

**PENN ATTORNEYS, A DIVISION OF
OHIO BAR TITLE INSURANCE COMPANY**

INDEMNITY DEPOSIT AGREEMENT

(To Be Used ONLY When Penn Attorneys is to Hold The Escrow Funds.)

TITLE NO. _____

DATE: _____

PREMISES: _____

BY AND BETWEEN _____ (hereafter called Indemnitor) and Ohio Bar Title Insurance Company, hereinafter referred to as the "Insurer".

AND WHEREAS, the Insurer is about to issue its title insurance commitment/policy insuring against loss by reason of defects in the title to the subject premises;

AND WHEREAS, the Insurer has noted as exceptions to the aforesaid title the following actual or supposed rights, interests, liens, claims encumbrances or defects in title:

AND WHEREAS, the Insurer has been requested to issue its title insurance policy as aforesaid, either without mention of the aforesaid exceptions or insuring against loss by reasons thereof;

AND WHEREAS, the Insurer may issue either concurrently herewith or hereafter and in the ordinary course of its business another policy or other policies in the form or forms now or then commonly used by the Insurer, insuring against loss by reason of defects in the title of said premises or to some part or parts thereof or interests therein, either without mention of the aforesaid exceptions or insuring against loss by reason thereof;

NOW, THEREFORE, in consideration of the issuance of said title insurance policy as aforesaid, the undersigned covenant and agree with the Insurer forever fully to protect, defend and save harmless the Insurer from and against the above mentioned rights, interests, liens, claims, encumbrances, damages and attorney's fees and expenses of every kind and nature which it may suffer, expend or incur, under or by reason or in consequence of, said title insurance policy or policies, including loss, costs, damages, fees and expenses incurred in action or brought to enforce this agreement.

In case the liens, encumbrances or defects in the title aforesaid are paid, discharged, satisfied or removed from the title to said real estate to the satisfaction of the Insurer (as to which the Insurer shall be the sole judge), then the above obligation to be void, otherwise to remain in full force and effect.

A. **If checked** , and in order to further secure Indemnitor's obligations under this Indemnity Deposit Agreement, Indemnitor deposits with Insurer \$ _____, (hereafter called "Deposit") on the following terms and conditions:

1. The Deposit shall be held for the benefit of Insurer by a third party depository institution selected by Insurer, to protect Insurer against loss by reason of so insuring.
2. Insurer may, at its sole discretion, use any portion of the Deposit to protect itself or its insureds against the Exception, whether to pay to have the Exception released, subordinated, satisfied or otherwise removed as a cloud or encumbrance on title.

3. Insurer may transfer the Deposit, or any portion thereof, in any court of competent jurisdiction, in an action in the nature of an interpleader, and subtracting therefrom Insurer's reasonable costs and expenses, including attorney's fees, when doing so.
4. When, in Insurer's sole determination, the title to the land is no longer subject to the Exception, Insurer agrees to return to Indemnitor any Deposit still remaining with Insurer. Until then, neither Indemnitor nor any party claiming by or through Indemnitor shall have any claim on the Deposit.
5. The Indemnitor acknowledges and agrees that the Deposit held by Insurer hereunder shall be deemed a "deposit account," as set forth in 13 PA CSA §9102 (revised Article 9 of the Uniform Commercial Code). It is the intention of both Indemnitor and Insurer that the Deposit be maintained in a "deposit account" over which Insurer has sole and total control, and that the depository institution receiving the "deposit account" shall follow any and all instructions originated by Insurer as the secured party directing the disposition of the Deposit in the "deposit account" without further consent by Indemnitor as the debtor. Indemnitor acknowledges and agrees that Insurer shall be the sole signatory on the "deposit account". It is further agreed that a security interest in favor of Insurer in the Deposit is perfected by Insurer taking possession of the Deposit.
6. Indemnitor further agrees that, in the event Insurer deems the Deposit inadequate, at any time, Indemnitor will within 10 days of written request by Insurer, deposit additional collateral in the amount requested by Insurer, which collateral will be held as Deposit pursuant to this Indemnity Deposit Agreement.
7. Provided Insurer uses ordinary care and diligence to safeguard the Deposit, Insurer shall have no liability under this Indemnity Deposit Agreement to Indemnitor. Without limiting the foregoing, Insurer shall not be responsible for the loss of funds due to bank negligence or failure.

B. **If checked** , and when the Tax Identification Number (TIN) and a completed IRS Form W-9, Request for Taxpayer Identification Number and Certification of the Indemnitor are furnished to Insurer, any funds shall be held in an interest-bearing account, with the interest to accrue, and be added, to the principal. **The TIN of Indemnitor is:** _____. If the preceding box is not checked, the Insurer shall hold the funds in a non-interest bearing account.

"Indemnitor," as used in this Indemnity Deposit Agreements, shall mean each and every party signing this Indemnity Deposit Agreement, their successors and assigns, being jointly and severally liable hereunder.

"Insurer," as used in this Indemnity Deposit Agreement, shall also include its successors and assigns.

Written notice shall be deemed delivered if sent by overnight mail service or certified mail, return receipt requested, to the addresses shown herein.

IN WITNESS WHEREOF, the parties have executed this Indemnity Deposit Agreement either in person or by their duly authorized officers or agents, this _____ day of _____, _____.

OHIO BAR TITLE INSURANCE COMPANY

INDEMNITOR

Signature

Signature

Name

Name

Title

Title

Street Address

Street Address

City/State/Zip Code

City/State/Zip Code