

INDEMNITY AGREEMENT FOR MECHANIC'S LIEN

This Indemnity Agreement is hereby made by _____ (hereinafter the "Indemnitor(s)" for the benefit and protection of _____ (hereinafter "The Company");

WHEREAS, The Company is being requested to issue its policy(ies) of title insurance insuring an interest in or title to the real property in the County of _____, State of Washington, described in Commitment Number _____ issued by The Company on the _____ day of _____, _____ or which is described as:

AND WHEREAS, The Company is unwilling to issue said policy(ies) without an exception as to the mechanics liens which affect or may affect the title hereto; and

AND WHEREAS, the Indemnitor recognizes that The Company, in the normal course of its business, would not issue its policy(ies) insuring over mechanics liens unless the Indemnitor indemnifies The Company as hereafter agreed.

NOW THEREFORE, THE INDEMNITOR AGREES THAT, in consideration of the issuance of a policy(ies) of title insurance without showing therein any exception for mechanics liens, the Indemnitor does hold harmless, protect and indemnify The Company from and against any and all liabilities, losses, damages, expenses and charges, including but not limited to attorney's fees and expenses of litigation, which may be sustained or incurred by The Company under, or arising directly out of the issuance of any policy(ies) covering said land issued in manner so desired by Indemnitor, or under, or arising directly or indirectly out of the issuance of any policy(ies) of title insurance covering said land or any portion thereof, which The Company or its agents may at any time thereafter issue; and resulting directly or indirectly from any of the mechanics liens indemnified against, or from any claim, action, proceeding, judgement, order or process arising from or based upon or growing out of any said mechanics liens or the omission to show any of the same in any policy of title insurance of title report.

AND THE INDEMNITOR FURTHER AGREES that the Indemnitor will diligently provide for the defence of action based upon any mechanics liens, counsel to be selected and/or approved by The Company at its sole discretion, and will promptly do all things necessary or appropriate to

cause the title to said land to be cleared of the effect of said mechanics lien and any other matters based thereon or arising directly or indirectly therefrom, and of any cloud on title created by expense of Indemnitor. If Indemnitor shall fail to do so then The Company may claim or demand based thereon if The Company deems such actions necessary for the protection of any of its insureds under any policy or of itself; and Indemnitor shall promptly reimburse The Company for any payment, expense or expenditure made or incurred in so doing. If The Company holds any funds or security for the obligations of Indemnitor hereunder, it shall not be obligated to resort to such funds or security before enforcing the obligations of Indemnitor; but may enforce such obligations by any lawful means in the same manner and to the same extent as if no such funds or security were held.

THIS IS A 3-PAGE FORM.