

SELLER'S CLOSING PROTECTION LETTER

_____ **TITLE INSURANCE COMPANY**

Name
Address

Date:

Agent ID

“Issuing Agent”

Agent Name Agent Address

Agent Address

Transaction (hereafter, “the Real Estate Transaction”):

Re: Closing Protection Letter

Dear Madam or Sir:

_____ Title Insurance Company (the “Company”) agrees, subject to the Conditions and Exclusions set forth below, to reimburse you for actual loss incurred by you, in connection with the closing of the Real Estate Transaction conducted by the Issuing Agent, provided:

A Commitment or Policy of the Company is issued in connection with the closing of the Real Estate Transaction; You are to be the seller or lessor of an interest in land; and

- (A) A Commitment or Policy of the Company is issued in connection with the closing of the Real Estate Transaction;
- (B) You are to be the seller or lessor of an interest in land; and,
- (C) The protection offered herein shall not exceed the lesser of five million dollars (\$5,000,000) or the amount of settlement funds due you in the Real Estate Transaction if such funds are transmitted to the Issuing Agent;

and provided the loss arises out of:

Acts of theft of settlement funds or fraud with regard to settlement funds by the Issuing Agent in connection with such closing.

Conditions and Exclusions

1. The Company will not be liable to you for loss arising out of:

- A. Loss or impairment of settlement funds in the course of collection or while on deposit with a bank due to bank failure, insolvency or suspension, except as shall result from failure of the Issuing Agent to comply with your written closing instructions to deposit the funds in a bank which you designated by name.
 - B. Fraud, dishonesty or negligence of your employee, agent, attorney or broker.
 - C. Your settlement or release of any claim without the written consent of the Company.
 - D. Any matters created, suffered, assumed or agreed to by you or known to you.
 - E. Loss or impairment of your funds if held by or disbursed to the Issuing Agent, subsequent to the closing of the Real Estate Transaction, if the Issuing Agent acts in the capacity of an IRC Section 1031 qualified intermediary or facilitator.
2. The protection offered herein shall not exceed the lesser of five million dollars (\$5,000,000) or the amount of settlement funds due you in the Real Estate Transaction if such funds are transmitted to the Issuing Agent.
 3. When the Company shall have reimbursed you pursuant to this letter, it shall be subrogated to all rights and remedies which you would have had against any person or property had you not been so reimbursed. Liability of the Company for such reimbursement shall be reduced to the extent that you have knowingly and voluntarily impaired the value of this right of subrogation.
 4. The Issuing Agent is the Company's agent only for the limited purpose of issuing title insurance policies, and is not the Company's agent for the purpose of providing other closing or settlement services. The Company's liability for your losses arising from those other closing or settlement services is strictly limited to the protection expressly provided in this letter. Any liability of the Company for loss does not include liability for loss resulting from the negligence, fraud or bad faith of any party to the Real Estate Transaction other than an Issuing Agent, the lack of creditworthiness of any borrower connected with the Real Estate Transaction, or the failure of any collateral to adequately secure a loan connected with the Real Estate Transaction. However, this letter does not affect the Company's liability with respect to its title insurance binders, commitments or policies.
 5. You must promptly send written notice of a claim under this letter to the Company at its principal office at _____. The Company is not liable for a loss if the written notice is not received within one year from the date of the closing.
 6. The protection herein offered extends only to real property transactions in Missouri.

Any previous closing protection letter or similar agreement provided to you is hereby cancelled only with respect to the Real Estate Transaction.

_____ **TITLE INSURANCE COMPANY**

By: _____