,849	892,349	8,848,889	149,401,349	758,522,811	748,084,888	748,084,888	668,084,888	683,048,188	0	683,048,188	9974	9974	3.9%	
2000	434,874,750	19,880,521	544,996	17,049,828	124,888,721	684,248,318	752,445,558	752,445,558	672,445,558	687,217,865	0	687,217,865	9974	9974	6.9%	
2001	482,532,090	16,882,288	676,101	14,861,620	130,366,288	844,444,002	844,444,002	844,444,002	764,444,002	779,444,002	0	779,444,002	9974	9974	4.9%	
2002	688,523,018	16,038,860	1,037,188	19,283,891	183,884,888	882,444,340	891,412,000	891,412,000	811,412,000	826,412,000	0	826,412,000	9974	9974	4.9%	
2003	890,201,862	26,382,388	1,888,491	28,887,817	208,878,449	1,126,178,370	1,183,884,064	1,183,884,064	1,103,884,064	1,118,207,201	0	1,118,207,201	9974	9974	3.9%	
2004	896,286,896	28,827,818	811,749	17,588,020	178,341,378	1,023,414,884	1,081,088,477	1,081,088,477	1,001,088,477	1,016,412,323	0	1,016,412,323	9974	9974	4.9%	
2005	791,011,281	28,388,888	192,811	27,838,847	180,211,853	897,171,864	898,651,213	898,651,213	818,651,213	833,651,213	0	833,651,213	9974	9974	5.9%	
2006	896,487,853	34,288,028	1,058	22,882,827	203,377,389	843,211,428	813,848,857	813,848,857	733,848,857	748,348,857	0	748,348,857	9974	9974	5.9%	
2007	824,107,853	36,290,875	902,813	13,882,425	218,988,400	882,544,888	888,588,282	888,588,282	808,588,282	823,588,282	0	823,588,282	9974	9974	5.9%	
2008	897,882,027	42,888,429	888,413	14,888,413	184,016,811	722,827,788	678,887,827	678,887,827	598,887,827	613,887,827	0	613,887,827	9974	9974	5.9%	
2009	845,788,847	33,714,887	88,282	14,888,148	171,788,270	728,888,882	718,884,142	718,884,142	638,884,142	653,884,142	0	653,884,142	9974	9974	2.9%	
2010	545,543,888	24,182,857	288,141	12,178,188	148,877,842	688,448,878	722,888,173	722,888,173	642,888,173	657,888,173	0	657,888,173	9974	9974	2.9%	
2011	521,888,158	24,888,888	218,849	11,888,794	132,887,149	682,811,887	687,212,140	687,212,140	607,212,140	622,212,140	0	622,212,140	9974	9974	2.9%	
2012	481,478,882	23,888,274	528,812	11,822,028	148,882,288	682,811,811	687,212,140	687,212,140	607,212,140	622,212,140	0	622,212,140	9974	9974	1.1%	
2013	641,428,180	22,284,302	578,828	11,811,498	148,882,288	682,811,811	687,212,140	687,212,140	607,212,140	622,212,140	0	622,212,140	9974	9974	1.1%	
2014	447,882,888	17,848,282	1,318,289	11,738,887	133,887,149	588,738,812	603,888,887	603,888,887	523,888,887	538,888,887	0	538,888,887	9974	9974	2.9%	
2015	388,882,887	22,188,863	1,309,818	11,414,288	156,878,814	577,881,856	582,888,887	582,888,887	502,888,887	517,888,887	0	517,888,887	9974	9974	1.1%	
2016	538,134,784	15,771,233	1,858,105	14,891,182	158,187,124	707,871,073	738,128,841	738,128,841	658,128,841	673,128,841	0	673,128,841	9974	9974	1.1%	
2017	821,821,811	13,878,184	1,288,888	11,288,888	173,510,888	703,811,811	718,282,888	718,282,888	638,282,888	653,282,888	0	653,282,888	9974	9974	1.1%	
2018	818,043,782	11,188,789	1,242,887	11,888,888	188,201,743	688,743,274	703,784,881	703,784,881	623,784,881	638,784,881	0	638,784,881	9974	9974	1.1%	
Year Average	584,888,491	25,888,733	258,788	2,232,883	167,288,888	718,438,830	781,288,752	781,288,752	701,288,752	716,438,752	0	716,438,752	9974	9974	3.1%	

INCURRED BY:

Column

- (1) Table 11-3 column (1)
- (2) Table 8 column (2)
- (3) Table 9 column (3)
- (4) Table 10-2 column (2)
- (5) Table 12 column (5)
- (6) (7)-(9)-(14)-(5)
- (7) Table 7 column (7)
- (8) 2002 - 2018 per CSL date 1st per proposal
- (9) 1986 - 2001 based on 2010-2018 average incidence rate of 4.3%
- (10) for 1986-2000 when no (8) stated
- (11) 2001 through 2105
- (12) (8)-(10)
- (13) (8)-(9)-(11)

TABLE 16-A

PROJECTED PERFORMANCE AT PROPOSED RATES

USING 6PR

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	
AGENTS' RETENTIONS	CASE-BASED LOSSES & LAE INCURRED	TOTAL NET CEDED	TOTAL INCREASE IN SPR	TOTAL OTHER TITLE EXPENSES	TOTAL OTHER TITLE EXPENSES	TOTAL REVENUE BEFORE PROPOSED CHANGE	CSL FEES (ACTUAL) AT CURRENT RATES	TOTAL REVENUE EXCLUDING CSL FEES PROPOSED CHANGE	TOTAL REVENUE EXCLUDING CSL FEES AFTER PROPOSED CHANGE	CSL FEES AT CURRENT RATE AFTER PROPOSED CHANGE	TOTAL REVENUE AFTER PROPOSED CHANGE	ON-LEVEL COMBINED RATIO	ON-LEVEL CALENDAR YEAR LOSS RATIO	
1982	80,523,881	8,778,842	154,052	3,429,880	79,782,022	181,858,887	151,788,874	151,788,874	159,304,981	0	159,304,981	1.0147824	6.4%	
1983	148,904,518	5,687,182	319,836	4,754,852	148,149,666	238,112,728	244,725,374	244,725,374	256,843,742	0	256,843,742	0.9153821	4.2%	
1984	188,822,916	3,422,298	292,471	5,196,142	187,110,330	299,172,199	273,889,784	273,889,784	287,836,282	0	287,836,282	0.9043325	5.1%	
1985	184,858,113	8,547,480	508,890	4,829,422	183,836,491	282,500,531	312,848,199	312,848,199	328,337,787	0	328,337,787	0.9685525	4.1%	
1986	176,756,243	7,823,464	207,589	8,147,714	178,835,969	384,454,847	434,811,429	434,811,429	458,447,474	0	458,447,474	0.8422782	3.5%	
1987	315,345,227	16,217,877	230,804	9,782,981	305,854,446	482,510,798	488,283,223	488,283,223	512,472,841	0	512,472,841	0.9027883	5.1%	
1988	305,718,178	10,318,253	1,109,043	8,824,815	306,833,113	443,798,200	472,848,124	472,848,124	495,423,113	0	495,423,113	0.8957885	3.8%	
1989	313,824,231	5,458,704	96,864	7,126,257	316,376,034	481,824,201	489,184,850	489,184,850	492,286,885	0	492,286,885	0.9370024	4.5%	
1990	290,188,427	18,318,024	2,465,558	6,288,782	301,974,681	432,370,149	430,488,042	430,488,042	451,815,844	0	451,815,844	0.8985519	4.8%	
1991	281,205,207	23,286,733	3,565,548	5,134,188	303,426,528	417,801,253	451,511,828	451,511,828	473,859,783	0	473,859,783	0.8820704	6.0%	
1992	384,338,262	22,782,013	139,509	7,858,884	392,188,969	523,092,084	576,118,736	576,118,736	604,848,187	0	604,848,187	0.8851181	5.1%	
1993	425,845,843	12,777,848	878,868	7,275,830	438,848,921	607,938,239	642,178,564	642,178,564	675,878,112	0	675,878,112	0.8725404	3.9%	
1994	472,814,725	15,824,774	185,283	7,438,523	480,178,229	611,840,268	631,408,097	631,408,097	663,723,787	0	663,723,787	0.9218803	3.5%	
1995	327,888,484	11,832,150	131,217	3,731,888	349,689,422	428,861,540	488,733,527	488,733,527	482,845,851	0	482,845,851	0.8881486	3.2%	
1996	352,410,974	18,538,224	248,578	3,374,858	370,957,200	480,787,881	491,888,828	491,888,828	518,253,841	0	518,253,841	0.9312825	4.2%	
1997	375,738,888	14,858,848	184,107	5,507,500	380,506,136	483,378,407	504,178,480	504,178,480	528,144,518	0	528,144,518	0.9334058	3.8%	
1998	484,742,051	19,978,485	608,785	8,304,520	493,720,251	644,113,808	688,582,314	688,582,314	701,888,338	0	701,888,338	0.9178747	4.0%	
1999	583,197,779	18,028,845	682,258	14,788,171	597,508,705	784,481,787	748,084,888	748,084,888	783,040,188	0	783,040,188	0.978274	4.2%	
2000	434,878,750	18,880,921	344,888	5,257,517	443,896,120	582,479,405	678,345,258	678,345,258	692,583,185	1,279,230	693,862,415	0.9888054	3.7%	
2001	482,532,085	18,882,388	210,101	8,821,088	491,433,473	638,263,629	645,014,414	645,014,414	658,077,888	6,328,123	664,406,011	0.9683710	3.9%	
2002	688,525,818	18,828,880	237,184	12,276,818	700,632,916	880,466,302	897,412,680	897,412,680	923,016,511	22,395,877	919,812,408	0.9539101	3.1%	
2003	880,201,882	28,383,888	188,451	20,858,118	901,262,622	1,134,385,878	1,183,284,884	1,183,284,884	1,217,511,080	21,892,237	1,209,403,317	0.9317082	4.9%	
2004	809,286,889	29,882,519	413,742	17,844,543	827,534,791	1,033,895,388	1,091,498,477	1,091,498,477	1,121,447,323	1,881,200,114	1,203,327,523	0.9472483	4.4%	
2005	781,811,281	23,388,880	183,911	17,282,505	799,221,967	986,897,701	979,831,919	979,831,919	943,245,108	1,818,208,876	26,356,836	1,016,386,876	0.9711582	4.5%
2006	885,487,853	24,335,036	6,596	6,885,292	916,327,141	930,070,896	914,548,267	914,548,267	879,424,880	17,842,143	897,267,023	0.988874	3.3%	
2007	824,107,453	38,280,873	802,813	7,887,873	832,195,403	884,523,515	838,585,282	838,585,282	805,328,777	883,788,415	10,882,181	846,210,958	1.024887	5.1%
2008	897,592,007	42,888,423	888,419	8,805,241	906,285,661	1,164,442,880	1,199,997,827	1,199,997,827	1,250,587,300	12,455,012	1,263,042,312	1.0241226	5.1%	
2009	838,795,847	39,714,847	89,352	10,230,883	848,710,977	1,033,895,388	1,033,895,388	1,033,895,388	943,245,108	26,356,836	1,016,386,876	0.9711582	4.5%	
2010	545,543,888	24,183,857	238,341	1,014,874	546,762,013	717,808,862	722,588,142	722,588,142	756,088,820	25,057,417	781,146,237	0.9628825	3.1%	
2011	521,895,158	26,485,885	218,845	8,838,878	530,589,211	884,308,713	897,212,140	897,212,140	879,424,880	17,842,143	917,267,023	0.988874	3.3%	
2012	481,478,782	33,889,274	528,812	8,810,810	490,388,066	682,475,057	694,883,798	694,883,798	650,450,258	885,189,842	1,535,640,100	0.9818881	5.0%	
2013	641,426,180	22,284,900	678,338	3,453,848	644,904,928	850,336,264	850,336,264	850,336,264	820,587,477	885,818,872	34,878,858	885,818,872	0.9268888	2.8%
2014	487,882,806	17,842,282	1,315,288	18,553,863	506,438,951	680,538,548	680,538,548	680,538,548	636,028,850	23,442,965	659,471,815	0.9428287	-0.3%	
2015	505,832,487	22,158,883	1,239,819	8,333,214	514,021,120	882,879,319	708,138,212	708,138,212	681,887,844	738,328,348	22,878,870	738,328,348	0.9388779	4.1%
2016	538,134,784	15,771,253	1,888,108	4,838,778	544,744,315	718,123,844	726,128,841	726,128,841	707,876,884	787,354,711	24,835,118	787,354,711	0.9337428	2.7%
2017	521,871,811	13,875,764	1,288,855	7,125,883	529,047,358	713,172,884	718,352,828	718,352,828	689,885,488	748,178,351	24,443,807	748,178,351	0.9684293	2.8%
2018	518,843,782	11,138,280	1,242,887	1,529,780	520,345,782	700,256,581	707,164,881	707,164,881	674,588,748	730,878,885	22,875,281	730,878,885	0.9688442	1.7%
20-Year Average	584,888,491	23,908,733	358,788	4,883,254	613,268,865	780,819,282	781,280,752	781,280,752	754,407,509	811,784,129	20,019,893	811,784,129	0.9827026	3.5%

Table 11-3 column [7]  
 Table 8 column [8]  
 Table 9 column [9]  
 Table 10-2 column [2]  
 Table 12 column [8]  
 [1]-[7]-[9]-[14]-[9]  
 Table 7 column [5]  
 2002-2018 per CSL data to b  
 1988-2001 based on 2010-2016 average incidence rate of 4.3%  
 [7] for 1988-2000 when no CSL added  
 [7] for 2001 through 2100  
 per proposal  
 [9] [10]  
 [2]-[14] [10]

TABLE 17

FIXED RATE ENDORSEMENT REVENUE 2018

Manual Sec.	TIRPOP	ALTA	Charge \$	Policy	Name / Description	Limitations	Number	Revenue
6.1	100		50	L	CC & R & Reverter		146,438	7,321,900
6.6	300		50	L	Survey		148,696	7,429,800
6.8	400	7	50	OT	Manufactured Housing Unit		1,021	51,050
6.11	710	6	50	L	Variable Rate		18,673	933,650
6.12	710(6.2)	6.2	50	L	Variable Rate - neq Amortz		1,280	64,000
6.13	810	4.1	50	OT	Condominium		7,258	362,900
6.14	820	5.1	50	OT	Planned Unit Development		22,650	1,132,500
6.15	800	8.1	50	L	Environmental	Primarily Residential	181,902	9,095,100
6.18	910	8.2	100	O	Environmental Commercial (Owners)	Prohibited 1-4 family	778	77,600
6.19	910	8.2	100	L	Environmental Commercial (Mortgage)	Prohibited 1-4 family	8,139	813,900
6.20	1020		50	L	FNMA Balloon		402	20,100
6.22	1033	98.06	75	O	CCR - UNIMPROVED LAND		613	45975
6.29	1100		100	O	Waiver of Arbitration (Owners)		599	59,900
6.29	1100		100	L	Waiver of Arbitration (Mortgage)		2,837	285,700
6.39	1200	17	100	L	Access & Entry	Prohibited 1-4 family	1,841	164,100
6.41	1210	17.1	250	L	Indirect Access & Entry	Prohibited 1-4 family	254	63,500
6.43	1220		50	L	Future adv & Reverse Mtge		895	49,750
6.44	1230	18	100	OT	Single Tax Parcel	Prohibited 1-4 family	1,644	164,400
6.45	1240	18.1	100	OT	Multiple Tax Parcels - Easements	Prohibited 1-4 family	829	82,900
6.46	1250	19(mod)	100	OT	Contiguity	Prohibited 1-4 family	775	77,500
6.46.1	1251	19.1	500	OT	Contiguity - Single Parcel	Prohibited 1-4 family	170	85,000
6.47	1280	12(mod)	100	L	Aggregation - tie-in - Interstate	Prohibited 1-4 family	408	40,800
6.48	1270		100	L	Same as Survey	Prohibited 1-4 family	1,381	138,100
6.50	1280	22	100	O	Location (Mortgage)	Prohibited 1-4 family	211	21,100
6.50	1280	22	100	L	Location (Owners)	Prohibited 1-4 family	1,582	158,200
6.51	1290		250	L	Mortgage Release	Prohibited 1-4 family	18	4,500
6.54	1312	28.1-06	500	L	Encroachments - Boundaries And Easements	Prohibited 1-4 family	377	188,500
6.55.1	1314	28.1-06	500	L	Encroachments-Boundaries And Easements - Land Under Development	Prohibited 1-4 family	18	9,000
6.58	1340	35	500	O	Mineral Sub surface - Buildings	Prohibited 1-4 family	195	97,500
6.59	1341	35	500	L	Mineral Sub surface - Buildings	Prohibited 1-4 family	147	73,500
6.64	1400	31	500	OT	Severable Improvements	Prohibited 1-4 family	20	10,000
6.65	1410	36.06	500	O	Energy Project - Leasehold/Easement	Prohibited 1-4 family	8	4,000
6.66	1420	36.1	500	L	Energy Project - Leasehold/Easement	Prohibited 1-4 family	12	6,000
6.67	1430	36.2	500	O	Energy Project - Leasehold	Prohibited 1-4 family	1	500
6.68	1440	36.3	500	L	Energy Project - Leasehold	Prohibited 1-4 family	1	500
6.77	1520	33.06	100	L	Mechanics Lien - Construction Mortgage		353	35,300
6.78	1530	14	100	L	Future Advance - Priority	Prohibited 1-4 family	149	14,900
6.79	1540	14.1	100	L	Future Advance - Knowledge	Prohibited 1-4 family	41	4,100
6.81	1551	17.2	500	L	Utility Access	Prohibited 1-4 family	666	334,000
6.82	1560	37	100	L	Assign of Rents & Leases	Prohibited 1-4 family	525	52,500
6.83	1570	40	500	O	Tax Credit reduction	Prohibited 1-4 family	34	17,000
6.88	1600	10	500	L	Assignment - no date change	Prohibited 1-4 family	17	8,500
6.88	1620	39	100	OT	Policy Adherent - subseq to Pol	Prohibited 1-4 family	1,144	114,400
6.89	1630	42	500	L	Commercial Lender Group	Prohibited 1-4 family	32	16,000
6.90	1640	43	500	L	Anti-Taint	Prohibited 1-4 family	8	4,000
6.92	1660	34	100	OT	Identified Risk Coverage	Prohibited 1-4 family	50	5,000
ALL							554,914	29,739,325
AS PERCENT OF TOTAL TITLE REVENUE								4.33%
TOTAL TITLE REVENUE								687,508,860

TABLE 18  
 ADDITIONAL FLAT CHARGE REVENUES 2018  
 Sections 5.8 and 5.9 B&C

	5.8B	5.9B	5.9C	Total
Number of Policies	16,481	6,963	1,683	25,127
Current Flat Additional Charge	100	200	200	NA
Current Revenue	1,648,061	1,392,666	336,600	3,377,327
Proposed Flat Additional Charge	200	400	400	NA
Proposed Revenue	3,296,122	2,785,332	673,200	6,754,654
Increase	1,648,061	1,392,666	336,600	3,377,327
As % of Total Title Revenue	0.24%	0.20%	0.05%	0.49%

TABLE 19

IMPACTS OF DOUBLING THE MINIMUM ENDORSEMENT CHARGES

Endorsement	Percentage Rate	Current Minimum	Current Minimum		Doubled Minimum		Current Revenue from Minimum Charge	Weighted	Revenue from Doubled Minimum Charge	Weighted	Revenue Increase as % of Total Title Revenues
			Applicable up to Liability of								
101	10%	75	56,164	72,357	183,333	224,174	118	1,986	0.0003%		
102	10%	75	56,164	72,357	183,333	224,174	93	4,523	0.0006%		
104	10%	75	56,164	72,357	183,333	224,174	23	386	0.0001%		
301	20%	75	NOT INVOKED	NOT INVOKED	56,164	72,357	0	233	0.00003%		
1015	10%	50	NOT INVOKED	NOT INVOKED	98,037	120,868	0	2,908	0.0004%		
1030	10%	75	56,164	72,357	183,333	224,174	17,612	834,113	0.1188%		
1031	10%	75	56,164	72,357	183,333	224,174	28	604	0.0001%		
1031	5%	75	271,053	327,479	446,491	538,642	24	316	0.00004%		
1032	10%	75	56,164	72,357	183,333	224,174	32	844	0.0001%		
1032	5%	75	183,333	224,174	446,491	538,642	484	5,399	0.0007%		
1034	15%	75	NOT INVOKED	NOT INVOKED	98,037	120,868	0	5,823	0.0008%		
1035	10%	75	56,164	72,357	183,333	224,174	18	111	0.00001%		
1271	20%	100	NOT INVOKED	NOT INVOKED	98,037	120,868	0	32	0.00001%		
1313	5%	75	183,333	224,174	446,491	538,642	0	625	0.0001%		
1480	5%	75	183,333	224,174	446,491	538,642	168	845	0.0001%		
1580	10%	75	56,164	72,357	183,333	224,174	8,826	94,782	0.0125%		
1650	10%	75	56,164	72,357	183,333	224,174	321	1,772	0.0002%		
ALL							27,747	955,302	0.1349%		

NOTE:

The following endorsements were not issued at all:

- PA1450 with 15% rate
- PA1470 with 15% rate
- PA1317 with 5% rate (new endorsement)

The following endorsements were only issued at facilities that would not require a minimum to be invoked:

- PA1313 with 10% rate
- PA1315
- PA1450 with 10% rate
- PA 1480
- PA1470 with 10% rate
- PA 1471

TABLE 20

SUMMARY OF IMPACTS OF DOUBLING FIXED CHARGES

TYPE	% INCREASE IN TOTALTITLE REVENUES
Fixed Rate Endorsements	4.33%
Additional Charge for Extended Coverage Policies	0.49%
Increase in Endorsement Minima	0.13%
TOTAL IMPACT	4.95%

# **TECHNICAL APPENDIX**

#### RATE REQUIREMENTS FORMULA

Define

R = Total revenue

$R_{no}$  = Revenue not subject to commissions

$R_c$  = 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

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

T = target profit margin rate increase

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

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**

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

