

## Underwriting Bulletin: UNNAT-2024-009

Date: June 7, 2024

To: ALL FNTI AGENTS

From: FNTI Underwriting Department

RE: **Choctaw American Insurance, Inc. ("CAI"), Supplement to Bulletin UNNAT2022-003**

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**This Underwriting Bulletin is a Supplement to Underwriting Bulletin: UNAAT2022-003 entitled Choctaw American Insurance, Inc. ("CAI"), and modifies the underwriting requirements for transactions involving CAI and Trio Capital, LLC, Trio Leasing, LLC, and its affiliates, subsidiaries, and related entities ("TRIO").**

**Please note that this bulletin does not encompass transactions that involve CAI and other entities (not TRIO, its affiliates, subsidiaries, and related entities) that employ the same transaction scheme. Contact the FNTI Underwriting Department for guidance and approval.**

Dear FNTI Agents:

In accordance with the Limited Liability Company Agreements of the Designated Subsidiaries dated August 3, 2021, the Program Administrative Agreement dated August 3, 2021, the Authority and Signature Identification Certificate, and all addendums thereto, dated the same, and the Choctaw American Insurance, Inc. Resolutions No. 23-004, dated February 1, 2023, Trio is authorized to execute documents on behalf of CAI to facilitate transactions outlined under our previous Underwriting Bulletin: UNAAT2022-003.

To enable the issuance of insurance policies under this scheme, and to address FNTI underwriter concerns and requirements, CAI has resolved, under their corporate authority, and per Resolutions No. 23-004, dated February 1, 2023, to provide a Consent and Waiver of sovereign immunity by CAI, in a form attached hereto as, Exhibit "A". CAI has delegated authority to Trio Leasing, LLC and TRIO Capital, LLC to execute the approved Consent & Waiver in their behalf.

The requirements for these types of transactions are as follows:

### **Requirements:**

- 1) TRIO must provide a fully executed copy of the Consent & Waiver of CAI, pursuant to the Program Administrative Agreement between Choctaw American Insurance, Inc., Trio Capital, LLC, and TRIO Leasing, LLC, and its subsidiary and related entities, dated August 3, 2021, the Authority and Signature Identification Certificate, and associated addendums, initially dated August 3, 2021, and per Resolutions No. 23-004, dated February 1, 2023, in a form attached hereto as, Exhibit "A". It should be correctly completed to include the name of the underwriter and it must be executed by one of the signatories designated in Resolutions No. 23-004;

- 2) TRIO must execute the FNTI CAII Estoppel Certificate in a form attached hereto as, Exhibit “B”;
- 3) Agents must review of copy of the proposed mortgage to confirm that it does not contain a statement that the borrower under the mortgage will occupy the property as their primary/principal residence. If such statements are included, the statement or any verbiage related therewith must be removed prior to closing with lender’s approval;
- 4) Agents must review a copy of the proposed mortgage to confirm whether it provides foreclosure language regarding venue/jurisdiction of tribal law rather than jurisdiction over the Insured in the federal courts of the United States of America and/or the courts of the state(s) where the Land is located. If there is language in the proposed mortgage relating to tribal law venue/jurisdiction, then the following exception shall be included:
  - a) Any loss, obligation or expense, including but not limited to the costs of defense, attorney’s fees, court costs, and any defense obligations inherent in the Policy, arising out of any claim or allegation challenging the validity, propriety, priority, enforceability or constitutionality of the lien of the Insured Mortgage based on the application of Tribal/Native American Law resulting from the failure of the Insured Mortgage to specify State Law as the governing law of the Insured Mortgage.

The following exceptions must be included in any and all commitments, preliminary reports, and final policies before issuance:

**Exceptions:**

- 1) Terms and Conditions of the Contract for Seller Financing between Choctaw American Insurance, Inc. and [Tenant];
- 2) Terms and Conditions of the Program Administrative Agreement between Choctaw American Insurance, Inc., Trio Capital, LLC, and TRIO Leasing, LLC, and its subsidiary and related entities, dated August 3, 2021, the names authorized under Choctaw American Insurance, Inc. Resolutions No. 23-004, dated February 1, 2023 (the “Resolution”), the Consent & Waiver of Choctaw American Insurance, Inc., represented as Exhibit “A” to the aforementioned Resolution, and the Authority and Signature Identification Certificate, and associated addendums, initially dated August 3, 2021;
- 3) Option to Purchase in favor of [Tenant];
- 4) Any interest of [Tenant] in and to the land by any and all documents or agreements between Choctaw American Insurance, Inc., Trio Capital, LLC, and TRIO Leasing, LLC, and its subsidiary and related entities and [Tenant];
- 5) Any loss, damage or defense obligations, including attorneys’ fees, resulting from the recharacterization or attempted recharacterization of the following documents as either a mortgage or a financing transaction:



- a) Contract for Seller Financing between Choctaw American Insurance, Inc. and [Tenant]];

As always, your FNTI team is available to help with questions and guidance.

Previously issued Bulletins on Choctaw American Insurance, Inc. can be located on the FNTI website at: [Underwriting Bulletins - FNTI - First National Title Insurance Company - Underwriter Notifications & News](#), or individually at the following links:

[Underwriting Bulletin UNNAT2022-003](#) dated October 31, 2022.

Thank you for being part of the FNTI Agency family.

**EXHIBIT “A”**



**EXHIBIT “B”**

CHOCTAW AMERICAN INSURANCE, INC.

ESTOPPEL CERTIFICATE

This Estoppel Certificate is given on this \_\_\_\_\_ day of \_\_\_\_\_, 2023, at the request and for the benefit of First National Title Insurance Company (“FNTI”), for the purposes of inducing FNTI, through its agent, \_\_\_\_\_ [insert name of title agency], to issue a title insurance policy related to this transaction.

TRIO Leasing, LLC hereby confirms the following:

- 1) TRIO Leasing, LLC is an agent of Choctaw American Insurance Company, and is authorized to execute documents associated with this transaction, pursuant to the Program Administrative Agreement between Choctaw American Insurance, Inc., Trio Capital, LLC, and TRIO Leasing, LLC, and its subsidiary and related entities, dated August 3, 2021, and the Authority and Signature Identification Certificate, and associated addendums, initially dated August 3, 2021.
- 2) To date, pursuant to the Program Administrative Agreement between Choctaw American Insurance, Inc., Trio Capital, LLC, and TRIO Leasing, LLC, and its subsidiary and related entities, dated August 3, 2021, the names authorized under Choctaw American Insurance, Inc. Resolutions No. 23-004, dated February 1, 2023 (the “Resolution”), the Consent & Waiver of Choctaw American Insurance, Inc., represented as Exhibit “A” to the aforementioned Resolution, and the Authority and Signature Identification Certificate, and associated addendums, initially dated August 3, 2021, are in full force and effect, without any modification or revocation.
- 3) This estoppel certificate, and the statements herein, are made for the benefit of FNTI.

By: \_\_\_\_\_  
TRIO Leasing, LLC, its subsidiary and related entities