

# Attachment E

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# MONTEREY COUNTY



**MARY A. ZEEB**  
**Treasurer – Tax Collector**

168 West Alisal Street – 1st Floor  
Salinas, CA 93901

**Treasury Division**  
P. O. Box 1992  
Salinas, CA 93902  
(831) 755-5015  
Fax (831) 424-6536

**Tax Collector Division**  
P. O. Box 891  
Salinas, CA 93902  
(831) 755-5057 Salinas  
(831) 647-7857 Monterey  
(831) 385-8357 King City  
Fax (831) 759-6623

**Revenue Division**  
P. O. Box 60  
Salinas, CA 93902  
(831) 755-5042  
Fax (831) 755-5835

## PROPERTY TAX CLEARANCE CERTIFICATION (SUBDIVISION)

Parcel Map/  
Subdivision: VASQUEZ FERMIN ET AL

Owner/Subdivider: VASQUEZ FERMIN ET AL

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I, Mary A. Zeeb Treasurer/Tax collector of the County of Monterey, State of California, hereby certify that all current, supplemental and delinquent taxes have been paid and also an estimate of the amount of taxes that are a lien not yet due and payable per Government Code §66492

Fiscal Year: 2020-2021

Assessor's Parcel Number(s): 257-121-019-000

MARY A. ZEEB  
Monterey County Treasurer-Tax Collector

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

Deputy Tax Collector

Date: 6/5/2020

**THIS TAX CLEARANCE IS VALID THROUGH**

**December 31, 2020**

**DISCLAIMER:** ADDITIONAL SUPPLEMENTAL TAXES AND / OR SPECIAL ASSESSMENTS NOT YET BILLED MAY BECOME A LIEN ON THIS PROPERTY. THESE ASSESSMENTS ARE IN ADDITION TO ANY TAXES THAT MAY HAVE BEEN PREPAID AS A RESULT OF THIS CLEARANCE CERTIFICATION.

**PARCEL MAP GUARANTEE**

Parcel Map Ref:  
Fee: To Be Determined

Order No: 2713-5802903

**SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE,**

**First American Title Insurance Company**  
a Nebraska corporation, herein called the Company,

**GUARANTEES**


The County of Monterey and any city within which the land is located, herein called the Assured, against loss not exceeding \$1,000.00 which the Assured shall sustain by reason of any incorrectness in the assurance which the Company hereby gives that, according to the public records, on the date stated below:

1. The title to the herein described estate or interest was vested in the vestee named, subject to the matters shown as Exceptions herein, which Exceptions are not necessarily shown in the order of their priority; and
2. Had said Parcel Map been recorded in the office of the County Recorder of said county, such map would be sufficient for use as a primary reference in legal descriptions of the parcels within its boundaries.

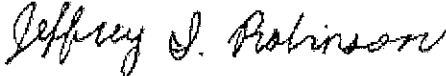
Dated: March 18, 2019, at 7:30 A.M.

**First American Title Insurance Company**

*First American Title Insurance Company*



Dennis J. Gilmore  
President



Jeffrey S. Robinson  
Secretary

The estate or interest in the land hereinafter described or referred to covered by this Guarantee is:

A Fee

Title to said estate or interest at the date hereof is vested in:

MARIA A. VASQUEZ AND FERMIN VASQUEZ, WIFE AND HUSBAND, AS JOINT TENANTS AND JUAN ANTONIO VASQUEZ, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY, AS INTEREST MAY APPEAR AS OF RECORDS, ALL AS JOINT TENANTS

The land included within the boundaries of the Parcel Map hereinbefore referred to in this Guarantee in the Unincorporated area, County of Monterey, State of California, is described as follows:

PARCEL "D" AS SHOWN ON THAT CERTAIN PARCEL MAP ENTITLED, "PARCEL MAP OF A PORTION OF LOT 1 OF THE RANCHO SAN VICENTE, MONTEREY COUNTY, CALIFORNIA", FILED MAY 19, 1972 IN BOOK 2 OF PARCELS AT PAGE 76.

EXCEPTING THEREFROM 7/8 INTEREST IN AND TO ALL MINERALS-COALS, OIL, PETROLEUM, GAS, AND KINDRED SUBSTANCE UNDER AND IN SAID LAND, BUT WITHOUT THE RIGHTS OF ENTRY OF THE SURFACE THEREOF, BUT WITH THE RIGHTS HOWEVER, TO DRILL IN THROUGH OR UNDER SAID LAND OR TO EXPLORE, DEVELOP OR TAKE ALL MINERALS, COALS, OILS, PETROLEUM, GAS AND OTHER KINDRED SUBSTANCE IN AND FROM SAID LAND, AS RESERVED BY RENO BRESCHINI ET UX, RECORDED MARCH 19, 1975 ON REEL 966, OFFICIAL RECORDS, PAGE 131.

APN: 257-121-019-000

### EXCEPTIONS

1. General and special taxes and assessments for the fiscal year 2019-2020, a lien not yet due or payable.
2. General and special taxes and assessments for the fiscal year 2018-2019.

First Installment:	\$6,022.73, PAID
Penalty:	\$0.00
Second Installment:	\$6,022.73, OPEN
Penalty:	\$0.00
Tax Rate Area:	126-004
A. P. No.:	257-121-019-000
3. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
4. An easement for UTILITY and incidental purposes in the document recorded March 05, 1971 as BOOK 691, PAGE 481 of Official Records.
5. Any and all offers of dedications, conditions, restrictions, easements, notes and/or provisions shown or disclosed by the filed or recorded map referred to in the legal description including but not limited to: UTILITY and incidental purposes affecting said land.
6. An easement for public utilities and incidental purposes in the document recorded January 23, 1980 as BOOK 1385, PAGE 1066 of Official Records.
7. A document entitled "PERMIT APPROVAL NOTICE" recorded August 16, 2005 as INSTRUMENT NO. 2005-085091 of Official Records.
8. A document entitled "PERMIT APPROVAL NOTICE" recorded January 17, 2006 as INSTRUMENT NO. 2006-4463 of Official Records.
9. A deed of trust to secure an original indebtedness of \$60,000.00 recorded APRIL 25, 2006 as INSTRUMENT NO. 2006-36870 OF OFFICIAL RECORDS.

Dated:	March 28, 2006
Trustor:	FERMIN VASQUEZ, A MARRIED MAN IS SOLE AND SEPARATE PROPERTY
Trustee:	PHILLIP L. TURTURICI AND MARK DE SANDO
Beneficiary:	PHILLIP L. TURTURICI AND MARK DE SANDO

Notes:

a. If this deed of trust is to be eliminated in the policy or policies contemplated by this report/commitment, we will require all of the following prior to the recordation of any documents or the issuance of any policy of title insurance:

- i. Original note and deed of trust.
- ii. Payoff demand statement signed by all present beneficiaries.
- iii. Request for reconveyance signed by all present beneficiaries.

b. If the payoff demand statement or the request for reconveyance is to be signed by a servicer, we will also require a full copy of the loan servicing agreement executed by all present beneficiaries.

c. If any of the beneficial interest is presently held by trustees under a trust agreement, we will require a certification pursuant to Section 18100.5 of the California Probate Code in a form satisfactory to the Company

10. A deed of trust to secure an original indebtedness of \$29,000.00 recorded JULY 18, 2006 as INSTRUMENT NO. 2006-63090 OF OFFICIAL RECORDS.

Dated: June 29, 2006  
Trustor: FERMIN VASQUEZ, A MARRIED MAN IS SOLE AND SEPARATE PROPERTY  
Trustee: PHILLIP L. TURTURICI AND MARK DE SANDO  
Beneficiary: PHILLIP L. TURTURICI AND MARK DE SANDO

Notes:

a. If this deed of trust is to be eliminated in the policy or policies contemplated by this report/commitment, we will require all of the following prior to the recordation of any documents or the issuance of any policy of title insurance:

- i. Original note and deed of trust.
- ii. Payoff demand statement signed by all present beneficiaries.
- iii. Request for reconveyance signed by all present beneficiaries.

b. If the payoff demand statement or the request for reconveyance is to be signed by a servicer, we will also require a full copy of the loan servicing agreement executed by all present beneficiaries.

c. If any of the beneficial interest is presently held by trustees under a trust agreement, we will require a certification pursuant to Section 18100.5 of the California Probate Code in a form satisfactory to the Company

11. A deed of trust to secure an original indebtedness of \$135,000.00 recorded JUNE 04, 2009 as INSTRUMENT NO. 2009-34784 OF OFFICIAL RECORDS.

Dated: January 17, 2007  
Trustor: MARIA A. VASQUEZ AND FERMIN VASQUEZ, WIFE AND HUSBAND  
Trustee: CALIFORNIA RECONVEYANCE COMPANY  
Beneficiary: WASHINGTON MUTUAL BANK, F.A.

The above deed of trust states that it secures an equity line/revolving line of credit. Prior to the payment and suspension of the equity line/revolving line of credit, an instruction to suspend and close the equity line/revolving line of credit pursuant to CA Civil Code Section 2943.1 must be executed by the borrower.

12. A certified copy of a judgment or an abstract thereof, recorded August 05, 2009 as INSTRUMENT NO. 2009-49956 OF OFFICIAL RECORDS.  
Court: SUPERIOR COURT OF CALIFORNIA, COUNTY OF MONTEREY  
Case No.: M96388  
Debtor: FERMIN VASQUEZ  
Creditor: HOUSEHOLD FINANCE CORPORATION OF CALIFORNIA, A DELAWARE CORPORATION  
Amount: \$20,526.13, and any other amounts due thereunder.
13. A deed of trust to secure an original indebtedness of \$684,000.00 recorded DECEMBER 16, 2010 as INSTRUMENT NO. 2010-74218 OF OFFICIAL RECORDS.  
Dated: JANUARY 12, 2007  
Trustor: MARIA A. VASQUEZ AND, FERMIN VASQUEZ, WIFE AND HUSBAND  
Trustee: CALIFORNIA RECONVEYANCE COMPANY  
Beneficiary: WASHINGTON MUTUAL BANK, F.A.
14. A certified copy of a judgment or an abstract thereof, recorded January 15, 2013 as INSTRUMENT NO. 2013-2237 OF OFFICIAL RECORDS.  
Court: SUPERIOR COURT OF CALIFORNIA, COUNTY OF MONTEREY  
Case No.: M116944  
Debtor: FERMIN VASQUEZ AND MARIA A. VASQUEZ  
Creditor: CREDIT CONSULTING SERVICES, INC., A CALIFORNIA CORPORATION  
Amount: \$1,730.97, and any other amounts due thereunder.
15. A federal tax lien in favor of the United States of America, recorded July 26, 2018 as INSTRUMENT NO. 2018-32837 OF OFFICIAL RECORDS.  
Serial No.: 315717318  
Debtor: FERMIN & MARIA A VASQUEZ  
Amount: \$26,155.59, and any other amounts due thereunder.

According to the public records, the beneficial interest under the deed of trust was assigned to U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE, SUCCESSOR IN INTEREST TO BANK OF AMERICA, NATIONAL ASSOCIATION AS TRUSTEE AS SUCCESSOR BY MERGER TO LASALLE BANK, NATIONAL ASSOCIATION AS TRUSTEE FOR WAMU MORTGAGE PASS-THROUGH CERTIFICATES SERIES 2007-HY3 TRUST, ITS SUCCESSORS OR ASSIGNS by assignment recorded SEPTEMBER 24, 2012 as INSTRUMENT NO. 2012-56127 OF OFFICIAL RECORDS.

16. Lien for PENALTY LIEN in favor of LABOR COMMISSIONER, DIVISION OF LABOR STANDARDS ENFORCEMENT  
Against: JUAN ANTONIO LUCIO VASQUEZ, AN INDIVIDUAL, DBA THE CORNER HOUSE  
Amount: \$15,000.00  
Recorded: February 11, 2019 as INSTRUMENT NO. 2019-5417 of Official Records.



17. A document entitled "PERMIT APPROVAL NOTICE" recorded February 26, 2019 as INSTRUMENT NO. 2019-7553 of Official Records.
18. Any defects, liens, encumbrances or other matters which name parties with the same or similar names as JUAN ANTONIO VASQUEZ. The name search necessary to ascertain the existence of such matters has not been completed. In order to complete this preliminary report or commitment, we will require a statement of information.
19. Any defects, liens, encumbrances or other matters which name parties with the same or similar names as MARIA A. VASQUEZ. The name search necessary to ascertain the existence of such matters has not been completed. In order to complete this preliminary report or commitment, we will require a statement of information.
20. Rights of the public in and to that portion of the land lying within any Road, Street, Alley or Highway.

### **INFORMATION**

None

The map attached, if any, may or may not be a survey of the land depicted hereon. First American Title Company expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

### SCHEDULE OF EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

1. Except to the extent that specific assurance are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
  - (a) Defects, liens, encumbrances, adverse claims or other matters against the title, whether or not shown by the public records.
  - (b) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or, (2) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the public records.
  - (c) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the public records.
2. Notwithstanding any specific assurances which are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
  - (a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the land expressly described in the description set forth in Schedule (A), (C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways to which such land abuts, or the right to maintain therein vaults, tunnels, ramps, or any structure or improvements; or any rights or easements therein, unless such property, rights or easements are expressly and specifically set forth in said description.
  - (b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the public records; (1) which are created, suffered, assumed or agreed to by one or more of the Assureds; (2) which result in no loss to the Assured; or (3) which do not result in the invalidity or potential invalidity of any judicial or non-judicial proceeding which is within the scope and purpose of the assurances provided.
  - (c) The identity of any party shown or referred to in Schedule A.
  - (d) The validity, legal effect or priority of any matter shown or referred to in this Guarantee.

### GUARANTEE CONDITIONS AND STIPULATIONS

#### 1. Definition of Terms.

The following terms when used in the Guarantee mean:

- (a) the "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.
- (b) "land": the land described or referred to in Schedule (A) (C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A) (C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.
- (c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.
- (e) "date": the effective date.

#### 2. Notice of Claim to be Given by Assured Claimant.

An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the manner or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

#### 3. No Duty to Defend or Prosecute.

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

#### 4. Company's Option to Defend or Prosecute Actions; Duty of Assured Claimant to Cooperate.

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

- (a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.
- (b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.
- (c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.
- (d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

#### 5. Proof of Loss Damage.

In addition to and after the notices required under Section 2 of these Conditions and Stipulations have been provided to the Company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is

prejudiced by the failure of the Assured to provide the required proof of loss or damage, the Company's obligation to such Assured under the Guarantee shall terminate. In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss damage. All information designated as confidential by the Assured 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 Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

**6. Options to Pay or Otherwise Settle Claims: Termination of Liability.**

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

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

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option provided for in Paragraph (a) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4, and the Guarantee shall be surrendered to the Company for cancellation.

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

To pay or otherwise settle with other parties for or in the name of an Assured claimant any claim Assured against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4.

**7. Determination and Extent of Liability.**

This Guarantee is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee.

The Liability of the Company under this Guarantee to the Assured shall not exceed the least of:

(a) the amount of liability stated in Schedule A or in Part 2;

(b) the amount of the unpaid principal indebtedness secured by the mortgage of an Assured mortgagee, as limited or provided under Section 6 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage Assured against by this Guarantee occurs, together with interest thereon; or

(c) the difference between the value of the estate or interest covered hereby as stated herein and the value of the estate or interest subject to any defect, lien or encumbrance Assured against by this Guarantee.

**8. Limitation of Liability.**

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures any other matter Assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any 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 therefrom, adverse to the title, as stated herein.

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

**9. Reduction of Liability or Termination of Liability.**

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the amount of liability pro tanto.

**10. Payment of Loss.**

(a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within thirty (30) days thereafter.

**11. Subrogation Upon Payment or Settlement.**

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to

sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

**12. Arbitration.**

Unless prohibited by applicable law, either the Company or the Assured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or the breach of a Guarantee provision or other obligation. All arbitrable matters when the Amount of Liability is \$1,000,000 or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the Assured. The Rules in effect at Date of Guarantee shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permits a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof. The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules. A copy of the Rules may be obtained from the Company upon request.

**13. Liability Limited to This Guarantee; Guarantee Entire Contract.**

- (a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.
- (b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.
- (c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, and Assistant Secretary, or validating officer or authorized signatory of the Company.

**14. Notices, Where Sent.**

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to the Company at 2 First American Way, Bldg 2, Santa Ana, California, 92707.

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