

Policy Wording

COMMERCIAL SOLUTIONS [LENDER]

EFFECTIVE 14 MARCH 2026

1.0 Introduction

1.1 Information about First Title

First American Title Insurance Company of Australia Pty Limited (trading as "First Title") is the insurance company that issues the Policy. We refer to the insurer as First Title in this document. First Title is authorised by the Australian Prudential Regulation Authority to carry on insurance business in Australia and holds an Australian Financial Services (AFS) Licence, number 263876, issued by the Australian Securities and Investments Commission. The AFS Licence authorises First Title to provide general insurance product advice and to deal in general insurance products to retail and wholesale clients. First Title is part of a worldwide insurance group owned by First American Financial Corporation (the "First Title Group").

For information about First Title or the First American Financial Corporation:

Phone: 1300 362 178

Email: info@firsttitle.com.au

Website: www.firsttitle.com.au

1.2 Your duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, that may affect our decision to insure you and on what terms. You have this duty until we agree to insure you. You have the same duty before you renew, extend, vary or reinstate an insurance contract. You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both. If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed. Your duty of disclosure continues up to and including the Policy Date. If you become aware of something and you are not sure whether to disclose it to us, simply contact us and we can discuss this with you.

1.3 Privacy statement

We are committed to protecting the privacy of Your personal information. That commitment is reflected in Our compliance with the Australian Privacy Principles.

We have a Privacy Policy which contains information about how You may access the personal information about You that We hold and

seek the correction of such information. Our Privacy Policy also contains information about how You may complain about a breach of the Australian Privacy Principles and how we will deal with such a complaint. Our Privacy Policy is available on Our website at www.firsttitle.com.au.

For further details of First Title's Privacy Policy, or to request access to or correct Your personal information, please email privacy@firsttitle.com.au or call our Privacy Officer on 1300 362 178. Please note that First Title is likely to disclose personal information about You to a related body corporate who is likely to be located in the United States of America, Canada and India.

1.4 Dispute resolution

If you have any concerns or complaints about:

- Our customer service;
- the way We have handled a claim; or
- the insurance coverage

We have offered, please contact Our General Manager, Legal by telephone on 1300 362 178. We will strive to ensure that Your enquiries or complaints are resolved fairly and promptly. First Title is a member of the Financial Ombudsman Service. If you are not satisfied with Our response You can contact the Financial Ombudsman Service, which is a free dispute resolution service for consumers.

2.0 Covered risks

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN THE SCHEDULE AND THE CONDITIONS, First American Title Insurance Company of Australia Pty Ltd, registered to carry on the business of title insurance in Australia, with its principal office in Chatswood, New South Wales, Australia (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risk 2.13, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

2.1. Title being vested other than as stated in Schedule.

2.2. Any defect in, charge, lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from:

- a) A defect in the Title caused by:
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;

- (iii) a document affecting Title not properly created, executed, witnessed, acknowledged, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired or otherwise invalid power of attorney;
 - (vi) a document not properly filed, registered, or in the Public Records including failure to perform those acts by electronic means authorized by law;
 - (vii) a defective judicial or administrative proceeding; or
 - (viii) a violation of the provisions of a state or territorial law which restricts the subdivision of land
- b) The lien of taxes or assessments imposed on the Title by a governmental authority or other statutory body due or payable, but unpaid.
- c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete Survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land and encroachments onto the Land of existing improvements located on adjoining land.

2.3. Unmarketable Title

2.4. No right of access to and from the Land.

2.5. The violation or enforcement of any law, by-law, code, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:

- a) the occupancy, use or enjoyment of the Land;
- b) the character, dimensions or location of any improvement erected on the Land;
- c) a separation in ownership or a change in the dimensions or area of the Land or any parcel of which the Land is or was a part; or
- d) environmental protection;
- e) if a notice, describing any part of the Land, is registered in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.

2.6. An enforcement action based on the exercise of a governmental power not covered by Covered Risk 2.5 if a notice of the enforcement action, describing any part of the Land, is registered in the Public Records, but only to the extent of the enforcement referred to in that notice.

2.7. The exercise of the rights of expropriation if a notice of the exercise, describing any part of the Land, is registered in the Public Records.

2.8. Any compulsory acquisition for which notice has been given prior to Date of Policy and is binding on the rights of a purchaser for value without Knowledge.

2.9. The invalidity or unenforceability of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following affecting the validity or enforceability of the Insured Mortgage upon the Title:

- a) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
- b) failure of any person or Entity to have authorized a transfer or conveyance;
- c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized or delivered;
- d) failure to perform those acts necessary to create a document by electronic means authorized by law;
- e) a document executed under a falsified, expired or otherwise invalid power of attorney;
- f) a document not properly filed, registered or indexed in the Public Records including failure to perform those acts by electronic means authorized by law;
- g) a defective judicial or administrative proceeding; or
- h) a violation of the provisions of a state or territorial law which restricts the subdivision of land.

2.10. The lack of priority of the Insured Mortgage upon the Title over any other lien or encumbrance.

2.11. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in the Schedule, or the failure of the assignment shown in the Schedule to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.

2.12. The invalidity, unenforceability, lack of priority or avoidance of the Insured Mortgage upon the Title resulting from avoidance in whole or in part, or from a court order providing for an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under bankruptcy, insolvency or similar creditors' rights laws.

2.13. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 2.1 through 2.13 that has been created or attached or has been filed or registered in the Public Records subsequent to Date of Policy and prior to the registration of the Insured Mortgage in the Public Records or by reason of the Insured, for reasons beyond its control and despite its best efforts, being prevented from effecting registration of its interest in the Land, provided the title search is brought up to date as of the Date of Policy and the Insured is making reasonable efforts to effect registration with a minimum of delay.

COMPANY'S DUTY TO PROTECT YOU

The Company will also pay the costs, legal fees and expenses incurred in defence of any matter insured against by this policy, but only to the extent provided in the Conditions.

3.0 Exclusions

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, legal fees or expenses that arise by reason of:

3.1.

- a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:
 - (i) the occupancy, use or enjoyment of the Land;
 - (ii) the character, dimensions or location of any improvement erected on the Land;
 - (iii) a separation in ownership or a change in the dimensions or area of the Land or any parcel of which the Land is or was a part; or
 - (iv) environmental protection; or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 3.1(a) does not modify or limit the coverage provided under Covered Risk 2.2(a)(viii) or 2.5.
- b) Any governmental power not excluded by 3.1(a) above. This Exclusion 3.1(b) does not modify or limit the coverage provided under Covered Risk 2.6.

3.2. Rights of compulsory acquisition. This Exclusion does not modify or limit the coverage provided under Covered Risk 2.7 or 2.8.

3.3. Defects, liens, encumbrances, adverse claims or other matters:

- a) created, suffered, assumed or agreed to by the Insured Claimant;
- b) not Known to the Company, not registered in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
- c) resulting in no loss or damage to the Insured Claimant;
- d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 2.13); or
- e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.

3.4. Unenforceability of the Insured Mortgage upon the Title because of the inability or failure of an Insured to comply with applicable doing

business laws of Australia and the jurisdiction in which the Land is located.

3.5. Invalidity or unenforceability in whole or in part of the Insured Mortgage upon the Title that arises out of the transaction evidenced by the Insured Mortgage and is based upon any consumer protection law.

3.6. Any claim, by reason of the operation of federal, provincial or territorial bankruptcy, insolvency, or similar creditors' rights laws, that the transaction creating the Insured Mortgage, is:

- a) a fraudulent conveyance or fraudulent transfer; or
- b) a preferential transfer.

4.0 Conditions

4.1. Definition of terms

The following terms when used in this policy mean:

4.1.1. "Amount of Insurance": The amount stated in the Schedule, as may be increased or decreased by endorsement to this policy, increased by Section 4.8(b), or decreased by Section 4.10 of these Conditions.

4.1.2. "Date of Policy": The date designated as "Date of Policy" in the Schedule.

4.1.3. "Entity": A corporation, partnership, trust, limited liability company or other similar legal entity.

4.1.4. "Indebtedness": The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law, and if that obligation is the payment of a debt, the Indebtedness is the sum of:

- a) the amount of the principal disbursed as of Date of Policy;
- b) the amount of the principal disbursed subsequent to Date of Policy;
- c) interest on the loan; the exit fees and other similar fees or penalties allowed by law;
- d) the expenses of foreclosure and any other costs of enforcement;
- e) the amounts advanced to assure compliance with laws or to protect the priority of the Insured Mortgage before the acquisition of the estate or interest in the Title;
- f) the amounts advanced to assure compliance with laws or to protect the priority of the Insured Mortgage before the acquisition of the estate or interest in the Title;
- g) the reasonable amounts expended to prevent deterioration of improvements; but reduced by the total of all payments and by any amount forgiven by an Insured.

4.1.5. "Insured": The Insured named in the Schedule.

- a) The term "Insured" also includes:

- (i) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is an obligor under the provisions of Section 4.12(c) of these Conditions;
 - (ii) successors to an Insured by dissolution, merger, consolidation, distribution or reorganization;
 - (iii) successors to an Insured by its conversion to another kind of Entity;
 - (iv) a nominee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title:
 - (A) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (B) if the grantee wholly owns the named Insured,
 - (C) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (D) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in the Schedule for estate planning purposes.
 - (v) any government agency or government corporation that is an insurer or guarantor under an insurance contract or guarantee insuring or guaranteeing the Indebtedness secured by the Insured Mortgage, or any part of it, whether named as an Insured or not;
- b) With regard to (i), (ii), (iii) and (iv) reserving, however, all rights and defences as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the Indebtedness as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance or other matter insured against by this policy.

4.1.6. "Insured Claimant": An Insured claiming loss or damage.

4.1.7. "Insured Mortgage": The Mortgage described in paragraph 4 of the Schedule.

4.1.8. "Knowledge" or "Known": Actual knowledge, not knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart notice of matters affecting the Title.

4.1.9. "Land": The land described in the Schedule, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in the Schedule, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

4.1.10. "Mortgage": Mortgage, charge, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

4.1.11. "Public Records": Records established and maintained under the applicable state or territorial legislation dealing with the registration of title to an interest in land.

4.1.12. "Survey": A plan of survey, prepared by a surveyor qualified to survey land in the state or territory in which the Land is situated.

4.1.13. "Title": The estate or interest described in the Schedule, which would customarily be registered in the Public Records. "Title" is not affected by matters relating only to any structures on the land, unless notice of those matters is registered in the Public Records as of Date of Policy.

4.1.14. "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title or a prospective purchaser of the Insured Mortgage to be released from the obligation to purchase, lease or lend if there is a contractual condition requiring the delivery of marketable title. "Unmarketable Title" is not created by matters relating only to the physical condition of the Land.

4.2. Continuation of insurance

The coverage of this policy shall continue in force as of Date of Policy in favour of an Insured after acquisition of the Title by an Insured or after conveyance by an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favour of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

4.3. Notice of claim to be given by insured claimant

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4.5(a) below, (ii) in case Knowledge shall come to an Insured of any claim of title or interest that is adverse to the Title or the Insured Mortgage, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title or the Insured Mortgage, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4.4. Proof of loss

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

4.5. Defence and prosecution of actions

- a) Upon written request by the Insured, and subject to the options contained in Section 4.7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defence of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the Insured in the defence of those causes of action that allege matters not insured against by this policy.
- b) The Company shall have the right, in addition to the options contained in Section 4.7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title or the Insured Mortgage, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- c) Whenever the Company brings an action or asserts a defence as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

4.6. Duty of insured claimant to cooperate

- a) In all cases where this policy permits or requires the Company to prosecute or provide for the defence of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defence in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining

witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title, the Insured Mortgage, or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

- b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, cheques, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

4.7. Options to pay or otherwise settle claims; Termination of liability

In case of a claim under this policy, the Company shall have the following additional options:

- a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness
 - (i) To pay or tender payment of the Amount of Insurance under this policy together with any costs, legal fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or
 - (ii) to purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, legal fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

- b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant
- (i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, legal fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
- (ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, legal fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

4.8. Determination and extent of liability

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of:
- (i) the Amount of Insurance;
- (ii) the Indebtedness; or
- (iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- b) If the Company pursues its rights under Section 4.5 of these Conditions and is unsuccessful in establishing the Title or the Insured Mortgage, as insured,
- (i) the Amount of Insurance shall be increased by 10%, and
- (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was

made by the Insured Claimant or as of the date it is settled and paid.

- c) In the event the Insured has acquired the Title in the manner described in Section 4.2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 4.8(a) of these Conditions.
- d) In addition to the extent of liability under (a), (b) and (c), the Company will also pay those costs, legal fees and expenses incurred in accordance with Sections 4.5 and 4.7 of these Conditions.

4.9. Limitation of liability

- a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, or establishes the Insured Mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title or to the Insured Mortgage, as insured.
- c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

4.10. Reduction of insurance; Reduction or termination of liability

- a) All payments under this policy, except payments made for costs, legal fees and expenses, shall reduce the Amount of Insurance by the amount of the payment. However, any payments made prior to the acquisition of Title as provided in Section 4.2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.
- b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 4.2 of these Conditions.

4.11. Payment of loss

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

4.12. Transfer of your rights

a) The Company's Right to Recover

Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title or Insured Mortgage and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, legal fees and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

b) The Insured's Rights and Limitations

- (i) The owner of the Indebtedness may release or substitute the personal liability of any debtor or guarantor, extend or otherwise modify the terms of payment, release a portion of the Title from the Insured Mortgage, or release any collateral security for the Indebtedness, if it does not affect the enforceability or priority of the Insured Mortgage.
- (ii) If the Insured exercises a right provided in (b)(i), but has Knowledge of any claim adverse to the Title or the Insured Mortgage insured against by this policy, the Company shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the Insured Claimant of the Company's right of subrogation.

c) The Company's Rights Against Non Insured Obligors

The Company's right of subrogation includes the Insured's rights against non insured obligors including the rights of the Insured to indemnities, guarantees, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

The Company's right of subrogation shall not be avoided by acquisition of the Insured Mortgage by an obligor (except an obligor described in Section 4.1.5.(a)(v) of these Conditions) who acquires the Insured Mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an Insured under this policy.

4.13. Liability limited to this policy

- a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- b) Any claim of loss or damage that arises out of the status of the Title or the Insured Mortgage, as insured, or by any action asserting such claim, shall be restricted to this policy.
- c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by the Schedule of this policy.
- d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance.

4.14. Severability

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid and all other provisions shall remain in full force and effect.

4.15. Choice of law

- a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the law of the jurisdiction where the Land is located shall govern the determination of the validity of claims against the Title or the Insured Mortgage, as insured, that are adverse to the Insured, and to interpret and enforce of the terms of this policy. In neither case shall conflicts of laws principles be applied to determine the applicable law.

- b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a court having appropriate jurisdiction.

4.17. Notices, where sent

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at PO Box 132, Chatswood NSW 2057.

Trade sanction advisory regarding the enforcement of economic embargoes and trade sanctions.

This Trade Sanction Advisory is part of the First American Title Insurance Company of Australia Pty Limited (First Title) compliance with First American Financial Corporation's compliance with the Federal Reserve Board's request from the Office of Foreign Assets Control (OFAC). OFAC administers and controls economic and trade sanctions against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destructions and other threats to the national security, foreign policy and economy of the United States. Similar economic and trade sanctions are applied by the United Nations Security Council which operate in Australia.

Your rights as a policyholder and payments to you, the insured or claimant, for loss under the policy may be affected by the administration and enforcement of economic embargoes or trade sanctions applicable to you, your company or the country you are domicile in. The application of sanctions could necessitate the seizure or freezing of property, including but not limited to withholding payment of a claim.

Depending upon the identity, domicile, place of incorporation or nationality of the policyholder, insured, claimant, insurer or parent company and ultimate controlling entity of the policy holder, trade sanctions of other countries (including the United States) may be applicable.

Existing trade sanctions can be amended and new trade sanctions can be imposed, at any time.

OBLIGATIONS PLACED ON US AS A RESULT OF TRADE SANCTIONS

If we determine that you or any insured, additional insured, loss payee or claimant are on a prohibited list or are connected to a sanctioned country, entity or individual, or a prohibited activity, as designated by the relevant trade sanction, we may be required to comply with the particular trade sanction. This may include blocking or freezing property and payment of any funds and the reporting of such occurrences to the relevant authorities within the prescribed time periods, if any.

POTENTIAL ACTIONS BY US

Depending upon the requirements of the trade sanction:

1. we may be required to immediately cancel your coverage effective from the date we determine that we have transacted with an individual or entity (associated with your policy), who/which is on a prohibited listed or connected to a sanctioned country as described in the relevant trade sanction.
2. if we cancel your coverage, you may not receive a return premium unless permitted pursuant to the relevant trade sanction.
3. we may not pay a claim, accept premium or exchange monies or assets of any kind to or with individuals, entities or companies (including a bank) on a prohibited list or connected to, or carrying on business in, a sanctioned country as designated by the relevant trade sanction. Furthermore, we may not defend or provide any other benefit under your policy to individuals, entities or companies on a prohibited list or connected to, or carrying on business in, a sanctioned country as designated by the relevant trade sanction.