

STATE OF TEXAS,
Plaintiff

v.

AMERITRUST TITLE COMPANY
Defendant

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IN THE DISTRICT COURT OF
TRAVIS COUNTY, TEXAS
261st JUDICIAL DISTRICT

Filed The District Court of Travis County, Texas

JL AUG 07 2009
AT 1:54

ORDER GRANTING TEXAS TITLE INSURANCE GUARANTY ASSOCIATION'S APPLICATION FOR TRANSFER OF ESCROW FUNDS AND REQUEST FOR CLAIMS FILING DEADLINE

The Court has considered the Texas Title Insurance Guaranty Association's (the "Guaranty Association's") Application for Transfer of Escrow Funds and Request for Claims filing Deadline (the "Application") and hereby finds as follows:

1. The *Order of Reference to Master* ("Order of Reference") entered by this Court on March 25, 2009 provides that applications filed pursuant to TEX. INS. CODE §§ 443.017 and 2602.302 are referred to the Special Master appointed in this proceeding;
2. The Application was submitted to the Special Master in accordance with the Order of Reference;
3. Notice of the Application was provided in accordance with TEX. INS. CODE §443.007 (d) and the Order of Reference, and no objections to the Application were filed;
4. The Special Master has issued a recommendation that the Application should be granted pursuant to Rule 171 of the Texas Rules of Civil Procedure;
5. The Court has jurisdiction over the Application and the parties affected hereunder; and
6. The Application should be GRANTED in all respects.

IT IS ORDERED, ADJUDGED AND DECREED that the Application is GRANTED.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that:

1. The Guaranty Association is authorized to accept from the Liquidator, and the Liquidator is instructed to transfer to the Guaranty Association, the escrow accounts of Ameritrust Title Company (the "Escrow Accounts," and "Ameritrust");

2. The Guaranty Association may transfer any Escrow Account to another bank or banks, and may hold all Escrow Account funds in a consolidated escrow account for the purpose of paying claims;

3. The Guaranty Association is authorized to proceed to distribute the funds in the Escrow Accounts in accordance with statute, applicable escrow agreements, applicable law and the custom and practice in the title industry, and the Claims Payment Plan attached hereto as Exhibit A;

4. The Guaranty Association shall return to the Liquidator any escrow funds received from the Liquidator that go unclaimed for handling in accordance with TEX. INS. CODE § 443.304;

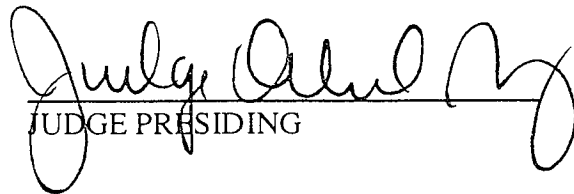
5. The Guaranty Association is entitled to any records of Ameritrust necessary to fulfill its obligations; and

6. A claims filing deadline of March 15, 2010 is established for "covered claims" against Ameritrust.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Order constitutes a final order fully resolving all issues relating to the Application, provided that this Court shall retain jurisdiction to issue further orders pursuant to TEX. INS. CODE Chapter 443 and Chapter 2602. This Order does not modify any of the terms or provisions of this Court's *Agreed Order Appointing Liquidator and Permanent Injunction* dated March 20, 2009. Nothing in this

Application or any related proceeding or filing shall affect, in any way, the immunities from suit of the Special Deputy Receiver and the Guaranty Association and shall not give rise to any right to sue or create any causes of action against Special Deputy Receiver and the Guaranty Association. This Order does not intended to and shall not create any third party beneficiaries to this Application and any subsequent orders thereto

Signed on August 7th, 2009.


JUDGE PRESIDING

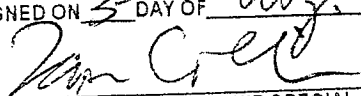
PROPER NOTICE GIVEN.
ACKNOWLEDGEMENT OF NOTICE AND WAIVER
OF OBJECTION PRESENTED
SUBMITTED.
RECOMMENDED
SIGNED ON 3 DAY OF Aug. 2009

TOM COLLINS, RECEIVERSHIP SPECIAL MASTER

EXHIBIT A: CLAIMS PAYMENT PLAN

1. Purpose of the Plan. The Texas Title Insurance Guaranty Association (the "Association") will adjust, compromise, settle and pay escrow-related claims pertaining to Ameritrust Title Company ("Ameritrust") as set out in this Claims Payment Plan (the "Plan"), as contemplated by Subchapters F and G of Chapter 2602 of the Texas Insurance Code (the "Code"), and approved by the Texas Department of Insurance and this Court.

2. Claims to be Paid. The Association will pay (a) covered claims against trust or escrow funds and (b) the Association's own expenses for administering such claims. The Association's claim payments will be limited under Sections 2602.256, 2602.257, and 2602.058 of the Code and other applicable laws.

3. Notice, Forms, and Procedures. The Association will provide notice to potential claimants that the Association is handling claims against the estate of Ameritrust. Notice in English and Spanish will be published for 1 week in a newspaper of general circulation in each county in which Ameritrust was licensed to conduct business. In addition, the Notice to Claimants will be mailed to all potential claimants the Association is reasonably able to identify from the records of Ameritrust. A form of Notice to Claimants is attached hereto as Exhibit A-1. The Association will also provide proof of claim forms for use by persons having claims against the estate (see Exhibit A-2), along with written procedures for filing claims with the Association (Exhibit A-3).

4. Claims Filing Deadline. Pursuant to Section 2602.032 of the Code, the Association will request the Court to order that the deadline for filing claims against the estate in this matter shall be March 15, 2010, which is within one year after Ameritrust was declared to be impaired.

5. Acknowledgment of Claim. The Association will send an acknowledgment of the receipt of all proofs of claim within 30 days of receipt.

6. Claim Decisions. The Association will attempt to make a review and determination of incoming proofs of claim within 60 days of receipt of the proof of claim, or any supplemental information required by the Association to determine if the claim is a covered claim as defined by statute. The Association will provide written notice of its determination to the claimant.

7. Payment of Claims. The Association or its agent will pay covered claims within 30 days of the date it determines the validity of such claims.

8. Resolution of Determination Disputes. If a claimant disputes a determination by the Association, the claimant must advise the Association in writing of the legal and factual basis for the dispute and provide documents, if any, sufficient to support its position. The Association shall review the claimant's submission and within 60 days advise the claimant of its final determination.

9. No Implied Waiver. No claim shall be deemed a covered claim and no rights of the Association shall be waived with respect to a claim without an express approval or express waiver by the Association. Failure of the Association to act within the time frame set forth in these guidelines shall not be deemed a waiver by the Association of any rights to contest the claim.

10. Confidentiality. Submissions by claimants in support of their proofs of claim and proceedings to resolve such claims shall not be confidential unless a separate confidentiality agreement with respect to such claims has been entered into by the Association and the claimant. Court approval is not required for the Association and a party to enter into a confidentiality agreement, but any confidentiality agreement shall be subject to review and modification by the Receivership Court if challenged by an appropriate party or *sua sponte* by the court.

11. Supporting Documentation. Claims shall not be determined until sufficient documentation to allow the Association to evaluate fully the merits of the claim has been received, and the Association has had a reasonable time to evaluate the claim. This Plan is drafted to help define what is reasonable in general with respect to claims, but shall not limit the Association in taking additional time, pursuant to the procedures set forth herein, if the facts of a particular claim reasonably warrant such additional time. The claimant shall have the burden of assembling and providing documentation to the Association to support the claim and allow a complete evaluation thereof by the Association and failure to timely provide required supporting documentation shall be grounds for denial of claim.

12. Extension of Timetables for Cause. The Association may apply to the Receivership Court to extend, for cause, any of the timetables set forth herein with regard to either the claims in general or any individual proof of claim. Without limiting the circumstances that provide for cause to be found by the Receivership Court, cause shall exist if the volume of claims cannot be handled in the ordinary course of the business of the Association with its then-existing staff or designated claims processor. Cause shall also exist if the Association has requested legal advice on a matter affecting a claim and the advice has not been received, but the extension for this reason shall not extend beyond 120 days. The pendency of such an application shall extend the timetables until a ruling on the application has been made by the Receivership Court. In considering the application, the Association shall not be required to disclose any information about a claim that is privileged or that, if disclosed, might reveal the Association's evaluation of the claim on the merits.

13. Amendment of Plan. The Association shall retain at all times the right to apply to the Receivership Court to supplement or modify these claims processing guidelines.

14. Servicing Facility. Subject to approval by the Commissioner of Insurance, the Association may designate individuals or entities as servicing facilities to carry out the provisions of this Plan. The Association shall reimburse any duly designated servicing facility for the obligations of the Association paid by the servicing facility and any expenses incurred by the servicing facility in handling claims for the association.

15. Advance as Loan. Money advanced by the Association to Ameritrust or its Liquidator shall be considered a special fund loan to Ameritrust for the payment of covered claims and shall not become an asset of Ameritrust. The loan is repayable to the extent money from Ameritrust is available.

16. Association in Place of Ameritrust. To the extent of the Association's obligation on a covered claim, the Association shall stand in the place of Ameritrust and have all the rights, duties, and obligations of the insolvent title agent as if Ameritrust were not impaired. Furthermore, in performing its obligations to pay covered claims, the Association will not be considered to be engaging in the business of insurance; to have assumed or succeeded to a liability of Ameritrust; or to otherwise stand in the place of Ameritrust, including as to whether the Association is subject to the personal jurisdiction of the courts of another state.

17. Assignment of Claimant's Rights. Any cause of action or other right of the holder of a covered claim arising from the occurrence on which the claim is based shall be assigned to the Association on the holder's acceptance of the Association's payment of the claim. Rights are assigned to the Association to the extent of the amount accepted by or the value of the benefit provided to the claimant.

18. Settlement by Association Binding. The settlement of a covered claim by the Association shall bind the Special Deputy Receiver and/or the Texas Department of Insurance. The Association's expenses in handling claims shall have the same priority as the Special Deputy Receiver's expenses.

Texas Title Insurance Guaranty Association

106 EAST 6TH STREET, SUITE 300 • AUSTIN, TEXAS 78701-3661

(512) 474-1587
FAX (512) 322-0301

Website: www.ttiga.org

NOTICE TO CLAIMANTS OF AMERITRUST TITLE COMPANY

RE: Cause No. D-1-GV-08-002014; *State of Texas v. Ameritrust Title Company*; In the
261st Judicial District Court of Travis County, Texas

On March 20, 2009, Ameritrust Title Company ("Ameritrust") was placed in liquidation by order of the 261st Judicial District Court of Travis County, Texas.

All claims for shortages in funds escrowed with Ameritrust are governed by Texas Insurance Code, Section 2602.101, et seq.

All claimants who have a claim for escrow funds held by Ameritrust must file a proof of claim with the Texas Title Insurance Guaranty Association prior to the claims filing deadline for any claim, or any portion of a claim. A proof of claim form can be obtained by requesting one in writing from the Texas Title Insurance Guaranty Association at the address below or at its website at www.ttiga.org/rec.html.

The receivership court has set an **ESCROW CLAIM FILING DEADLINE of 11:59 p.m., C.S.T. on March 15, 2010**. Accordingly, all claims must be mailed to:

Texas Title Insurance Guaranty Association
106 E. 6th St., STE 300
Austin, Texas 78701-3661

and postmarked on or before March 15, 2010, at 11:59 p.m. C.S.T. Failure to complete the proof of claim form properly according to the instructions may cause your claim to be delayed or rejected.

PROOF OF CLAIM

AFFIDAVIT FOR ESCROW CLAIMS AGAINST AMERITRUST TITLE COMPANY,
IN RECEIVERSHIP

Before me, the undersigned Notary Public, appeared the person whose name is subscribed hereto, who stated under oath: "I have a claim against Escrow Funds held by Ameritrust Title Company ("Ameritrust"):

CLAIMANT NAME: _____

STREET ADDRESS: _____

CITY: _____ STATE: _____ ZIP CODE: _____

PHONE(s): WORK: _____ HOME: _____ CELL: _____

EMAIL ADDRESS: _____

The details of my claim are as follows:

A. I am claiming the amount of \$ _____.

B. The Ameritrust G.F. File number was: _____.

C. Address of the Property in the transaction is: _____
_____ County _____ State _____

D. Date of the Real Estate Transaction: _____

E. Relationship to Transaction (Buyer, Seller, Lienholder, etc.): _____

F. Was the ESCROW CLAIM settled by Ameritrust? _____

G. Purpose of ESCROW FUNDS held (Earnest money, repairs, etc.): _____

H. Describe the nature of your claim and ATTACH ALL SUPPORTING DOCUMENTS: _____

NOTE: Failure to document your claim fully may cause it to be delayed or rejected.

WITH THE EXCEPTION OF THE FOLLOWING, I ALONE AM ENTITLED TO FILE THIS CLAIM, AND NO OTHERS HAVE ANY INTEREST HEREIN. (SHOW HERE THE NAME OF ANY PERSONS OR FIRMS WHO HAVE AN INTEREST IN THIS CLAIM AND STATE WHAT THEIR INTEREST IS. IF THERE ARE NO OTHERS WITH AN INTEREST, WRITE 'NONE.') _____

I REPRESENT THAT I HAVE EXHAUSTED ALL POSSIBLE CLAIMS UNDER TITLE INSURANCE POLICIES AND ANY OTHER POLICIES RELATING TO THIS CLAIM AND THE TRANSACTION DESCRIBED ABOVE AND I HAVE REDUCED MY CLAIM BY ANY RECOVERY.

The above statements are TRUE and CORRECT. No part of the amount claimed due has been paid, and I have attached all documents and information relevant to my claim."

Signature of Claimant: _____

Printed Name of Claimant: _____

Title of Authorized Signatory, if Claimant is Company/Corporation: _____

SUBSCRIBED AND SWORN TO BEFORE ME, this _____ day of _____ 20____.

Notary Public, State of Texas
My Commission Expires: _____

All claim forms must be presented or postmarked on or before 11:59 p.m. Central Time, March 15, 2010, and mailed to 106 E. 6th St., STE 300, Austin, Texas 78701-3661.

TEXAS TITLE INSURANCE GUARANTY ASSOCIATION
ESCROW CLAIM FILING INSTRUCTIONS

READ CAREFULLY BEFORE COMPLETING THE PROOF OF CLAIM FORM

This Proof of Claim Form must be used if you have a claim for funds escrowed with Ameritrust Title Company ("Ameritrust"). By accurately completing this form you can protect your interests, help us identify your claim, and allow us the opportunity to consider your claim properly. *It is very important that you complete all the sections applicable to you, sign, and return the form by the claims filing deadline together with all documents supporting your claim. Do not use this form to file any claim against Ameritrust other than an escrow claim.*

Please follow these instructions in completing the enclosed Proof of Claim form:

1. Indicate the basis of your claim (i.e., why you think you are owed money) and, if known, indicate the amount you think you are owed.
2. If the amount of your claim is unknown, you must still file the Proof of Claim by the filing deadline. Insert the word "unstated" in the amount column.
3. **You must include all documentation to support your claim.** Suggested documentation includes: the signed HUD-1 Settlement Statement, an executed Earnest Money Contract, a Release of Earnest Money signed by all parties with current contact information, copies of cancelled checks (front and back), bank statements, etc.
4. If you have assigned any portion of your right of recovery, you must indicate the assignee's name and address and attach a copy of the assignment.
5. During the course of the receivership proceedings, you must notify the Association in writing of any change in your mailing address and/or telephone number.
6. You must provide your telephone number(s), and sign and date the Proof of Claim in front of a Notary Public. Claims filed by corporations must be signed by an authorized representative, stating the capacity of the signatory. If an attorney is signing this form on behalf of a client, a power of attorney must be attached. The Texas Title Insurance Guaranty Association may waive the notarization requirement regarding Proofs of Claim if good cause exists, as determined in the sole discretion of the Association, for such waiver.
7. If you fail to adequately describe or document your claim, your claim may be rejected.
8. Review the completed form, sign date it, attach all required documentation and send it to us at the address indicated on the form. Failure to complete the proof of claim form properly according to these instructions may cause your claim to be delayed or rejected.
9. The Texas Title Insurance Guaranty Association will send an acknowledgement of all proofs of claim within 30 days of receipt. You will receive notice at the address you provided on the form when your claim is processed.

**ALL PROOF OF CLAIM FORMS
MUST BE POSTMARKED ON OR BEFORE
11:59 P.M. C.S.T. March 15, 2010.**