

ESCROW HOLDBACK ADDENDUM

This Escrow Holdback Addendum (“**Addendum**”) made as of _____, 20__ by and between _____ (“**Receiving Party**”) and _____ (“**Depositing Party**”). Seller and Buyer are each referred to herein as a “**Party**” and, collectively, as the “**Parties.**”

1. **ORIGINAL AGREEMENT.** This Addendum is incorporated to the agreement between the Parties, dated _____ for the [property located at _____] OR [water rights described as _____] (“**Original Agreement**”).
2. **TERMS.** Under the terms of this Addendum, iScribe Closing Services, Inc., a Colorado corporation (“**Escrow Agent**”) shall act as the Escrow Agent for the purpose of consenting to the terms of this Addendum. The Parties have agreed and are desirous and willing that the closing of the transaction, in accordance with the Original Agreement, shall be amended to reflect the terms of this Addendum. It is hereby expressly agreed that in the event a conflict should arise between the terms of this Addendum and those of the Original Agreement, the terms of this Addendum shall control and have priority. Except as specifically mentioned in this Addendum, all other terms and conditions of the Original Agreement shall remain in full force and effect.
3. **OBLIGATIONS.** Seller acknowledges that prior to or at the time of release or disbursement of monies, \$_____ per the contract dated [written date] will be paid from proceeds. These funds should be used for the purpose of _____.
4. **ESCROW FEE.** The Parties appoint the Escrow Agent to hold the escrowed funds and to oversee that the terms of the Seller’s obligations are met in accordance with this Addendum. Escrow Agent shall be paid \$_____ for their efforts in this appointment and any FEDX/UPS mailing fees.
5. **ESCROW AGENT’S DUTIES.** The Parties agree:
 - (a) Escrow Agent is acting solely as a neutral stakeholder pursuant to the express terms of this Addendum and is not acting as a fiduciary, trustee, advisor, or representative of any party.
 - (b) Escrow Agent shall not liable for any losses, costs, or damages it may incur in performing its responsibilities hereunder unless such losses, costs, or damages shall arise out of the willful default or gross negligence of the Escrow Agent or any of its agents.
 - (c) No releases or disbursements of monies shall be made hereunder unless there is written consent by both the Parties themselves or through their authorized agents or counsel.
 - (d) In the event of a dispute hereunder between the Parties (or their successors or assigns), the Escrow Agent shall have the right, exercisable in its sole discretion, to be discharged by tendering unto the registry or custody of any court of competent jurisdiction, the closing documents and escrow funds, together with any such legal pleadings as it deems appropriate.
 - (e) In the event the Escrow Agent tenders the funds to the court in an interpleader action, the Escrow Agent shall have the right to charge a fee to the parties to offset their costs. All fees of the Escrow Agent may be withheld and paid prior to any court action. Furthermore, the Parties shall indemnify the Escrow Agent for all of its expenses, costs, and reasonable attorneys’ fees incurred in connection with said interpleader action that shall exceed the Escrow Agent’s fees.

6. **DISBURSEMENT.** Upon receipt of written consent from both the Parties, or their respective agent(s) or counsel, Escrow Agent shall disburse the escrow funds in accordance with the written instructions given. Said instructions shall not be unreasonably withheld or delayed and may be given in duplicate counterparts and by electronic mail. Escrow Agent requests delivery of such instructions at least twenty-four (24) hours before any disbursement is needed. Escrow Agent shall have the right to deduct the Escrow Agent's unpaid fee and any costs incurred for standard charges in connection with holding and disbursement of the escrow funds.
7. **RECEIPT.** Upon receipt of any written certification from the Parties claiming the escrow funds pursuant to the provisions of the Original Agreement and this Addendum, Escrow Agent shall promptly notify the non-requesting Party unless the non-requesting Party, within five (5) business days from receipt of this Addendum, objects to the requested disbursement of escrow funds. The Escrow Agent shall disburse the escrow funds to the requesting Party and shall thereupon be released and discharged from any further duty or obligation hereunder.
8. **ESCROW ACCOUNT.** All checks, money orders, wires, or drafts sent to the Escrow Agent under this Addendum will be processed for the collection in the normal course of business. Escrow Agent will not commingle funds received and agrees to keep all funds in an escrow account through a financial institution that is federally insured in accordance with State laws and regulatory requirements. These escrow accounts are held at FDIC-insured financial institutions. Funds deposited into an escrow account is insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000.00. **Any amounts in the escrow account exceeding FDIC insurance limit of \$250.00.00 WILL NOT be insured.** These trust accounts may be interest bearing accounts.
9. **FDIC INSURANCE DISCLOSURE.** The Parties acknowledge and agree that funds deposited into the escrow account established by this Addendum ("Escrow Account") may, at times, exceed the maximum amount insured by the FDIC. **The Escrow Agent has advised the parties that the FDIC insurance is generally limited to \$250,000.00 per depositor, per insured bank, and that any portion of the Escrow Account balance in excess of such amount may not be insured against loss.** The Parties knowingly and voluntarily assume the risk of loss with respect to any escrowed funds in excess of applicable FDIC insurance limits, including, without limitation, losses resulting from the insolvency or failure of the financial institution in which the Escrow Account is located. Escrow Agent shall have no duty to monitor FDIC insurance limits or to structure the Escrow Account to maximize insurance coverage unless expressly agreed to in writing by all parties.
10. **INTEREST EARNED.** [Any interest earned on the funds held in the Escrow Account shall accrue to the benefit of the Buyer.] OR [Any interest earned on the funds held in the Escrow Account shall accrue solely to the benefit of Escrow Agent as additional compensation for its services. Seller and Buyer hereby expressly agree to and consent to Escrow Agent's retention of all interest and acknowledge that the Escrow Account may be non-interest bearing. Neither Seller nor Buyer shall have any claim to interest earned, if any, on the Escrow Account.]
11. **FUNDS RECEIVED.** Escrow Agent shall not be liable for any loss or damage resulting from the following:
- (a) any default, error, action, or omission of any other party;
 - (b) the expiration of any time limit unless such time limit was known to the Escrow Agent and such loss is solely caused by failure of the Escrow Agent to proceed in its ordinary course of business;
 - (c) any loss or impairment of funds while escrow funds are deposited in the Escrow Account that is federally insured resulting from failure, insolvency, or suspension of such financial institution; and
 - (d) Escrow Agent complying with any and all legal process, writs, orders, judgments, and decrees of any court whether issued with or without jurisdiction and whether or not subsequently vacated, modified, set aside, or reversed.

- 12. VERIFIED STATEMENTS.** Escrow Agent shall be entitled to rely conclusively upon any written notice, instruction, certification, affidavit, or other communication from the parties, and shall have no duty to investigate, verify, or confirm the accuracy, completeness, or legal sufficiency thereof, nor to determine whether any condition to disbursement has been satisfied, except as expressly set forth herein.
- 13. ELECTRONIC COMMUNICATIONS.** The Parties acknowledge the risks associated with electronic communications and agree that Escrow Agent shall not be liable for losses resulting from fraudulent or unauthorized instructions transmitted electronically, provided Escrow Agent acted in good faith and in accordance with its standard verification procedures.
- 14. RESIGNATION OF ESCROW AGENT.** Escrow Agent may resign at any time upon written notice to the Parties. Upon such resignation, Escrow Agent shall have no further duties hereunder after transferring the Escrow Funds, less unpaid fees and reimbursable expenses, to a successor escrow agent jointly designated in writing by the parties or, failing such designation within ten (10) business days, by depositing the Escrow Funds with a court of competent jurisdiction. Escrow Agent shall be fully released and discharged upon such transfer or deposit.
- 15. FORCE MAJEURE AND OPERATIONAL DELAYS.** Escrow Agent shall not be liable for any failure or delay in the performance of its obligations under this Addendum to the extent caused by events beyond Escrow Agent's reasonable control, including, but not limited to, acts of God, natural disasters, power or internet outages, labor disputes, governmental actions or delays, failures of third-party systems or service providers, wire transfer delays, title agencies, county offices, or the Department of Motor Vehicles.
- 16. TERMS.** The terms and provisions of this Addendum are for the benefit of the Seller, Purchaser, and Escrow Agent, including any of their respective successors and assigns only. Nothing contained herein shall be deemed or construed to inure to the benefit of any other person or party; it is the express intent of Seller, Purchaser, and Escrow Agent that no such person or entity shall be entitled to any of the benefits hereof, except as herein expressly provided.
- 17. TIME IS OF THE ESSENCE.** Time is of the essence in this Addendum.
- 18. GOVERNING LAW.** This Addendum shall be governed by and construed in accordance with the laws of the State of Colorado, without regard to conflict of laws principles. Any action arising out of or relating to this Addendum shall be brought exclusively in a state or federal court located in Colorado.
- 19. EXECUTION.** This Addendum may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[intentionally blank; signature page follows]



ESCROW AGENT:

iScribe Closing Services, Inc.
a Colorado corporation

By: _____
Name: Abby Renner
Title: Escrow Manager
iScribe Closing Services Inc.
1725 Vista View Drive, #A
Longmont CO 80504
info@iScribeclosing.com
303-301-9922

RECEIVING PARTY:

By: _____
Name: _____
Title: _____
Phone: _____
Email Address: _____
Mailing Address: _____

By: _____
Name: _____
Title: _____
Phone: _____
Email Address: _____
Mailing Address: _____

By: _____
Name: _____
Title: _____
Phone: _____
Email Address: _____
Mailing Address: _____

By: _____
Name: _____
Title: _____
Phone: _____
Email Address: _____
Mailing Address: _____

DEPOSITING PARTY:

By: _____
Name: _____
Title: _____
Phone: _____
Email Address: _____
Mailing Address: _____

By: _____
Name: _____
Title: _____
Phone: _____
Email Address: _____
Mailing Address: _____
