



Aug. 25, 2014

Dear Valued Business Partner:

As you may have heard, we recently learned of substantial escrow account misappropriations within the law firm of Morris Hardwick Schneider. These activities could have negatively impacted the future of our company and our customers. However, Fidelity National Title Group, one of our long-standing and trusted partners, has agreed to step in as a 70% owner of Landcastle Title. FNTG also appointed David Baum as President of Landcastle Title. Many of you may know David, who is the Southeast Regional Manager for FNTG.

We are excited about having FNTG as a partner because both our companies share a commitment to excellence in all that we do.

A primary focus of both Landcastle Title and Fidelity is to protect the many consumers, customers, lenders and employees who would have been harmed by the escrow account misappropriations. Fidelity agreeing to put its company's financial resources behind Landcastle Title is critical to our future success and our ability to support our customers and continue to work with companies like yours.

Sending communications like this is never something a company wants to do, and is never easy. However, we value your partnership and your support and believed it was important to let you know what has happened and our plans to for the future. I also want to reiterate some key points:

- FNTG's acquisition of Landcastle was precipitated by a significant shortage in the accounts of MHS and Landcastle, of which Fidelity became informed by the partners of MHS. Last week, Fidelity's teams of managers, auditors, accountants, and attorneys worked FNTG's partners to obtain a better understanding of the shortages and its causes.
- As a result of their findings, FNTG became convinced that the best way to protect your funds, your transactions, our mutual customers, MHS' and Landcastle's employees, and the goodwill of the mortgage and title insurance industries was to fund the shortages and acquire an ownership interest in Landcastle.
- On behalf of Fidelity National Title Group, Inc., we want to assure you that FNTG stands behind the funds you have on deposit, or may in the future deposit, with MHS and/or Landcastle. All of the transactions that you have with MHS or Landcastle will be completed on a business as usual basis according to the same high standards as you are accustomed to receiving.
- Nat Hardwick has resigned from the firm and Mark Wittstadt is now the Managing Partner of MHS. Roddy Wittstadt will continue in his role as General Counsel. Both gentlemen will continue to have ownership in Landcastle Title.

- Founding partners of MHS, Art Morris and Randy Schneider, remain committed to the ongoing success of the firm
- FNTG is a division of FNF, a Fortune 500 company with more than \$8.5 billion in revenue.

We thank you for the many expressions of support and encouragement we already received, for continuing to place your trust in MHS and Landcastle, and for the past and future business which we will handle in the efficient, professional and friendly manner you deserve to expect from us. Fidelity National Title Group is financially the strongest family of all title insurers, which enabled us to secure the safety of your funds, but we know that financial strength alone is not enough. Of equal importance are the relationships our employees have with all of you based on years of positive experiences. We intend to protect and nurture and grow these relationships as we move forward.

If you have any questions or concerns, please contact Mark Wittstadt ([mwittstadt@closingsource.net](mailto:mwittstadt@closingsource.net)) or David Baum ([david.baum@fnf.com](mailto:david.baum@fnf.com)).

Sincerely,

Mark Wittstadt  
Managing Partner  
Morris Hardwick Schneider

David Baum  
President  
Landcastle Title