



**TRUST, INDEMNITY AND SECURITY AGREEMENT WITH DEPOSIT OF FUNDS  
TO PROTECT AND SECURE AGAINST EXCEPTIONS TO TITLE**

Trust Indemnity and Security Agreement No. \_\_\_\_\_ **Whereas**, the Chicago Title Insurance Company, hereinafter referred to as “Company”, is about to issue through Freedom Title Corporation (hereafter referred to as AgentEscrowee) its title insurance policy or policies or commitments therefore, all hereinafter referred to as the “Title Insurance Policy”, No. \_\_\_\_\_ in respect to the land described therein.

**And Whereas**, the AgentEscrowee has raised as title exceptions on the Title Insurance Policy certain defects, liens, encumbrances, adverse claims or other matters, all hereinafter referred to as “Exceptions to Title”, described on Exhibit A attached hereto,

**And Whereas**, the Company or AgentEscrowee has been requested to issue the Title Insurance Policy and may hereafter, in the ordinary course of its business, issue title insurance policy or policies or commitments therefore in the form or forms now or then commonly used by the company, or issue hold harmless or indemnity letters to induce other title insurance companies to issue title insurance policies or commitments therefore, in respect to the land or to some part or parts thereof, or interest therein, all of the foregoing being hereafter referred to as “Future Policies or Commitments”, either free and clear of all mention of the aforesaid Exceptions to Title or insuring its insured against loss or damage by reason thereof, and simultaneous with the acceptance of the deposit herein, has issued or has committed it issue the Title Insurance Policy to its insured,

**Now, Therefore**, in consideration of the issuance of the Title Insurance Policy and the payment of \$1.00 to the undersigned by The AgentEscrowee for and on behalf of the Company, the sufficiency and receipt of which are hereby acknowledged, the undersigned, jointly and severally, for themselves, heirs, personal representatives, and assigns do hereby covenant and agree with the AgentEscrowee and the Company. (1) To forever fully protect, defend, and save the Company harmless from and against all the Exceptions to Title, in and from any and all loss, costs, damages, attorneys’ fees and expenses of every kind and nature which it, the Agent Escrowee and the Company, may suffer, expend or incur under, or by reason, or in consequence of the issuance of the Title Insurance Policy on account, or in consequence, or growing out of the Exceptions to Title, or on account of the assertion or enforcement or attempted assertion or enforcement thereof or of any rights existing or hereafter arising, or which may at any time be claimed to exist under, or by reason, or in consequence, or growing out of the Exceptions to Title or any of them; (2) to provide for the defense, at the undersigned’s own expense, on behalf and for the protection of the AgentEscrowee and the Company and the parties insured or who may become insured under “Future Policies or Commitments”, against loss or damage under the Title Insurance Policy (but without prejudice to the right of the AgentEscrowee and the Company to defend if it so elects) in all litigation consisting of actions or proceedings based on any Exceptions to Title which may be asserted or attempted to be asserted, established or enforced in, to, upon, or against or in respect to the land or any part thereof or interest therein; (3) to pay, discharge, satisfy or remove all of the Exceptions to Title and, in such case, when the Exceptions to Title appear as a matter of public record, to clear the record by the recording or filing of releases, satisfactions, disclaimers, deeds or other appropriate instruments, or by the procurement of a final court order or judgment entered by a court of competent jurisdiction quieting the title of the insured, or declaring the Exceptions to Title to be null and void and of no force and effect, on or before \_\_\_\_\_; and (4) that each and every provision herein shall extend and be in force concerning Future Policies or Commitments. It is expressly understood that the joint and several liability of the undersigned shall in no way be affected by any action the AgentEscrowee and the Company may take with respect to the liability of any one of the undersigned by way of release, settlement, compromise, or other adjustment of such liability.

The undersigned hereby deposits with the AgentEscrowee, under the Agreement known as Trust, Indemnity and Security Agreement No. \_\_\_\_\_, and pledges to the AgentEscrowee the sum of \_\_\_\_\_ dollars (\$ \_\_\_\_\_) to constitute a trust,

indemnity and security fund under the absolute control and possession of the Agent-Escrowee as herein provided, for the other purposes herein set forth, and to secure the performance of the promises and obligations of the undersigned contained herein.

The Company and/or Agent-Escrowee shall have the right at any time hereafter, when it shall deem it necessary, expedient, desirable, or to its interest so to do, in its sole discretion, to use or apply the fund, or any portion thereof, in such manner and in such amounts as the Company and/or Agent-Escrowee may deem necessary and advisable, to the payment, discharge, or satisfaction of, or the removal from the title to the land, or any part or parts thereof, or interests therein, any of the Exceptions to title, including the right to procure for the purpose of clearing the public record, releases, satisfactions, disclaimers, deeds or other appropriate instruments, or by procuring final court orders or judgments quieting the title of the insured or declaring the Exceptions to Title to be null and void and of no force and effect, or for the purpose of eliminating by conveyance, assignment or otherwise any Exceptions to Title, or for the purpose of reimbursing anyone who may have paid, discharged, satisfied, or removed any Exceptions to Title or cleared the public record of such Exceptions To Title. In the case of litigation involving the said fund or the rights of any person or corporation hereunder, the cost, expense, and attorneys' fees of the Agent-Escrowee and the Company may be paid or retained by the Agent-Escrowee out of said fund.

If the Company and the Agent-Escrowee shall find that the liability hereunder shall have increased because of lapse of time or otherwise, the Company and/or through the Agent-Escrowee may call on the undersigned for such additional deposits sufficient to indemnify and secure the Company against such increase of liability, in which event the Agent-Escrowee and or the Company shall call for such deposit, and the undersigned hereby agrees to thereupon furnish the Agent-Escrowee and/or the Company the deposit requested. Any additional funds so deposited shall be subject to the terms of this Agreement to the same extent as though initially deposited hereunder. In the event additional funds are not deposited within 10 days following written demand therefore, the Company and/or the Agent-Escrowee shall have the right, in its sole discretion, to advance such additional funds as may be required and the undersigned expressly covenants and agrees to protect, defend save harmless, and reimburse, with interest calculated at the maximum legal rate, the Company and/or the Agent-Escrowee for all such additional amounts advanced. For the purposes of this paragraph, proof of mailing to the undersigned at the address listed below shall be deemed conclusive evidence of notice of demand, and said 10-day period shall commence to run on the third day following such date of mailing.

Where, in the Company and/or the Agent-Escrowee's sole discretion, in order to remove and clear of record the aforesaid Exceptions to Title, it is necessary to dispose of pending litigation, the undersigned hereby confer irrevocable authority on the Company and the Agent-Escrowee to settle or dismiss any counterclaim, cross claim, set-off or other prayer for affirmative relief which may be asserted in such, either by the undersigned or other parties claiming under them and expressly covenant and agree to protect, defend, save harmless, and secure the Company and the Agent-Escrowee from any expense incurred thereby.

The Company and the Agent-Escrowee shall be the sole judge as to the need for it to be represented by or have the advice of legal counsel of its own choosing and the undersigned shall be liable to the Company and the Agent-Escrowee for fees and expenses so incurred.

The Agent-Escrowee shall be under no duty to invest or reinvest any cash at any time held by it hereunder. The Agent-Escrowee shall have the full right, power and authority to commingle any and all cash at any time constituting said deposit or part thereof with its other escrow funds and all income derived from any use which the Agent-Escrowee may make of any deposits hereunder shall belong to the Agent-Escrowee. In the event the undersigned shall request the Agent-Escrowee to invest the deposit for the benefit of the undersigned, the Agent-Escrowee will furnish information concerning its investment procedure, and fee schedule. Authorization and direction by the undersigned to the Agent-Escrowee for such investment shall be in writing and to be effective, must be accepted in writing by the Agent-Escrowee. Earnings, if any, less Agent-Escrowee fees, from said investment shall be added to and form a part of the trust, indemnity and security fund.

In case any of the Exceptions to Title are paid, discharged, satisfied and are removed as such to the satisfaction of the Company and the Agent-Escrowee (as to which the Company and the Agent-Escrowee shall be the sole judge), and cleared of record, without the use of the said fund, or in case any surplus remains in the

hands of the Agent-Escrowee after it shall have reimbursed itself and the Company for all loss, damages or disbursements, such fund or surplus, after deducting the costs, expenses, fees for services, and attorneys' fees, if any, of the Agent-Escrowee and the Company, shall on demand and upon surrender to the Company and/or the Agent-Escrowee of all receipts for disbursement, be paid or delivered to

[SSN/FEIN:] \_\_\_\_\_.

Neither the Agent-Escrowee nor the Company shall be under any obligation of recognizing any assignment of the undersigned's rights under this agreement, until the original or a signed duplicate of the assignment, accepted in writing by the assignee, is deposited with and approved by the Company and/or the Agent-Escrowee in writing.

The undersigned agrees that this Trust, Indemnity, and Security Agreement is not intended to give any benefits, rights, privileges, actions or remedies to any person, partnership, firm, or corporation other than the Company, the Agent-Escrowee, the undersigned, and the insured, as a third party beneficiary or otherwise under any theory of law.

In this Trust, Indemnity, and Security Agreement is not terminated as herein before provided on or before \_\_\_\_\_, the Agent-Escrowee shall thereafter charge a reasonable annual service or handling fee to be paid out of the fund.

**FOR CORPORATE INDEMNITORS**

**FOR INDIVIDUAL INDEMNITORS**

**IN WITNESS WHEREOF**, the undersigned, being the hereinafter named corporation, has caused these presents to be signed by its **President** and attested by its **Secretary** and has caused its corporate seal to be hereto affixed this \_\_\_\_\_ day of \_\_\_\_\_ A.D. 20\_\_\_\_\_.

**IN WITNESS WHEREOF**, the undersigned have executed this agreement this \_\_\_\_\_ day of \_\_\_\_\_ A.D. 20\_\_\_\_\_.

By: \_\_\_\_\_  
President

\_\_\_\_\_  
(SEAL)

**ATTEST:**  
\_\_\_\_\_  
Secretary

**Address:**  
\_\_\_\_\_  
\_\_\_\_\_

**ADDRESS OF CORPORATION:**  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**Date**  
\_\_\_\_\_

(SEAL)  
**Address:**  
\_\_\_\_\_

**Trust Indemnity and Security Agreement :**  
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**EXHIBIT A**

Consisting of      pages,