



MISSOULA OFFICE
P.O. Box 4667
Missoula, MT 59806
1-800-700-5868

INSTRUCTIONS TO CLOSING AGENT
Please contact bank for current escrow fees.
Complete all requested information.
Escrow No. _____

ESCROW AGREEMENT

FIRST PARTY (SELLER): _____
Full Name, Street & Mailing
Address, City, State, Zip _____

Phone: _____
Tax Identification # _____
(W-9 Required)

SECOND PARTY (BUYER): _____
Full Name, Street & Mailing
Address, City, State, Zip _____

Phone: _____
Tax Identification # _____
(W-9 Required)

A. Subject to the terms and conditions herein contained, FIRST INTERSTATE BANK, Missoula, Montana, herein called Bank, as escrow agent, accepts and agrees to hold according to the instruction hereinafter stated, the following documents:

- | | |
|----------|----------|
| 1. _____ | 5. _____ |
| 2. _____ | 6. _____ |
| 3. _____ | 7. _____ |
| 4. _____ | 8. _____ |

- a. Bank shall be entitled to fees based on the published schedule of charges and shall be entitled to reasonable compensation for extraordinary services. ALL FEES ARE SUBJECT TO CHANGE ON 30 DAYS WRITTEN NOTICE. Notice shall be deemed given upon deposit in the U.S. Mail addressed to the last address supplied to Bank by the party responsible for payment of said fees.
- b. THE BANK WILL NOT ACT AS COLLECTION AGENT FOR EITHER PARTY. Bank will not withhold credit of any payment submitted without late fees or attorneys' fees despite contract instructions unless late fee setup or evidence of a notice of default has been received by the Bank prior to receipt of the payment.

B. CONTRACT BALANCE: \$ _____ OPENING FEE: \$ _____

1. Shall be paid _____ Monthly, _____ Quarterly, _____ Semi-Annually, _____ Annually, _____ Other - Explain _____

2. Date of first payment _____

3. Payment Amount:	Escrow Fee	\$ _____
	Contract (P&I)	\$ _____
	Tax and Insurance	\$ _____
	Buyer Receipt Fee	\$2.00 Y _____ N _____
	Total Payment	\$ _____

4. Interest rate is _____ % per annum beginning (date) _____

5. Unless specifically instructed in a separate written document signed by both Buyer(s) and Seller(s) addressed to and delivered to Bank and acknowledged by Bank, Bank shall calculate interest on a 365-day basis (actual days per month). All payments received shall be applied first to the Escrow Fee, then to the accrued interest, then to principal, then to Tax and Insurance reserve, if any, and the remainder, if any, to principal.

Acknowledged by Seller(s) _____ Buyer(s) _____

Check and initial here if a separate written instruction has been delivered to Bank to calculate interest on a 360-day basis:
Seller(s) _____ Buyer(s) _____

6. Prepayment: Are prepayments permitted? _____ (See Contract, Paragraph No. _____, Page _____.)

C. BANK SHALL DISBURSE PAYMENTS RECEIVED AS FOLLOWS:

1. Remit/Credit \$ _____	2. Remit/Credit \$ _____
To: _____	To: _____

3. Balance to be paid to Seller by:
Seller Receipt Fee \$ 2.00 Y _____ N _____
 Deposit to Seller's account this Bank # _____
 By check mailed to Seller's address _____ (Less check fee)
 By ACH to Seller's Bank (Bank) _____ Acct # _____ (Less ACH fee)
 Other (Explain) _____

D. PARTIAL RELEASES:
Are partial Releases permitted _____ (See Paragraph No. _____, Page _____ of Contract.)

E. ASSIGNMENTS:
_____ Contract may be assigned by either party, no consent needed. _____ May not be assigned by Buyer.
_____ Contract may be assigned by Buyer: written consent is needed. _____ May not be assigned by Seller.
_____ Contract may be assigned by Seller: written consent is needed.
(See Paragraph No. _____, Page _____ of Contract.)

RULES AND REGULATIONS OF ESCROW

The foregoing documents will be received and reviewed by the Bank, and upon acceptance, the Bank agrees to hold the said documents in escrow upon the following terms and conditions.

1. All payments will be made at and all checks made payable to First Interstate Bank, for credit of First Party and not otherwise. The Bank shall not be required to recognize or accept any payment except so made. The Bank reserves the right to withhold payment of uncollected funds. Collected funds will be credited as of their processing date.
2. The Bank agrees to hold the papers deposited herewith and to disburse all money paid on account hereof, according to the directions contained in this Agreement. In the event the bank is in doubt as to the parties to whom disbursements shall be made or the amount thereof, the Bank shall have the absolute right at its discretion to hold monies deposited with it until Bank has obtained the consent in writing of all persons as to the proper disbursement of funds.
3. Bank assumes no responsibility whatever except to receive and disburse said payments and to hold and deliver said documents. Bank may receive any payments tendered by Second Party after the due date thereof unless previously otherwise instructed in writing by First Party. Bank shall not be liable for interest on money paid or deposited.
4. The Bank shall not be liable for nor does it guarantee the accuracy, completeness or legality of any documents held herein, and the Bank shall not be liable for nor does it guarantee in any manner or form, any of the obligations of the contracting parties. There are no agreements on the part of the Bank other than those set forth in this Agreement.
5. The Bank shall be furnished a copy of any default notice concurrent with notice being served on Second Party or First Party. The Bank has no obligation to notify any Party of any default or of any penalty or late fee.
- 5a. In the event First Party sends Second Party a Notice of Default, and thereafter Second Party delivers funds to Bank in an amount less than the amount specified in the Notice of Default to correct or cure the default, First Party and Second Party agree that Bank may place the delivered funds into a pending funds account until (i) First Party and Second Party agree in writing as to the disbursement of the funds; or (ii) First Party directs Bank in writing to apply funds to Second Party's existing obligation; or (iii) First Party directs Bank in writing to return funds to Second Party or (iv) Bank receives a court order directing the distribution of the funds. First Party and Second Party agree that funds placed by Bank into the pending fund account shall not be considered receipt of the funds by First Party and shall not affect any rights or obligations of the parties pursuant to the Notice of Default. The Bank will provide notice to the First Party and Second Party of any funds placed into the pending funds account.
6. The Bank has no obligation to interpret the contract documents. In the event of any ambiguity in the documents, or in the event of any dispute between the parties as to the rights, duties or obligations with respect to the matters involved in this escrow, the Bank may refuse to act in any manner until the parties have settled their differences by litigation or by an agreement in writing. Bank reserves the right to file the contract documents, payments or other instruments in an interpleader action so the parties can resolve their differences in court. In the event of default by either party of any obligations required to be performed by such party, the Bank shall not be required to deliver or return any papers or monies or other things involved except upon the written consent of all parties, and the appropriate order of the court, or upon the terms, conditions, and requirements of the Bank.
7. In the event of death or incompetency of one or more of the parties, the Bank shall deal only with the duly appointed administrator, personal representative or guardian or conservator of such party. Bank shall be entitled to obtain whatever documentation it deems necessary for the continuance of this escrow. First Party and Second Party acknowledge that Bank shall have no responsibility to inquire in the transfer of any of decedent's interest in this escrow, nor shall Bank be responsible for any problems related thereto.
8. No assignment, transfer, conveyance or encumbrance of any right, title or interest in and to this agreement or the subject matters of this escrow shall be binding upon Bank unless written notice thereof in the form acceptable to Bank shall be served upon Bank and all fees, costs and expenses incident to such transfer of interest shall have been paid. Any party acquiring rights under this provision shall be bound by terms of this agreement. Bank shall not be responsible for providing notice of any such assignment, transfer, conveyance or encumbrance to any party or other person. Bank shall not be liable or responsible for the legality or sufficiency of any such assignment, conveyance or encumbrance.
9. In the event the Bank becomes involved in any litigation because of this escrow or any matters growing out of it, the contracting parties shall be jointly and severally liable to the Bank for all losses, costs, and expenses, including reasonable attorney's fees, incurred by the Bank.
10. Any action of the Bank taken in accordance with written instruction of the parties shall relieve the Bank of all liability. Any computation or application of principal and interest or other payment shall be deemed correct, unless Bank shall receive notice from a party that the calculation or the application is not correct, within 90 days after notice of such calculation or application is sent to the party affected thereby.
11. In the event Bank disburses funds to or on behalf of a seller which are later found to be uncollectible, the seller shall be responsible for reimbursement of funds to the Bank. Customers shall reimburse Bank for any returned items within 5 days after notice having been sent to customer by letter or telephone. Bank may rely upon any written document believed by it to be authentic in making any delivery of money or property hereunder. The Bank will have the right to charge back or retain monies as provided by law in the event of any returned item.
12. If a reserve for the payment of taxes and insurance premiums is maintained with the escrow, such payments will be made **ONLY WHEN BILLS ARE SUBMITTED TO THE BANK, AND ONLY IF THE RESERVE BALANCE IS SUFFICIENT AT THE TIME THE ORDER FOR PAYMENT IS RECEIVED.** In no event shall Bank be responsible for the deposit, procurement, or renewal of insurance policies, riders or clauses, (nor shall Bank be responsible or obligated to collect, receive, disburse or administer any payments or proceeds payable under any such insurance policies.) **IT IS THE EXPRESS RESPONSIBILITY OF THE FIRST AND SECOND PARTIES TO THE ESCROW TO ASSURE THEMSELVES THAT TAXES ARE PAID AND INSURANCE COVERAGE IS MAINTAINED.**
13. Bank may employ attorneys for the reasonable protection of the escrow property and of itself, and shall have the right to reimburse itself out of any funds in its possession for costs, expenses, attorney's fees and its compensation, and shall have a lien on all money, documents, or property held in escrow to cover the same.
14. The Bank shall not be liable or responsible for the performance of any act not expressly set forth in these escrow instructions even though contained in the documents deposited herewith.
15. Upon payment of "Balance Due," Bank may release all instruments as provided therein and its responsibility hereunder shall cease. If a default is declared by a party, and, pursuant to such declared default, Bank re-delivers the instruments deposited herewith, Bank shall not be further responsible or liable in any manner, regardless of any legal insufficiency in the declaration of such default. "Balance Due" shall include any accrued fees, including escrow closing fees, due to Bank, and other costs, fees or assessments remaining due by the party requesting documents.
16. Bank is hereby expressly authorized to comply with and obey any and all orders, judgments or decrees of any court, and in the event Bank obeys or complies thus, it shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree is substantially reversed, modified, annulled, set aside or vacated, or found to have been entered without jurisdiction.
17. Bank hereby expressly authorized to comply with all federal and state laws or regulations governing monies received or paid by Bank including but not limited to laws or regulations relating to withholding a portion of the monies for income tax purposes, even if such laws or regulations contradict the terms of this agreement or of the documents deposited hereunder. Bank shall not be liable for compliance with such laws or regulations to the parties hereto or any other person, firm or corporation even if such law or regulation is subsequently modified, repealed, annulled or found to have been enacted without jurisdiction or authority.
18. Bank may, but shall not be required to, release information concerning this escrow to any third party at any time. First Party and Second Party expressly authorize the Bank to release, in the exercise of its sole discretion, information, including but not limited to, balance due, payment history, or other information contained in the escrow file or in the Bank's records.
19. The Bank may, at its sole election, resign as escrow agent hereunder. Thereafter, First Party shall immediately locate a successor escrow agent and take whatever steps may be necessary to have this escrow transferred to such successor escrow agent. The Bank shall be entitled to recover any of its actual costs expanded in resigning and transferring this escrow file, but agrees to waive its normal termination fee in the event of resignation. First Party and Second Party expressly acknowledge that if they do not accomplish a transfer of the escrow account within fifteen (15) days of mailing of notice of the Banks' resignation as escrow agent, the Bank shall be entitled to select a successor escrow agent and consummate the transfer of this escrow to such successor agent. The cost of establishing the successor escrow may be paid by Bank with First Party and Second Party jointly responsible to reimburse Bank for the same. Upon the acceptance of this escrow agent, Bank shall be exonerated from all further responsibility hereunder.
20. Bank shall have the right to assign the servicing of this escrow to such other locations or parties as it may determine from time to time. Bank shall provide notice to First Party and Second Party of any assignment of the servicing of this escrow account.
21. First Party and Second Party both agree that Bank may change its Rules and Regulations from time to time. First and Second Party further agree that any changes to Bank's Rules and Regulations shall be binding upon them after notice of any such change has been sent to them by Bank by regular mail.
22. In the course of providing technical assistance with our software programs, a First Interstate Bank employee may view your escrow documents without your express written authorization. Employees acknowledge that all customer information is confidential and it will not be revealed or used in any manner. All employees are bound by the provisions of the Bank's Privacy Policy and Employee Handbook.

WE THE UNDERSIGNED HAVE READ THE ABOVE AGREEMENT AND ACKNOWLEDGE RECEIPT OF A COPY OF SAID AGREEMENT, AND AGREE TO BE BOUND BY ITS TERMS.

FIRST PARTY

SECOND PARTY

DATED _____, 20____

Name and Address of Closing Agent (if any)

DATED _____, 20____

Name and Address of Individual or Firm that drew Contract, and/or other escrowed documents.

FIRST INTERSTATE BANK (Missoula Escrow Department) hereby accepts said Escrow Agreement.

DATED the _____ day of _____, 20____ By: _____

Title: _____