

COMMONWEALTH LAND TITLE INSURANCE COMPANY
INDEMNITY AND DEPOSIT AGREEMENT
for an Estate with a Will

THIS AGREEMENT made in duplicate this the _____ day of _____, 20____, by and between _____, deceased, Probate Case _____ (hereinafter called the "Depositor"), and COMMONWEALTH LAND TITLE INSURANCE COMPANY (hereinafter called the "Insurer"), its successors and assigns, witnesseth:

WHEREAS, said Insurer has been requested to issue its policy or policies of title insurance insuring the title to property situated in _____ County, Alabama, and described in insurer's commitment for title insurance issued under Case No. _____; and

WHEREAS, said property is to be sold to _____ (hereinafter called the "Purchaser") for the sum of _____ and (the consummation of said sale is conditioned upon the Insurer issuing its policy or policies of title insurance; and

WHEREAS, said property was formerly owned by _____, who is now deceased and

WHEREAS, the Will of _____, deceased, has been admitted to probate in the Probate Court of _____ County, Alabama under Probate Case No. _____, on _____; and Letters Testamentary having been issued to _____ on _____, under said Case No. _____; and

WHEREAS, the Estate of said _____, deceased, has not been settled, and title to said property is subject to claims and debts, if any, against said decedent's estate; and

WHEREAS, title to said property is subject to possible contest of said will or other proceedings which could adversely affect title to said property; and

WHEREAS, the Insurer has refused to issue such policy or policies without exception to, or providing certain affirmative coverage against, the above matters unless indemnified as herein set forth;

NOW, THEREFORE, Depositor does hereby agree to indemnify said Insurer against any and all loss, cost, damage, charge, liability or expense, including court costs and attorney's fees, which the Insurer may sustain or be put to in the issuance of its policy or policies of title insurance by reason of:

- (1) there being an attempt to:
 - (a) subject said property to the payment of claims and debts due by said Estate; and/or
 - (b) contest said Will or institute other proceedings which could adversely affect title;

and/or,

- (2) title to said property being:
 - (a) subjected to the payment of claims and debts due by said Estate; and/or
 - (b) Affected by a contest of said will or institution of other proceedings which could adversely affect title;

and/or,

- (3) unmarketability of title to said property by reason of the fact that said property is or may be:
 - (a) liable for claims or debts due by said Estate; and/or
 - (b) affected by a contest of said Will or institution of other proceedings which would adversely affect title.

FURTHERMORE, in consideration of the premises, the parties hereto mutually covenant and agree as follows:

As additional security for these obligations, the Depositor herewith deposits with the Insurer the sum of \$ _____ receipt of which the Insurer hereby acknowledges to be held subject to the conditions set forth herein below:

1. That is amount will be held by Insurer and will be deposited in an escrow deposit account on an interest-bearing basis upon being furnished with the tax identification number of the Depositor, at the risk of Depositor in the event of bank failure.
2. That the Insurer shall have the right, in the event the necessity arises, in Insurer's discretion, to apply all or part of said fund to the defense, without obligation to defend, of any claim or claims as aforesaid, which may be asserted, or to the satisfaction of any such claim or claims and/or to the establishment of the title as insured in the policy or policies of the Insurer.
3. Said escrow funds are to be held by said Insurer until a period of seven months has expired from the date on which Letters Testamentary were issued under said Will and if at that time there has not been filed any contest of said Will or other proceedings which would adversely affect title to said property as insured and there have been no claims against said Estate which remain unsatisfied, and further provided that the Insurer be furnished satisfactory affidavit proof by the personal representative of said estate that all creditors of the Estate received proper notice of appointment in accordance with Section 43-2-60 and Section 43-2-61 of the Code of Alabama 1975, as amended, the Insurer shall promptly refund the escrow funds to the Depositor, less the sum of \$_____, the Insurer's escrow Fee.
4. If at the expiration of said seven months, there is pending any contest of said Will or other proceedings which could adversely affect title to said property, or if at the time any unsatisfied claims remain, then in such event the Insurer shall continue to hold

the escrow funds until the title to said property has been cleared to the satisfaction of the Insurer. The Insurer may, in its sole discretion, upon the expiration of said seven months, or thereafter take such steps or action as Insurer may deem necessary to perfect said title as insured.

- 5. That the undersigned parties of the first and second part do hereby certify that they are aware that the Federal Deposit Insurance Corporation (FDIC) and Federal Savings and Loan Insurance Corporation (FSLIC) coverages apply only to a maximum amount of \$250,000.00 for each individual depositor; and, further that said parties understand that Commonwealth Land Title Insurance Company assumes no responsibility for, nor will they hold same liable for, any loss occurring which arises from the fact that the amount of the above account may cause the aggregate amount of any individual depositor's accounts to exceed \$250,000.00 and that the excess amount is not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.
- 6. **The Insurer will require 2 business days notice to disburse funds.**

IN WITNESS WHEREOF, the parties hereto have duly signed and sealed this instrument in duplicate this _____ day of _____, 20 _____.

Depositor

Tax I.D. # of Depositor

MAGIC CITY TITLE, INC.

By: _____

Its: _____

(Continued)

Please Provide us with the name and address of Person to Receive Interest Income Statement:

Name: _____

Address: _____

City State Zip