

ABSTRACTS, LTD..®

DOCUMENT RECORDING SERVICES

CLARIFICATION OF COMPANY POLICY & TERMS

September 26, 2009

Abstracts, Ltd. has been offering recording and filing services to its title, estate and foreclosure clients for 20 years. Recent changes in the counties/city clerk's office and in some cases, gross abuse of our service and staff have warranted an updated response and clarification of our policies, terms and liabilities for this service. Please read carefully and direct any questions to me in the corporate office.

Abstracts, Ltd. charges \$25 for residential and \$50 for commercial, industrial, etc. recordings per file, regardless of the number of documents contained in that file. We provide this service *only* on titlework we have completed, to estate firms and foreclosure clients. We are not a random recording/filing service. This is a service to our clients only. We will perform a no-charge update of our abstract, as a condition of our abstract services, *only* if our coversheet is provided with the recording, it is less than 6 months since the thru date on our coversheet and there is no change of ownership since the abstract was completed. We do not call a client upon receipt of every recording package to ask if an update is required – if there is a coversheet provided, the update is automatic, if not, no update is provided. This is not a new policy. It is stated on our fee schedule, recording log sheets and recording correction form.

It has been suggested that it is the recorders responsibility to “completely re-work the figures of the transaction to confirm that we (the client) have done our job right.” This is not the case. We are not the processors or settlement officers, do not hold a title producers license, attend continuing education to maintain that license, have settlement software to calculate the fees nor are we privy to any of the multitude of variables presented at the settlement table for any transaction, refi, sale or otherwise. It has also been stated that it is our responsibility to “argue on behalf of our client with a controversial decision or ruling on a recording” that is not in favor of the client. Again, this is not the case. We will be happy to provide you with the name and phone number of the clerk involved, or deliver for you a code or statute qualifying your documents as presented, but we are not in a position, legally or otherwise, to “argue” with the Clerk of the Court.

For the fees stated above we are *couriers* of documents and information as presented to us by you and the clerks' office. Upon receipt of the file we log the file and may review for the obvious; signed certificate of preparation, attached intake sheets, lien certificates, HUD 1 if necessary, legal descriptions, and checks written to the correct entities. We may confirm that property taxes and/or water/sewer bills are current. Your documents are then presented to the clerk as you presented them to us. Should you have a particular or unusual order in which documents need to be recorded, these documents should be numbered and a letter of explanation may also be offered to the clerk's desk. Once we hand them over to the clerk or drop them off, we have no control as to how they perform their job. Many jurisdictions have resorted to a drop off system only for firms such as ours, eliminating immediate turn-around of recorded documents. In light of county budget cuts in these economic times,

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the clerks desks of most jurisdictions are understaffed and in many cases uncooperative and unyielding. In the situation where there are errors in monetary calculations, affidavits, conveyance, or any other problem inhibiting the recordation of your documents, we will advise you as soon as we know, via phone, fax or email. We will attempt this twice for corrections before returning the documents to you. Abstracts, Ltd. policy has always been that documents will be held for corrections for 10 days. If not acted upon within this timeframe they will be returned via regular USPS unless we are specifically instructed by you to return them otherwise, on your account. It is not upon us to bear the expense of overnight couriers to return documents that were presented to us needing corrections. The recording fee charged by us is not refundable if we have attempted to record the documents, and for no fault of ours, these documents are rejected and being returned to your office. Abstracts, Ltd. has never charged multiple fees for multiple attempts to record the same documents but reserves that right for those clients who consistently present the same package over and over without making all the necessary corrections noted. Unless prior arrangements have been agreed upon, documents will not be recorded without full payment for the titlework included in the package.

You might be surprised, but it is no surprise to the title insurance companies, that as much as 80% of the documents we receive for recordation, in any given year, are incorrect, especially from our out-of-state clients. Our logs can attest to this fact. There are clients' work that some clerks almost refuse to process because they have established a reputation for continual errors regardless of repeated proper instruction. In a drop off system, these clients may find their documents inadvertently shifted to the bottom of the pile. It is also no surprise that Maryland's recordation system as a whole, county by county/city, lacks uniformity and consistency creating even more confusion. All of these factors, which are out of our control, increase the liability to all involved. As previously stated, Abstracts, Ltd., for a fee of \$25 or \$50 respectively, maintains itself as a courier of documents between you and the courthouse. Unlike our abstracting service, the liability for this recording service is limited to the fees charged for this service. The continued use of Abstracts, Ltd.'s recording services deems unconditional acceptance of the terms and policies as stated in this bulletin.

I thank you for taking the time to read this as I realize it is rather lengthy but long overdue. This bulletin will be distributed with all outgoing title work, available upon request and posted on our website in the near future. I apologize in advance as I know you will probably receive it multiple times. Should you have any questions regarding the above content, I can be reached in the corporate office and will be happy to answer your questions.

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