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Declaration of Trust

filed 3-22-47

26 pgs.

CHARTER #

no. 77
Lawyer's Title
Burdette Friend

Declaration
of Trust

MICROFILMED

77

March 22nd 1977

SP-1117 BY 1554-18

H-T

March 25th 1947

Honorable John T. Wigginton, Chairman
Board of Trustees of
Lawyers' Title Guaranty Fund
Tallahassee, Florida

Dear Mr. Wigginton:

I enclose herewith a certified copy
of Declaration of Trust Agreement In Re: LAWYERS'
TITLE GUARANTY FUND, as filed in this office on
March 22, 1947, together with receipt for \$150.00
showing the payment of the statutory filing fee.

Assuring you it is always a pleasure
to serve you, I am

Cordially yours,

Secretary of State.

/s/
Ent.

AFFIDAVIT

MAR 22 1947

STATE OF FLORIDA, :
: SS:
COUNTY OF LEON. :



SECRETARY OF STATE
Tallahassee, Florida

Personally appeared JOEN T. WIGGINTON, whose post office address is Tallahassee, Florida, before the undersigned notary public, and upon being duly sworn, he deposed and stated that he has been duly elected and designated as the Chairman of the Board of Trustees of an organization or association formed under the name and style of "Lawyers' Title Guaranty Fund," by a common law declaration of trust, pursuant to Chapter 609, Florida Statutes 1941, and he further deposed and stated that the document hereto attached is a true and correct copy of the declaration of trust of said association, under which it proposes to conduct its business, as the same has been adopted, published and subscribed by the Board of Trustees of said association, and the affiant further deposes and says that he is duly authorized to, and does hereby, request the Secretary of State of Florida to file said declaration of trust, and issue to the trustees named therein a certificate showing that said declaration of trust has been duly filed in his office as required by law.

This the 22nd day of March, 1947.

Joen T. Wigginton
Chairman, Board of Trustees of
"Lawyers' Title Guaranty Fund".

Subscribed and sworn to
before me this 22nd day
of March, A. D. 1947.

W. E. Brown

Notary Public, State of Florida at Leon.
My commission expires October 4, 1948.
Purchased by American Surety Co. of N. Y.

C. TAX	
FEES	150.00
R. RECEIPTS	
C. COPY	
TOTAL	150.00
IN HAND	150.00
BALANCE DUE	
RECEIPTS	

DECLARATION OF TRUST

or

LAWYERS' TITLE GUARANTY FUND

IN ORDER for lawyers to furnish their clients with greater financial responsibility with their opinions on titles to and the validity of mortgages on real estate than the financial condition of any one lawyer or firm of lawyers can afford by creating a fund to guarantee their opinions on title, and to provide title and mortgage insurance if the Board of Trustees determine such insurance advisable and provide for it,

KNOW ALL MEN BY THESE PRESENTS, That a trust is hereby declared and established and the purpose, terms, and conditions thereof are:

ARTICLE I

Section 1. DESIGNATION: This trust may be referred to as LAWYERS' TITLE GUARANTY FUND.

Section 2. PURPOSE: The purpose of this trust is to establish and maintain a fund for guaranteeing opinions on real estate titles, leaseholds, and mortgage liens rendered by the members of the Fund, and, if the Board of Trustees provide therefor, to provide a reserve for real estate title and mortgage insurance policies issued by members.

ARTICLE II

DEFINITIONS: As used in this declaration of trust, the following definitions shall control:

(1) "Fund" or "the Fund" or "the Trust" shall mean the trust organization and the trust estate at any time existing under this declaration of trust and ~~and~~ assets and shall include the total assets at any time existing and under the control of the Board of Trustees hereinafter provided for, as the context may indicate.

(2) "Member" shall mean a cestui que trust of this trust who shall be any attorney at law who has been approved, has qualified, and remains in good standing as an attorney at law for rendering opinions on real estate titles, leaseholds, and mortgages, or issuing title or mortgage insurance policies, guaranteed or insured by the Fund.

(3) "Opinion" shall mean an opinion by a member rendered to a client as to the title to, leasehold, or mortgage lien on real estate, on a form provided by and guaranteed by the Fund.

(4) "Insurance" shall mean real estate title, leasehold, or mortgage insurance under a policy issued by a member and insured by the Fund.

(5) "Initial contribution" shall mean the contribution that an applicant for membership makes with his application for membership.

(6) "Trustees," "the Trustees," or "Board of Trustees" shall mean the collective group of persons designated by the provisions of this instrument as the governing body of the trust herein created and for the performance of the duties expressly or impliedly delegated to them in this instrument.

ARTICLE III

Section 1. MEMBERSHIP: Membership in LAWYERS TITLE GUARANTY FUND shall be limited to persons licensed to practice law in Florida and who are members of the Florida State Bar Association in good standing, and who reside in Florida and who are active in the practice of law, and who have applied for and been accepted to membership in LAWYERS' TITLE GUARANTY FUND and qualified by paying the qualifying fee and executed the membership agreement as provided in Article VII, Section 2, Paragraph (b) hereof, and remain in good standing.

Section 2. TERMINATION OF MEMBERSHIP: Membership in LAWYERS' TITLE GUARANTY FUND shall terminate:

(a) Upon the member ceasing to be a member of the FLORIDA STATE BAR ASSOCIATION in good standing, Provided, before a member shall lose his membership in LAWYERS' TITLE GUARANTY FUND, the executive secretary of LAWYERS' TITLE GUARANTY FUND shall have received official written notice from FLORIDA STATE BAR ASSOCIATION that the member is not in good standing.

(b) Upon the member ceasing to practice law or reside in Florida;

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(c) Upon the member wilfully or negligently failing to remit any contribution to the Fund in accordance with the provisions made in this instrument for such contributions for a period of more than thirty days after same is due; and

(d) Upon verbal or written complaint to the executive secretary, or upon the initiative of the Board of Trustees, a membership may be terminated for fraud, negligence, or incompetence on the part of the member. If a verbal or written complaint is made to the executive secretary against a member, or upon written request from the chairman of the Board of Trustees, the executive secretary shall make an investigation, and if he finds a reasonable basis for the complaint, he shall put the complaint before the chairman of the Board of Trustees. If the chairman of the Board of Trustees finds reasonable basis for the complaint, he shall, in writing, direct the executive secretary as examiner to conduct a hearing on the complaint, after not less than five days notice by registered mail to the member against whom the complaint is made and other interested parties. The executive secretary shall have a record made of the hearing with sufficient copies thereof. Thereupon, the chairman and at least two other trustees, one of whom may be selected by the member, the chairman selecting the other. The three shall consider the record and, if the chairman and one or both of the others concur that the evidence establishes fraud, negligence, or incompetence on the part of the member and it is against the public interest and the interest of the Fund, they shall terminate the membership of the member against whom the complaint is made. If a member loses his membership under the provisions of this paragraph, his partners shall not be required to sever relations with him, if they, within thirty days after they receive notice from the executive secretary of their partner's loss of his membership, certify in writing to the executive secretary that they will render no guaranteed opinions nor issue any policies based upon examinations of title made by the partner who has lost his membership under the provisions of this paragraph.

ARTICLE IV

Section 1. BOARD OF TRUSTEES: The affairs of LAWYERS' TITLE GUARANTY FUND shall be controlled and managed by a Board of Trustees, which

shall be composed of one member from each judicial circuit for the State of Florida, or such other division of the State as may be provided hereafter for the state courts with general jurisdiction. No person who has any stock interest in, who is a director or officer of, or who is attorney for any incorporated title insurance company shall become or remain a member of the Board of Trustees. Merely being on the list of approved attorneys of any title insurance company and examining titles for title insurance by such company shall not disqualify one from being a member of the Board of Trustees. The trustees shall serve without remuneration.

Section 2. WHEN AND HOW TRUSTEES ELECTED: The member of the Board of Trustees from each judicial circuit shall be elected by the members of LAYERS' TITLE GUARANTEE FUND in that circuit by ballot. If no member receives a majority on the first ballot, the two receiving the highest number of votes shall be voted on at a run-off election and the one receiving the higher number of votes shall be elected. The members of any judicial circuit (or any successor judicial division of the State for the courts of general jurisdiction that is entitled to elect a trustee) shall provide their own procedure for electing a trustee and a certificate by three or more members certifying such election mailed to the executive secretary shall be sufficient evidence as to election of such trustee. In event a controversy arises as to the election of a trustee, the Board of Trustees, exclusive of a trustee from the judicial circuit about which the controversy arises, shall determine the validity of the election. Each trustee shall be elected for four years, but no trustee shall serve for more than a part of one term and one full term. Provided, the first trustees elected from the First, Fifth, Ninth and Thirteenth Judicial Circuits shall serve through June 30, 1947; the trustees elected from the Second, Sixth, Tenth, and Fourteenth Judicial Circuits shall serve through June 30, 1948; the trustees elected from the Third, Seventh, Eleventh, and Fifteenth Judicial Circuits shall serve through June 30, 1949; and the trustees elected from the Fourth, Eighth, and Twelfth Judicial Circuits shall serve through June 30, 1950. In event of a vacancy, a successor shall be elected for the balance of the unexpired term only.

Section 3. CHAIRMAN OF BOARD OF TRUSTEES: The Board of Trustees shall elect one of their number as the chairman thereof for a term of one year, to run from July First through June Thirtieth, but no member shall be chairman for more than four years. However, by affirmative vote of not less than two-thirds of all the trustees, a lawyer or judge who has retired from practice while a member of the Florida Bar or has retired from the Florida judiciary, and while he resides in Florida may be elected chairman, although he has not been elected as a trustee. In the absence of the chairman of the board, the trustees present may designate a chairman pro tem. The Board of Trustees may, in their discretion, provide a salary or compensation for the chairman, commensurate with the duties imposed upon and performed by him.

Section 4. HOW MEETING CALLED: A regular or special meeting of the Board of Trustees may be called by a written request of the chairman or any five members thereof addressed to the executive secretary; and, if the meeting is a special meeting, the request must state briefly the matters to be considered at the meeting. Upon receipt of such written request, the executive secretary shall, within forty-eight hours after receipt of such request, mail notice of such meeting to all the members of the Board of Trustees, stating therein who requested the meeting, the place and time of the meeting, which time shall not be less than the fifth day after the day on which the notice is mailed, and, if the meeting is a special meeting, the notice must state briefly the matters to be considered at the meeting, provided, the notice above provided for may be waived in writing by three-fourths of the total number of trustees attending and participating in a meeting and signing such a waiver, which waiver shall be made a part of the minutes of the meeting.

Section 5. MINUTES OF ALL MEETINGS OF BOARD OF TRUSTEES TO BE KEPT: The executive secretary, or in his absence, some other trustee designated by the chairman or chairman pro tem, shall keep adequate minutes of each meeting, and the minutes shall be permanent records of the Trust.

Section 6. QUORUM AND NUMBER REQUIRED TO ACT: Except as otherwise herein expressly provided, two-thirds of all the trustees shall be present

for a meeting. An affirmative vote by a majority of the total membership of the Board of Trustees shall be necessary for the Board to act on any matter.

Section 7. TRUSTEES MAY ACT WITHOUT MEETING, ETC. The Board of Trustees may act in any capacity they are authorized to act by this declaration of trust without meeting by signed approval of a written statement of the action taken, subject to the provisions herein as to the number required to concur in taking action. They may hold a meeting at any place in Florida. They shall hold at least one meeting during each calendar year. They shall be re-insured for their reasonable expenses in attending meetings.

Section 8. BOARD OF TRUSTEES MAY ADOPT RULES. Subject to the provisions of this declaration of trust, by affirmative vote of a majority of all the trustees, the Board of Trustees may adopt rules for the administration of the trust affairs, Provided, no rule shall become effective until thirty days after a copy of the rule has been mailed to the members. The copy of the rules mailed shall state the mailing and effective dates. A certificate by the executive secretary that a copy of the rule has been mailed to the members shall be conclusive.

Section 9. CLAIM COMMITTEE. The Board of Trustees shall appoint a committee of three of their number to be known as "Claim Committee." It shall be the duty of the Claim Committee to consider and settle or defend all claims made against the Fund. The Claim Committee shall keep in mind the necessity of maintaining the integrity of the legal profession, and the Fund, and shall settle just claims made by clients without delay and unreasonable exactions of clients, and shall realize to the best of its ability on rights to which the Fund becomes subrogated. The Claim Committee may employ, at reasonable compensation, attorneys for defending claims and enforcing rights to which the Fund becomes subrogated. The determination of the Claim Committee shall not be binding as to either liability or amount in asserting a right of subrogation against a member.

ARTICLE V

Section 1. EXECUTIVE SECRETARY AND TREASURER. The Board of Trustees shall appoint a competent person as executive secretary and as treasurer of the LAWYERS' TITLE GUARANTY FUND for a term of not more than one year. The

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person appointed executive secretary and treasurer may be the same person as the secretary and treasurer of the FLORIDA STATE BAR ASSOCIATION, if the governing body of the FLORIDA STATE BAR ASSOCIATION, by resolution, consents to the appointment. The salary of the secretary and treasurer shall be fixed from time to time by the Board of Trustees, but at a rate of not less than \$3400.00 or more than \$10,000.00 per annum and may be paid monthly. The executive secretary shall direct and carry on, subject to the direction and control of the Board of Trustees, the functions of this trust. The treasurer shall be responsible for the deposit of funds and other assets of LAWYERS' TITLE GUARANTEE FUND and shall at all times be under surety bond for faithful performance in the amount of \$50,000.00.

Section 2. OFFICE AND FACILITIES: The Board of Trustees shall provide suitable office space and facilities in Tallahassee, Florida, or in such other city in Florida as the Board may from time to time designate, and shall authorize the executive secretary to employ such clerical assistance and incur such other office expense as is reasonably necessary to properly carry on the functions for which this trust is created.

ARTICLE VI

Section 1. GUARANTEED TITLE OPINIONS: LAWYERS' TITLE GUARANTEE FUND shall guarantee every opinion rendered by every member on a printed form furnished by the Fund to the extent of the value declared by the client on the real estate on which the opinion is rendered, or the present value of the aggregate rental (based upon four per cent interest, compounded annually) on any leasehold on which an opinion is rendered, or the principal amount of any mortgage lien on which an opinion is rendered. The printed form shall contain all the terms and stipulations of the guarantee. The guarantee of the Fund shall not apply to any opinion that is not rendered on such printed form.

Section 2. INITIAL FORM: The form for guaranteed opinion on title, until other forms are adopted and provided, as hereinafter provided for, shall be in words and figures as follows:

L.T.O.F. FORM 1,

Member's Account No. _____

OPINION NUMBER: _____

Fund's No. _____

Member's No. _____

GUARANTEED TITLE OPINION

Rendered by

(Name of Attorney)

(Street or Building)

_____, Florida.

DECLARED VALUE OF PROPERTY

PKR \$ _____

(Name of Client)

(Address of Client)

In my (or our) opinion you have fee simple title of record to the real property in Florida described under Schedule A on Page 2 of this document, subject only to such liens or other objections as are set forth in Schedule B on Page 2 of this document.

This opinion is guaranteed by LAWYERS' TITLE GUARANTY FUND, as shown on Page 3 of this document, as to the extent of the value of the property declared by you, namely \$ _____.

Respectfully,

LAWYERS' TITLE GUARANTY FUND

SCHEDULE A

1. Description of the real estate on which opinion is rendered:
in County, Florida, described as:

2. Record evidence of Client's title:

3. The estate or interest of Client:

SCHEDULE B

This opinion and guaranty thereof is subject to the following
liens and other objections:

1. All taxes for the year in which this opinion is rendered,
unless noted below that such taxes have been paid.

Other Liens or Objections

(If none, so state)

GUARANTEE OF OPINION

Under the provisions of the Declaration of Trust and amendments thereto of LAWYERS' TITLE GUARANTY FUND, filed with the Secretary of the State of Florida, at Tallahassee, Florida, on the 22nd day of *March*, 1947, and subsequent dates for amendments, LAWYERS' TITLE GUARANTY FUND hereby guarantees to the person or persons, including corporations or associations, to whom the opinion on title on Page 1 of this Document is addressed, to the extent of the declared value of the real estate set forth in the opinion, that the opinion is correct and, subject to the stipulations and conditions below, will indemnify the person, persons, corporation, or association to whom the opinion on Page 1 of this Document is addressed.

STIPULATIONS AND CONDITIONS

1. LAWYERS' TITLE GUARANTY FUND, hereinafter termed "the Fund," shall have the right to, and will at its own expense, defend the person, persons, corporation, or association to whom the opinion on Page 1 of this Document is addressed, hereinafter termed "the Client" in all actions of ejectment or other action or proceeding founded upon a claim of title, encumbrance or defect which existed or is claimed to have existed prior in date to the date of the opinion on Page 1 of this Document and not excepted on Page 2 of this Document; reserving, however, a continuing option of settling the claim or paying this guarantee in full; and the payment or tender of payment to the full amount of this guarantee shall terminate all liability of the Fund hereunder. It shall be the duty of the Client, guaranteed, promptly upon learning of such a claim, to give the Fund written notice thereof, addressing the notice to LAWYERS' TITLE GUARANTY FUND, Tallahassee, Florida, with full particulars, and in case any action or proceeding as hereinabove mentioned shall be brought, it shall be the duty of Client to at once notify the Fund thereof in writing, by addressing the notice as above set forth, and the Fund shall have the right to defend such action or proceeding in the name of the Client, in its own name, or in such manner as the Fund might elect and the law might allow. If such notice of claim shall not be given with reasonable promptness, or if notice of suit shall not be given to the Fund, by addressing it in writing as above set forth, within seven days after summons or other process in such action or proceeding shall be served upon the Client, then all liability of the Fund in regard to said claim, or the subject matter of such action or proceeding, shall cease and terminate; provided, however, that failure to notify shall in no case prejudice the claim of the Client if the Client is not a party to such action or proceeding, nor be served with summons therein, nor have any knowledge thereof. By undertaking the defense of any action or proceeding, the Fund shall not be deemed to have admitted liability hereunder, nor shall it be thereby precluded, after complete investigation and ascertainment of all material facts, from questioning its said liability. The Client, whenever requested by the Fund, by its chairman, executive secretary, or attorney, shall aid in effecting settlement, securing information and evidence, the attendance of witnesses and in prosecuting appeals, but shall not voluntarily assume any liability or interfere in any negotiation for settlement of any legal proceeding, or incur any expense or settle any claim, except at the Client's own expense, without the written consent of the Fund previously given.

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2. Nothing contained in this guaranty shall be construed as a guarantee against loss or damage by reason of fraud or neglect on the part of the Client, or by reason of the fact the Client was not a bona fide purchaser for value.

3. Nothing contained in this guaranty shall be construed as a guarantee against the consequences of the exercise and enforcement or attempted enforcement of governmental "police power" over the property described on Page 2 of this Document.

4. This guaranty does not cover or protect against rights or claims of parties in possession not shown of record, suits or judicial proceedings affecting the property where there has been no lis pendens notice thereof or judgment duly recorded, unless such suits, judicial proceedings, or judgment appear in an abstract of title furnished the attorney at law rendering the opinion on title on Page 1 of this Document to be used by him in the examination of the title to the property covered by this guaranty, and this guaranty does not cover or protect against defects and encumbrances arising after the date of the opinion on Page 1 of this Document, taxes and assessments which have not become a lien at the date of said opinion, mechanic's or similar liens where due notice of record has not been given or conveyances, agreements, or other instruments relating to the property or interest mentioned on Page 2 of this Document, not appearing of record at the date of said opinion; and no express or implied approval of any transfer of this guaranty shall be deemed to make it cover or protect against any such right, claim, suit, judicial proceeding, defect, encumbrance, tax, assessment, lien, conveyance, agreement, or other instrument.

5. This guaranty shall not guarantee the title to any personal property, whether the same be attached to or used in connection with the real estate described on Page 2 of this Document, or otherwise.

6. No claim for damages shall arise under this guaranty except under the several provisions, conditions and stipulations of this guaranty, and then only after a claim of title, encumbrances, or other defect not excepted on Page 3 of this Document has been adjudged by a final termination in a court of competent jurisdiction to be valid and effectual to charge the real property described in Schedule A on Page 2 of this Document and that has not been excepted in Schedule B on Page 2 of this Document. In litigated matters the Fund shall always have and be entitled to exercise the right of appeal to a court of last resort and, so long as the right remains open to it, there shall not be deemed to have been a "final determination" of the questions at issue. Provided, however, if the decision of the trial court be adverse and of such a character as to require supersedeas for the protection of the Client pending appeal, the Fund will, to the extent of its pecuniary liability to the insured, supersede such adverse judgment or decree. If supersedeas in excess of the Fund's liability is required, it shall be the duty of the Client to furnish such excess supersedeas, and the Fund will not be responsible for any loss or damage resulting from the failure of the Client so to do.

7. All payments under this guaranty shall reduce the amount guaranteed pro tanto, and no payment shall be demanded without producing this Document for endorsement thereon of such payment. If this Document be lost, its identity must be furnished to the satisfaction of the Fund.

8. In every case where liability of the Fund has been fixed in accordance with these conditions, the loss or damage shall be payable within 30 days thereafter.

9. Whenever the Fund has settled a claim under this guaranty, it shall be entitled to the rights and remedies which the Client would have had against any other person, persons, or property in respect to such claim, had this guaranty not been made and the Client undertakes to transfer or cause to be transferred to the Fund such rights, together with the right to use the

name of the Client, when necessary for the recovery thereof, such rights of subrogation to vest in the Fund unaffected by any action of the Client.

10. The Fund will pay, in addition to the loss, all costs of court incurred on the Client in litigation carried on by the Fund for the Client under the requirements of this guaranty; but it will in no case be liable for the fees of any counsel or attorney employed by the Client, and the loss paid, exclusive of costs, shall in no event exceed the amount of this guaranty.

11. In accepting this guarantee, the Client accepts the same as the contract of LAWYERS' TITLE GUARANTY FUND as a pure trust and not as a partnership. Such acceptance shall constitute an agreement on the part of the Client with the Fund to look solely to the member or firm of members who rendered him this opinion and the assets of the Fund for damages, and no member or firm of members other than the member or firm of members who rendered this opinion and no trustee shall be personally liable on account of this guarantee.

12. If the Client institutes an action or suit on this guarantee, it shall not be necessary to name the members of the Board of Trustees, as the Board of Trustees of LAWYERS' TITLE GUARANTY FUND, as defendants. In order to save the Client the annoyance and initial expense of ascertaining the names of the members of the Board of Trustees and naming them and having them served with process, it shall be sufficient to merely name LAWYERS' TITLE GUARANTY FUND as defendant and it shall be sufficient service of process to serve the executive secretary as such, or, in the absence from the State of Florida of the executive secretary, service may be made on the Chairman of the Board of Trustees. Thereupon, the members of the Board of Trustees shall, without raising the issue of the sufficiency of naming of defendants and service of process, appear as the Board of Trustees of LAWYERS' TITLE GUARANTY FUND and the action or suit shall proceed as against the Trustees as such.

13. This guaranty shall run to the legal representatives, heirs, and devisees of the Client, and their rights and remedies shall be subject to the same conditions and limitations as those of the Client.

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Section 3. ADDITIONAL FORMS, AMENDMENTS, TITLE POLICIES, ETC.

(a) The Board of Trustees shall provide forms for opinions to cover leaseholds and mortgages, as near as practical the same as the foregoing form.

(b) By an affirmative vote of two-thirds of all the members of the Board of Trustees the above prescribed form may be amended and, by like vote, additional forms adopted and provided. By like vote, the Board of Trustees may adopt title and mortgage insurance, in lieu of guaranteed opinions and provide policy forms. However, no amendment of the form prescribed in Section 2 of this article and change to title and mortgage insurance, in lieu of guaranteed opinions, shall become effective before January 1, 1948, and thereafter no amendment or change from guaranteed opinion to insurance policy or amendment of insurance policy shall become effective prior to January 1 next succeeding the date of the amendment or change.

ARTICLE VII

Section 1. FEES:

(a) Every member shall charge not less than the following fees for guaranteed opinions on title or mortgage insurance policies:

Declared Value	Fee
Up to \$1,500.00	\$25.00
2,000.00	27.50
2,500.00	30.00
3,000.00	32.50
3,500.00	35.00
4,000.00	37.50
4,500.00	40.00
5,000.00	42.50
5,500.00	45.00
6,000.00	47.50
6,500.00	50.00
\$5,000.00 to \$10,000.00	- 1% of amount of declared value
For next \$15,000.00	- \$7.50 per thousand
For next \$25,000.00	- \$6.50 per thousand
For next \$50,000.00	- \$6.00 per thousand
For any amount over \$100,000.00	- \$5.00 per thousand

(b) CHANGE OF FEE SCHEDULE. By an affirmative vote of not less than two-thirds of all the members, the foregoing fee schedule may be changed by the Board of Trustees, and may, by such vote, prescribe a separate and different schedule of fees for a particularly described locality.

Section 2. APPLICATION FOR MEMBERSHIP AND CONTRIBUTIONS.

(a) With his application for membership, an applicant shall remit

\$100.00 as his initial contribution to LAWYERS' TITLE GUARANTY FUND, which shall be returned to the applicant if his membership is rejected.

(b) APPLICATION FOR MEMBERSHIP shall be made in the following form:

LAWYERS' TITLE GUARANTY FUND
Tallahassee, Florida

Dear Sirs:

I hereby make application for membership in Lawyers' Title Guaranty Fund and remit the sum of \$100.00 as my initial contribution. I am a member of the Florida State Bar Association in good standing and I am engaged in the practice of law in and reside in Florida. There are no criminal or disbarment proceedings pending against me.

I agree to abide by the declaration of trust of Lawyers' Title Guaranty Fund, as filed with the Secretary of State of Florida, and any amendments thereto and the rules and regulations adopted by the Board of Trustees.

Yours truly,

Applicant.

(c) LAW FIRMS: In order for a member of a partnership of lawyers to be a member of LAWYERS' TITLE GUARANTY FUND, all members of the partnership shall be members. When one who is not a member of LAWYERS' TITLE GUARANTY FUND enters into partnership with others who are members, he shall have thirty days to become a member before the memberships of the others are affected.

(d) ADDITIONAL CONTRIBUTIONS: In order to build up a fund of such size as to create real financial responsibility for guaranteed opinions and insurance policies issued by the members and to provide for the expense of administering the Trust, each member shall, by the Tenth day of each month, remit to the treasurer of the Fund Twenty-five (25) per cent of the fees charged by him, according to the above schedule, for opinions rendered and policies issued by him during the next preceding calendar month. Every member shall have an account on the books of the Fund and a particular number assigned to his account, Provided, if partners request in writing addressed to the executive secretary that their account be carried as one account, such shall be done. The member or members carrying a joint account shall be credited with the contribution made for each opinion rendered or policy issued by him or them.

(c) REDUCTION OF CONTRIBUTIONS: After the Fund has net assets of \$250,000.00, by an affirmative vote of two-thirds of all the members, the Board of Trustees may from time to time reduce the rate of initial and additional contributions.

Section 3. EXPENSE OF ADMINISTRATION AND CLAIMS: The Board of Trustees, as soon after January 1, 1908, as practical, shall determine:

(a) The expense of administering the Trust, shall charge same to each member's account in proportion to his contributions during the preceding calendar year, not considering the member's initial contribution made at the time of becoming a member.

(b) Subject to the provisions of Section 3 of this ARTICLE, any claim made under any opinion or policy, shall be charged first against the additional contributions and then against the initial contribution of the member who rendered the opinion or issued the policy under which the claim was incurred. If disposition of a claim costs more than a member's credit balance, the member's future contributions shall be applied toward indemnifying the Fund until it has been fully indemnified. For the purpose of arriving at any member's credit balance subject to being applied to the payment of a claim under an opinion rendered or policy issued by him, his initial contribution at the time he becomes a member, his additional contributions, and his Fund income credits shall be added and his proportionate part of expense of administration of the Trust shall be deducted.

Section 4. INCOME TO THE TRUST: The Board of Trustees, as soon after January 1st, as practical, shall determine for the next preceding calendar year whether the income from investments, recoveries on subrogations, assignments, and other sources, (but not including contributions by members) exceeds expenses of administration, and claims paid and pending, to the extent claims pending or paid exceed the net balances of members against whose opinions or policies the claims arose, and, if there is an excess of income, it shall be credited to the members' accounts as follows:

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CREDITING NET INCOME: Subject to the provisions of Section 3 of this ARTICLE, every initial contribution shall be credited up to and including, but not exceeding, two per centum thereof. If, after every initial contribution entitled to being credited has been credited with two per centum thereof, there is a balance, it shall be credited ratably, according to the additional contributions made by the member.

ILLUSTRATION:

Assume - Gross Income to Trust	\$20,000.00
" - Expenses and Claims	<u>15,000.00</u>
" - Excess - To be Credited Members' Accounts	<u>\$ 5,000.00</u>
 Assume - Initial Contributions by all Members (\$100.00 by each Member)	 \$110,000.00
Amount to Credit Members' Accounts	\$ 5,000.00
Less: Amount Credited to Initial Contributions	<u>3,500.00</u>
 Amount to Credit Ratably to Members' Accounts, According to Additional Contributions	 <u>\$ 2,500.00</u>

If on December 31st, the member with account No. 550 had contribution credits totaling \$1,500.00, made up of initial contribution of \$100.00, and additional contributions of \$1,400.00, and the member's proportion of the expenses of administration amounted to \$15.00, he would have had \$1,485.00 subject to application to payment of claims made against opinions rendered or policies issued by him. Assume that a claim in the amount of \$1,600.00 was made against an opinion rendered by him. His account would be charged with the \$1,600.00, and no part of the net income to the trust for the year would be credited to his account. If, during the next year, the claim be settled for \$1,000.00, when the member's account will be credited with \$400.00 (the difference between the claim made, \$1,600.00, and the amount paid in settlement, \$1,000.00) and, at the end of the year, the member's account will be credited accordingly for the prior year. If, in settling the claim, the Trust is subrogated to a right and recovers on the right, the member's account will be credited accordingly.

Section 5. FUND TOTAL LOSS TO BE BORNE BY TRUST: If a loss occurs from a cause that does not result in civil liability of the member who rendered the opinion or issued the policy under which the loss occurs, and the Claim Committee so finds, then, in that event, the entire loss shall be borne by the Fund.

Section 6. INVESTMENTS AND INVESTMENT COMMITTEE:

(a) The Board of Trustees shall make investments in securities and first lien real estate mortgages that are approved investments for insurance companies doing business in Florida and in accordance with the rules of the Insurance Commissioner of Florida.

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(b) The Board of Trustees may, by proper resolution, provide for an investment committee of three members, one of whom shall be the chairman of the Board of Trustees, who shall also be chairman of the committee, and give the committee such authority as they deem advisable.

Section 7. WITHDRAWAL OF CONTRIBUTIONS: A member, former member, or the legal representatives, heirs, or legatees of a deceased member may at any time withdraw all or any part of a member's credit balance that existed seven years before the application for withdrawal is made, Provided, no claim against an opinion rendered or policy issued by the member has been made and has not been disposed of before the application for withdrawal is made, and Provided, further, the withdrawal will not reduce the Fund below the minimum that the Board of Trustees, in their discretion, may fix, but not less than \$250,000.00. Applications for withdrawal shall be in writing and the Fund shall not be required to make payment in less than sixty days after receipt of the application for withdrawal. In arriving at a member's balance subject to withdrawal, the member's account shall be tentatively charged proportionately for a reasonable reserve to settle any claims against the Fund pending at the time of withdrawal.

ARTICLE VIII

Section 1. TITLE AND CONTROL OF BOARD OF TRUSTEES: The Board of Trustees shall have sole title to the assets that come under the trust hereby created, and subject to the provisions of this declaration of trust, shall have full control and management of the trust assets and affairs. The trustees shall not be liable to the members (cestuis que trust) beyond reasonable care and prudence and shall not be liable to others except in their representative capacity.

Section 2. TRUSTEE AS MEMBER: A trustee may render guaranteed opinions or issue policies the same as any other member.

Section 3. PURE TRUST AND NOT PARTNERSHIP: The trust created by this declaration of trust shall be a pure trust and only the trust assets shall be liable on any contract entered into under this declaration of trust. No member shall have any right, title or interest in and to any of the trust assets, except as herein provided, and the members shall have no right of control or management

of the trust estate or activities, except to elect trustees as hereinabove provided. The members shall not be held to be partners and no member, except the trustees as herein provided, shall act or attempt to act in behalf of the Trust.

Section 4. DELEGATION OF AUTHORITY BY BOARD OF TRUSTEES: The Board of Trustees may delegate such authority as they deem to the best interest of the Trust to the chairman, executive secretary and treasurer, claim committee, investment committee, and such other person or persons as they deem advisable.

ARTICLE IX

Section 1. DURATION OF TRUST: It is deemed the trust hereby created does not violate any rule against perpetuities and it shall be perpetual. In event it is held by the highest court of Florida to violate some rule against perpetuities, then its duration shall be for such length of time as it may legally exist.

Section 2. AMENDMENTS: This declaration of trust may be amended by an affirmative vote of three-fourths of all the members of the Board of Trustees, subject to the limitations of Section 3 of ARTICLE VI hereof. Amendments hereto shall be filed with the Secretary of State of Florida and shall not become effective until thirty days after such filing.

ARTICLE X

Section 1. FIRST BOARD OF TRUSTEES: The persons named, and who sign at the end of this instrument shall constitute the first Board of Trustees of this trust and remain such until their successors are elected in accordance with the method of election herein provided. The chairman of the first Board of Trustees is John T. Wigginton.

Section 2. BOARD OF TRUSTEES TO COMPLY WITH VARIOUS STATUTES: The Board of Trustees shall comply with such regulatory laws as are applicable to a trust of this nature, such as Florida Statutes, 1941, Chapter 517 (uniform sale of securities law), if applicable; 609 (common law declarations of trust); and Section 665.09 (fictitious name statute), and, if required, and the Board of Trustees deem advisable, Chapter 686 (certificate of authority, insurance commissioner), and other applicable insurance statutes. The Board of Trustees may,

if they deem advisable, seek a declaratory decree for construing any provisions of this declaration of trust.

Section 3. BORROWING AND ACCEPTING ADVANCE PAYMENT OF ADDITIONAL CONTRIBUTIONS: If the Board of Trustees deem it advisable, in order to provide a sizable fund before contributions from memberships are sufficient, they may, and they are hereby expressly authorized to do so, borrow money or accept advance payment of additional contributions and execute such instruments to evidence the indebtedness or advance payment as they deem proper, and contract to pay interest at not to exceed three per centum per annum.

IN WITNESS WHEREOF, We, the undersigned, have herunto set our respective hands and seals, as the first Board of Trustees of LAWYERS' TITLE GUARANTY FUND, this 8th day of March, 1947.

<u>NAME AND SIGNATURE</u>	<u>ADDRESS</u>	<u>JUDICIAL CIRCUIT</u>
<u>Richard H. Merritt</u> <u>/s/ Richard H. Merritt</u>	<u>Pensacola, Florida</u>	First
<u>John T. Wigginton</u> <u>/s/ John T. Wigginton</u>	<u>Tallahassee, Florida</u>	Second
<u>Wallace M. Jopling</u> <u>/s/ Wallace M. Jopling</u>	<u>Lake City, Florida</u>	Third
<u>J. Ollie Edwards</u> <u>/s/ J. Ollie Edwards</u>	<u>Ernett National Bank Bldg. Jacksonville, Florida</u>	Fourth
<u>James M. Smith, Jr.</u> <u>/s/ James M. Smith, Jr.</u>	<u>221 Robertson Bldg. Gadsden, Florida</u>	Fifth
<u>ROBERT M. BARTON</u> <u>/s/ Robert M. Barton</u>	<u>305-6 Empire Building St. Petersburg, Florida</u>	Sixth
<u>Catherine H. Carter</u> <u>/s/ Catherine H. Carter</u>	<u>Deland, Florida</u>	Seventh
<u>E. A. Clayton</u> <u>/s/ E. A. Clayton</u>	<u>123 W. University Avenue Gainesville, Florida</u>	Eighth
<u>ROBERT J. PLEUS</u> <u>/s/ Robert J. Pleus</u>	<u>First National Bank Bldg. Orlando, Florida.</u>	Ninth

<u>NAME AND SIGNATURE</u>	<u>ADDRESS</u>	<u>JUDICIAL CIRCUIT</u>
<u>Ed. R. Bentley</u> <u>/s/ Ed. R. Bentley</u>	<u>Lakeland, Fla.</u> <u>Cochrane Bldg.</u>	Tenth
<u>C. Clyde Atkins</u> <u>/s/ C. Clyde Atkins</u>	<u>913 Durant Building</u> <u>Miami, Florida.</u>	Eleventh
<u>Clyde H. Wilson</u> <u>/s/ Clyde H. Wilson</u>	<u>510 Palmer National Bank</u> <u>Sarasota, Florida Bldg.</u>	Twelfth
<u>Donn Gregory</u> <u>/s/ Donn Gregory</u>	<u>205-11 Hinson Bldg.</u> <u>Tampa, Fla.</u>	Thirteenth
<u>Cecil A. Rountree</u> <u>/s/ Cecil A. Rountree</u>	<u>Chipley, Florida</u>	Fourteenth
<u>R. K. Lewis</u> <u>/s/ R. K. Lewis</u>	<u>West Palm Beach, Fla.</u>	Fifteenth

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STATE OF FLORIDA
OFFICE OF SECRETARY OF STATE

TO ALL TO WHOM THESE PRESENTS SHALL COME—GREETING:

I, R. A. GRAY, Secretary of State of the State of Florida, do hereby certify, that Richard H. Merritt, John T. Wiginton, Wallace M. Jopling, J. Ollie Edmunds, James M. Smith, Jr., Robert M. Barton, Catherine H. Carter, E. A. Clayton, Robert J. Pleus, Ed R. Bentley, C. Clyde Atkins, Clyde H. Wilson, Donn Gregory, Cecil A. Hountree and R. K. Lewis, as Trustees of

LAWYERS' TITLE GUARANTY FUND

have filed in the office of the Secretary of State of the State of Florida, a copy of a certain Declaration of Trust, duly sworn to by the Chairman of the Trustees as being a true and correct copy of the Declaration of Trust under which the business of

LAWYERS' TITLE GUARANTY FUND

an association organized to do business under what is commonly known as a Declaration of Trust, is to be conducted, and that said copy of said Declaration of Trust has been filed by me, as Secretary of State, under the provisions of Chapter 609 of the 1941 Florida Statutes.

I further certify, that the said Trustees have paid to the State of Florida the sum of One Hundred and Fifty Dollars, the amount of the filing fee required by law to be paid in such case.

THEREFORE, Be it known by these presents, that

LAWYERS' TITLE GUARANTY FUND

an association organized under the aforesaid Declaration of Trust, is hereby authorized to transact business in the State of Florida under the terms and conditions set forth in said Declaration of Trust.

(SEAL)

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Florida, at Tallahassee, Florida, on this the twenty-second day of March, A. D., 1947.

R. A. GRAY,
SECRETARY OF STATE.

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