

FUND NEWS BULLETIN

Attorneys' Title Insurance Fund, Inc. and Old Republic National Title Insurance Company are forming a joint venture to be called Attorneys' Title Fund Services, Inc., and known as The Fund, to provide the same service, technology, education, marketing support and underwriting to Florida real estate attorneys that The Fund does today. Except for acting as the insurer, a role that will now be undertaken by Old Republic, the new company, jointly owned by The Fund and Old Republic, will perform the same services that it has been performing for its members for 60 years.

The Fund, operating primarily in Florida, which was the epicenter of the recent real estate bubble, has seen a substantial decline in its statutory surplus making it difficult to continue operating as an underwriter without a significant capital infusion. The Fund as an underwriter will cease issuing new policies but will continue to cover claims on previously issued Fund policies. Old Republic, part of a diversified insurance holding company, is the highest rated of all the national title insurance underwriters. In 2008, 80 percent of its business – and virtually all of its business in Florida – is conducted through independent agents.

Even in the face of the economic realities of the current downturn, the support of The Fund's membership has enabled it to build on its longstanding relationship with Old Republic to stand behind its policies. This new joint venture company will enable The Fund to continue to provide products and services specifically tailored to Florida real estate attorneys – with the financial and underwriting strength of Old Republic behind it.

- **Service:** The Fund will continue to maintain the largest source of title information in Florida in its ATIDS (Automated Title Information Data Systems) plant, facilitating a level of service members have come to expect, backed by a guarantee.
- **Technology:** With the launch of ATIDS XE, The Fund aims to enhance what makes real estate attorneys different from other title agents in the protection of the public. ATIDS XE simplifies the process for Fund members, liberating them to invest their time where it counts for their clients.
- **Education:** In addition to the many seminars tailored specifically to Florida real estate attorneys, offered throughout the year, The Fund will continue to provide members the opportunity to gather and earn CLER credits at the annual Fund Assembly.
- **Marketing Support:** Nearly 1,000 Fund members are now members of their local, autonomous Real Estate Councils. With The Fund's support, these councils reach out to consumers, Realtors and other real estate professionals via Web sites, media, events and other communications to make clear the value of a real estate attorney in protecting buyers and sellers. This commitment will continue.

Fund and Old Republic leadership have worked closely, under the watch of Florida's Office of Insurance Regulation, to bring this joint venture to fruition. The joint venture will be formally established as of July 1, 2009. In the meantime, we want to work

diligently to answer employees', members' and others' questions. To that end, we're anticipating the following queries and look forward to hearing and answering others in the coming days:

Q: Do Fund members need to apply/be approved by Old Republic to continue issuing title policies?

A: While each Fund member will become an issuing agent for ORNTIC, the process will be made as simple as it can be made. Application will not be required, however each member will need to agree to and submit a new agents' contract, which will be available on FundNet by July 1, 2009.

Q: Will there be agent minimum remittances?

A: The plan is to leave in place the current Fund system of service support fees.

Q: If a Fund member has closings scheduled that are based on a Fund search/commitment, what happens?

A: Those commitments will be honored and ORT policies can be issued based on those Fund commitments.

Q: Will new ORT or joint Fund/ORT policy forms be issued for use on a go-forward basis? If so, how and when will current Fund members get them and when will they have to start using them? Is there a specific point in time when existing, "old" Fund forms can not be used and the new, joint forms must be used?

A: Paper jackets will be delivered to Members by July 1st, and new policy forms will be made available through DoubleTime by the time the transition to the new joint venture takes place. Joint Fund/ORT forms must be used for all policies with an effective date on or after July 1st.

Q: If a Fund member has closed a transaction based on a Fund commitment, can they still issue a Fund policy?

A: No, if the effective date of the policy is on or after July 1, 2009. Otherwise, yes.

Q: If a Fund member has a claim on a Fund policy, whom do they call?

A: The claims counsel at The Fund will administer and settle claims, just as they do now.

Q: Who will Fund members call for underwriting?

A: The new company will employ the same underwriting counsel that you have relied on for many years.

Q: If a Fund member conducts searches on ATIDS, will that change?

A: Nothing will change regarding ATIDS access—except that we will be upgrading and improving our ATIDS product in the future.

Q: Will the title plants continue to be posted?

A: Yes.

Q: If a Fund member uses DoubleTime for closings and policies, will this program continue?

A: Yes.

Q: Will the policy forms used in DoubleTime be changed to the new joint Fund/ORT forms? If so, when?

A: Yes, a DoubleTime upgrade to the newly released 5.1 will be made available on www.thefund.com and the changes will be made by the time the transition to the new joint venture takes place.

Q: How will Fund members report policies?

A: They will send them to the same address that they have been using. They will be processed by the new company just as The Fund does now.