

## ALTA Plain Language Commitment Form

### INFORMATION

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Policy contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or you as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.alta.org/>.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT. YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

Reference: **Michael W. Brown/ SEARCH**  
**595 Long Drive, Sheridan**

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### YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, contact:  
Wilcox Abstract and Title Co.  
307 W. Burkitt, Sheridan, WY 82801  
Phone: (307)672-0768 Fax: (307)672-8838

## TITLE INSURANCE COMMITMENT

BY

***First American Title Insurance Company***

## AGREEMENT TO ISSUE POLICY

We agree to issue a policy to you according to the terms of the Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within ninety (90) days after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-I.

The Exceptions in Schedule B-II.

The Conditions on Page 3.

This Commitment is not valid without SCHEDULE A and Sections I and II of SCHEDULE B.

*First American Title Insurance Company*

BY



PRESIDENT

ATTEST



SECRETARY



Issued by: Wilcox Abstract and Title Co.  
Address: 307 W. Burkitt, Sheridan, WY 82801

## CONDITIONS

### 1. DEFINITIONS

(a) "Mortgage" means mortgage, deed of trust or other security instrument. (b) "Public Records" means title records that give constructive notice of matters affecting your title according to the state statutes where your Land is located.

### 2. LATER DEFECTS

The Exceptions in Schedule B - Section II may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attach between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B - Section I are met. We shall have no liability to you because of this amendment.

### 3. EXISTING DEFECTS

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

### 4. LIMITATION OF OUR LIABILITY

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

Comply with the Requirements shown in Schedule B - Section I

or

Eliminate with our written consent any Exceptions shown in Schedule B - Section II.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

### 5. CLAIMS MUST BE BASED ON THIS COMMITMENT

Any claim, whether or not based on negligence, which you may have against us concerning the title to the Land must be based on this Commitment and is subject to its terms.

## **SCHEDULE A**

1. Commitment Date: **06/01/12 at 05:00 PM**
2. Fee interest in the land described in this Commitment is owned, at the Commitment Date, by **Michael W. Brown and Katrina M. Brown, husband and wife.**
3. The Land referred to in this Commitment is described as follows:  
  
**Lot 15, Block 1, Fairway Acres Addition to the City of Sheridan.**

"The purpose of this LISTING COMMITMENT is to provide certain information and is not intended to be a statement of condition of title or a commitment or obligation to insure. The company reserves the right to make additional requirements and/or exceptions upon determination of the insured and payment of the premium."

## **SCHEDULE B - I**

### **REQUIREMENTS**

The following requirements must be met:

- a. Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- b. Pay us the premiums, fees and charges for the policy.
- c. You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the Land or who will make a loan on the Land. We may then make additional requirements or exceptions.
- d. Documents satisfactory to us creating the interest in the Land and/or the Mortgage to be insured must be signed, delivered and recorded.

NOTE: The Title Company reserves the right to make any additional requirements/exceptions upon the determination of the insured.

"The purpose of this LISTING COMMITMENT is to provide certain information and is not intended to be a statement of condition of title or a commitment or obligation to insure. The company reserves the right to make additional requirements and/or exceptions upon determination of the insured and payment of the premium."

## **SCHEDULE B - II**

### **EXCEPTIONS FROM COVERAGE**

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

1. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or by making inquiry of the persons in possession of the Land.
2. Easements, claims of easements or encumbrances that are not shown in the Public Records.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the Land, and that are not shown in the Public Records.
4. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown in the Public Records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Ownership or title to any mineral interest, and the effect on the surface of the exercise of the mineral rights.
7. The lien of real estate taxes or assessments imposed on the Title by a governmental authority that are not shown as existing liens in the records of the County Treasurer or in the Public Records.
8. Taxes for the year 2011 appear to be in the amount of \$1,778.78, Parcel No. 8933, according to the County Treasurer. The first installment is due September 1, and payable on or before November 10. The second installment is due March 1 of the following year, and payable on or before May 10. The first installment is \$889.39 and PAID. The second installment is \$899.39 and PAID.
9. Easement(s), including the terms and conditions thereof, as shown on the subdivision plat, recorded: November 4, 1971 in Book 2 of Plats, Page 41.
10. Easement, including terms and conditions contained therein: Granted to: Montana-Dakota Utilities Co. For: Electris Transmission Line Recorded: November 10, 1958 Recording Information: Book 119 of Deeds, Page 405.
11. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes, recorded August 30, 1967 in Book 160, Page 39.
12. Mortgage and the terms and conditions thereof: Mortgagor: Michael W. Brown and Katrina M. Brown, Mortgagee: Wells Fargo Bank, N.A., in the original amount of \$255,750.00, Recorded: September 5, 2008 in Book: 716, Page 221.

"The purpose of this LISTING COMMITMENT is to provide certain information and is not intended to be a statement of condition of title or a commitment or obligation to insure. The company reserves the right to make additional requirements and/or exceptions upon determination of the insured and payment of the premium."

Wilcox Abstract and Title Co., as agent for  
The First American Corporation  
***First American Title Insurance Company***  
**PRIVACY POLICY**

**We Are Committed to Safeguarding Customer Information**

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

**Applicability**

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values, a copy of which can be found on our website at [www.firstam.com](http://www.firstam.com).

**Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

**Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

**Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

**Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

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SCHEDULE B - SECTION II  
EXCEPTIONS

Commitment No.: 3-27496

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor, or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in acts authorizing the issuance thereof; (c) water rights, claims, or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Ownership or title to any mineral interest and the effect on the surface of the exercise of the mineral rights.
7. Taxes and assessments not shown by the records of the County Treasurer.

**TAXES FOR THE YEAR 2002 AND SUBSEQUENT YEARS.**

Note: Tax Roll 10109718 for the year 2001 appear to be Paid, as evidenced by receipt #188638 and #224008, in the amount of \$1,153.62, according to the records of the County Treasurer. (GEO PIN #0356842821000225)

8. Covenants, conditions and restrictions, as contained in Instrument recorded August 30, 1967 in Book 160, Page 39, Records of Sheridan County, Wyoming, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent the such covenants, conditions or restriction violate 32 USC 3604(c). COV1 3
9. Easement as granted to Montana-Dakota Utilities Co. for an electric transmission line and incidental purposes as contained in instrument recorded November 10, 1958 in Book 119 of Deeds, Page 405. EA2 2
10. Easement for utilities and incidental purposes as set out on Plat recorded November 4, 1971 in Book 2 of Plats, Page 41. EA5 1

Exceptions numbered \_\_\_\_\_ will be omitted on \_\_\_\_\_ Policy when issued.





# OWNER'S POLICY OF TITLE INSURANCE

ISSUED BY

*First American Title Insurance Company*

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 18 of the Conditions.

## COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
  - (a) A defect in the Title caused by
    - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
    - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
    - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
    - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
    - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
    - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
    - (vii) a defective judicial or administrative proceeding.
  - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
  - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (a) the occupancy, use, or enjoyment of the Land;
  - (b) the character, dimensions, or location of any improvement erected on the Land;
  - (c) the subdivision of land; or
  - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental

police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.

7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
  - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
  - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
    - (i) to be timely, or
    - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this policy, but only to the extent provided in the Conditions.

*First American Title Insurance Company*

BY

*Carl B. Johnson*

PRESIDENT

ATTEST

*Ministoy*

SECRETARY

WILCOX ABSTRACT & TITLE

307 WEST BURKITT  
SHERIDAN, WY 82801  
(307) 672-0768  
EST. 1912



## EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risks 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

## CONDITIONS

### 1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
  - (i) The term "Insured" also includes
    - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
    - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
    - (C) successors to an Insured by its conversion to another kind of Entity;
    - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
      - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
      - (2) if the grantee wholly owns the named Insured,
      - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
      - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

- (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

### 2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

### 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

### 4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

### 5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in

Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

#### **6. DUTY OF INSURED CLAIMANT TO COOPERATE**

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as Insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

#### **7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY**

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance.  
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
- (i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
- (ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs,

attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

#### **8. DETERMINATION AND EXTENT OF LIABILITY**

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
- (i) the Amount of Insurance; or
- (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
- (i) the Amount of Insurance shall be increased by 10%, and
- (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

#### **9. LIMITATION OF LIABILITY**

- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

#### **10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY**

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

#### **11. LIABILITY NONCUMULATIVE**

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

#### **12. PAYMENT OF LOSS**

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

#### **13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT**

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.
- If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

**14. ARBITRATION**

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

**15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT**

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

**16. SEVERABILITY**

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

**17. CHOICE OF LAW; FORUM**

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

**18. NOTICES, WHERE SENT**

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 1 First American Way, Santa Ana, CA 92707, Attn: Claims Department.

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## ***POLICY OF TITLE INSURANCE***



## **SCHEDULE A**

### ***First American Title Insurance Company***

Address Reference: 595 Long Drive, Sheridan, WY  
Amount of Insurance: \$266,000.00  
Date of Policy: September 5, 2008 at 3:40 P.M. MDT

Policy No.: 35385-O

Premium: \$990.00

1. Name of Insured:

Michael W. Brown and Katrina M. Brown

2. The estate or interest in the Land that is insured by this policy is:

Fee Simple

3. Title is vested in:

Michael W. Brown and Katrina M. Brown, husband and wife

4. The Land referred to in this policy is described as follows:

Lot 15, Block 1, Fairway Acres Addition to the City of Sheridan. A subdivision in Sheridan County, Wyoming, as recorded in Book 2 of Plats, Page 41.

## **SCHEDULE B**

Policy No.: 35385

### **PART I**

#### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. Any facts, rights, interests, or claims that are not shown in the public records but that could be ascertained by an inspection of the land or by making inquiry of persons in possession of the land.
2. Easements, claims of easements or encumbrances that are not shown in the Public Records.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the Land, and that are not shown in the Public Records.
4. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown in the Public Records.
5. (a) Unpatented mining claims; (b) Reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) Water rights, claims or title to water, (d) Matters imposed or created by tribal government concerning the land and/or the right of access thereto, whether or not the matters excepted under (a), (b) (c) or (d) are shown by the public records.
6. Ownership or title to any mineral interest, and the effect on the surface of the exercise of the mineral rights.
7. The lien of real estate taxes or assessments imposed on the Title by a governmental authority that are not shown as existing liens in the records of the County Treasurer or in the Public Records.
8. Easement(s), including the terms and conditions thereof, as shown on the subdivision plat, recorded: November 4, 1971 in Book 2 of Plats, Page 41.
9. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes, recorded August 30, 1967 in Book 160, Page 39.
10. Easement, including terms and conditions contained therein: Granted to: Montana Dakota Utilities co. For: Electric transmission line Recorded: November 10, 1958 Recording Information: Book 119, Page 405.
11. A Mortgage entitled to secure an indebtedness in the original principal sum of \$255,750.00 and any other amounts and/or obligations secured thereby, recorded September 5, 2008 in Book 716, Page 221, Dated: September 5, 2008, Mortgagor: Michael W. Brown and Katrina M. Brown, husband and wife, Mortgagee: Wells Fargo Bank, N.A

**Wilcox Abstract & Title Co., as agent for**

**The First American Corporation**  
***First American Title Insurance Company***  
**PRIVACY POLICY**

**We Are Committed to Safeguarding Customer Information**

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

**Applicability**

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values, a copy of which can be found on our website at [www.firstam.com](http://www.firstam.com).

**Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

**Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

**Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

**Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

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# LOAN POLICY OF TITLE INSURANCE

ISSUED BY

## *First American Title Insurance Company*

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 17 of the Conditions.

### COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13, and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
  - (a) A defect in the Title caused by
    - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
    - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
    - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
    - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
    - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
    - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
    - (vii) a defective judicial or administrative proceeding.
  - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
  - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (a) the occupancy, use, or enjoyment of the Land;
  - (b) the character, dimensions, or location of any improvement erected on the Land;
  - (c) the subdivision of land; or
  - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage
  - (a) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
  - (b) failure of any person or Entity to have authorized a transfer or conveyance;
  - (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
  - (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
  - (e) a document executed under a falsified, expired, or otherwise invalid power of attorney;

(f) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or

(g) a defective judicial or administrative proceeding.

10. The lack of priority of the lien of the Insured Mortgage upon the Title over any other lien or encumbrance.

11. The lack of priority of the lien of the Insured Mortgage upon the Title

(a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor, or material arising from construction of an improvement or work related to the Land when the improvement or work is either

(i) contracted for or commenced on or before Date of Policy; or

(ii) contracted for, commenced, or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and

(b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.

12. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.

13. The invalidity, unenforceability, lack of priority, or avoidance of the lien of the Insured Mortgage upon the Title

(a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or

(b) because the Insured Mortgage constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records

(i) to be timely, or

(ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.

14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the Insured Mortgage in the Public Records.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this policy, but only to the extent provided in the Conditions.

*First American Title Insurance Company*

BY

*Carl S. Johnson*

PRESIDENT

ATTEST

*Christy H. Hays*

SECRETARY



**WILCOX ABSTRACT & TITLE**  
307 WEST BURKITT  
SHERIDAN, WY 82801  
(307) 672-0768  
EST. 1912



## EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

## CONDITIONS

### 1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b) or decreased by Section 10 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Indebtedness": The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law, and if that obligation is the payment of a debt, the Indebtedness is the sum of
  - (i) the amount of the principal disbursed as of Date of Policy;
  - (ii) the amount of the principal disbursed subsequent to Date of Policy;
  - (iii) the construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the Land or related to the Land that the Insured was and continued to be obligated to advance at Date of Policy and at the date of the advance;
  - (iv) interest on the loan;
  - (v) the prepayment premiums, exit fees, and other similar fees or penalties allowed by law;
  - (vi) the expenses of foreclosure and any other costs of enforcement;
  - (vii) the amounts advanced to assure compliance with laws or to protect the lien or the priority of the lien of the Insured Mortgage before the acquisition of the estate or interest in the Title;

(viii) the amounts to pay taxes and insurance; and

(ix) the reasonable amounts expended to prevent deterioration of improvements;

but the Indebtedness is reduced by the total of all payments and by any amount forgiven by an Insured.

(e) "Insured": The Insured named in Schedule A.

(i) The term "Insured" also includes

(A) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is an obligor under the provisions of Section 12(c) of these Conditions;

(B) the person or Entity who has "control" of the "transferable record," if the Indebtedness is evidenced by a "transferable record," as these terms are defined by applicable electronic transactions law;

(C) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;

(D) successors to an Insured by its conversion to another kind of Entity;

(E) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title

(1) if the stock, shares, memberships, or other equity interests

of the grantee are wholly-owned by the named Insured,

(2) if the grantee wholly owns the named Insured, or

(3) if the grantee is wholly-owned by an affiliated Entity of the

named Insured, provided the affiliated Entity and the named

Insured are both wholly-owned by the same person or Entity;

(F) any government agency or instrumentality that is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the Indebtedness secured by the Insured Mortgage, or

any part of it, whether named as an Insured or not;

(ii) With regard to (A), (B), (C), (D), and (E) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the Indebtedness as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance, or other matter insured against by this policy.

(f) "Insured Claimant": An Insured claiming loss or damage.

(g) "Insured Mortgage": The Mortgage described in paragraph 4 of Schedule A.

(h) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(i) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(j) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(k) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(l) "Title": The estate or interest described in Schedule A.

(m) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title or a prospective purchaser of the Insured Mortgage to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

### 2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured after acquisition of the Title by an Insured or after conveyance by an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

### 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured of any claim of title or interest that is adverse to the Title or the lien of the Insured Mortgage, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title or the lien of the Insured Mortgage, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

### 4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

### 5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title or the lien of the Insured Mortgage, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

### 6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title, the lien of the Insured Mortgage, or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage.

All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

### 7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(i) To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or

(ii) To purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

### 8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of

(i) the Amount of Insurance,

(ii) the Indebtedness,

(iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy, or

(iv) if a government agency or instrumentality is the Insured Claimant, the amount it paid in the acquisition of the Title or the Insured Mortgage in satisfaction of its insurance contract or guaranty.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title or the lien of the Insured Mortgage, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In the event the Insured has acquired the Title in the manner described in Section 2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 8(a) of these Conditions.

(d) In addition to the extent of liability under (a), (b), and (c), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

**9. LIMITATION OF LIABILITY**

(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, or establishes the lien of the Insured Mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title or to the lien of the Insured Mortgage, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

**10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY**

(a) All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment. However, any payments made prior to the acquisition of Title as provided in Section 2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.

(b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2 of these Conditions.

**11. PAYMENT OF LOSS**

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

**12. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT**

(a) The Company's Right to Recover

Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title or Insured Mortgage and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Insured's Rights and Limitations

(i) The owner of the Indebtedness may release or substitute the personal liability of any debtor or guarantor, extend or otherwise modify the terms of payment, release a portion of the Title from the lien of the Insured Mortgage, or release any collateral security for the Indebtedness, if it does not affect the enforceability or priority of the lien of the Insured Mortgage.

(ii) If the Insured exercises a right provided in (b)(i), but has Knowledge of any claim adverse to the Title or the lien of the Insured Mortgage insured against by this policy, the Company shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the Insured Claimant of the Company's right of subrogation.

(c) The Company's Rights Against Noninsured Obligors

The Company's right of subrogation includes the Insured's rights against noninsured obligors including the rights of the Insured to indemnities,

guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

The Company's right of subrogation shall not be avoided by acquisition of the Insured Mortgage by an obligor (except an obligor described in Section 1(e)(1)(F) of these Conditions) who acquires the Insured Mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond, and the obligor will not be an Insured under this policy.

**13. ARBITRATION**

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

**14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT**

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or lien of the Insured Mortgage or by any action asserting such claim shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

**15. SEVERABILITY**

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

**16. CHOICE OF LAW; FORUM**

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title or the lien of the Insured Mortgage that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

**17. NOTICES, WHERE SENT**

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 1 First American Way, Santa Ana, CA 92707, Attn: Claims Department.

## POLICY OF TITLE INSURANCE



## SCHEDULE A

### *First American Title Insurance Company*

Loan No.: 0091042465

Policy No.: 35385

Address Reference: 595 Long Drive, Sheridan, WY

Amount of Insurance: \$255,750.00

Premium: \$483.00

Date of Policy: September 5, 2008 at 3:40 P.M. MDT

1. Name of Insured:

Wells Fargo Bank, N.A.

2. The estate or interest in the Land that is encumbered by the Insured Mortgage is:

Fee Simple

3. Title is vested in:

Michael W. Brown and Katrina M. Brown, husband and wife

4. The Insured Mortgage, and its assignments, if any, are described as follows:

Mortgagor:	Michael W. Brown and Katrina M. Brown, husband and wife
Mortgagee:	Wells Fargo Bank, N.A.
Original Amount:	\$255,750.00
Dated:	September 5, 2008
Recorded:	September 5, 2008
Recording No.:	Book 716, Page 221

5. The Land referred to in this policy is described as follows:

Lot 15, Block 1, Fairway Acres Addition to the City of Sheridan. A subdivision in Sheridan County, Wyoming, as recorded in Book 2 of Plats, Page 41.

6. This policy incorporates by reference those ALTA endorsements selected below:

<input type="checkbox"/>	WY ALTA 4-06	(Condominium)
<input type="checkbox"/>	WY ALTA 4.1-06	
<input type="checkbox"/>	WY ALTA 5-06	(Planned Unit Development)
<input type="checkbox"/>	WY ALTA 5.1-06	
<input type="checkbox"/>	WY ALTA 6-06	(Variable Rate)
<input type="checkbox"/>	WY ALTA 6.2-06	(Variable Rate--Negative Amortization)
<input checked="" type="checkbox"/>	WY ALTA 8.1-06	(Environmental Protection Lien) Paragraph b refers to the following state statute(s): None
<input checked="" type="checkbox"/>	WY ALTA 9-06	(Restrictions, Encroachments, Minerals)
<input type="checkbox"/>	WY ALTA 13.1-06	(Leasehold Loan)
<input type="checkbox"/>	WY ALTA 14-06	(Future Advance-Priority)
<input type="checkbox"/>	WY ALTA 14.1-06	(Future Advance-Knowledge)
<input type="checkbox"/>	WY ALTA 14.3-06	(Future Advance-Reverse Mortgage)
<input checked="" type="checkbox"/>	WY ALTA 22-06	(Location) The type of improvement is a residential structure , and the street address is shown above.

The coverage of this Mortgage Policy is limited to the interest of the Mortgagee only.

## **SCHEDULE B**

Policy No.: 35385

### **EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

#### **PART I**

1. Any facts, rights, interests, or claims that are not shown in the public records but that could be ascertained by an inspection of the land or by making inquiry of persons in possession of the land.
2. Easements, claims of easements or encumbrances that are not shown in the Public Records.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the Land, and that are not shown in the Public Records.
4. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown in the Public Records.
5. (a) Unpatented mining claims; (b) Reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) Water rights, claims or title to water, (d) Matters imposed or created by tribal government concerning the land and/or the right of access thereto, whether or not the matters excepted under (a), (b) (c) or (d) are shown by the public records.
6. Ownership or title to any mineral interest, and the effect on the surface of the exercise of the mineral rights.
7. The lien of real estate taxes or assessments imposed on the Title by a governmental authority that are not shown as existing liens in the records of the County Treasurer or in the Public Records.
8. Easement(s), including the terms and conditions thereof, as shown on the subdivision plat, recorded: November 4, 1971 in Book 2 of Plats, Page 41.
9. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes, recorded August 30, 1967 in Book 160, Page 39.
10. Easement, including terms and conditions contained therein: Granted to: Montana Dakota Utilities co. For: Electric transmission line Recorded: November 10, 1958 Recording Information: Book 119, Page 405.

## **SCHEDULE B**

Policy No.: 35385

### **PART II**

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

NONE

**Wilcox Abstract & Title Co., as agent for**  
**The First American Corporation**  
***First American Title Insurance Company***  
**PRIVACY POLICY**

**We Are Committed to Safeguarding Customer Information**

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

**Applicability**

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values, a copy of which can be found on our website at [www.firstam.com](http://www.firstam.com).

**Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

**Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

**Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

**Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

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## ENDORSEMENT

Attached to and forming a part of Policy No. 35385-M

Issued By

***First American Title Insurance Company***

Date of Endorsement: September 5, 2008 at 3:40 P.M. MDT

Premium \$n/a

The insurance afforded by this endorsement is only effective if the Land is used or is to be used primarily for residential purposes.

The Company insures against loss or damage sustained by the Insured by reason of lack of priority of the lien of the Insured Mortgage over

- (a) any environmental protection lien that, at Date of Policy, is recorded in those records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge, or is filed in the records of the clerk of the United States district court for the district in which the Land is located, except as set forth in Schedule B; or
- (b) any environmental protection lien provided by any state statute in effect at Date of Policy, except environmental protection liens provided by the following state statutes:  
**None**

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

American Land Title Association  
WY - ALTA 8.1-06 (Environmental Protection Lien)  
Adopted 6/17/06

***First American Title Insurance Company***

BY

*Curt S. Johnson*

PRESIDENT

ATTEST

*Christy Kelley*

SECRETARY





## **ENDORSEMENT**

**Attached to and forming a part of Policy No. 35385-M**

**Issued By**

***First American Title Insurance Company***

Date of Endorsement: September 5, 2008 at 3:40 P.M. MDT

Premium \$n/a

The Company insures the owner of the Indebtedness secured by the Insured Mortgage against loss or damage sustained by reason of:

1. The existence, at Date of Policy, of any of the following:
  - a. Covenants, conditions, or restrictions under which the lien of the Insured Mortgage can be divested, subordinated, or extinguished, or its validity, priority, or enforceability impaired.
  - b. Unless expressly excepted in Schedule B
    - i. Present violations on the Land of any enforceable covenants, conditions, or restrictions, or existing improvements on the land described in Schedule A that violate any building setback lines shown on a plat of subdivision recorded or filed in the Public Records.
    - ii. Any instrument referred to in Schedule B as containing covenants, conditions, or restrictions on the Land that, in addition, (A) establishes an easement on the Land, (B) provides a lien for liquidated damages, (C) provides for a private charge or assessment, (D) provides for an option to purchase, a right of first refusal, or the prior approval of a future purchaser or occupant.
    - iii. Any encroachment of existing improvements located on the Land onto adjoining land, or any encroachment onto the Land of existing improvements located on adjoining land.
    - iv. Any encroachment of existing improvements located on the Land onto that portion of the Land subject to any easement excepted in Schedule B.
    - v. Any notices of violation of covenants, conditions, or restrictions relating to environmental protection recorded or filed in the Public Records.
2. Any future violation on the Land of any existing covenants, conditions, or restrictions occurring prior to the acquisition of title to the estate or interest in the Land by the Insured, provided the violation results in:
  - a. the invalidity, loss of priority, or unenforceability of the lien of the Insured Mortgage; or
  - b. the loss of Title if the Insured shall acquire Title in satisfaction of the Indebtedness secured by the Insured Mortgage.
3. Damage to existing improvements, including lawns, shrubbery, or trees:
  - a. that are located on or encroach upon that portion of the Land subject to any easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved;
  - b. resulting from the future exercise of any right to use the surface of the Land for the extraction or development of minerals excepted from the description of the Land or excepted in Schedule B.
4. Any final court order or judgment requiring the removal from any land adjoining the Land of any encroachment excepted in Schedule B.
5. Any final court order or judgment denying the right to maintain any existing improvements on the Land because of any violation of covenants, conditions, or restrictions, or building setback lines shown on a plat of subdivision recorded or filed in the Public Records.

Wherever in this endorsement the words "covenants, conditions, or restrictions" appear, they shall not be deemed to refer to or include the terms, covenants, conditions, or limitations contained in an instrument creating a lease.

As used in paragraphs 1.b.i. and 5, the words "covenants, conditions, or restrictions" do not include any covenants, conditions, or restrictions (a) relating to obligations of any type to perform maintenance, repair, or remediation on the Land, or (b) pertaining to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances, except to the extent that a notice of a violation or alleged violation affecting the Land has been recorded or filed in the Public Records at Date of Policy and is not excepted in Schedule B.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

American Land Title Association  
WY - ALTA 9-06 (Restrictions, Encroachments, Minerals)  
Adopted 6/17/06

*First American Title Insurance Company*

BY

*Curt S. Johnson*

PRESIDENT

ATTEST

*Marilyn H. Heng*

SECRETARY



**ENDORSEMENT**

**Attached to and forming a part of Policy No. 35385-M**

**Issued By**

***First American Title Insurance Company***

Date of Endorsement: September 5, 2008 at 3:40 P.M. MDT

Premium \$n/a

The Company insures against loss or damage sustained by the Insured by reason of the failure of a residential structure, known as 595 Long Drive, Sheridan, WY, to be located on the Land at Date of Policy.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

American Land Title Association  
WY - ALTA 22-06 (Location)  
Adopted 6/17/06

***First American Title Insurance Company***

BY

*Carl S. Johnson*

PRESIDENT

ATTEST

*Michelle H. Heng*

SECRETARY



## **WILCOX ABSTRACT AND TITLE**

307 W. Burkitt  
Sheridan, WY 82801

September 17, 2008

WFHM Final Docs  
X9999-01M  
1000 Blue Gentian Road  
Eagan, MN 55121

Dear Sir or Madam

Enclosed please find:

- Alta Loan Policy #35385-M
- Alta Owner Policy #35385-O
- Mortgage recorded in Book 716, Page 221
- Warranty Deed recorded in Book 499, Page 486

Feel free to call with any questions or concerns.

Sincerely,

Kelly Camino  
Wilcox Abstract



**SCHEDULE A**

1. Commitment Date: **July 14, 2008 at 05:00 PM**
2. Policy (or Policies) to be issued:
  - a. ALTA Own. Policy (10/17/92) Policy Description **\$266,000.00**  
Proposed Insured:  
**Michael W. Brown and Katrina M. Brown, husband and wife**
  - b. ALTA Loan Policy (10/17/92) Policy Description **\$255,750.00**  
Proposed Insured:  
**Wells Fargo Bank, N.A., its successors and assigns as their interests may appear**
3. Fee interest in the land described in this Commitment is owned, at the Commitment Date, by **John Allen Loveland and Jeanne Marie Wheeler-Loveland, husband and wife.**
4. The Land referred to in this Commitment is described as follows:

**Lot 15, Block 1, Fairway Acres Addition to the City of Sheridan. A subdivision in Sheridan County, Wyoming, as recorded in Book 2 of Plats, Page 41.**

**SCHEDULE B - I****REQUIREMENTS**

The following requirements must be met:

- a. Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- b. Pay us the premiums, fees and charges for the policy.
- c. You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the Land or who will make a loan on the Land. We may then make additional requirements or exceptions.
- d. Documents satisfactory to us creating the interest in the Land and/or the Mortgage to be insured must be signed, delivered and recorded.
  1. Release of the Mortgage: Mortgagor: John Allen Loveland and Jeanne Marie Wheeler-Loveland, husband and wife Mortgagee: C M A Mortgage Inc. (MERS) Amount: \$140,800.00 Recorded October 17, 2002 in Book 495, Page 758; Assignment of Mortgagee's Interest: Assignee: Fidelity Bank, Recorded: March 29, 2006 in Book 628, Page 91.
  2. Release of the Mortgage: Mortgagor: John Allen Loveland and Jeanne Marie Wheeler-Loveland, husband and wife Mortgagee: Bank of the West Amount: \$75,000.00 Recorded October 11, 2006 in Book 647, Page 653
  3. ✓ Warranty Deed from John Allen Loveland and Jeanne Marie Wheeler-Loveland, husband and wife to Michael W. Brown and Katrina M. Brown, husband and wife. NOTE: A Statement of 9/5 Consideration is required with each transfer of Title in the State of Wyoming.
  4. ✓ Mortgage executed by Michael W. Brown and Katrina M. Brown, husband and wife in favor of 9/5 Wells Fargo Bank, N.A., to secure an amount of \$255,750.00. Provide Title Company with Owner's Affidavit, Borrower's Affidavit, sufficient in Title Company's opinion to delete Exceptions 1, 2, 3, and 4 from Loan Policy when issued and to attach Endorsements WY-ALTA 8.1-06, WY-ALTA 9-06, and WY-ALTA 22-06.

## **SCHEDULE B - II**

### **EXCEPTIONS FROM COVERAGE**

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

1. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or by making inquiry of the persons in possession of the Land.
2. Easements, claims of easements or encumbrances that are not shown in the Public Records.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the Land, and that are not shown in the Public Records.
4. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown in the Public Records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Ownership or title to any mineral interest, and the effect on the surface of the exercise of the mineral rights.
7. The lien of real estate taxes or assessments imposed on the Title by a governmental authority that are not shown as existing liens in the records of the County Treasurer or in the Public Records.
8. Taxes for the year 2007 appear to be in the amount of \$ 1,943.66, Parcel No. 8933 , according to the County Treasurer. The first installment is due September 1, and payable on or before November 10. The second installment is due March 1 of the following year, and payable on or before May 10. The first installment is \$ 971.83, and PAID. The second installment is \$ 971.83, and PAID.
9. Easement(s), including the terms and conditions thereof, as shown on the subdivision plat, recorded: November 4, 1971 in Book 2 of Plats, Page 41.
10. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes, recorded August 30, 1967 in Book 160, Page 39.
11. Easement, including terms and conditions contained therein: Granted to: Montana Dakota Utilities co. For: Electric transmission line Recorded: November 10, 1958 Recording Information: Book 119, Page 405.

## **ALTA Plain Language Commitment Form**

### **INFORMATION**

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Policy contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or you as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.alta.org/>.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

**THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT. YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.**

Reference: **John Allen Loveland/Michael W. Brown**  
**595 Long Drive, Sheridan**

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### **YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.**

If you have any questions about the Commitment, contact:

Wilcox Abstract and Title

307 West Burkitt, Sheridan, WY 82801

Phone: (307)672-0768 Fax: (307)672-8838



## TITLE INSURANCE COMMITMENT

BY

***First American Title Insurance Company***

## AGREEMENT TO ISSUE POLICY

We agree to issue a policy to you according to the terms of the Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within ninety (90) days after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-I.

The Exceptions in Schedule B-II.

The Conditions on Page 3.

This Commitment is not valid without SCHEDULE A and Sections I and II of SCHEDULE B.

***First American Title Insurance Company***

BY



PRESIDENT

ATTEST



SECRETARY



Issued by: Wilcox Abstract and Title  
Address: 307 West Burkitt, Sheridan, WY 82801

## CONDITIONS

### 1. DEFINITIONS

(a) "Mortgage" means mortgage, deed of trust or other security instrument. (b) "Public Records" means title records that give constructive notice of matters affecting your title according to the state statutes where your Land is located.

### 2. LATER DEFECTS

The Exceptions in Schedule B - Section II may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attach between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B - Section I are met. We shall have no liability to you because of this amendment.

### 3. EXISTING DEFECTS

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

### 4. LIMITATION OF OUR LIABILITY

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

Comply with the Requirements shown in Schedule B - Section I

or

Eliminate with our written consent any Exceptions shown in Schedule B - Section II.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

### 5. CLAIMS MUST BE BASED ON THIS COMMITMENT

Any claim, whether or not based on negligence, which you may have against us concerning the title to the Land must be based on this Commitment and is subject to its terms.

FROM: BRENDA BADGETT  
WILCOX TITLE AGENCY, INC.  
307 W. BURKITT  
SHERIDAN, WYOMING 82801

PHONE 307-672-0768  
FAX 307-672-8838

FILE # 27496

TO: C M A MORTGAGE, INC.  
212 JH WALKER DR.  
P.O. BOX 344  
PENDLETON, IN 46064

DATE: December 5, 2002

SUBJECT: PLEASE FIND ENCLOSED

- .....
1. ALTA LOAN POLICY #14950-M
  2. MORTGAGE RECORDED IN BOOK 495, PAGE 758

Form of Policy: ALTA LOAN - WYO

Policy No. 3-14950-M

Amount \$140,800.00

Charges \$406.80

### SCHEDULE A

Effective Date: October 17, 2002 3:15 P.M. MDT

#### NAME OF INSURED

C M A Mortgage, Inc.

1. The estate or interest in the land which is encumbered by the insured mortgage is:

#### FEE

2. Title to the estate or interest in the land is vested in:

John Allen Loveland and Jeanne Marie Wheeler-Loveland  
husband and wife

3. The mortgage and assignments, if any, covered by this policy are described as follows:

A Mortgage to secure an indebtedness in the original principal sum of \$140,800.00  
recorded October 17, 2002, in Book 495 at page 758


Dated: October 11, 2002

Mortgagor: Jeanne Marie Wheeler-Loveland and John Loveland, Husband and Wife,  
Joint Tenants w/Right of Survivorship

Mortgagee: C M A Mortgage, Inc.

4. The land referred to in this policy is described as set forth in the above mortgage and is identified as follows:

Lot 15, Block 1, Fairway Acres Addition to the City of Sheridan, a subdivision in  
Sheridan County, Wyoming, as recorded in Book 2 of Plats, Page 41.

  
Issuing Agent

**SCHEDULE B**

This Policy does not insure against loss or damage (and the company will not pay costs, attorney's fees or expenses) by reason of the following:

1. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in acts authorizing the issuance thereof; (c) water rights, claims, or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
2. Ownership or title to any mineral interest and the effect on the surface of the exercise of the mineral right.
3. Taxes and assessments which are not shown by the records of the County Treasurer.

**TAXES FOR THE YEAR 2002 AND SUBSEQUENT YEARS.**

4. Covenants, conditions and restrictions, as contained in Instrument recorded August 30, 1967 in Book 160, Page 39, Records of Sheridan County, Wyoming, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent the such covenants, conditions or restriction violate 32 USC 3604(c).
5. Easement as granted to Montana-Dakota Utilities Co. for an electric transmission line and incidental purposes as contained in instrument recorded November 10, 1958 in Book 119 of Deeds, Page 405.
6. Easement for utilities and incidental purposes as set out on Plat recorded November 4, 1971 in Book 2 of Plats, Page 41.

Form No. 1056 (6/87)WY  
ALTA Loan Policy  
[3/92]

Policy No. 3-14950-M

## **SCHEDULE B**

### **Part II**

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule A is subject to the following matters, if any be shown, but the Company insures that such matters are subordinate to the lien or charge of the insured mortgage upon said estate or interest:

NONE

# FIRST AMERICAN TITLE INSURANCE COMPANY

## ENDORSEMENT

Premium \$ n/c

Attached to and forming a part of Policy No. 3-14950-M

Date of Endorsement: October 17, 2002 3:15 P.M. MDT

The insurance afforded by this endorsement is only effective if the land is used or is to be used primarily for residential purposes.

The Company insures the Insured against loss or damage sustained by reason of lack of priority of the lien of the insured mortgage over:

- (a) any environmental protection lien which, at Date of Policy, is recorded in those records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or filed in the records of the Clerk of the United States District Court for the district in which the land is located, except as set forth in Schedule B; or
- (b) any environmental protection lien provided for by any state statute in effect at Date of Policy, except environmental protection liens provided for by the following state statutes: NONE

The total liability of the Company under said policy and any endorsements therein shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the Conditions and Stipulations thereof to pay.

This Endorsement is made a part of said policy and is subject to the Schedules, Conditions, and Stipulations therein, except as modified by the provisions hereof.

This Endorsement is not to be construed as insuring the title to said estate or interest as of any later date than the date of said policy, except as herein expressly provided as to the subject matter thereof.

Wilcox Abstract & Title  
307 West Burkitt  
Sheridan, WY 82801

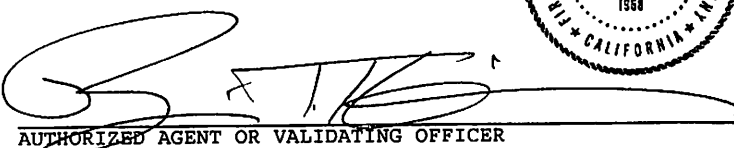


*First American Title Insurance Company*

BY *Parker S. Kennedy* PRESIDENT

ATTEST *William C. Ziegler Jr.* SECRETARY

By

  
AUTHORIZED AGENT OR VALIDATING OFFICER

ALTA 8.1  
[3/3/92]

# FIRST AMERICAN TITLE INSURANCE COMPANY

## ENDORSEMENT

Premium \$ n/c

Attached to and forming a part of Policy No. 3-14950-M

Date of Endorsement: October 17, 2002 3:15 P.M. MDT

The Company assures the Insured that at the date of this Policy there is located on said land

A Residential Structure

known as 595 Long Drive, Sheridan, Wyoming 82801

and that the map attached to this policy shows the correct location and dimensions of said land according to those records which under the recording laws impart constructive notice as to said land.

The Company hereby insures the Insured against loss which said Insured shall sustain in the event that the assurance herein shall prove to be incorrect.

The total liability of the Company under said policy and any endorsements therein shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the Conditions and Stipulations thereof to pay.

This Endorsement is made a part of said policy and is subject to the Schedules, Conditions, and Stipulations therein, except as modified by the provisions hereof.

This Endorsement is not to be construed as insuring the title to said estate or interest as of any later date than the date of said policy, except as herein expressly provided as to the subject matter thereof.

Wilcox Abstract & Title  
307 West Burkitt  
Sheridan, WY 82801



*First American Title Insurance Company*

BY

*Parker S. Kennedy*

PRESIDENT

ATTEST

*William C. Ziegler*

SECRETARY

By

*[Signature]*  
AUTHORIZED AGENT OR VALIDATING OFFICER

WY 116  
[3/3/92]



**FIRST AMERICAN TITLE INSURANCE COMPANY**

**ENDORSEMENT**

Premium \$ n/c

Attached to and forming a part of Policy No. 3-14950-M

Date of Endorsement: October 17, 2002 3:15 P.M. MDT

The Company hereby insures against loss which said insured shall sustain by reason of any of the following matters:

1. Any incorrectness in the assurance which the Company hereby gives:
  - (a) That there are no covenants, conditions, or restrictions under which the lien of the mortgage referred to in Schedule A can be cut off, subordinated, or otherwise impaired;
  - (b) That there are no present violations on said land of any enforceable covenants, conditions, or restrictions;
  - (c) That, except as shown in Schedule B, there are no encroachments of buildings, structures, or improvements located on said land onto adjoining lands, nor any encroachments onto said land of buildings, structures, or improvements located on adjoining lands.
2.
  - (a) Any future violations on said land of any covenants, conditions, or restrictions occurring prior to acquisition of title to said estate or interest by the Insured, proved such violations result in loss or impairment of the lien of the mortgage referred to in Schedule A, or result in loss or impairment of the title to said estate or interest if the Insured shall acquire such title in satisfaction of the indebtedness secured by such mortgage;
  - (b) Unmarketability of the title to said estate or interest by reason of any violations on said land, occurring prior to acquisition of title to said estate or interest by the Insured, of any covenants, conditions, or restrictions.
3. Damage to existing improvements, including lawns, shrubbery or trees
  - (a) which are located or encroach upon that portion of the land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain such easement for the purposes for which the same was granted or reserved.
  - (b) resulting from the exercise of any right to use the surface of said land for the extraction or development of the minerals excepted from the description of said land or excepted in Schedule B.
4. Any final court order or judgment requiring removal from any land adjoining said land of any encroachment shown in Schedule B.

Wherever in the endorsement any of all of the words "covenants, conditions, or restrictions" appear, they shall not be deemed to refer to or include the terms, covenants and conditions contained in any lease referred to in Schedule A.

No coverage is provided under this endorsement as to any covenant, condition, restriction or other provision relating to environmental protection.

The total liability of the Company under said policy and any endorsements therein shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the Conditions and Stipulations thereof to pay.

This Endorsement is made a part of said policy and is subject to the Schedules, Conditions, and Stipulations therein, except as modified by the provisions hereof.

This Endorsement is not to be construed as insuring the title to said estate or interest as of any later date than the date of said policy, except as herein expressly provided as to the subject matter thereof.

Wilcox Abstract & Title  
307 West Burkitt  
Sheridan, WY 82801



*First American Title Insurance Company*

BY *Parker S. Kennedy* PRESIDENT  
ATTEST *William C. Ziegler Jr.* SECRETARY

By

*[Signature]*  
AUTHORIZED AGENT OR VALIDATING OFFICER

## ENDORSEMENT

Premium \$na

Attached to and forming a part of Commitment No. 3-27496

Date of Endorsement: October 17, 2002 3:15 P.M. MDT

Said Commitment is hereby amended by deleting Paragraph 2 of the Conditions.

The Company hereby insures against loss or damage by reason of there being recorded any deeds, mortgages, lis pendens, liens or other title encumbrances which first appear in the public records subsequent to the effective date of the Commitment, but prior to the effective date of the Policy. "Public records" as used herein means those records in which, under State statutes, deeds, mortgages, judgments liens or lis pendens must be recorded in order to impart constructive notice to purchasers of the land for value without knowledge.

This endorsement does not insure against such loss or damage if the existence of such deeds, mortgages, lis pendens, liens or other title encumbrances is actually known to the proposed insured prior to or at the time of the closing. The closing is defined herein as being the time of the execution and delivery to the proposed insured of the documents creating the interest of the proposed insured.

Protection under this endorsement is conditioned by the following requirements:

- a. Properly executed instruments creating the estate or interest to be insured must be delivered to the agent issuing the Commitment within 24 hours of the closing.
- b. OWNER'S AFFIDAVIT attached to the commitment or hereto must be fully executed by the party or entity described in Paragraph 3 of Schedule A and delivered to the issuing agent.

This endorsement is made a part of the Commitment and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Commitment and prior endorsements, if any, nor does it extend the effective date of the Commitment and prior endorsements or increase the face amount thereof.

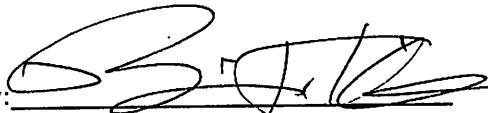
Wilcox Abstract & Title  
307 West Burkitt  
Sheridan, WY 82801



*First American Title Insurance Company*

BY *Parker S. Kennedy* PRESIDENT

ATTEST *William C. Ziegler Jr* SECRETARY

By:   
Authorized Signatory

Form No. 1056.92  
(10/17/92)  
ALTA Loan Policy  
Form 1



# POLICY OF TITLE INSURANCE

## WILCOX ABSTRACT & TITLE

307 WEST BURKITT  
SHERIDAN, WY 82801  
(307) 672-0768  
EST. 1912

ISSUED BY

## *First American Title Insurance Company*

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Lack of priority of the lien of the insured mortgage over any statutory lien for services, labor or material:
  - (a) arising from an improvement or work related to the land which is contracted for or commenced prior to Date of Policy; or
  - (b) arising from an improvement or work related to the land which is contracted for or commenced subsequent to Date of Policy and which is financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance;
8. Any assessments for street improvements under construction or completed at Date of Policy which now have gained or hereafter may gain priority over the insured mortgage; or
9. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

## *First American Title Insurance Company*

BY

*Gary L. Keruett*

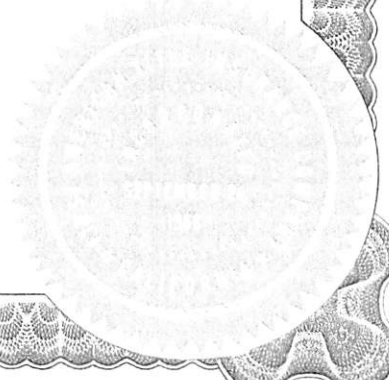
PRESIDENT

ATTEST

*Mark A. Arsen*

SECRETARY

CW 5424436



Form of Policy: ALTA LOAN - WYO

Policy No. 3-12066-M

Amount \$108,000.00

Charges \$296.50

## SCHEDULE A

Effective Date: January 11, 1999 2:05 PM MST

### NAME OF INSURED

Norwest Mortgage, Inc.

1. The estate or interest in the land which is encumbered by the insured mortgage is:

### FEE

2. Title to the estate or interest in the land is vested in:

John Allen Loveland and Jeanne Marie Wheeler-Loveland  
husband and wife

3. The mortgage and assignments, if any, covered by this policy are described as follows:

A Mortgage to secure an indebtedness in the original principal sum of \$108,000.00 recorded January 11, 1999, in Book 401 at page 69

Dated: January 6, 1999

Mortgagor: John A. Loveland and Jeanne M. Wheeler Loveland, husband and wife

Mortgagee: Norwest Mortgage, Inc.

4. The land referred to in this policy is described as set forth in the above mortgage and is identified as follows:

Lot 15, Block 1, Fairway Acres Addition to the City of Sheridan, a subdivision in Sheridan County, Wyoming, as recorded in Book 2 of Plats, Page 41.

---

Issuing Agent

**SCHEDULE B**

This Policy does not insure against loss or damage (and the company will not pay costs, attorney's fees or expenses) by reason of the following:

1. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in acts authorizing the issuance thereof; (c) water rights, claims, or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
2. Ownership or title to any mineral interest and the effect on the surface of the exercise of the mineral right.
3. Taxes and assessments which are not shown by the records of the County Treasurer.

**TAXES FOR THE YEAR 1999 AND SUBSEQUENT YEARS.**

4. Covenants, conditions and restrictions, as contained in Instrument recorded August 30, 1967 in Book 160, Page 39, Records of Sheridan County, Wyoming, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent the such covenants, conditions or restriction violate 32 USC 3604(c).
5. Easement as granted to Montana-Dakota Utilities Co. for an electric transmission line and incidental purposes as contained in instrument recorded November 10, 1958 in Book 119 of Deeds, Page 405.
6. Easement for utilities and incidental purposes as set out on Plat recorded November 4, 1971 in Book 2 of Plats, Page 41.

**SCHEDULE B**

**Part II**

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule A is subject to the following matters, if any be shown, but the Company insures that such matters are subordinate to the lien or charge of the insured mortgage upon said estate or interest:

NONE



# POLICY OF TITLE INSURANCE



ISSUED BY

## *First American Title Insurance Company*

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Lack of priority of the lien of the insured mortgage over any statutory lien for services, labor or material:
  - (a) arising from an improvement or work related to the land which is contracted for or commenced prior to Date of Policy; or
  - (b) arising from an improvement or work related to the land which is contracted for or commenced subsequent to Date of Policy and which is financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance;
8. Any assessments for street improvements under construction or completed at Date of Policy which now have gained or hereafter may gain priority over the insured mortgage; or
9. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

*First American Title Insurance Company*

BY *Parker S. Kennedy* PRESIDENT

ATTEST *Mark L. Anderson* SECRETARY

CW 2916153

# FIRST AMERICAN TITLE INSURANCE COMPANY

## ENDORSEMENT

Premium \$ n/c

Attached to and forming a part of Policy No. 3-12066-M

Date of Endorsement: January 11, 1999 2:05 PM MST

The insurance afforded by this endorsement is only effective if the land is used or is to be used primarily for residential purposes.

The Company insures the Insured against loss or damage sustained by reason of lack of priority of the lien of the insured mortgage over:

- (a) any environmental protection lien which, at Date of Policy, is recorded in those records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or filed in the records of the Clerk of the United States District Court for the district in which the land is located, except as set forth in Schedule B; or
- (b) any environmental protection lien provided for by any state statute in effect at Date of Policy, except environmental protection liens provided for by the following state statutes: NONE

The total liability of the Company under said policy and any endorsements therein shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the Conditions and Stipulations thereof to pay.

This Endorsement is made a part of said policy and is subject to the Schedules, Conditions, and Stipulations therein, except as modified by the provisions hereof.

This Endorsement is not to be construed as insuring the title to said estate or interest as of any later date than the date of said policy, except as herein expressly provided as to the subject matter thereof.

Wilcox Abstract & Title  
307 West Burkitt  
Sheridan, WY 82801



*First American Title Insurance Company*

BY *Parker S. Kennedy* PRESIDENT

ATTEST *William C. Ziegler Jr.* SECRETARY

By

\_\_\_\_\_  
AUTHORIZED AGENT OR VALIDATING OFFICER

ALTA 8.1  
[3/3/92]



# FIRST AMERICAN TITLE INSURANCE COMPANY

## ENDORSEMENT

Premium \$ n/c

Attached to and forming a part of Policy No. 3-12066-M

Date of Endorsement: January 11, 1999 2:05 PM MST

The Company assures the Insured that at the date of this Policy there is located on said land

A Residential Structure

known as 595 Long Drive, Sheridan, Wyoming 82801

and that the map attached to this policy shows the correct location and dimensions of said land according to those records which under the recording laws impart constructive notice as to said land.

The Company hereby insures the Insured against loss which said Insured shall sustain in the event that the assurance herein shall prove to be incorrect.

The total liability of the Company under said policy and any endorsements therein shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the Conditions and Stipulations thereof to pay.

This Endorsement is made a part of said policy and is subject to the Schedules, Conditions, and Stipulations therein, except as modified by the provisions hereof.

This Endorsement is not to be construed as insuring the title to said estate or interest as of any later date than the date of said policy, except as herein expressly provided as to the subject matter thereof.

Wilcox Abstract & Title  
307 West Burkitt  
Sheridan, WY 82801



*First American Title Insurance Company*

BY *Parker S. Kennedy* PRESIDENT

ATTEST *William C. Ziegler Jr.* SECRETARY

By

\_\_\_\_\_  
AUTHORIZED AGENT OR VALIDATING OFFICER

WY 116  
[3/3/92]

# FIRST AMERICAN TITLE INSURANCE COMPANY

## ENDORSEMENT

Premium \$ n/c

Attached to and forming a part of Policy No. 3-12066-M

Date of Endorsement: January 11, 1999 2:05 PM MST

The Company hereby insures against loss which said insured shall sustain by reason of any of the following matters:

1. Any incorrectness in the assurance which the Company hereby gives:
  - (a) That there are no covenants, conditions, or restrictions under which the lien of the mortgage referred to in Schedule A can be cut off, subordinated, or otherwise impaired;
  - (b) That there are no present violations on said land of any enforceable covenants, conditions, or restrictions;
  - (c) That, except as shown in Schedule B, there are no encroachments of buildings, structures, or improvements located on said land onto adjoining lands, nor any encroachments onto said land of buildings, structures, or improvements located on adjoining lands.
2.
  - (a) Any future violations on said land of any covenants, conditions, or restrictions occurring prior to acquisition of title to said estate or interest by the Insured, proved such violations result in loss or impairment of the lien of the mortgage referred to in Schedule A, or result in loss or impairment of the title to said estate or interest if the Insured shall acquire such title in satisfaction of the indebtedness secured by such mortgage;
  - (b) Unmarketability of the title to said estate or interest by reason of any violations on said land, occurring prior to acquisition of title to said estate or interest by the Insured, of any covenants, conditions, or restrictions.
3. Damage to existing improvements, including lawns, shrubbery or trees
  - (a) which are located or encroach upon that portion of the land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain such easement for the purposes for which the same was granted or reserved.
  - (b) resulting from the exercise of any right to use the surface of said land for the extraction or development of the minerals excepted from the description of said land or excepted in Schedule B.
4. Any final court order or judgment requiring removal from any land adjoining said land of any encroachment shown in Schedule B.

Wherever in the endorsement any of all of the words "covenants, conditions, or restrictions" appear, they shall not be deemed to refer to or include the terms, covenants and conditions contained in any lease referred to in Schedule A.

No coverage is provided under this endorsement as to any covenant, condition, restriction or other provision relating to environmental protection.

The total liability of the Company under said policy and any endorsements therein shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the Conditions and Stipulations thereof to pay.

This Endorsement is made a part of said policy and is subject to the Schedules, Conditions, and Stipulations therein, except as modified by the provisions hereof.

This Endorsement is not to be construed as insuring the title to said estate or interest as of any later date than the date of said policy, except as herein expressly provided as to the subject matter thereof.

Wilcox Abstract & Title  
307 West Burkitt  
Sheridan, WY 82801



**First American Title Insurance Company**

BY *Parker S. Kennedy* PRESIDENT

ATTEST *William C. Zappala Jr.* SECRETARY

By

\_\_\_\_\_  
AUTHORIZED AGENT OR VALIDATING OFFICER

# *The Title Guaranty Company of Wyoming, Inc.*

CASPER, WYOMING  
TITLE INSURANCE POLICY

Form of Policy: ALTA Owners Policy - Wyo

Policy No. 3-4146-0

Amount \$ 85,000.00

## SCHEDULE A

Effective Date JULY 29, 1983 AT 5:00 P.M.

Charges \$ 236.00

### NAME OF INSURED

JAMES D. SANDVIG AND JENNIFER J. SANDVIG

1. The estate or interest in the land described or referred to in this schedule covered by this policy is:

FEE

2. Title to the estate or interest covered by this policy at the date hereof is vested in the insured.

3. The land referred to in this policy is described as follows:

LOT 15, BLOCK 1, FAIRWAY ACRES ADDITION  
TO THE CITY OF SHERIDAN, SHERIDAN  
COUNTY, WYOMING

**SCHEDULE B**

This Policy does not insure against loss or damage by reason of the following:

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor, or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Unpatented mining claims; reservations or exceptions in patents or in acts authorizing the issuance thereof; water rights, claims or title to water.
6. Ownership or title to any mineral interest and the effect on the surface of the exercise of the mineral right.
7. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Taxes for the year 1983 and subsequent years.

8. Covenants, conditions and restrictions as set forth in instrument recorded August 30, 1967 in Book 160 of Deeds, Page 39, but deleting restrictions, if any, based on race, color, religion or national origin.
9. Right of way easement as granted to Montana-Dakota Utilities Co. for an electric transmission line and incidental purposes as contained in instrument recorded November 10, 1958 in Book 119 of Deeds, Page 405.
10. Utility easements as set forth and shown on Plat recorded November 4, 1971 in Book 2 of Plats, Page 41.
11. A Mortgage entitled to secure an indebtedness in the original principal sum of \$45,000.00 and any other amounts and/or obligations secured thereby recorded July 29, 1983 in Book 214 of Mortgages, Page 591.  
Dated: July 29, 1983  
Mortgagor: James D. Sandvig and Jennifer J. Sandvig, husband and wife  
Mortgagee: First Federal Savings and Loan Association, Sheridan, Wyoming  
Said Mortgage assigned to Utah Mortgage Loan Corporation as recorded July 29, 1983 in Book 214 of Mortgages, Page 594.

# The Title Guaranty Company of Wyoming, Inc.

CASPER, WYOMING

## INDORSEMENT

This additional coverage is provided at no additional charge.

Attached to and forming a part of Policy No. 3-4146-0

The Company, recognizing the current effect of inflation on real property valuation and intending to provide additional monetary protection to the Insured Owner named in said Policy, hereby modifies said Policy, as follows:

1. Notwithstanding anything contained in said Policy to the contrary, the amount of insurance provided by said Policy, as stated in Schedule A thereof, is subject to cumulative annual upward adjustments in the manner and to the extent hereinafter specified.
2. "Adjustment Date" is defined, for the purpose of this Indorsement, to be 12:01 a.m. on the first January 1 which occurs more than six months after the Date of Policy, as shown in Schedule A of the Policy to which this Indorsement is attached, and on each succeeding January 1.
3. An upward adjustment will be made on each of the Adjustment Dates, as defined above, by increasing the maximum amount of insurance provided by said Policy (as said amount may have been increased theretofore under the terms of this Indorsement) by the same percentage, if any, by which the United States Department of Commerce Composite Construction Cost Index for the month of September immediately preceding exceeds such Index for the month of September one year earlier; provided, however, that the maximum amount of insurance in force shall never exceed 150% of the amount of insurance stated in Schedule A of said Policy, less the amount of any claim paid under said Policy which, under the terms of the Conditions and Stipulations, reduces the amount of insurance in force. There shall be no annual adjustment in the amount of insurance for years in which there is no increase in said Construction Cost Index.
4. In the settlement of any claim against the Company under said Policy, the amount of insurance in force shall be deemed to be the amount which is in force as of the date on which the insured claimant first learned of the assertion or possible assertion of such claim, or as of the date of receipt by the Company of the first notice of such claim, whichever shall first occur.

Nothing herein contained shall be construed as extending or changing the effective date of said Policy.

This indorsement is made a part of said Policy and is subject to the schedules, conditions and stipulations therein, except as modified by the provisions hereof.

WILCOX ABSTRACT COMPANY  
P.O. BOX 6004  
SHERIDAN, WYOMING 82801

THE TITLE GUARANTY COMPANY OF WYOMING, INC.



*Ray. Hill Jr.*

PRESIDENT

Attest:

*Robert M. Hill*

ASSISTANT SECRETARY

By \_\_\_\_\_  
AUTHORIZED AGENT OR VALIDATING OFFICER

NOTE: In connection with a future application for title insurance covering said land, reissue credit on premium charges (if applicable at all) will be allowed only upon the original face amount of insurance as stated in Schedule A of said Policy.

# *The Title Guaranty Company of Wyoming, Inc.*

CASPER, WYOMING  
MORTGAGEE'S TITLE INSURANCE POLICY

Form of Policy: ALTA Loan Policy - Wyo

Policy No. 3-4146-M

Amount \$ 45,000.00

## SCHEDULE A

Charges \$ 236.00

Effective Date JULY 29, 1983 AT 5:00 P.M.

## NAME OF INSURED

UTAH MORTGAGE LOAN CORPORATION  
AND/OR ITS ASSIGNS

1. The title to the FEE estate in said land is at the date hereof vested in:

JAMES D. SANDVIG AND JENNIFER J. SANDVIG, husband and wife

2. The mortgage and assignments, if any, covered by this policy are described as follows:

A Mortgage to secure an indebtedness in the original principal sum of \$45,000.00 recorded July 29, 1983 in Book 214 of Mortgages, Page 591, Records of Sheridan County, Wyoming.  
Dated: July 29, 1983

Mortgagor: James D. Sandvig and Jennifer J. Sandvig, husband and wife  
Mortgagee: First Federal Savings and Loan Association, Sheridan, Wyoming  
Said Mortgage assigned to Utah Mortgage Loan Corporation as recorded July 29, 1983 in Book 214 of Mortgages, Page 594.

3. The land referred to in this policy is described as set forth in the above mortgage and is identified as follows:

LOT 15, BLOCK 1, FAIRWAY ACRES ADDITION  
TO THE CITY OF SHERIDAN, SHERIDAN COUNTY,  
WYOMING

**SCHEDULE B**

This Policy does not insure against loss or damage by reason of the following:

1. Subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes and rights to ditches and reservoirs used in connection with such water rights as may be provided by the local customs, laws and decisions of courts, and also subject to the right of a proprietor or a vein or lode to extract and remove his ore therefrom, should the same be found to penetrate or intersect the premises hereby granted as provided by law.
2. Ownership or title to any mineral interest and the effect on the surface of the exercise of the mineral right.
3. Taxes for the year 1983 and subsequent years.  
Taxes for the year 1983 are not yet due or payable.
4. Covenants, conditions and restrictions as set forth in instrument recorded August 30, 1967 in Book 160 of Deeds, Page 39, but deleting restrictions, if any, based on race, color, religion or national origin.
5. Right of way easement as granted to Montana-Dakota Utilities Co. for an electric transmission line and incidental purposes as contained in instrument recorded November 10, 1958 in Book 119 of Deeds, Page 405.
6. Utility easements as set forth and shown on Plat recorded November 4, 1971 in Book 2 of Plats, Page 41.

#3-4146-M

## **SCHEDULE B**

### **Part II**

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule C is subject to the following matters, if any be shown, but the Company insures that such matters are subordinate to the lien or charge of the insured mortgage upon said estate or interest:

NONE

SEE TG100 AND TG116 INDORSEMENTS

ATTACHED HERETO AND MADE A PART HEREOF



# The Title Guaranty Company of Wyoming, Inc.

CASPER, WYOMING

## INDORSEMENT

Risk Rate Premium \$ NONE

Attached to and forming a part of Policy No. 3-4146-M

Effective Date JULY 29, 1983 AT 5:00 P.M.

Paragraph No. 5 of the Provisions of the Conditions and Stipulations on the front cover of said policy is hereby amended to read:

5. the invalidity or unenforceability of the lien of the insured mortgage upon said estate or interest except to the extent that such invalidity or unenforceability, or claim thereof, arises out of the transaction evidenced by the insured mortgage and is based upon
  - a. usury, or
  - b. any consumer credit protection or truth in lending law;

Nothing herein contained shall be construed as extending or changing the effective date of the aforesaid policy, binder or commitment unless otherwise expressly stated.

The total liability of the Company under said policy and any indorsements therein shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the conditions and stipulations thereof to pay.

This indorsement is made a part of said policy and is subject to the schedules, conditions and stipulations therein, except as modified by the provisions hereof.

THE TITLE GUARANTY COMPANY OF WYOMING, INC.

WILCOX ABSTRACT COMPANY  
P.O. BOX 6004  
SHERIDAN, WYOMING 82801



*Roy. H. Hill Jr.*

PRESIDENT

Attest:

*Robert M. Hill*

ASSISTANT SECRETARY

By \_\_\_\_\_  
AUTHORIZED AGENT OR VALIDATING OFFICER

# The Title Guaranty Company of Wyoming, Inc.

CASPER, WYOMING

## INDORSEMENT

This additional coverage is provided at no additional charge.

Premium \$ NONE

Attached to and forming a part of Policy No. 3-4146-M

Effective Date JULY 29, 1983 AT 5:00 P.M.

The Company hereby insures against loss which said Insured shall sustain by reason of any of the following matters:

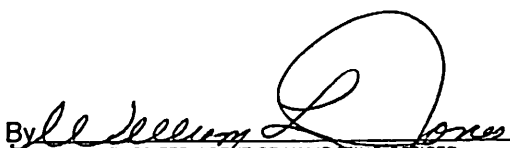
1. Any incorrectness in the assurance which the Company hereby gives:
  - (a) That there are no covenants, conditions, or restrictions under which the lien of the mortgage referred to in Schedule A can be cut off, subordinated, or otherwise impaired;
  - (b) That there are no present violations on said land of any enforceable covenants, conditions, or restrictions;
  - (c) That, except as shown in Schedule B, there are no encroachments of buildings, structures, or improvements located on said land onto adjoining lands, nor any encroachments onto said land of buildings, structures, or improvements located on adjoining lands.
2. (a) Any future violations on said land of any covenants, conditions, or restrictions occurring prior to acquisition of title to said estate or interest by the Insured, provided such violations result in loss or impairment of the lien of the mortgage referred to in Schedule A, or result in loss or impairment of the title to said estate or interest if the Insured shall acquire such title in satisfaction of the indebtedness secured by such mortgage;
- (b) Unmarketability of the title to said estate or interest by reason of any violations on said land, occurring prior to acquisition of title to said estate or interest by the Insured, of any covenants, conditions, or restrictions.
3. Damage to existing improvements, including lawns, shrubbery or trees
  - (a) which are located or encroach upon that portion of the land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain such easement for the purposes for which the same was granted or reserved;
  - (b) resulting from the exercise of any right to use the surface of said land for the extraction or development of the minerals excepted from the description of said land or shown as a reservation in Schedule B.
4. Any final court order or judgment requiring removal from any land adjoining said land of any encroachment shown in Schedule B.

Wherever in this indorsement any or all of the words "covenants, condition or restrictions" appear they shall not be deemed to refer to or include the terms covenants and conditions contained in any lease referred to in Schedule A. The total liability of the Company under said policy and any indorsements therein shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the conditions and stipulation thereof to pay.


This indorsement is made a part of said policy and is subject to the schedules, conditions and stipulations therein, except as modified by the provisions hereof.

THE TITLE GUARANTY COMPANY OF WYOMING, INC.

WILCOX ABSTRACT COMPANY  
P.O. BOX 6004  
SHERIDAN, WYOMING 82801

By   
AUTHORIZED AGENT OR VALIDATING OFFICER



  
PRESIDENT

Attest:

  
ASSISTANT SECRETARY

# The Title Guaranty Company of Wyoming, Inc.

CASPER, WYOMING

## INDORSEMENT

Risk Rate Premium \$ NONE

Attached to and forming a part of Policy No. 3-4146-M

Effective Date JULY 29, 1983 AT 5:00 P.M.

The Company assures the Insured that at the date of this Policy there is located on said land A Single Family Dwelling

known as 595 Long Drive

Lot 15, Block 1, Fairway Acres Addition  
to the City of Sheridan, Sheridan  
County, Wyoming

and that the map attached to this policy shows the correct location and dimensions of said land according to those records which under the recording laws impart constructive notice as to said land.

The Company hereby insures the Insured against loss which said Insured shall sustain in the event that the assurance herein shall prove to be incorrect.

The total liability of the Company under said policy and any indorsements therein shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the conditions and stipulations thereof to pay.

This indorsement is made a part of said policy and is subject to the schedules, conditions and stipulations therein, except as modified by the provisions hereof.

THE TITLE GUARANTY COMPANY OF WYOMING, INC.

WILCOX ABSTRACT COMPANY  
P.O. BOX 6004  
SHERIDAN, WYOMING 82801



*Ray P. Hill Jr.*

PRESIDENT

Attest:

*Robert M. Hill*

ASSISTANT SECRETARY

By \_\_\_\_\_  
AUTHORIZED AGENT OR VALIDATING OFFICER

## SCHEDULE A

1. Commitment Date: July 11, 1983Commitment No. 3-5288

2. Policies To Be Issued, Amount:

(A) Owners: \$ 85,000.00

Proposed Insured:

JAMES D. SANDVIG AND JENNIFER  
J. SANDVIG

	CHARGES	TOTAL
Basic Rate	\$ 368.75	\$
Credit	132.75	
Ind.		
Ind.		
Ind.		

(B) Mortgagee: \$ 45,000.00

Proposed Insured:

FIRST FEDERAL SAVINGS & LOAN  
ASSOCIATION, SHERIDAN, WYOMING,  
(C) SUCCESSORS AND/OR ASSIGNS

Proposed Insured:

TOTAL \$ 236.003. FEE interest in the land described in this Commitment is owned, at the Commitment Date, byRICHARD L. MUSGRAVE AND LINDA J. MUSGRAVE,  
husband and wife

4. The land referred to in this Commitment is described as follows:

LOT 15, BLOCK 1, FAIRWAY ACRES ADDITION  
TO THE CITY OF SHERIDAN, SHERIDAN COUNTY,  
WYOMING

3-5288-03

SCHEDULE B — SECTION I  
REQUIREMENTS

The following requirements must be met:

- (a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (b) Pay us the premiums, fees and charges for the policy.
- (c) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
- (d) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded:

- ✓ 1. Release of Mortgage executed by Richard L. Musgrave and Linda J. Musgrave, husband and wife, in favor of First Federal Savings and Loan Association, Sheridan, Wyo., dated November 5, 1975, recorded in the amount of \$40,000.00 on November 5, 1975 in Book 147 of Mortgages, Page 555.
- ✓ 2. Conveyance of subject property from Richard L. Musgrave (and spouse, if any) and Linda J. Musgrave (and spouse, if any), formerly husband and wife, to James D. Sandvig and Jennifer J. Sandvig, husband and wife.
- ? 3. <sup>NOT FILED</sup> Recorded Certified Copy of Decree of Divorce by and between Linda Jean Musgrave, Plaintiff, vs Richard Lee Musgrave, Defendant, Civil Action #C579-12-80, Fourth Judicial District Court, Sheridan County, Wyoming.
- ✓ 4. Mortgage executed by James D. Sandvig and Jennifer J. Sandvig, husband and wife, in favor of First Federal Savings and Loan Association, Sheridan, Wyoming, in the amount of \$45,000.00.
- E. Provide Title Company with Owner's Affidavit sufficient in Title Company's opinion to delete from Loan Policy when issued exceptions to "encumbrances or statutory liens for labor or material which are not shown by the public records" and survey sufficient to include TG100 and TG116 Indorsements to Loan Policy when issued.

NOTE: If enclosed abstract surrender form is executed and returned to Title Company, a credit of \$132.75 will be allowed.

## SCHEDULE B — SECTION II

### EXCEPTIONS

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor, or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Unpatented mining claims; reservations or exceptions in patents or in acts authorizing the issuance thereof; water rights, claims or title to water.
6. Ownership or title to any mineral interest and the effect on the surface of the exercise of the mineral rights.
7. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Taxes for the year 1983 and subsequent years.

NOTE: Tax Roll #8243 appears to be in the amount of \$514.87.

8. Covenants, conditions and restrictions as set forth in instrument recorded August 30, 1967 in Book 160 of Deeds, Page 39, but deleting restrictions, if any, based on race, color, religion or national origin.
9. Right of way easement as granted to Montana-Dakota Utilities Co. for an electric transmission line and incidental purposes as contained in instrument recorded November 10, 1958 in Book 119 of Deeds, Page 405.
10. Utility easements as set forth and shown on Plat recorded November 4, 1971 in Book 2 of Plats, Page 41.

Exceptions numbered \_\_\_\_\_ will be omitted on \_\_\_\_\_  
policy when issued.

# The Title Guaranty Company of Wyoming, Inc.

537 SOUTH CENTER STREET CASPER, WYOMING 82601 237-8486

## Application for Insurance

Time 2:15  
Date 5 July '83

Re-Issue of Policy No. \_\_\_\_\_

The undersigned hereby applies for a policy of title insurance of The Title Guaranty Company for the amount set forth herein on the title to the premises hereinafter described and agrees to pay the premium and charges incident thereto as follows:

		AMOUNT	CHARGE	RISK PREM.
OWNER'S POLICY	ALTA _____ STD _____	\$ <u>85,000.00</u>	\$ <u>368.75</u>	\$ _____
MORTGAGEE'S POLICY	ALTA _____ STD _____	\$ <u>45,000.00</u>	\$ <u>NC</u>	\$ _____
TG 100 _____	TG 116 _____	\$ _____	\$ _____	\$ _____
SURVEY COVERAGE _____	X YES	\$ _____	\$ _____	\$ _____
LIEN COVERAGE _____	X YES	\$ _____	\$ _____	\$ _____
(Other) — (Remarks) _____		\$ _____	\$ <u>-132.75</u>	\$ _____
		TOTAL CHARGES	\$ <u>236.00</u>	\$ _____

### NAMES OF INSURED AS THEY WILL APPEAR IN POLICY:

OWNER'S POLICY JAMES D. SANDVIG & JENNIFER L.

MORTGAGEE'S POLICY 1ST FEDERAL

### PROPERTY: Legal Description:

LOT 15, BIX 1  
FAIRWAY ACRES. Add.

### Street Address

RICHARD L. MUSGRAVE - LINDA J.

### Title Now Vested In

### EXISTING ENCUMBRANCES (if any)

(Released) \_\_\_\_\_  
TO BE (Assumed) \_\_\_\_\_

To \_\_\_\_\_

ABSTRACT: Yes \_\_\_\_\_ No \_\_\_\_\_: To be surrendered: Yes \_\_\_\_\_ No \_\_\_\_\_

REMARKS: No deed No Paving

Assigned To UTAH MORTGAGEE -  
HAVE Abs. to surrender

The applicant agrees that if, before the delivery of this policy, he shall have any information as to defects, liens or encumbrances affecting said title, he will fully make known the same to Company.

If the Company, after examination, shall decline to issue the policy on account of defects in the title, or if applicant fails or refuses to complete the application, applicant agrees to pay necessary expenses incurred by the Company in making such examination, not exceeding charges shown or a minimum of 50% as a cancellation fee and service charge.

This application

taken by \_\_\_\_\_

Applicant JOAN - 1ST Fed

Address \_\_\_\_\_

Telephone \_\_\_\_\_

Account name and charges to: \_\_\_\_\_

Address \_\_\_\_\_

Owner's Policy to \_\_\_\_\_

Address \_\_\_\_\_

Mortgagee's Policy to \_\_\_\_\_

Address \_\_\_\_\_

Commitment to be ready \_\_\_\_\_

Commitment to \_\_\_\_\_

Address \_\_\_\_\_

Realtor \_\_\_\_\_

Address \_\_\_\_\_



Wilcox Abstract & Title  
Title Insurance Policy Receipt

File No. 23568

Loan Policy 12066-m

Owner Policy \_\_\_\_\_

Documents Attached: MTG \_\_\_\_\_ DEED \_\_\_\_\_

REL \_\_\_\_\_ ASSN \_\_\_\_\_

Legal Lt. 15, BIK 1, Fairway Acres

Delivered to: Norwest Date: \_\_\_\_\_

Received by: [Signature]



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