



**Collateral Disposition Pre-Underwriting Requirements
For Issuance of a UCCPlus Owner's Policy**
9-610 Disposition of Collateral After Default – Public Dispositions/Sales

To proceed, the parties must agree to the following pre-underwriting requirements:

- a. Collateral Disposition Questionnaire – The Parties agree to complete and send a completed Collateral Disposition Questionnaire and all requested documentation.
- b. Cancellation - The Parties agree to pay a cancellation charge of up to \$X,XXX per Policy if the Parties cancel any Policy order after substantial underwriting has begun. The amount billed in the event of cancellation will be commensurate with the work completed. The cancellation charge is a Company requirement, given the focus necessary for underwriting Owners' Policies and the value of the due diligence review.
- c. Premium and Work Charges - The Parties agree to pay:
 - i. Base premium equal to UCCPlus' standard filed rate for an Owner's Policy bearing an Amount of Insurance equal to the current full value of the underlying real property as demonstrated by the parties, but without reduction for any existing debt or other liability. If an owner's title policy is written after the public sale has concluded, the UCCPlus Owner's Policy will be written in the same amount.
 - ii. The full amount of UCCPlus' outside counsel invoice for reviewing the items submitted by the parties. UCCPlus estimates this invoice to be approximately \$X,XXX.
 - iii. Hard costs for the searches to be run by UCCPlus (as described below). A rough guide would be \$1000 to \$2000 per party.
- d. Acknowledgment of Timing – The Parties acknowledge that the underwriting of a UCCPlus Owner's Policy will take 10-14 business days at a minimum prior to the scheduled date of the public sale (or closing date if the public sale has already occurred). Please also be aware that until the Parties provide a completed Collateral Disposition Questionnaire, UCCPlus will not be able to place an order for the searches described below, and it often takes 10 business days to get the local search results.
- e. Proforma Issuance – The Parties acknowledge that UCCPlus cannot complete its underwriting and issue its closing proforma until the public sale has been completed and UCCPlus has been provided with a final transcript of the public sale. The parties acknowledge that in no event will a proforma UCCPlus Owner's Policy be available on the day of the public sale (a transcript of the sale is a necessary part of our due diligence).
- f. Searches – The Parties authorize UCCPlus to order 5-part (UCC, federal tax lien, bankruptcy, litigation, and judgment) lien searches on each relevant party. Since the searches need to be dated within 30 days of closing, the searches may not be ordered immediately.
- g. Due Diligence - The Parties agree to provide all items UCCPlus requests.



**Collateral Disposition Questionnaire
For Issuance of a UCCPlus Owner’s Policy**

9-610 Disposition of Collateral After Default – Public Dispositions/Sales

For UCCPlus to evaluate a public disposition/sale made under Part 6 of Article 9 of the Uniform Commercial Code, please provide written responses to/requested documentation for each of the following (please note that the below is intended to be a starting point and not a complete checklist – please provide any other documentation or information that may aid UCCPlus in its review):

Question/Request	Response (if none, please state)
1. Synopsis. Please provide	
<ul style="list-style-type: none"> • a synopsis of the underlying transaction and subsequent actions giving rise to the public sale. 	
<ul style="list-style-type: none"> • a description of the real property, including location, common address, and any adjacent projects or owned property. 	
<ul style="list-style-type: none"> • a description of the real property’s current condition, including if any construction is ongoing, its current occupancy and rent rolls, if applicable. 	
<p>2. UCCPlus Policy. Did UCCPlus (Fidelity, Chicago Title, or Commonwealth) issue a UCCPlus Policy at the original loan closing? If so, please provide:</p> <ul style="list-style-type: none"> • a copy of the final Policy • any guarantee • written confirmation by the original lender and all subsequent assignees of possession of the original wet-signed Certificates and Powers (as defined below) • any date downs or endorsements; and <p><i>THEN SKIP TO ITEM 6 BELOW.</i></p>	
<p>3. Other UCC Policy. Did another title insurance company issue a UCC policy? If so, please provide a copy of the final Policy and any date downs or endorsements.</p>	
<p>4. Transaction Documents.</p>	
<ul style="list-style-type: none"> • Loan Documents. Please provide: 	
<ul style="list-style-type: none"> ○ Brief description of the original loan transaction (the “Loan”). 	
<ul style="list-style-type: none"> ○ The loan agreement and all amendments 	

<ul style="list-style-type: none"> ○ The pledge/security agreement relating thereto and all amendments 	
<ul style="list-style-type: none"> ○ All promissory notes (if any) 	
<ul style="list-style-type: none"> ○ All guarantees 	
<ul style="list-style-type: none"> • <u>Organizational Documents.</u> For each entity in which an equity interest is to be sold, please provide: 	
<ul style="list-style-type: none"> ○ Current (dated within 2 months of the closing date) certified (by the jurisdiction of formation) set of all formation documents on record with the secretary of state 	
<ul style="list-style-type: none"> ○ Current (dated within 2 months of the closing date) certified (by the jurisdiction of formation) certificates of good standing/existence 	
<ul style="list-style-type: none"> ○ Complete set of executed operating documents (e.g., bylaws, limited liability company agreements, or partnership agreements), including all amendments, any agreements that have been restated, and all assignments thereof 	
<ul style="list-style-type: none"> ○ Scans of all canceled certificates and powers 	
5. <u>Evidence of Perfection of Security Interest(s) in the Equity Collateral for the Loan.</u> Please provide:	
<ul style="list-style-type: none"> • Scans of all wet-signed executed certificates with their related powers signed in blank, evidencing the lender's security interest in all pledged collateral (collectively, the "Certificates and Powers"). 	
<ul style="list-style-type: none"> • Written confirmation by the original lender and all subsequent assignees (or their authorized counsel) of possession of the original wet-signed Certificates and Powers 	
<ul style="list-style-type: none"> • Copies of all filed UCC-1 financing statement(s) and UCC-3 amendments, assignments, or continuations relating to the Loan. 	
<ul style="list-style-type: none"> • Copies of any other documentation related to the perfection of the security interests. 	
6. <u>Litigation.</u> Please provide a full description and a copy of all available documentation (if none, please state) for any active litigation, threatened litigation, expected litigation, or concluded litigation subject to a judgment:	
<ul style="list-style-type: none"> • Arising from the original loan documents or between the parties thereto 	
<ul style="list-style-type: none"> • Relating to the underlying real property or any affiliated real property 	
<ul style="list-style-type: none"> • Between any secured party and any guarantor 	
<ul style="list-style-type: none"> • Between any of the bidders at the public sale 	

7. <u>Default.</u> Please provide correspondence evidencing:	
<ul style="list-style-type: none"> • Any forbearance extended by the secured party to the debtor(s). 	
<ul style="list-style-type: none"> • Proof of: <ul style="list-style-type: none"> ○ default under the loan documents, ○ that all notice and cure requirements were met; and ○ that the loan was properly accelerated. 	
8. <u>Notice of Sale.</u> Please provide:	
<ul style="list-style-type: none"> • Authenticated notification of disposition (“Notice of Sale”) delivered to (with proof of delivery for each): 	
<ul style="list-style-type: none"> ○ All debtors 	
<ul style="list-style-type: none"> ○ All secondary obligors (guarantors) 	
<ul style="list-style-type: none"> ○ Any other party which, 10 days before the “notification date” held a security interest or lien in the Insured Interest perfected by the filing of a financing statement under the UCC (“Other Party”) 	
<ul style="list-style-type: none"> • All notices received by the secured party requesting notice of sale, or if none, confirmation from secured party that no notices requesting notice of sale were received 	
<ul style="list-style-type: none"> • Proof of Compliance with the search safe harbor search timing requirement of 9-611(e) in determining the identity of any debtor, secondary obligor, or Other Party, as described above. 	
<ul style="list-style-type: none"> • Method and date of delivery of Notice of Sale, including copies of all receipts from the delivery company or post office. 	
<i>Note: If any proposed public sale was postponed to a later date, copies of the items described above must be supplied for each postponed and rescheduled public sale.</i>	
9. <u>Advertising/Publicization of Sale</u>	
<ul style="list-style-type: none"> • Please describe how the disposition/sale was advertised/publicized. 	
<ul style="list-style-type: none"> • Was a data room set up? If so, how many inquiries to review the data room contents were made? 	
<ul style="list-style-type: none"> • If the requirements of the public sale required a bidder to become a qualified bidder, how many inquiries resulted in a qualified bidder? 	
<ul style="list-style-type: none"> • How much time did any party who inquired have to become a qualified bidder? 	
<ul style="list-style-type: none"> • Was a transcript made of the public sale? If so, please provide it. 	
<ul style="list-style-type: none"> • How many bids were made? 	
<ul style="list-style-type: none"> • Please identify all bidders. 	
<ul style="list-style-type: none"> • Were any bids rejected? 	
10. <u>Public Sale.</u> Please provide:	

<ul style="list-style-type: none"> • The name and address of the successful bidder at the sale/disposition. Was the successful bidder: <ul style="list-style-type: none"> ○ The secured party? ○ An affiliate of the secured party? ○ An arms-length third-party purchaser? 	
<ul style="list-style-type: none"> • If the secured party was the successful bidder, please provide all information, financial and otherwise, about the secured party's bid. 	
<ul style="list-style-type: none"> • If the successful bidder was not the secured party, please provide all information about any affiliate relationship between the successful bidder and the secured party, <u>and</u> please provide all information, financial and otherwise, about the affiliate party's bid. 	
<ul style="list-style-type: none"> • If an arms-length third-party purchaser is the successful bidder, please provide all information financial and otherwise, about the third-party purchaser's bid. 	
<ul style="list-style-type: none"> • If the secured party is the successful bidder and is immediately selling its interest to a third-party purchaser, please provide all information about the third party and executed copies of all of the sale documents by and between the secured party successful bidder and the purchaser, including, but not limited to: <ul style="list-style-type: none"> ○ Purchase and sale agreement and bill of sale; ○ Resolutions and authority documents of the secured party successful bidder and the third-party purchaser to enter into the subject transaction; ○ Evidence that consideration was paid; and ○ Evidence that all certificates, with the power completed in favor of the purchaser, have been delivered to the third-party purchase. 	
<ul style="list-style-type: none"> • A complete transcript of the Public Sale, once available. 	