

SETTLEMENT AGREEMENT

RECITALS

This Settlement Agreement (“Agreement”) is made and entered into between the U.S. Department of Housing and Urban Development (“HUD” or “Department”) and Fidelity National Title Insurance Company (“FNT” or “Company”), located at 601 Riverside Avenue, Jacksonville, Florida 32204. HUD and FNT shall be referred to herein as the “Parties.”

WHEREAS, the Secretary of Housing and Urban Development is authorized to enforce the Real Estate Settlement Procedures Act of 1974 (“RESPA” or “the Act”), 12 U.S.C. §§ 2601 *et seq.*, and its implementing regulations, 24 C.F.R. §§ 3500 *et seq.*; and

WHEREAS, the Secretary is authorized by Section 19 of RESPA to investigate any facts, conditions, practices, or matters deemed necessary to determine whether any person, as defined in Section 3(5) of the Act, has violated or is about to violate any provision of the Act or any rule or regulation prescribed pursuant thereto; and

WHEREAS, Section 8(a) of RESPA, 12 U.S.C. § 2607(a), and the implementing regulations at 24 C.F.R. § 3500.14, prohibit the giving or accepting of any fee, kickback, or thing of value pursuant to an agreement or understanding, oral or otherwise, that business incident to or part of a real estate settlement service involving a federally related mortgage loan shall be referred to any person; and

WHEREAS, FNT is a title insurance company that provides title insurance, underwriting, escrow and closing services to residential, commercial and industrial clients, lenders, developers, attorneys, real estate professionals and consumers in connection with federally related mortgage loans; and

WHEREAS, HUD initiated an investigation of settlement service practices in the Albuquerque, New Mexico market to determine, among other things, whether FNT’s marketing

arrangement with Longford Homes of New Mexico (“Longford Homes”), a homebuilder, complied with Section 8(a) of RESPA (hereinafter referred to as the “Albuquerque review”); and

WHEREAS, following the Albuquerque review, HUD concluded that FNT provided prepaid “just sold” and “just listed” postal cards and listing agreements to real estate agents at no cost or below market cost, and gave other things of value to Longford Homes in exchange for the referral of real estate settlement service business, including: a prepaid postage meter; a periodic subsidy to cover Longford Homes’ marketing expenses; retail store gift certificates and event tickets; and funds to cover the costs of dinners for Longford Homes employees; and

WHEREAS, based upon the results of its investigation, HUD determined that FNT violated Section 8(a) of RESPA and the implementing regulations with respect to the Albuquerque review; and

WHEREAS, FNT does not agree with HUD’s determinations; and

WHEREAS, FNT’s marketing arrangement with Longford Homes ceased in July 2004;

WHEREAS, FNT has cooperated with HUD; and

WHEREAS, this Agreement does not constitute an admission of liability or fault on the part of FNT; and

WHEREAS, the Parties desire to avoid any further expense and proceedings and to finally resolve this matter under the terms and conditions set forth below; and

WHEREAS, the terms of this Agreement are an appropriate disposition of this case and are in the public interest.

NOW, THEREFORE, in consideration of the mutually negotiated promises, covenants, and obligations in this Agreement, the Parties reach a final settlement as set forth below.

AGREEMENTS

1. This Agreement is effective on the date of signature by HUD's Assistant Secretary for Housing – Federal Housing Commissioner (hereinafter the "Effective Date").
2. FNT agrees to comply with all provisions of RESPA and its implementing regulations, and to conduct business in a manner consistent with all HUD policy statements relating to RESPA, including but not limited to not providing any thing of value for the referral of settlement service business.
3. FNT agrees to charge real estate settlement service providers fair market value for FNT's printing and other communications services, and in the case of joint advertising to charge each provider whose goods or services are advertised its share of the advertising cost in direct proportion to its prominence in the advertising.
4. Based on FNT's compliance with this Agreement, the Department will terminate its investigation of FNT in the Albuquerque market, and agrees to take no further enforcement action under RESPA against FNT with respect to the Albuquerque review described herein, unless such practices recur. HUD releases, settles, and discharges FNT, its affiliates, subsidiaries, officers, directors, partners, employees, members, managers, shareholders, agents, successors, heirs, administrators, executors and assigns from and against any and all claims, demands, costs, expenses, commissions, liens, debts, liabilities, judgments, sanctions, fines, sums of money, actions and causes of action of whatever kind and nature that HUD may have against FNT with respect to the Albuquerque review, unless such practices recur.
5. FNT hereby waives, releases, and remits any and all claims, directly or indirectly, against the Department, or any of its employees, agents, or representatives, with respect to HUD's investigation or this Agreement.
6. Within thirty (30) business days of the Effective Date, FNT shall make a settlement payment totaling sixty-eight thousand six hundred and thirty-five dollars

(\$68,635.00), payable via certified check to the United States Treasury, and delivered to counsel for HUD.

7. FNT agrees to cooperate with any further HUD investigations of other real estate settlement service providers in New Mexico.

8. Should FNT fail to comply with the terms set forth above, or should any of its representations prove to be false or incomplete in any material manner, HUD may take appropriate enforcement action, and/or refer the matter to other governmental authorities for further action.

9. This Agreement constitutes the complete agreement between the Parties as the matters addressed herein. This Agreement may not be amended except by written consent of the Parties.

10. Each of the Parties to this Agreement shall bear its own attorney's fees and costs, including the preparation and performance of this Agreement, except that a portion of the amount referred to in Paragraph 6 of this Agreement shall be attributable to the Department's investigative costs.

11. This Agreement applies to and binds each of the persons or entities identified in the first paragraph of this Agreement, and their respective predecessors, successors, directors, officers, employees, agents, representatives and assigns.

12. By this Agreement, the Parties do not waive, compromise, or release any claims or causes of action against any other person or entity not expressly released by this Agreement.

13. Failure by any Party to enforce any provision of this Agreement shall not be construed as a waiver by such Party of any provision, nor in any way affect the validity of this Agreement or any part thereof.

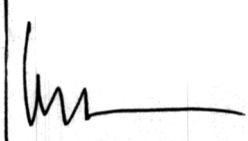
14. If any provision of this Agreement is determined to be invalid or unenforceable for any reason, then such provision shall be treated as severed from the remainder of this Agreement and shall not affect the validity and enforceability of all the other provisions of this

Agreement as long as such severance does not materially change the Parties' rights and obligations.

15. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

16. Each person who signs this Agreement in a representative capacity warrants that his or her execution of this Agreement is duly authorized, executed, and delivered by and for the entity for which he or she signs.

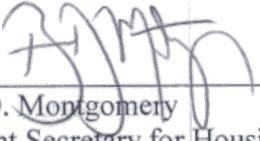
Fidelity National Title Insurance Company:

By: 

Kevin R. Chiarello
Senior Vice President

Date: 12/14/06

U.S. Department of Housing and Urban Development

By: 

Brian D. Montgomery
Assistant Secretary for Housing –
Federal Housing Commissioner

Date: 2/5/07