

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into this 28th day of February, 2002, between the Department of Housing and Urban Development ("HUD") and Fidelity Financial, Inc., Fidelity National Title Insurance Company, Fidelity National Flood Insurance Company, Fidelity National Tax Service Company, Inc., and their subsidiaries, affiliates, and their directors, officers, employees, agents, predecessors, successors and assignees ("FNF"), together herein "The Parties".

Whereas, Section 8(a) of the Real Estate Settlement Procedures Act ("RESPA"), 12 USC Sec. 2607(a), requires that "[n]o person shall give and no person shall accept any fee, kickback, or thing of value pursuant to any agreement or understanding, oral or otherwise, that business incident to or a part of a real estate settlement service involving a federally related mortgage loan shall be referred to any person[]";

Whereas, pursuant to referrals from Federal regulatory agencies, HUD has instituted an inquiry and investigation into certain practices of settlement service providers, in contracting to provide flood determination and/or tax realty settlement services;

Whereas, FNF has provided HUD with charts and exhibits explaining the volume of referrals obtained in exchange for the free review of existing loan portfolios;

Whereas, as a result of its inquiry and investigation HUD concluded that FNF had entered into contracts with lenders (banks, credit unions and mortgage companies), that contained provisions for free review of existing loan portfolios in exchange for future referrals of business in violation of Section 8(a) of RESPA;

Whereas, FNF denies that such contract provisions and the ensuing business practices violated Section 8(a) of RESPA;

Whereas, this Settlement Agreement shall not constitute an admission of liability or fault on the part of any party;

Whereas, the Parties desire to avoid further expense and proceedings and to reach a mutually satisfactory resolution of this matter by entering into this Settlement Agreement,

Whereas, this Settlement Agreement applies to flood data and realty tax services;

Whereas, this Settlement Agreement covers all practices known to and alleged by HUD regarding flood and realty tax services by FNF, and provides remedies appropriate, adequate and reasonable to cure the alleged violations of Section 8(a) of RESPA as a result of such practices;

Whereas, the terms set forth in this Settlement Agreement are an appropriate disposition of this matter and in the public interest;

NOW THEREFORE, in consideration of the mutual promises and representations set forth herein, and in further consideration for HUD's reliance upon the truthfulness, veracity and

completeness of FNF's representations and submissions concerning the number of new loans obtained through referrals in exchange for free existing loan portfolio reviews, the parties hereby agree and intend to be legally bound by the following:

(1) As of the date of execution of this Settlement Agreement, when FNF enters into any business agreement for the review of loan portfolios for flood determination and realty tax services and in accepting review of new loan portfolios for such services under existing business agreements, FNF will comply with all provisions of RESPA, specifically, without limitation, to having no express or implied link between the servicing of loan portfolios below the cost of providing the service and the future referral of business. Any exclusive business arrangement for such review must reflect a reasonable price for services performed. When a loan portfolio is transferred from one service provider to another, nothing in the Settlement Agreement shall be construed to prohibit the new service provider from assuming the prior provider's obligation of life-of-loan servicing without imposing an additional charge for that servicing.

(2) Notwithstanding Paragraph (1), for any loan portfolio for which FNF did the initial review/servicing, compliance with the terms of this Settlement Agreement shall be construed as curing the alleged violation of RESPA as set forth herein, and nothing in the Settlement Agreement shall be construed to prohibit a new settlement service provider from assuming FNF's obligation for life-of-loan flood determination/tax realty servicing of that portfolio without the new settlement service provider imposing a charge. Further, nothing in this Settlement Agreement shall prevent FNF from assuming, without imposing a charge, a prior settlement service provider's life-of-loan flood determination/tax realty servicing, provided either the initial settlement service provider has charged a fee that reflects a reasonable value for the service performed, or the initial settlement service provider has entered into a Settlement Agreement with HUD covering the initial review/servicing of the loan portfolio.

(3) Upon execution of this Settlement Agreement, FNF will send a written notification to its lender customers that currently are under a contract which contains a provision for free service in exchange for the referral of future business. The purpose of the notification is to make it clear that any contract provision for free service in exchange for the referral of future business is no longer operative. The notification will clearly state that FNF has agreed to delete such provisions from its flood and realty tax service contracts, and that any contract provision which permits a lender to have its existing loan portfolio reviewed at no charge in exchange for the referral of future business is null and void. Such distribution of notification to all affected customers and modification of the contracts will commence on the date of execution of this Settlement Agreement and will be completed as soon as possible, but no later than the 180th (one-hundred-eighty) day after the date of execution. A final report to HUD regarding the notifications distributed pursuant to this paragraph shall be provided to HUD within 30 (thirty) business days of completion of the notification and modification (180 day period) process.

(4) Within twenty (20) business days of the execution of this Settlement Agreement, FNF and its related entities, as hereby specified, shall make payment of \$124,000.00 (One-Hundred-Twenty-Four Thousand Dollars), paid to the order of the United States Treasury and sent to: Ivy Jackson, Acting Director, ILS/RESPA, Room 9146, U.S. Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410-0500. The sum paid is for

administrative expenses incurred in connection with the investigation of the subject matter of this Agreement and for costs incurred in monitoring compliance with this Agreement. It is agreed that the payments shall not be deemed a fine or penalty, or made as compensation for amounts paid by lenders, or customers of lenders, in connection with real estate settlement services.

(5) FNF waives, releases, and remits any and all claims directly or indirectly against HUD or HUD employees whether known or unknown, with respect to this matter. HUD releases any and all claims known at the time of execution of this Settlement Agreement, that might be made with regard to this matter against FNF, and the customers of FNF who have not previously entered into agreement with HUD regarding the subject matter of this Settlement Agreement prior to the date of execution of this Settlement Agreement. See Exhibit A (attached).

(6) Based on FNF's compliance with the terms of this Settlement Agreement, HUD will terminate its investigation and take no enforcement action against FNF under RESPA as to this matter.

(7) HUD will notify other federal regulatory agencies of this Settlement Agreement and its intention to resolve the matter with respect to those customers of FNF and its related entities that received free service of existing loan portfolios in exchange for the referral of future business.

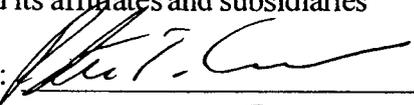
(8) Each party shall bear its own attorneys' fees and costs.

(9) This Settlement Agreement applies and binds each of the individuals or entities identified in the first paragraph of this Settlement Agreement.

(10) By entering into and performing its obligations under this settlement agreement, FNF does not admit any liability to HUD or any other individual or entity. FNF denies any liability or violation of RESPA and the implementing regulations. This Settlement Agreement is entered into solely to compromise and settle disputed matters.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first stated above.

FIDELITY NATIONAL
FINANCIAL, INC.
and its affiliates and subsidiaries

By: 

Name: Peter T. Sadowski

Title: EVP / General Counsel

U.S. DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT

By: 

Name: John C. Weicher

Title: Assistant Secretary for Housing-
Federal Housing Commissioner