

SETTLEMENT AGREEMENT

This agreement is made by the Secretary of Housing and Urban Development ("HUD") and the Chicago Title Insurance Company ("Chicago Title") and is effective on the date it is signed by HUD. "Chicago Title" includes all offices and branches that Chicago Title Insurance Company owns or operates and all predecessor and successor organizations. Additionally, for purposes of Paragraph 5 of this Settlement Agreement, "Chicago Title" includes all offices and branches owned, operated, or controlled by Chicago Title Insurance Company, including but not limited to, offices or branches under agency or contractual agreement with Chicago Title Insurance Company to provide title insurance products in connection with the settlement of federally related mortgage loans, and all predecessor or successor organizations.

RECITALS

Whereas, HUD is charged with the administration and enforcement of the Real Estate Settlement Procedures Act, 12 U.S.C. § 2601, *et seq.* ("RESPA"), and its implementing regulations, 24 C.F.R. Part 3500;

Whereas, Chicago Title is a provider of "settlement services" as that term is defined in RESPA, 12 U.S.C. § 2602(3), and its implementing regulations, 24 C.F.R. § 3500.2(b);

Whereas, Section 4 of RESPA, 12 U.S.C. § 2603(a) states in part that the Secretary of HUD "...shall develop and prescribe a standard form for the statement of settlement costs which shall be used... as the standard real estate settlement form in all transactions in the United States which involve federally related mortgage loans. Such form shall conspicuously and clearly itemize all charges imposed upon the borrower and all charges imposed upon the seller in connection with the settlement and shall indicate whether any title insurance premium included

in such charges covers or insures the lender's interest in the property, the borrower's interest, or both...”;

Whereas, 24 C.F.R. § 3500.10(b) states that, “The settlement agent shall provide a completed HUD-1 or HUD-1A to the borrower, the seller (if there is one), the lender (if the lender is not the settlement agent), and/or their agents. When the borrower's and seller's copies of the HUD-1 or HUD-1A differ as permitted by the instructions in Appendix A to this part, both copies shall be provided to the lender (if the lender is not the settlement agent). The settlement agent shall deliver the completed HUD-1 or HUD-1A at or before the settlement, except as provided in paragraphs (c) and (d) of this section.”;

Whereas, Section 8(a) of RESPA, 12 U.S.C. § 2607(a), prohibits any person from giving or receiving any fee, kickback, or thing of value pursuant to an agreement or understanding that business incident to or part of a real estate settlement service involving a federally related mortgage loan shall be referred to any person;

Whereas, HUD has conducted an investigation concurrently and in conjunction with the Office of the Comptroller of the Currency and the Office of Thrift Supervision into certain business practices in which Chicago Title was engaged;

Whereas, Chicago Title has cooperated with HUD's investigation;

Whereas, HUD has determined that Chicago Title, through its officers or employees, engaged in a pattern of violating Section 4 of RESPA and the regulations promulgated thereunder, by providing inaccurate HUD-1 Settlement Statements to certain lenders that make federally related mortgage loans and their borrowers. HUD has further determined such HUD-1 Settlement Statements failed to accurately reflect all the actual charges and adjustments in connection with settlements of federally related mortgage loans;

Whereas, HUD has alleged that certain conduct described in the preceding paragraph was undertaken as part of an agreement or understanding for the referral of business in violation of Section 8 of RESPA;

Whereas, Chicago Title denies that it violated Sections 4 and 8 of RESPA and represents that it has ceased to engage in the business practices that were the subject of HUD's investigation;

Whereas, the parties to this Settlement Agreement now desire to avoid further expense and proceedings and to settle this matter under the terms and conditions set forth below; and

Whereas, the terms set forth in this Settlement Agreement are an appropriate disposition of this matter and in the public interest.

AGREEMENTS

NOW THEREFORE, in consideration of the mutual promises and representations set forth herein, and in further consideration for HUD's reliance upon the substantial accuracy and good faith of the representations and submissions made to it by Chicago Title, the parties, intending to be legally bound, agree as follows:

1. The foregoing recitals are incorporated in this Agreement.
2. Chicago Title, its officers, directors, and employees, agree to comply with all provisions of RESPA, its implementing regulations, and HUD policy statements related to RESPA.
3. Within one hundred twenty (120) days of the execution of this Settlement Agreement, Chicago Title shall develop, implement, and thereafter adhere to written policies, procedures, systems and/or compliance controls ("Policies and Procedures") governing settlements it may conduct for or on behalf of any lender

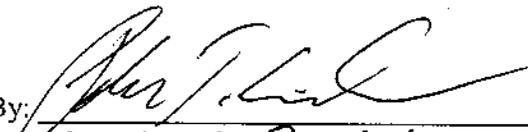
that makes federally related mortgage loans. Such Policies and Procedures shall, at a minimum:

- a. require the implementation of a consistent framework of internal controls in support of the integrity of settlement documents, fraud prevention, and compliance with Sections 4 and 8 of RESPA and its implementing regulations and HUD policy statements related to RESPA;
 - b. require Chicago Title's employees and/or officers to prepare complete and accurate HUD-1 Settlement Statements, in accordance with RESPA and its implementing regulations; and
 - c. require Chicago Title's employees and/or officers to deliver any corrected, amended, or changed HUD-1 Settlement Statements to any lender that makes federally related mortgage loans and their borrower(s) as soon as practicable, whether the corrections, amendments, or changes occurred before or after the closing of the transaction described on the HUD-1 Settlement Statement.
4. Within one hundred twenty (120) days of the execution of this Settlement Agreement, Chicago Title shall establish, implement, and thereafter adhere to written Policies and Procedures to:
- a. ensure that every current and prospective employee and officer who engages in settlements for federally related mortgage loans at any branch or office owned or operated by Chicago Title receives timely and adequate training to conduct such settlements in compliance with RESPA and its implementing regulations.

- b. monitor its training programs that at a minimum, shall be capable of providing to Chicago Title:
- (1) a listing of training sessions offered;
 - (2) reports of attendance at training sessions;
 - (3) reports of those employees or officers requiring training in one or more subjects; and
 - (4) a listing of those who have not received timely training.
5. Within one hundred days (120) days of the execution of this Settlement Agreement, Chicago Title shall provide notice to all employees, officers, or agents employed in all offices or branches, owned, operated, or controlled by Chicago Title who are engaged in the settlement of federally related mortgage loans that Chicago Title has entered into this Settlement Agreement.
6. Chicago Title agrees to pay to the United States Treasurer the amount of five million dollars (\$5,000,000.) Chicago Title's payment in full of the \$5,000,000 civil money penalty assessed by the Office of the Comptroller of the Currency on February 24, 2005, will satisfy the requirement of this paragraph.
7. Based on Chicago Title's compliance with the terms of this Settlement Agreement, HUD will terminate its investigation, and HUD agrees to take no enforcement action under RESPA against Chicago Title based on information before HUD with respect to the conduct that gave rise to the joint investigation with the Office of the Comptroller of the Currency and the Office of Thrift Supervision or that was the subject of HUD's letter of August 3, 2004, to Chicago Title, unless such conduct recurs.

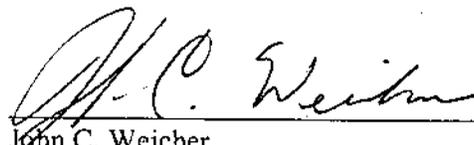
8. This Settlement Agreement contains general and specific obligations on Chicago Title that may be enforced through the use of this Settlement Agreement during the period that the concurrent Order of the Comptroller of the Currency is in effect, provided that nothing herein shall prohibit HUD, subject to the limitations of Paragraph 7, from also taking any future enforcement action under RESPA based on subsequent conduct by Chicago Title.
9. Each party shall bear its own costs and attorney's fees.
10. This Settlement Agreement applies to and binds each of the persons or entities identified in the first paragraph of this Settlement Agreement and their respective predecessors, successors, directors, officers, employees, agents, representatives, and assigns.
11. Each signatory to this Settlement Agreement certifies by signing that he or she is fully authorized, in his or her own capacity, or by the named party he or she represents, to accept the terms and provisions of this Settlement Agreement in their entirety, and agrees, in his or her personal or representational capacity, to be bound by the terms of this Settlement Agreement.

Chicago Title Insurance Company

By: 
Executive Vice President

2/23/05
Date

U.S. Department of Housing and Urban Development:

By: 
John C. Weicher
Assistant Secretary for Housing-Federal
Housing Commissioner

2/27/08
Date