

## AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER dated as of February 12<sup>th</sup>, 2010, by and between First American Title Insurance Company, a California corporation ("Surviving Entity"), and Pacific Northwest Title Insurance Company, Inc., a Washington corporation (the "Merged Entity").

### RECITALS

A. The name, address, and jurisdiction of organization and the governing law of the Surviving Entity and the Merged Entity are as follows:

(1) Surviving Entity. First American Title Insurance Company, a California domiciled corporation, with its principal place of business located at One First American Way, Santa Ana, CA 92707; and

(2) Merged Entity. Pacific Northwest Title Insurance Company, Inc., a Washington domiciled corporation, with its principal place of business located at 215 Columbia Street, Seattle, WA 98104-1511.

B. The Surviving Entity and the Merged Entity are each sometimes referred to hereinafter as a "Constituent Entity" and collectively as the "Constituent Entities."

C. The authorized capital stock of the Surviving Entity consists of 10,000,000 shares of common stock, \$100 par value per share, of which 2,000,000 are issued and outstanding as of the date hereof, and the authorized capital stock of the Merged Entity consists of 100,000 shares of common stock, \$100 par value per share, of which 49,817 are issued and outstanding as of the date hereof.

D. Each of the Constituent Entities deem it advisable and generally in the best interest of each Constituent Entity that the Merged Entity be merged with and into the Surviving Entity on the terms and conditions set forth in this Agreement and pursuant to the provisions of the laws of, and with effect in, the States of California and Washington (the "Merger").

### AGREEMENT

In consideration of the foregoing Recitals (which are hereby incorporated by reference) and the mutual promises set forth herein, and subject to the terms and conditions hereof, the parties hereto agree as follows:

#### Section 1. Effect of Merger.

(a) Effective Date of Merger. The Merger shall become effective on the later of (i) June 30, 2010, or (ii) such date as all necessary regulatory approvals are obtained (the "Effective Date").

(b) Effect of Merger. As of the Effective Date:

(i) Merged Entity. The Merged Entity shall be merged into the Surviving Entity and the separate corporate existence of the Merged Entity shall cease.

(ii) Surviving Entity. Except as specifically set forth in this Agreement, the Surviving Entity, with all its purposes, powers and objects, shall continue unaffected and unimpaired by the Merger. The Surviving Entity shall continue as a California corporation organized pursuant to, and in accordance with, the California Corporations Code. The corporate identity and existence, together with all the rights, privileges, immunities, powers, and franchises of the Merged Entity, both of a public and private nature, and all real, personal, and mixed property, and all debts due on whatever account, and all other things or choses in action belonging to the Merged Entity, and all and every other interest shall be taken and deemed to be transferred to and to vest, and shall be vested, in the Surviving Entity as of the Effective Date without further act or deed and as effectively as they were formerly vested in the Merged Entity.

(iii) Articles of Organization and Bylaws. The Articles of Incorporation and Bylaws of the Surviving Entity, as they exist on the Effective Date, shall continue, as of the Effective Date, to be the Articles of Incorporation and Bylaws of the Surviving Entity without any amendment thereto.

(iv) Directors and Officers. The directors and officers of the Surviving Entity prior to the Effective Date shall continue to be the directors and officers of the Surviving Entity upon the Effective Date.

(v) Shareholders and Board of Directors Meetings. The first annual meeting of the shareholders of the Surviving Entity held after the Effective Date of the merger shall be the annual meeting provided by the By-Laws of the Surviving Entity. The first regular meeting of the Board of Directors of the Surviving Entity held after the Effective Date of the merger shall be convened in a manner provided by the By-Laws of the Surviving Entity and shall be held at the time and place specified in the notice of meeting.

**Section 2. Adoption of the Agreement.** This Agreement has been adopted and approved by (a) the board of directors of the Merging Entity, (b) two-thirds of the shareholders of the Merging Entity, (c) the board of directors of the Surviving Entity, and (d) the sole shareholder of the Surviving Entity. The officers of the Merging Entity and its sole shareholder shall execute and file all certificates, articles, or other documents as may be required to be filed in the State of Washington and the State of California to effectuate the Merger.

**Section 3. Expenses.** The Constituent Entities shall share the expenses of accomplishing the Merger, including, without limitation, the expenses of each Constituent Entity

incurred in connection with this Agreement and the preparations for carrying this Agreement into effect.

**Section 4. Abandonment.** The filing of any certificate, articles, or other documents, as may be required to be filed in the State of Washington to effectuate this Merger, shall constitute a waiver of any Constituent Entity's right to abandon the Merger as of the effective date set forth in such filed document, and shall serve as conclusive evidence that each of the Constituent Entities did not abandon the Merger and knowingly consummated the Merger as of such date.

**Section 5. Conversion of Stocks.** After the Effective Date, all of the Merging Entity's outstanding stock certificates shall be cancelled without consideration.

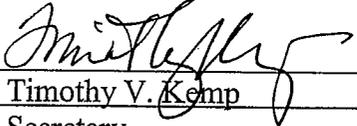
**Section 6. Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an executed original and all of which together shall constitute one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, this Agreement has been entered into by each of the  
Constituent Entities as of the date first above written.

First American Title Insurance Company

By:   
Name: Dennis J. Gilmore  
Its: President

By:   
Name: Timothy V. Kemp  
Its: Secretary

Pacific Northwest Title Insurance Company

By: \_\_\_\_\_  
Name: Thomas S. Hartman  
Its: President

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: Secretary

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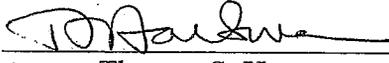
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By: \_\_\_\_\_  
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Its: President

By: \_\_\_\_\_  
Name: Timothy V. Kemp  
Its: Secretary

Pacific Northwest Title Insurance Company, Inc.

By:   
Name: Thomas S. Hartman  
Its: President

By:   
Name: Linda Lamson  
Its: Secretary