



Chicago Title Insurance Company

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UNDERWRITING MEMORANDUM 03-10

To: All South Carolina Agents
From: South Carolina State Office
Date: October 13, 2003
Re: Searching of Buyers' Names

Our National Underwriters have decided that we must search the buyers' names in transactions that we insure. This is due to several reasons; the first involves federal court decisions that have determined that federal judgments against the buyers (student loans, penalties, etc.) have priority even over purchase money mortgages. Federal judgments do not include federal tax liens. Additionally, we would be concerned about other judgments that affect their competency, bankruptcy, or the like. For these reasons, it is important that buyers' names be searched in addition to those of the sellers.

We would also like to remind you that a 20-year search is necessary. Any judgment lien in favor of an agency of the United States of America survives for 20 years from date of entry, regardless of the court from which the judgment was entered, i.e., without regard to state laws, even though the judgment may have been rendered in a state court. The "start date" of this 20-year period commences May 29, 1981. Note that a full 20-year search did not occur until May 29, 2001. Also, note that these judgments may be renewed for additional 20-year periods.

As you know, it has always been South Carolina State Office's policy to check buyers' names, so this memorandum is a reminder.