

NO. D-1-GV-08-000050

THE STATE OF TEXAS,

Plaintiff,

V.

WEBB COUNTY TITLE  
& ABSTRACT COMPANY, INC.,

Defendant.

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IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

201<sup>ST</sup> JUDICIAL DISTRICT

Filed in The District Court  
of Travis County, Texas

APR 02 2010 TH

At 8:51 A.M.  
Amalia Rodriguez-Mendoza, Clerk

**ORDER GRANTING SPECIAL DEPUTY RECEIVER'S APPLICATION TO SELL  
TITLE AND ABSTRACT PLANT FREE AND CLEAR OF ALL LIENS**

On the undersigned date, the Court considered the *Application to Sell Title and Abstract Plant Free and Clear of All Liens* (the "Application") filed by CANTILO & BENNETT, L.L.P., solely in its capacity as Special Deputy Receiver of Webb County Title & Abstract Company, Inc. (the "SDR" and "WCTA," respectively).

Having considered the Application, the Court finds as follows:

1. The *Order of Reference to Master* ("Order of Reference") entered by this Court provides that applications filed pursuant to TEX. INS. CODE § 443.008 are referred to the Special Master appointed in this proceeding;
2. The Application was submitted to the Special Master in accordance with the Order of Reference;
3. The Texas Title Insurance Guaranty Association ("TTIGA") filed its Acknowledgment and Waiver to the Application;
4. No objections were filed.

5. WCTA owns a title and abstract plant and related business records, which are defined in the Application, collectively, as the "Title Plant".
6. The Special Master issued a recommendation that the Application should be granted, pursuant to Rule 171 of the Texas Rules of Civil Procedure.
7. The Court has jurisdiction over the Application, the Title Plant and the parties affected hereunder; and
8. The Application should be GRANTED in all respects.

It is, accordingly, **ORDERED** as follows:

1. The Application is GRANTED.
2. The SDR is authorized to sell the Title Plant free and clear of all liens, claims, interests and encumbrances, to Land Title USA ("LTUSA") under the terms and conditions of the Agreement attached as Exhibit 1 to the Application.
3. LTUSA shall not be liable or responsible for any debts or liabilities owed by WCTA and/or the SDR.
4. The Title Plant is sold "as is, where is," without warranties or representations of any kind.
5. LTUSA shall pay the complete sale price to the SDR without setoff, reduction or withholding for any alleged pre- or post-petition obligation owed by WCTA and/or the SDR within ten (10) days of the entry of the order approving the Application or such other time as the SDR and LTUSA may mutually agree.
6. By entry of this Order and the satisfaction of the terms and conditions of the Commitment Letter, all liens, claims, interests and encumbrances on the Title Plant are declared extinguished as a matter of law, subject to paragraph 7 below.

7. The Court orders that all liens, claims, interests and encumbrances on the Title Plant, if any, by IBC attach to the proceeds of the sale, less all costs, subject to further order of this Court. In summary, the proposed sale shall include all closed files in the possession/control of the SDR and electronic records, stored in a computer which runs the AIMS and TP3 systems, and as to land, are subject to retrieval by reference to the description of the property under search. The plant records include parcels of land in Webb County, Texas. Moreover, the sale terms provide that any liens, claims, interests and encumbrances asserted by IBC on the Title Plant are therefore transferred to the proceeds of the sale with the same validity and priority, if any, as existed prior to the sale. This Order expressly does not affect the validity or invalidity of any liens, claims, interests and encumbrances asserted against the Title Plant by IBC and leaves the determination of such issues to a later date.
8. Any and all cash paid to the SDR in connection with the sale and all interest accrued thereon shall not be used or consumed for any other purpose without prior notice and hearing and which cash shall be held by the SDR in an interest bearing account, with the lien, claims, interests, and encumbrances of IBC to attach thereto, which remain in full force and effect, with the same validity and priority as existed prior to the sale, and shall only be released upon entry of an order from this Court.
9. Subject to the satisfaction of the terms and conditions of the Agreement, the Sale shall constitute a legal, valid and effective transfer of the Title Plant notwithstanding any requirement of approval or consent by any person and shall vest LTUSA with all right, title and interest of the SDR in and to the Title Plant,

free and clear of all encumbrances, with the IBC lien claims, interests and encumbrances automatically to transfer to, attach to, and be secured by the proceeds of sale without further requirement of filing, perfection, and/or attachment with the same validity and priority as existed prior to the sale.

10. Each of the SDR and WCTA's creditors shall execute such documents and take all other actions as may be necessary to release any encumbrances against the Title Plant, as such encumbrances may have been recorded or may otherwise exist. The SDR is authorized to file such termination statements, instruments of satisfaction, releases of all liens or other interests which the person or entity has with respect to the Title Plant.
11. The terms and conditions of the Agreement may be waived, modified, amended or supplemented by the written and signed agreement of the SDR and LTUSA without further action of the Court, provided that any such waiver, modification, amendment or supplement is not material or is not adverse to the SDR.
12. Nothing in this Order purports to excuse LTUSA from compliance with any and all applicable state and federal regulatory laws.
13. The SDR is authorized to enter such other and further documents as may be necessary to effectuate the transaction.
14. Nothing in this Order, the Application, the relief granted herein, or any related proceeding or filing shall affect, in any way, the Receiver's or the SDR's immunities from suit and shall not give rise to any right to sue or create any causes of action against the Receiver or the SDR. The automatic stay and the

provisions of the Permanent Injunction remain in affect unless expressly modified herein.

15. This Court retains exclusive jurisdiction to enforce the provisions of this Order and the Agreement, all amendments thereto, any waivers and consents thereunder, to resolve any dispute concerning this Order, the Agreement, or the rights and duties of the parties hereunder or thereunder or any issues relating to this Order.

SIGNED April 2 2010.

  
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JUDGE PRESIDING

**APPROVED AS TO FORM, SUBSTANCE AND ENTRY REQUESTED**

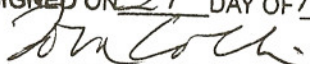
By: Christopher Fuller

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Attorney for CANTILO & BENNETT, L.L.P.,  
Special Deputy Receiver of Webb County Title & Abstract Company, Inc., in Liquidation

By: Burnie Burner

Burnie Burner  
Texas Title Insurance Guaranty Association  
Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.  
P.O. Box 2212  
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Austin, TX 78768-2212  
[bburner@mwsqw.com](mailto:bburner@mwsqw.com)

PROPER NOTICE GIVEN  
NO OBJECTION FILED.  
NO HEARING HELD  
RECOMMENDED ✓  
SIGNED ON 29 DAY OF March 2010  
  
\_\_\_\_\_  
TOM COLLINS, RECEIVERSHIP SPECIAL MASTER

**APPROVED AS TO FORM ONLY**

By: Michael Colvard

Jon D. Lowe

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