

Terms of Use and Services Agreement

Section I. Schwartz & Associates Services

In General: As a Texas law firm, Schwartz & Associates (“Schwartz”) engages in the business of providing services nationwide for financial institutions and mortgage lenders, which services may include mortgage loan closing, funding, shipping, tracking; the preparation and review of mortgage loan closing documents; legal and closing support; consultation on federal and state legal, regulatory and compliance matters; and other outsourcing and support services for the mortgage lending industry; through and/or by the utilization of our DocsDirect™ Online web application (“DocsDirect”). The undersigned Client (“Client”) has retained Schwartz to represent or assist them in certain aspects of its residential mortgage lending business, to provide such services as described above and/or utilize DocsDirect to prepare documents internally on a transactional basis.

Document preparation services are provided for closed-end residential mortgage transactions. Document preparation services are currently not available for any open-ended transactions, including HELOCs, or any Reverse Mortgages (HECM). Certain construction and one time closing packages are available in a limited number of states. A separate one-time closing questionnaire must be completed for this service.

Attorney review services for Texas residential mortgage transactions include the review of the Note, Security Instrument, Title and Survey (if applicable). Attorney review services do not include review of any federal consumer disclosures or calculations. Attorney review services are available for Reverse Mortgages (HECM).

Fulfillment services are available for small correspondent lenders for an additional charge and upon execution of separate written agreement between Client and Schwartz & Associates. Fulfillment services are provided only for transactions in which closing packages were prepared by Schwartz & Associates on DocsDirect.

Section II. Additional Terms and Conditions

State Law: Client is fully responsible for determining the applicability and impact of state laws on their operations, products and loan terms, including but not limited to doing business requirements, licensing requirements, exemptions, lending regulations, and restrictions on loan terms or fees.

Anti-predatory lending tests performed by DocsDirect are limited to Section 32 HOEPA, Section 35 HPML, FNMA/FHLMC High Cost, FNMA/FHLMC Maximum Allowable Points and Fees and Texas High Cost. These Anti-Predatory lending checks are not available for attorney reviews. These tests are performed only for general information purposes. The interpretation of the rules applicable to the client’s specific transactions and any adjustments to fees, interest rates or loan terms are solely the Client’s responsibility. Schwartz is not responsible for or liable for any reimbursement or other consequences resulting from 1) the use or non-use of any high-cost loan testing or analysis services including but not limited to Brooks Systems High Cost Loan Analysis, 2) any anti-predatory lending checks or correspondence regarding same, 3) fee or loan terms adjustments made by Clients, or 4) any violation of high cost rules regardless of the results of any tests that are performed or results that are provided by Schwartz or other vendors or service providers. However, Anti-Predatory lending checks or Brooks Systems’ High Cost Loan Analysis are NOT available for attorney reviews.

Payment Responsibility: Schwartz represents you as the Client. As our Client you agree to be fully responsible for payment for any amounts owed for services rendered by Schwartz each time a request for documents or services is submitted. In most cases, unless otherwise pre-arranged, Schwartz will attempt to collect payment from closing agent; however, in the event that we are unsuccessful in such attempts, you agree to pay us in full for services rendered.

Investors: It is the Client’s responsibility to provide Schwartz with investor-specific information or documentation and/or overlays related to investor products and services that may affect how the closing package must be prepared. Please forward investor contact information and web access, along with any specific loan product and investor information to Client Services (clientservices@docsdirect.com) so that we may better serve you.

Performance and Liability: Schwartz will perform its contractual duties in a good and workmanlike fashion. Client understands and agrees that Schwartz's liability for any losses suffered by Client is strictly limited to the amount of fees charged and collected by Schwartz. In no event shall Schwartz be liable to Client in an amount greater than the document preparation or software fee charged and received by Schwartz on the specific file that is subject to any loss.

Section III. Brooks Systems High Cost Lending Analysis (HCLA)

For loans drawn on DocsDirect, Schwartz offers Client the option to utilize the export service to Brooks Systems' High Cost Loan Analysis, as outlined in this Terms of Use Agreement for an additional charge. Loan data is routed to the Brooks Systems' High-Cost Loan Analysis ("HCLA") Web Service directly from DocsDirect, providing Clients with a dependable, cost-effective way to help ensure compliance with an array of anti-predatory lending legislation.

Loan information provided by Client in DocsDirect Application can be exported to Brooks Systems and checked against the tests that are then currently implemented in HCLA, including federal (Section 32/HOEPa) and significant state, county, municipality, and investor and OCC criteria (as available). HCLA results include the disclosed APR and points/fees, the applicable thresholds for relevant triggers and variances; and related information that Brooks Systems believes provides users with a clear indication of which threshold was exceeded and ideas for how the lender may wish to adjust the transaction.

If the Brooks Systems' results indicate that a violation exists or threshold is exceeded, the Client must determine how to proceed with the loan and whether or not to make any adjustments to the loan transaction. Adjustments to any fees, interest rates or loan terms are the sole decision and responsibility of the Client.

Schwartz & Associates/DocsDirect do not guarantee the results and shall not be held responsible for any reimbursement or consequence resulting from use or non-use of the Brooks HCLA, or any violation of high cost, predatory lending or revenue limitation rules regardless of analysis results or adjustments made by Client. The DocsDirect Application is simply acting as a conduit in which data provided by Client is exported directly to Brooks Systems' to perform the analysis. Brooks HCLA results are an analysis of the data exported and is not a guarantee of compliance. Any opinion expressed to interpret these results is that of Schwartz & Associates/DocsDirect, but any business decision made to proceed, with or without modifying the fees or terms of the loan, is the sole decision of the Client. Schwartz & Associates/DocsDirect is not responsible for any transaction exceeding any high cost, predatory lending or revenue limitations or any reimbursement or consequences associated therewith.

Utilization of this HCLA option will incur an additional charge. Current fee is \$5.00 per document set. This fee is a third party fee and is subject to change without notice and will be charged to the Client at rates billed by third party to Schwartz & Associates. This fee will be included in the total document preparation or software service fee per transaction.

If Client selects to utilize the HCLA option, Schwartz & Associates/DocsDirect highly suggest using fees in the DocsDirect Application drop down fee list as the majority of these fees are mapped to the Brooks Systems' fee categories. Please also note that only the loan data entered in DocsDirect is exported to Brooks Systems. Any changes to fees, loan terms or other relevant information not entered into DocsDirect at the time the data is exported to Brooks Systems for analysis will not be factored into the HCLA results unless or until Client enters the relevant data and redraws documents to reflect the changes.

Anti-predatory lending checks or Brooks Systems' High Cost Loan Analysis are NOT available for Attorney Reviews performed by Schwartz & Associates.

Section IV. Delivery Options Terms and Conditions

Red Flags Rule Liability: Client is a "covered entity" under the Red Flags Rule ("RFR"), and as such is fully responsible for ensuring that they are compliant with the RFR and cannot transfer or eliminate their liability under the rule. While Schwartz is not directly subject to the law we fully understand the importance of sensitive data and information security and protecting the information provided to us by Client in order to perform the

services we provide and are aware that Client is required to be sure that any outside service provider(s) (“OSP”) will protect identifying information.

Schwartz Policies, Recommendations and Liability

Schwartz through DocsDirect takes steps to ensure that our activity as an OSP is conducted in accordance with reasonable policies and procedures designed to mitigate the risk of identity theft. We have secure processes in place for exporting of data to and from DocsDirect, storing data and the delivery of loan documents and related information.

Customer data is a key part of the DocsDirect system; thereby it utilizes high levels of data security to protect the customer’s data from harm or theft. DocsDirect ensures the privacy of the customer data by utilizing best-practices for security such as password protection, data encryption and a firewall protected network. Furthermore, these security measures are further securitized by having the hardware infrastructure of DocsDirect integrated into the Data Center of a Tier1 Internet Services Provider. The transfer of sensitive data, such as social security number information, as appropriate, is accomplished over a secure network using Secure Socket Layers (SSL).

DocsDirect’s secure method of transmitting a final document set is via QuickSend with Secure Access File Exchange (“SAFE”). SAFE is a file delivery system with multiple layers of security built-in that allows for protected delivery of packages to the Client’s desired recipients.

We highly recommend that Client and their closing agents rely on the SAFE process. Client is aware that there may be risks involved with requesting Schwartz/DocsDirect to use a less secure delivery method, such as email with attachments, and that any such request may violate their internal policies and/or their Identity Theft Program.*

A variety of documents and related loan data may contain information that can be used to facilitate identity theft, or that may otherwise be confidential. Schwartz staff, using DocsDirect, will only send a closing document set via Web delivery to Client or SAFE QuickSend to Client’s designated recipients. Schwartz staff will not deliver a file in a less secure method unless the Client has specifically instructed us to do so in the individual order submitted and/or via the Client’s completed Delivery Options indicating this as their preferred method. In any case, where the Client opts to have documents delivered via a less secure method the Client assumes the full risk and responsibility of that decision. Schwartz/DocsDirect will not be responsible and shall be held harmless for any resulting security breaches, identity theft, regulatory violations, legal actions or related consequences if a Client requests that such materials be sent via a less secure communication channel.

Please carefully consider the communication methods your company requests Schwartz/DocsDirect to use for sensitive materials that contain identifying information, non-public personal information, or other confidential materials.

** An Identity Theft Program, including identification of red flags, is required of all nondepository creditors and loan brokers (among others) under the federal Fair and Accurate Credit Transactions Act, effective November 1, 2009. The effective date was November 1, 2008 for depository institutions. The Federal Trade Commission (FTC) rules on this subject can be found starting at page 63771 of the November 9, 2007 Federal Register.
<http://edocket.access.gpo.gov/2007/pdf/07-5453.pdf>*

Section V. Data Sharing Options

For loans drawn on DocsDirect, Schwartz offers Client various options for sharing the customer and loan data (“customer data”) necessary to perform the services we provide.

Direct Data Entry: Customer data is entered directly into DocsDirect by user. User can access DocsDirect at www.docsdirect.com by entering their appropriate username and password.

Export Data LOS Interface: Customer data is exported for a specific borrower file from Client’s loan origination software (“LOS”) into DocsDirect by user.

DocsDirect Online interfaces are currently available for the following LOS systems:

- Calyx Point®
- Delmar DataTrac®
- Ellie Mae Contour®
- Ellie Mae Encompass®
- Ellie Mae Genesis®
- Harland Financial Solutions Interlinq E3®
- INTERLINQ Software Corporation MortgageWare®
- Mortgage Machine Services Mortgage Machine®

DocsDirect Online is also MISMO compliant and able to interface with any MISMO compliant LOS. Customized interfaces can also be written for comma delimited or fixed length text files or specialized XML file formats.

Export Data Third Party Interface: Customer data is exported for a specific borrower file from DocsDirect to an outside third-party service provider for certain additional services options.

DocsDirect Online third-party interfaces currently utilized are:

- Brooks Systems' High-Cost Loan Analysis Web Service

Email or Facsimile: Customer data and back-up documentation necessary for performing the services provided are emailed or transmitted via facsimile from Client to Schwartz/DocsDirect (i.e. title commitment, survey, contract).

Any risks and responsibilities associated with data sharing option, secure and unsecure, utilized by Client to provide necessary customer data to and from DocsDirect is understood, agreed to and fully assumed by Client. Any data sharing options utilized by Client is their sole business decision and at the discretion of Client. Schwartz/DocsDirect will not be responsible and shall be held harmless for any resulting security breaches, identity theft, regulatory violations, legal actions or related consequences if a Client requests that such materials, or the access information for such materials, be sent via an unsecure communication channel selected by Client.

Section VI. DocsDirect Delivery Options

For loans drawn on DocsDirect, Schwartz offers Client various options for delivering the closing documents prepared to various intended recipients

Web – Secure, Username and Password Protected.

For all loans, DocsDirect staff delivers package to Client's File Manager page on DocsDirect. Client is able to access a mini package, complete package or custom print any documents prepared on DocsDirect by entering DocsDirect Online at www.docsdirect.com using their registered Username and Password. Individual Usernames and Passwords or generic universal Usernames and Passwords must be registered by Client with DocsDirect. Client is fully responsible for screening any persons whom they allow to have access to registered Usernames and Passwords as well as informing Schwartz/DocsDirect when a Username and Password must be disabled.

Mini Package is a pre-defined funding package. Client will receive a mini package delivered via Web to Client's DocsDirect File Manager page. Simply click the "Ready to Print" list and select the borrower file and print the mini document set.

Complete Package contains all the documents prepared by DocsDirect. Client will always have access to print a complete set of documents from the Client's File Manager page on DocsDirect. Simply click the "Ready to Print" list and select the borrower file and print the complete document set.

SAFE QuickSend – Secure, Encoded URL, QuickCode Protected, Captcha Protected.

For all loans, unless otherwise instructed by Client, designated recipients (usually the closing agent – email provided by Client) are able to access the document package prepared on DocsDirect via the encoded URL

provided in the non-descript delivery email notification that instructs the recipient to "View Documents". Once the URL is accessed the recipient is prompted to enter the 10-digit random QuickCode provided separately by the DDO user. When the QuickCode has been successfully entered, the recipient must enter a valid response to a captcha prompt, then may view and print documents. Both the URL and QuickCode are required to print the documents, but a registered Username and Password are not required to retrieve documents using this method.

The following two options are not the Schwartz/DocsDirect preferred options. Schwartz/DocsDirect takes reasonable and responsible steps to ensure a secure email delivery, however these methods do not have all the levels of security available via Web Delivery to Client or SAFE QuickSend. Client understands that if they request that documents be delivered via email only there are inherent risks and such deliveries may be less secure than other available methods.

Email without attachment - Secure, Encoded URL, Captcha Protected.

Designated recipients (usually the Closing Agent – email provided by Client) receive an email delivery notification which includes a link to access the document package. After clicking the link, the recipient must enter a valid response to a captcha prompt, then may view and print documents.

Email with PDF attachment - unsecure

Designated recipients (usually the Closing Agent – email provided by Client) receive an email which includes a PDF attachment of the document set. The recipient can view and print the document package directly by opening the PDF attachment.

Any communication, notifications or deliveries sent by Schwartz/DocsDirect via email will be to the email addresses provided in DocsDirect by Client for the individual transaction, whether email account is an individual email address or a group email address. Schwartz/DocsDirect has no control over the receipt of an email, including but not limited to, invalid or inaccurate email addresses provided by Client, receiving internet service providers, return error messages and fire walls. Schwartz/DocsDirect will not be responsible and shall be held harmless for any resulting security breaches, identity theft, regulatory violations, legal actions or related consequences if a Client requests that such materials, or the access information for such materials through this communication channel on behalf of Client.

If documents are redrawn and changes are minimal, Client, Closing Agent or Third Party Recipient may receive a redraw package via the above described delivery options. A redraw package includes only documents changed or added due to the redraw.

Client is granting their permission and authorizing Schwartz/DocsDirect to deliver the document packages and information to the designated recipients in the above described methods. Client also hereby authorizes Schwartz/DocsDirect to deliver file in the manner indicated in the individual transaction prepared on DocsDirect, even if said manner should conflict with the options removed above by Client. Client acknowledges that Schwartz/DocsDirect takes all appropriate and legal steps to keep Client's customer data safe and secure. Client further acknowledges that Schwartz/DocsDirect has no control of who may access the information once it has arrived at the desired and designated recipient location. Client further understands that any delivery of a file via DocsDirect will be subject to this Terms of Use and Services Agreement.