

- 1.7 "Preliminary Certificate and Report of Title", "Interim Title Insurance Binder", "Interim Binder", or "Binder" is an approved attorney's preliminary certification of title, which has been duly countersigned by the insurer or agent and represents a commitment to issue a title insurance policy. In no event shall such a binder be used as a substitute for a title insurance policy.
- 1.8 "Record", "Recording", "File" or "Filing", refers interchangeably to the deposit of documents with government offices which maintain public records relating to real or personal property transactions. "Recording Fee" or "Filing Fee" refers interchangeably to the sums of money lawfully charged by government officials for recording or filing, or services related thereto.
- 1.9 "Settlement Charge" is that charge imposed by an insurer or its agent for attending or conducting a real estate closing or settlement in connection with a real estate transaction in which a title insurance policy or policies are to be issued; *i.e.*, a real estate closing in which the insurer or agent may or may not make disbursements of funds on behalf of the participants, whether or not the settlement takes place by mail or through electronic means, and regardless of the place the settlement occurs, and which may include closing- or settlement-related functions performed both before and after the occurrence of the closing or settlement itself, but which excludes functions for which a charge is imposed under Section 7.1. For the purposes of this *Manual*, the words "settlement" and "closing" are intended to be synonymous; references in this *Manual* to "closing" shall be deemed to refer to "settlement". "Settlement Charge" excludes "Escrow Service Charge", as discussed in Section 6.5 of this *Manual*. Specifically, the term "settlement charge" means either "settlement

with disbursements charge” or “settlement without disbursements charge”, as those terms are defined below, and in accordance with Article 6 of this *Manual*.

- (a) “Settlement with Disbursements Charge” is that charge imposed by an insurer or its agent for attending or conducting a real estate closing which involves making disbursements of funds on behalf of the participants, whether or not the closing takes place by mail or through electronic means, and regardless of the place the closing occurs.
- (b) “Settlement without Disbursements Charge” is that charge imposed by an insurer or its agent for attending or conducting a real estate closing which does not involve making disbursements of funds on behalf of the participants, whether or not the closing takes place by mail or through electronic means, and regardless of the place the closing occurs.

1.10 "Title Insurance Agent" shall mean a person or entity as defined in N.J.S.A. 17:46B-1(i) and who holds a valid license from the State of New Jersey and a contract with an Insurer to prepare and issue Commitments and Policies on its behalf.

1.11 “Transaction Management Platform Fees” are those fees charged on a per file/transaction basis to the insurer or agent by software vendors to process and post title, settlement and related documents on the internet in order to enable customers, lenders and/or their representatives to access and/or obtain delivery of title, settlement and related documents.

1.12 "Underwriting Rate" is that charge made by an insurer or its agent for the liability undertaken under the policy and is based on the amount of insurance shown in the policy.

ARTICLE 6: SETTLEMENT CHARGES

6.1 SETTLEMENTS WITH DISBURSEMENTS

Where the insurer or its agent conducts a settlement with disbursements, as the same is defined in Section 1.9(a), the charge shall be \$300.00 for a settlement which does not exceed 60 minutes in length, plus additional charges, if any, as set forth in this *Manual*. Settlements conducted by mail or electronically shall be deemed to be conducted in the insurer's or agent's office. Nothing contained in Sections 6.1 *et seq.* shall be deemed to limit the applicability of Sections 3.1.5 or 7.6 or any other applicable provision of this *Manual*.

6.2 SETTLEMENTS WITH DISBURSEMENTS; ADDITIONAL CHARGES

6.2.1 SETTLEMENTS OUTSIDE THE INSURER'S OR AGENT'S OFFICE

If the settlement with disbursements occurs outside the insurer's or agent's office, \$25.00 shall be added to the settlement charge (for a total charge of \$325.00). Out-of-pocket expenses for tolls, parking, lodging, rail or air fares and other travel-related items (if applicable) shall also be charged. Mileage shall be charged at the rate established from time to time by the Internal Revenue Service pursuant to the Income Tax Regulations. The charge imposed under this sub-section shall be in addition to the charges imposed under Sections 6.2.2 and 6.2.3, if applicable.

6.2.2 SETTLEMENTS OUTSIDE REGULAR BUSINESS HOURS

If the settlement with disbursements is scheduled to commence outside regular business hours at the request of a party to the transaction or his or

her attorney, \$50.00 shall be added to the minimum settlement charge (for a total charge of \$350.00). For the purpose of this sub-section, regular business hours shall be the hours of 9:00 A.M. to 5:00 P.M. Monday through Friday, exclusive of legal holidays. The charge imposed under this sub-section shall be in addition to the charges imposed under Sections 6.2.1 and 6.2.3, if applicable.

6.2.3. SETTLEMENTS OF GREATER THAN NORMAL LENGTH

If the length of the settlement with disbursements exceeds 60 minutes, an additional charge of \$100.00 shall be added for each additional hour (or fraction thereof) in excess of the initial 60-minute period. The charge imposed under this sub-section shall be in addition to the charges imposed under Sections 6.2.1 and 6.2.2, if applicable.

6.3 SETTLEMENTS WITHOUT DISBURSEMENTS

When the insurer or its agent attends or conducts a settlement without disbursements, as the same is defined in Section 1.9(b), the charge shall be \$150.00 for a settlement which does not exceed 60 minutes in length, plus additional charges, if any, set forth in this *Manual*. Settlements conducted by mail or electronically shall be deemed to be conducted in the insurer's or agent's office. Nothing contained in Sections 6.3 *et seq.* shall be deemed to limit the applicability of Sections 3.1.5 or 7.6 or any other applicable provision of this *Manual*.

6.4 SETTLEMENTS WITHOUT DISBURSEMENTS; ADDITIONAL CHARGES

6.4.1. SETTLEMENT WITHOUT DISBURSEMENTS; ATTENDANCE OUTSIDE INSURER'S OR AGENT'S OFFICE

If the settlement without disbursements occurs outside the insurer's or agent's office, \$25.00 shall be added to the settlement without disbursements charge (for a total charge of \$175). In addition, travel time in excess of one (1) hour shall be charged at the rate of \$25.00 per hour (or fraction thereof). Out-of-pocket expenses for tolls, parking, lodging, rail or air fares and other travel-related items (if applicable) shall also be charged. Mileage shall be charged at the rate established from time to time by the Internal Revenue Service pursuant to the Income Tax Regulations. The charge imposed under this sub-section shall be in addition to the charges imposed under Sections 6.4.2 and 6.4.3, if applicable.

6.4.2 SETTLEMENTS OUTSIDE REGULAR BUSINESS HOURS

If the settlement without disbursements is scheduled to commence outside regular business hours at the request of a party to the transaction or his or her attorney, \$50.00 shall be added to the settlement without disbursements charge (for a total charge of \$200.00). For the purpose of this sub-section, regular business hours shall be the hours of 9:00 A.M. to 5:00 P.M. Monday through Friday, exclusive of legal holidays. The charge imposed under this sub-section shall be in addition to the charges imposed under Sections 6.4.1 and 6.4.3, if applicable.

6.4.3. SETTLEMENTS OF GREATER THAN NORMAL LENGTH

If the length of the settlement without disbursements exceeds 60 minutes, an additional charge of \$50.00 shall be added for each additional hour (or fraction thereof) in excess of the initial 60-minute period. The charge imposed under this sub-section shall be in addition to the charges imposed

under Sections 6.4.1 and 6.4.2, if applicable.

6.4.4 SETTLEMENTS OF GREATER THAN NORMAL LENGTH; ITEMIZATION OF CHARGES

If the insurer or agent conducts a settlement of greater than normal length, whether the same occurs with or without disbursements, the insurer or agent shall provide the applicant, upon request, with an itemization of the time expended by the insurer or agent in connection therewith, specifically setting forth the settlement-related functions performed before and after the occurrence of the closing or settlement itself.

6.5 ESCROW SERVICE

All escrows and escrow services shall be the subject of a written agreement, and a reasonable charge for administering the account may be charged, provided disclosure is made to the parties involved. For the purposes of this Section, "escrows and escrow services" does not include settlement services, for which separate charges are applicable pursuant to Sections 6.1 through 6.4.3, inclusive, of this *Manual*.

6.6 CLOSING SERVICE LETTER

This letter, when requested, provides a lender (and a borrower or cash purchaser in a 1-4 family owner-occupied transaction), with certain protection against fraud, misapplication of funds or failure to follow written closing instructions by the issuing agent or attorney, subject to the provisions contained therein. The special risk premium for the issuance of this letter shall be \$75.00.