

**ADDENDUM NO. 2**  
**TITLE, ESCROW & RELATED SERVICES**  
**RESPONSES TO QUESTIONS**

<b>No</b>	<b>Questions</b>	<b>Answers</b>
1	<p><b><u>Required Services</u></b></p> <p>#1 – Updates to reports – Will the updates be tied to reports our title company has issued or competitors title reports?</p>	<p>Yes, it's possible we might ask for an update to another firm's title report, however this would be the exception. In the event we require this, we will request a quote for that service at that time under Required Services Item #15 which is described as follows:</p> <p><u>ADDITIONAL SERVICES</u>: Provide other services in support of fulfilling the Judicial Council's needs with regard to the procurement of title and escrow services, provided that such additional services can be provided in accordance with the provisions of the Master Agreement that pertain to a Work Order for Additional Services.</p> <p>There is no need to provide a price for this in your Price Proposal.</p>
2	<p><b><u>Required Services</u></b></p> <p>#3 Other information and documents – Question: Will we be given the recording information or will we be requested to search title to obtain the recording information?</p>	<p>If the Judicial council has the recording information we will provide it, otherwise title company will be required to search title to obtain the recording information.</p>

No	Questions	Answers
3	<p><b><u>Required Services</u></b></p> <p>#6 – Legal Descriptions – Question: will the title company be expected to develop the legal description with the Judicial Council’s engineering company or will the title company have to create the legal description with their in-house engineering staff?</p>	<p>The title company will be asked to assist in development of the legal description with an engineer/surveyor hired by either the property owner or Judicial Council. This usually entails reviewing the proposed legal description and plat prepared by the property owner’s or Judicial Council’s engineer/surveyor.</p>
4	<p><b><u>Required Services</u></b></p> <p>#10 – Aggregate Title Insurance Endorsement - Question: is it possible to see a copy of the form of aggregate endorsement the Council will be requesting?</p>	<p>Yes. Please see example attached.</p>
5	<p><b><u>Required Services</u></b></p> <p>#16 – Administrative Services- Question: please provide an example of what those services might be.</p>	<p>Requirement: At no cost to the Judicial Council, provide certain ongoing administrative services as required to service the Judicial Council account.</p> <p>Response: Administrative Services are those services typically performed by accounting and administrative personnel, rather than professional level personnel such as managers, executives, officers, or analysts. Some examples of administrative services are: order processing, order status tracking, record keeping, filing, bookkeeping, billing, sending out reports via e-mail, and posting reports to your secure website if applicable.</p>

No	Questions	Answers
6	<p>Request modification of RFP, item 8, page 9 by <b>deleting requirement of DVBE participation goal of 3%.</b></p> <p>Reason: The business of title insurance in California (title and escrow services) requires licensing by the Dept. of Insurance (DOI). No title entity licensed by the DOI is a certified DVBE. Also, it is not feasible for publicly traded corporations to qualify as a certified California DVBE. Because title searches, issuance of title insurance policies and provision of escrow services are unique and core services of licensed entities, it is not feasible to subcontract these services nor is there an eligible DVBE on the list of California-certified DVBEs to provide such services.</p>	<p>The Judicial Council will delete the DVBE participation goal requirement for this solicitation effort.</p>
7	<p>Please identify all Administrative Services (item 16, page 3 of the RFP) that will be required by the Judicial Council at no cost to the Judicial Council.</p>	<p>See response to #5 above.</p>
8	<p>Request modification of Master Agreement, items 10, 11.1, 11.2, 11.3, 11.4, and 11.5, page B-7 by <b>deleting such provisions.</b></p> <p>Reason: Rights and ownership of Materials and/or Services produced, such as copies of grant deeds, recorded liens, etc. are not held by Contractor and cannot be assigned to the Judicial Council.</p> <p>Reason: Data, escrow files and related Materials must be retained by Contractor, as required by law, auditors, regulators, and for business purposes.</p> <p>Reason: State and federal privacy laws may restrict disclosure of certain nonpublic personal information contained in the Data and Materials developed in the course of Contractor's provision of title and escrow services.</p>	<p>Articles 10 and 11 in their entirety will be removed from the master agreement.</p>

No	Questions	Answers
9	<p>Request modification of Master Agreement, item 11.6, p. B-8 by <b>revising as follows</b>: "The Judicial Council expressly acknowledges and agrees that the Data to be provided by Contractor under the Agreement may <u>utilize the Contractor's data and title plant database and may</u> contain certain design details, features and concepts from the Contractor's pre-existing best practices, which are, and shall remain, the sole and exclusive property of Contractor, <u>including, without limitation, all Intellectual Property Rights.</u> Nothing herein shall be construed as a limitation on the Contractor's right to re-use such <u>data, title plant database, Materials,</u> design details, features and concepts on such other projects, in other contexts, or for other clients.</p>	<p>See response to #8 above.</p>

No	Questions	Answers
10	<p>Request modification of Master Agreement, item 24.1.2, page B-13 by <b>revising and decreasing</b> the Commercial General Liability limits per occurrence to \$1,000,000 (from \$2,000,000) while retaining the \$2,000,000 annual aggregate minimum.</p> <p>Reason: Title and escrow services do not take place on Judicial Council premises. Coverage for Contractor's acts errors or omissions committed or alleged to have been committed which arise out of rendering or failure to render the Services provided under the terms of this Agreement are covered under Professional Liability insurance for which requisite minimum amounts have been established under the Master Agreement. In addition, bidders may have umbrella liability policies and/or Professional Liability insurance in amounts in excess of the requirements established in subsection 24.14</p> <p>Reason: Requiring coverage limits of \$2,000,000 per occurrence, as presently specified in this Master Agreement, is inconsistent with other State bid proposal requests, including CalTrans RFP for Title and Escrow services, numbered IFB 12A1561, due Sept. 25, 2014, which established Commercial General Liability limits of \$1,000,000 per occurrence and \$2,000,000 annual aggregate.</p>	<p>The limit of liability for commercial general liability will be reduced to \$1 million.</p>
11	<p>If pricing for a Service requires a qualifier or condition, please tell us where to include such response on the Price Proposal Form.</p>	<p>If the pricing for a Service requires a qualifier or condition that results in more than one price, include the different prices on that line item in your Price Proposal, with a description of the qualifier or condition. In order for the Judicial Council to score all price proposals fairly, however, you will need to use the highest price for that service in each applicable price scenario.</p>

No	Questions	Answers
12	Is the DVBE requirement applicable to a corporation? (One must be a small business to participate in DVBE.)	See response to #6 above.
13	Attachment A – Scope of Service, Item 6 – please describe assistance needed with the development of legal description.	The title company will be asked to assist in development of the legal description with an engineer/surveyor hired by either the property owner or Judicial Council. This usually entails reviewing the proposed legal description and plat prepared by the property owner's or Judicial Council's engineer/surveyor.
14	Attachment A – Scope of Service, Item 16, please provide further information, what type of administrative services will be required.	See response to #5 above.
15	Attachment A - Scope of Services, Item 10, please clarify request for Aggregate Title Insurance Endorsement. This endorsement is normally afforded to Lenders. Should you have a sample of this endorsement that you can share with us for review?	Yes. Please see example attached.

Example-Aggregate Title Insurance Endorsement

Attached to Policy No. [REDACTED]

Attached to Policy No. [REDACTED] ENDORSEMENT  
Issued By  
TITLE COMPANY

**Owner's Tie In Endorsement**

The following policies are issued in conjunction with one another:

See Exhibit "A" attached hereto and made a part hereof

Notwithstanding the provisions of Section 8(a)(i) of the Conditions of this policy, the Amount of Insurance under this policy at the time of payment of loss hereunder shall be 150% of the amount shown in Schedule A, to wit \$10,000,000.00. At no time shall the Amount of Insurance under this policy and the other policies identified above exceed in the aggregate \$124,322,460.00. All payments made by the Title Company under this policy or any of the other policies identified above, except the payments made for costs, attorney's fees and expenses, shall reduce the aggregate amount of insurance pro tanto.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is Inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated: [REDACTED]

[REDACTED]

[REDACTED]

Example-Aggregate Title Insurance Endorsement

**Exhibit "A"**

POLICY NUMBER	COUNTY	STATE	AMOUNT
	San Joaquin	California	\$ 1,200,000
	Merced	California	\$ 2,000,000
	Contra Costa	California	\$ 2,000,000
	Contra Costa	California	\$ 1,500,000
	Fresno	California	\$ 3,330,000
	Alameda	California	\$ 10,258,200
	Alameda	California	\$ 23,616,710
	Alameda	California	\$ 29,982,900
	Butte	California	\$ 1,820,250
	Santa Barbara	California	\$ 3,760,650
	Plumas	California	\$ 350,000
	Santa Barbara	California	\$ 17,763,750
	Lassen	California	\$ 580,000
	Lassen	California	\$ 220,000
	Fresno	California	\$ 940,000.00
	Sacramento	California	\$ 15,000,000
	Sacramento	California	\$ 10,000,000