

OLD REPUBLIC TITLE

EMERGENCY GAP COVERAGE

(This authorization expires January 31, 2003)

In the beginning of this year due to the severe problems associated with recordings at the Middlesex South Registry of Deeds, Old Republic Title agreed to provide so-called "gap coverage" for refinance transactions on a limited basis. Unfortunately, these problems have resurfaced at Middlesex South. We are therefore offering this coverage again as a temporary measure to address this situation. It is not intended as a permanent change in our practice guidelines. You are authorized to provide title insurance coverage to the lender as of the time and date of disbursement of the loan proceeds prior to actual recording of the loan documents, subject to the following requirements:

- This authorization applies to refinance transactions of 1-4 family residential properties only.
- A Gap Indemnity Agreement in the form attached must be executed by the borrower/owner. A copy of the Gap Indemnity Agreement can be downloaded from our website (ORTBoston.com).
- Title to the property must be run up to no less than one business day prior to disbursement of the loan proceeds.
- The recording must be done as soon as possible after disbursement of the funds.
- Please attach a copy of the Gap Indemnity Agreement to the copy of the policy remitted to Old Republic Title.
- Any intervening matter discovered in your final rundown and recording are to be promptly reported to Old Republic Title. You should proceed with recording the mortgage notwithstanding any intervening matter and such matters are not to be added to the policy.

Old Republic Title makes no representation that disbursement prior to recording is acceptable under current attorney practice standards. Any risk that this practice constitutes attorney negligence is not covered under title insurance and is a matter between the agent, the client and the agent's liability carrier.

For the protection of all, we recommend that you use this authorization only when absolutely necessary. We strongly suggest that you use the three day rescission period to record mortgages so that the mortgages are of record prior to disbursement.

This authorization expires on January 31, 2003. We will consider extending this authorization only if the situation in the Registries of Deeds has not improved sufficiently by this date. Any such extension must be in writing.

GAP INSURANCE INDEMNITY AGREEMENT

TO: OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

FROM: _____

DATE: _____

INSURED PROPERTY ADDRESS:

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY (hereinafter referred to as "Old Republic") has been requested to issue Owner/Loan/Leasehold policies of title insurance for the above-referenced property. Said insurance coverage is to be effective as of the time of disbursement of funds following the execution of the various closing documents, which create the estate or interest to be insured. Old Republic is being asked to insure the gap period between the date of the last rundown of title and the recording of the instruments, which create the insured interests.

In consideration of such coverage and in order to induce Old Republic to provide such insurance, we, the undersigned hereby agree to indemnify Old Republic for any and all loss, cost or damage, including attorney's fees, resulting from any defects, liens, encumbrances, or adverse matters created, arising, or discovered, between the period of the last title search and the time at which the documents creating the insured interests are recorded with the land records for the property.

This document is executed as a sealed instrument and is intended to be construed in accordance with the laws of the Commonwealth of Massachusetts.

Executed this _____ day of _____, 200_.

By _____
