

Exhibit 514.74

SCOPE OF SERVICES  
CLOSING SERVICES FOR THE  
NATURAL RESOURCES CONSERVATION SERVICE  
WETLANDS RESERVE PROGRAM

**I. OBJECTIVE**

The objective of this contract is to retain closing services for acquisitions of wetland easements on behalf of the United States of America, acting by and through the Natural Resources Conservation Service (NRCS), United States Department of Agriculture, pursuant to Title XII of the Food Security Act of 1985, as amended, 16 U.S.C. 3837.

**II. BACKGROUND**

The Wetlands Reserve Program (WRP) authorizes the acquisition of easement rights for willing landowners for the purpose of restoring and protecting wetlands. The NRCS is the lead agency within the United States Department of Agriculture charged with administering the program.

**III. SCOPE**

The Contractor shall furnish all closing services, including obtaining title insurance from a title company **approved by the United States Attorney General**. The Contractor will perform the same closing services as in a commercial transaction, including disbursement of funds, obtaining deeds, and any necessary curative instruments to assure merchantable insurable title in the name of the United States of America to the wetland easement.

The closing services will be performed in the parish/county courthouse of the parish/county in which the wetland easement is located, unless the Contractor and landowner mutually agree to a different location.

**IV. STANDARDS AND RESPONSIBILITIES**

The Contractor is responsible for having a current knowledge of the requirements of **state law** in connection with closing real estate transactions and title clearance. The title insurance company must be on the United States Attorney General's list of approved companies and must comply with all state laws, including title insurance reserves requirements. **The Contractor must be an approved agent licensed to do title insurance business in the State. The title insurance company must be approved by the State Insurance Commissioner.**

The Contractor will provide evidence of liability insurance coverage for errors and omissions in the amount of at least \$1,000,000 and fidelity coverage of at least \$500,000 on each individual who will have access to the WRP funds or provide an indemnification agreement from the title insurance for which the Contractor will close the transaction(s) satisfactory to the NRCS providing for reimbursement to NRCS for any loss caused by fraud or dishonest or failure by the attorneys, agents, or employees of the Contractor to comply with NRCS' written closing instructions. The ALTA Closing Protection Letter Revised 3/27/87 is satisfactory to meet this condition of responsibility. Evidence of liability must be provided prior to contract award.

**V. CONFLICT OF INTEREST**

A Contractor **will not** close on a WRP easement purchase for a spouse, children, partners, or business associates, nor have a financial interest in the real estate to be covered by the proposed easement.

**VI. DESCRIPTION OF SERVICE**

A Class D-Boundary survey will be provided to the contractor within 45 days of award. Once the survey is received, the Contractor must obtain the Commitment for Title Insurance. The Contractor shall provide title insurance covering both the easement area and the access area to and from the easement. ALTA U.S. Policy Form 9/28/91 shall be used. The name of the insured on the policy should read:

**United States of America**

The title search will be for a sufficient period of time for the title company to insure the title without objectionable exceptions, and will determine all owners of record, outstanding mortgages, liens, judgments or pending suits, outstanding tax claims, easements or rights of ways of any type, whether oil, gas, and mineral interests have been severed, and any other exceptions that may cloud the title of the easement to be purchased.

The Contractor will be required to obtain the execution and recordation, as needed, of such items as Warranty Easement Deed, other deeds, releases, full or partial satisfactions of mortgages, subordinations, lien waivers, affidavits of materialmen liens, child support, and various types of releases of encumbrances on the property. Upon completion, the Contractor will forward the following documents to NRCS:

Warranty Easement Deed  
Subordination Agreements, if applicable  
Survey, original and one copy for DC  
Title Commitment, original and one copy for DC  
Invoice  
Other documentation as required.

The Contractor will submit the above preliminary package to the Contracting Officer not later than 10 business days from receipt of the survey plat.

The Contractor will also include a copy of the invoice for the title insurance premium. The Contractor will forward one copy of the title commitment to the local District Conservationist (DC).

Upon receipt of the required documents, NRCS will obtain from its Office of General Counsel (OGC) a Preliminary Title Opinion (PTO) which will set out any exceptions to the title. OGC will determine which exceptions are acceptable and which exceptions must be cured.

**The Contractor will not close any transaction or record deeds or other instruments prior to receiving the PTO.**

At this time, NRCS will process the landowner's easement payment along with payment for the title insurance expense.

On receipt of the PTO, the Contractor will be required to close the transaction in the parish/county courthouse in which the property is located or at a place mutually satisfactory to the Contractor and landowner **within 10 business days of receipt of payments**. The Contractor will not close any transaction until funds are received.

The Contractor will close the transaction, record the deeds and other instruments as necessary and insure that the following have occurred:

1. No new encumbrances have been recorded against the subject property since the date of the title commitment.
2. Receipt, execution, and recordation of the Warranty Easement Deed from the landowner.
3. Delivery of the policy of title insurance referred to below.
4. All exceptions required to be removed, released, subordinated, waived or otherwise handled as set forth in the Preliminary Title Opinion from the Office of the General Counsel have been completed and the applicable clearance documents recorded. Complete the closing checklist from OGC.
5. All taxes, assessments, etc., are paid to the date that the Warranty Easement Deed is recorded.
6. Furnish a Final Title Policy in an insured amount which is the same as the consideration paid for the wetland easement. The Final Title Policy shall be **on ALTA U.S. Policy Form 9/28/91** and will be issued by a title insurance company that is on the Attorney General's approved list.
7. Comply with any listed title commitment or binder requirements.
8. Prepare/submit IRS Form 1099-S for all **easement** payments.

If any new encumbrances have been recorded against the subject property since the date of the title commitment, the Contractor will immediately notify the Contracting Officer (CO) and will not proceed until further instructions are received.

Upon completion of the closing, the Contractor will send to NRCS the U.S. Policy Form 9/28/91, naming the United States of America as the insured, in the amount of the purchase price as of the date and time of recording of the Warranty Easement Deed to the United States of America. The policy of title insurance will be free and clear of any and all encumbrances (exceptions) to the title except those shown as acceptable in the OGC Preliminary Opinion. At the time of closing, the Contractor will provide a Settlement Statement to the landowner, in the form similar to HUD-1 (8-87) RESPA, HB 4305.2.

The Contractor will return the package, to the Contracting Officer and one copy to the local DC within **five** business days following closing. The package shall include the following:

1. The invoice covering the agreed upon closing cost.
2. Policy of title insurance (original and one copy).
3. The original recorded copy and one copy of the Warranty Easement Deed to the United States of America.
4. The original and (one copy to landowner) of the settlement statement.
5. Certified copies of any title clearance documents showing the recordation date.

Upon receipt of the final documents, NRCS will obtain a Final Title Opinion (FTO) from the OGC. Upon receipt of the FTO, NRCS will process the Contractors' payment upon receipt of a proper invoice.

#### **VII. DELIVERY**

Upon receipt of the survey plat, the Contractor is required to submit to the CO the preliminary package within 10 business days. Upon receipt of the PTO, the Contractor will close the transaction within 10 business days of receipt of payment.

#### **VIII. PAYMENT**

The Contractor will bill NRCS directly for all closing costs. The Contractor will provide a separate billing for the contract price for the closing transaction, and a separate invoice for the reimbursable expenses, such as the title insurance fee and court costs.

The Contractor will be paid a flat fee for services rendered which is inclusive of all travel expenses, copy costs, telephone charges, and charges of a like nature.

#### **IX. AUTHORITY**

**Only the NRCS Contracting Officer may authorize a modification to this contract.** Any questions may be directed to the Contracting Officer.