

Investors Title Insurance Company

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Local Agent:

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4502 Starkey Road, Suite 200
Roanoke, VA 24018
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COMMITMENT/POLICY NO. _____

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT made this _____ day of _____, _____, by and between _____ (hereinafter called Indemnitor) and Investors Title Insurance Company, a North Carolina Corporation (hereinafter called Company).

WHEREAS, Indemnitor has requested Company to issue its policy(ies) of title insurance insuring an interest in or title to certain real estate in _____ County (City) _____, described in Policy/Commitment No. _____ issued by Company and/or described in the Exhibit attached hereto and made a part hereof without exception to, or providing certain affirmative insurance against, the following matters (hereinafter referred to as the Exception):

AND WHEREAS, Company is unwilling to so issue such policy(ies) unless indemnified by Indemnitor as hereinafter provided;

AND WHEREAS, Indemnitor has, as an inducement to Company, offered to indemnify Company against loss or damage which Company may become liable for by reason of the omission or deletion of the Exception or by reason of providing the affirmative insurance set forth in said Policy or Commitment against loss, damage, cost or expense which may result from the matters referred to in the Exception, and

WHEREAS, Indemnitor recognizes that Company in the normal course of its business, may be called upon to issue additional Owner's or Loan policy(ies) on all or part of said real estate in the future which will afford the same or similar protection,

NOW, THEREFORE, in consideration of Company issuing its policy(ies) of title insurance without exception to, or providing affirmative insurance against the matters set forth above, and subject to the conditions, covenants and terms of this Indemnity Agreement which are printed on the reverse side and incorporated herein by reference, Indemnitor covenants to well and sufficiently save, defend, keep harmless, and indemnify Company, its successors and assigns of and from all loss, damage, costs, charge, liability or expense, including court costs and attorneys' fees, which it may sustain, suffer or be put to under this policy or policies of title insurance or otherwise on account of the omission or deletion of, or affirmative insurance in connection with, the Exception, and in the event any claims or liens in connection with the Exception are filed of record shall cause same to be paid and discharged of record without delay.

When applicable, As Security for the performance of the terms hereof Indemnitor hereby deposits with Company, the following:

Claim of Lien: \$ _____. Indemnitor agrees that Company shall hold said funds until such time as the claim of lien is cancelled of record. In the event a judgment in favor of the lien claimant is entered in any Civil Action brought to enforce said lien, Company shall deposit the escrowed funds (less the escrow fee - see item 2 on reverse) with the Clerk of Superior Court of _____ County without further notice to indemnitor.

Other: \$ _____.

IN WITNESS WHEREOF, the Indemnitor has hereunto set its hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

(Corporate Name)

By: _____

President

ATTEST:

Secretary (Corporate Seal)

Executed, subscribed & sworn to me
the day and year above written

Notary Public
(Seal)

My Commission Expires _____

INDEMNITOR(S)

(Seal)

(Seal)

Address: _____

Tax Payer ID#: _____

Telephone: _____

Executed, subscribed & sworn to me
the day and year above written

Notary Public
(Seal)

My Commission Expires _____

THE CONDITIONS, COVENANTS, AND TERMS OF THE INDEMNITY AGREEMENT ON THE REVERSE SIDE ARE:

1. Indemnitor agrees that Company may, in its discretion, report to its proposed insured the existence of the matters set forth as the Exception to the title and refuse to so issue such policy(ies) of title insurance unless Company is furnished with satisfactory acknowledgment by the proposed insured that said proposed insured is aware of the existence of the matters set forth as the Exception to the title. In no event shall this instrument be construed to be a Commitment, Binder or other agreement to issue a policy of title insurance.
2. The obligations of Indemnitor under this instrument shall continue until the liability of Company under the policy(ies) (including, without limitation, additional Owner's or Loan policies) issued in reliance upon it has been fully discharged. When in the opinion of Company, the title to the real estate is no longer subject to the Exception, Company agrees to return to Indemnitor, without interest, all collateral deposited from Company, except for the portion which may have been used as provided herein and less Company's escrow charge- \$50.00 per annum.
3. Indemnitor agrees that if at any time Company deems it necessary in order to satisfy its obligations under said policy(ies), it may, in its sole discretion, without notice to Indemnitor, pay, satisfy, compromise or do any other act necessary in its judgment to obtain a release or discharge of the Exception to the title and in doing so may apply any or all of the collateral deposited with Company as security. Indemnitor hereby authorizes and empowers Company to advance and pay any sums necessary to obtain a release, discharge or satisfaction of the matters set forth as the Exception to the title, and specifically authorizes Company to sell any collateral deposited with Company as security. Notwithstanding anything herein which may be construed to the contrary, Indemnitor agrees that Company shall not have to pay, incur, or sustain monetary loss in any amount before being entitled to so apply the collateral deposited hereunder or to call upon Indemnitor to provide to Company additional funds necessary to pay, satisfy, compromise or do any other act necessary to obtain a release or discharge of the Exception to the title or otherwise satisfy Company's obligations under said Policy(ies); and Indemnitor shall promptly furnish such funds so demanded.
4. If Company shall sustain or incur loss or damage either because no collateral was deposited or the collateral was insufficient, or because Indemnitor failed to provide sufficient funds upon demand by Company, Indemnitor shall become indebted to Company in an amount equal to the loss and loss expense sustained or incurred by Company and agrees to repay Company that amount on demand, together with interest thereon at the rate of 8% per annum from the date of demand.
5. If Indemnitor fails timely to take such steps as in the opinion of Company are necessary to remove the matters set forth herein as the Exception to the title, on or before agreed date as provided herein, Company is authorized in its own discretion to take whatever steps, including but not limited to the commencement of legal action or payment of money, that it determines necessary or advisable to remove said matters, and in connection therewith Indemnitor shall, upon demand, advance to Company all funds necessary, including all costs, attorneys' fees, and other expenses.
6. If the collateral deposited with Company is insufficient to obtain a release or discharge of the Exception (including attorneys' fees, costs and all other expense of so obtaining) the Indemnitor, upon demand by Company, shall advance to Company all such funds as, in the sole discretion of Company, may be necessary to obtain such release or discharge or otherwise satisfy Company's obligations under said Policy(ies).
7. Company shall have the right to select and approve any and all counsel who may be retained by Company or by Indemnitor to defend any action brought by any party as a result of Company issuing its policy(ies) without showing said Exception, or insuring against loss, damage, cost or expense which may result from the matters referred to in said Exception, or any counsel retained by Company or Indemnitor to bring any action or to perform any work to correct the matters shown in the Exception, and Indemnitor agrees promptly to pay the counsel so selected or approved by Company.
8. In this instrument, wherever the context so requires, the singular number includes the plural, and where there is more than one person included as Indemnitor the obligations of this agreement shall be binding on all such persons jointly and severally. "Person" herein includes individuals, husband and wife (jointly & severally), corporations, partnerships and all other entities designated in and executing this interest as Indemnitors. If any Indemnitor be not bound hereunder for any reason, this instrument shall still be binding upon the other Indemnitors. "Policy" shall be deemed to include a binder or commitment; and "Commitment" shall be deemed to include binder.
9. This instrument shall be liberally construed in the interest of and for the protection of Company. If any provision hereof is held to be void or unenforceable under the law of any place covering its construction or enforcement, this instrument shall not be void or vitiated thereby, but shall be construed to be in force with same effect as though such provision were omitted.
10. The liability of Indemnitor under this instrument is direct and primary and is not conditioned or contingent upon prior pursuit of any remedies by Company except demand for performance upon Indemnitor. Indemnitor shall be liable for and shall pay promptly to Company all costs, expenses and attorneys' fees incurred by Company in enforcing its rights hereunder. If the Company is required to employ an attorney to enforce the obligations of Indemnitor under this instrument, Indemnitor agrees to pay the reasonable attorneys' fees of the Company. The term "reasonable attorneys' fees" shall include attorneys' fees incurred by the Company in enforcing Indemnitors obligations whether or not suit is brought and if suit is brought, shall include attorneys' fees at trial and on appeal.
11. This instrument shall be binding upon Indemnitors, and each of them, their heirs, assigns, and legal successors, and shall inure to the benefit of Company, its successors or assigns, including, without limitation, any other insurer involved in reinsuring, in any manner, any liabilities of Company under any policy(ies) of title insurance or endorsement(s) thereto issued in reliance hereon.
12. Written notice shall be deemed to have been duly served if delivered to the person or to a member of the firm or to an officer of the corporation for whom it was intended, or if delivered at or sent by Registered or Certified Mail to the appropriate address shown herein.