



IS A DIVISION OF FINANCIAL AND PROFESSIONAL RISK SOLUTIONS, INC. TX LIC. # 15890
IN CA DBA: FPR INSURANCE SOLUTIONS, INC. LIC. #0G83953

APPLICATION

MORTGAGE BANKERS & BROKERS

FIDELITY AND MORTGAGEE'S E&O / PL / D&O / PRIVACY LIABILITY

Check the coverage(s) for which this Application is made for below

- ☐ FIDELITY AND MORTGAGEE'S ERRORS & OMISSIONS (E&O) INSURANCE POLICY
- ☐ PROFESSIONAL SERVICES LIABILITY (PL) INSURANCE POLICY
- ☐ DIRECTORS' AND OFFICERS' (D&O) REIMBURSEMENT INDEMNIFICATION POLICY
- ☐ PRIVACY LIABILITY WITH BREACH RESPONSE SERVICES (PRIVACY LIABILITY)

NOTICE: IF A PROFESSIONAL SERVICES LIABILITY POLICY OR DIRECTORS AND OFFICERS POLICY IS ISSUED, THE POLICY FOR WHICH THIS APPLICATION IS MADE (THE "POLICY"), SUBJECT TO ITS TERMS, APPLIES ONLY TO ANY THIRD PARTY CLAIM (AS SET FORTH IN THE POLICY) MADE AGAINST THE ASSURED (AS DEFINED IN THE POLICY) DURING THE POLICY PERIOD OR OPTIONAL EXTENSION PERIOD (IF APPLICABLE) AND REPORTED TO THE UNDERWRITERS WITHIN 30 DAYS AFTER THE EXPIRATION DATE OF THE POLICY PERIOD OR THE OPTIONAL EXTENSION PERIOD (IF APPLICABLE). THE LIMIT OF INDEMNITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS SHALL BE REDUCED AND MAY BE EXHAUSTED BY AMOUNTS INCURRED AS COURT COSTS AND ATTORNEYS' FEES AND COURT COSTS AND ATTORNEYS' FEES SHALL BE APPLIED TO THE DEDUCTIBLE.

GENERAL INSTRUCTIONS

(1) Please read carefully and answer all questions. If a question is not applicable, so state. If space is insufficient to answer any question fully, attach a separate sheet.

(2) This Application form and all exhibits shall be held in confidence. The following information must accompany this Application form and will be considered a part of the Application:

- a. ☐ Most recent year-end audit report, including auditor's comments on compliance and internal controls.
- b. ☐ If audit report is more than 6 months old, a current balance sheet and year-to-date income statement;
- c. ☐ Current organizational chart and key management resumes;
- d. ☐ List of all companies desiring this proposed insurance, date acquired and founded along with ownership interest held;
- e. ☐ (For D&O applicants only:) Copies of the provisions of the Charter or By-Laws covering indemnification of Directors and Officers;
- f. ☐ If coverage is currently with another insurance carrier, please attach the Declarations page of your current policies.

(3) If you have any questions, please contact Bankers Insurance Service at:

BANKERS INSURANCE SERVICE

200 E RANDOLPH STREET

CHICAGO, IL 60601

www.bankersinsuranceservice.com

PHONE: (800) 323-2743

FAX: (312) 381-6195

E-MAIL: bis@bankersinsuranceservice.com

APPLICANT INFORMATION

COMPANY NAME

ALL PREVIOUS COMPANY NAME(S) - (IF APPLICABLE)

STREET ADDRESS

CITY, (COUNTY OR PARISH), STATE, ZIP

MAILING ADDRESS (IF DIFFERENT)

E-MAIL ADDRESS

WEB-SITE ADDRESS

PHONE

FAX

CONTACT PERSON

TITLE

STATE OF INCORPORATION OR CHARTER

DATE OF INCORPORATION

DATE SINCE WHICH YOU HAVE BEEN CONTINUOUSLY DOING BUSINESS

IS THE COMPANY PUBLICLY TRADED?

HOW DID YOU HEAR ABOUT US?

COMPANY INFORMATION (1-11)

1 LIST, CHECK, (OR ATTACH A LISTING OF) ALL MORTGAGE ASSOCIATIONS THAT YOUR COMPANY IS A MEMBER OF:

MORTGAGE BANKERS ASSOCIATION
LENDERS ONE
OTHER

IF "OTHER", PLEASE LIST BELOW

2 LIST (OR ATTACH A LISTING OF) ALL SUBSIDIARIES OR AFFILIATES, RETIREMENT AND PENSION PLANS AS REQUIRED BY ERISA (NO ADDITIONAL PREMIUMS ASSESSED FOR RETIREMENT AND PENSION PLANS, JOINT VENTURES, ETC.)

IF COVERAGE IS DESIRED, PLEASE CHECK THE APPROPRIATE BOX BELOW

ENTITY	COVERAGE DESIRED			
	<div></div>	YES	<div></div>	NO
	<div></div>	YES	<div></div>	NO
	<div></div>	YES	<div></div>	NO
	<div></div>	YES	<div></div>	NO
	<div></div>	YES	<div></div>	NO

3 NAMES OF ALL INDIVIDUALS AND / OR ENTITIES THAT OWN 10% OR MORE OF THE COMPANY:

NAME	% OWNERSHIP

4 HAVE THERE BEEN ANY CHANGES IN OWNERSHIP (10% OR MORE), OR A CHANGE IN THE COMPANY'S FINANCIAL STRUCTURE IN THE PAST 3 YEARS?

YESNO

IF "YES", PLEASE EXPLAIN

5 LIST THE CURRENT NUMBER OF EMPLOYEES BY THE FOLLOWING ACTIVITIES:

A. MORTGAGE BANKING EMPLOYEES ONLY:

BOARD OF DIRECTORS, CORPORATE OFFICERS	#
LOAN PRODUCTION	#
LOAN SERVICING	#
ALL OTHER PROFESSIONAL EMPLOYEES	#
SUBTOTAL	#

B. NON-MORTGAGE BANKING PROFESSIONAL EMPLOYEES:

REAL ESTATE APPRAISAL	#
REAL ESTATE SALES	#
INSURANCE PROFESSIONALS	#
PROPERTY MANAGEMENT	#
REAL ESTATE ASSET MANAGEMENT	#
REAL ESTATE CONSULTING	#
ALL OTHER PROFESSIONAL EMPLOYEES	#
SUBTOTAL	#

C. INDEPENDENT CONTRACTORS

LOAN ORIGINATORS	#
OTHER (SPECIFY)	#
SUBTOTAL	#

TOTAL EMPLOYEES (COMBINE A, B, AND C) #

6 NUMBER OF LOCATIONS OTHER THAN MAIN OFFICE

A. BRANCH OFFICES (THOSE THAT UNDERWRITE)	#
B. SATELLITE OFFICES (THOSE THAT DO NOT UNDERWRITE)	#
C. NET BRANCHES	#

7 DOES THE COMPANY NOW HAVE, OR CONTEMPLATE HAVING, SELLER/SERVICER STATUS WITHIN THE NEXT 12 MONTHS WITH:

FREDDIE MAC	<div></div>	YES	<div></div>	NO
FANNIE MAE	<div></div>	YES	<div></div>	NO
GINNIE MAE	<div></div>	YES	<div></div>	NO
HUD (AS A DIRECT ENDORSEMENT LENDER)	<div></div>	YES	<div></div>	NO

8 HAVE THERE BEEN ANY CHANGES IN THE COMPANY'S OFFICERS AND/OR KEY PERSONNEL IN THE LAST 12 MONTHS?

YESNO

IF "YES", PLEASE ATTACH RESUME(S)

9 HAVE THERE BEEN ANY CHANGES IN ANY OF THE COMPANY'S SUBSIDIARIES IN THE LAST 12 MONTHS (NEWLY CREATED OR PURCHASED, SOLD, OPERATIONAL CHANGES, ETC.)?

YESNO

IF "YES", PLEASE EXPLAIN

10 HAVE YOU AGREED TO, OR DO YOU CONTEMPLATE WITHIN THE NEXT 12 MONTHS, ANY OF THE FOLLOWING, WHETHER OR NOT SUCH TRANSACTIONS WERE OR WILL BE COMPLETED? IF "YES", PLEASE DESCRIBE THE ESSENTIAL TERMS OF EACH SUCH TRANSACTION IN AN ATTACHMENT TO THIS APPLICATION.

A. MERGER, ACQUISITION OR CONSOLIDATION WITH ANOTHER ENTITY WHOSE CONSOLIDATED ASSETS EXCEED 20% OF THE COMPANY'S CONSOLIDATED ASSETS?

YESNO

B. SALE, DISTRIBUTION OR DIVESTITURE OF ANY ASSETS OR STOCK, OTHER THAN IN THE ORDINARY COURSE OF BUSINESS, IN AN AMOUNT EXCEEDING 20% OF THE COMPANY'S CONSOLIDATED ASSETS?

☐ YES ☐ NO

C. ANY REGISTRATION FOR A PUBLIC OFFERING OR PRIVATE PLACEMENT OF SECURITIES?

☐ YES ☐ NO

11 GROSS ANNUAL REVENUES LAST FISCAL YEAR: \$
GROSS ANNUAL REVENUES PROJECTED NEXT FISCAL YEAR \$

LOAN ORIGATION OR PURCHASE ACTIVITY (12-18)

IF NO LOAN ORIGATION OR PURCHASE ACTIVITY, CHECK BOX BELOW AND PROCEED TO QUESTION 19

NO LOAN ORIGATION OR PURCHASE ACTIVITY ☐

12 LOAN ORIGATION OR PURCHASE ACTIVITIES FOR THE 12 MONTHS ENDING:

/ /

	NUMBER	VOLUME
1-4 FAMILY	# <input type="text"/>	\$ <input type="text"/>
SECOND MORTGAGES/HELOC	# <input type="text"/>	\$ <input type="text"/>
REVERSE MORTGAGES	# <input type="text"/>	\$ <input type="text"/>
MULTIFAMILY	# <input type="text"/>	\$ <input type="text"/>
OTHER COMMERCIAL	# <input type="text"/>	\$ <input type="text"/>
GRAND TOTAL	# <input type="text"/>	\$ <input type="text"/>

BY NUMBER OF LOANS, WHAT % OF THE ABOVE GRAND TOTAL OF ORIGINATED OR PURCHASED LOANS ARE:

RETAIL %
WHOLESALE %
TOTAL (SHOULD EQUAL 100%) %

BY NUMBER OF LOANS, WHAT % OF THE ABOVE GRAND TOTAL OF ORIGINATED OR PURCHASED LOANS ARE:

SOLD TO GSE'S %
SOLD TO OTHER INSTITUTIONAL INVESTORS %
SOLD TO INDIVIDUAL INVESTORS %
HELD IN APPLICANT'S PORTFOLIO %
SECURITIZED BY APPLICANT %
TOTAL (SHOULD EQUAL 100%) %

PROJECTED **LOAN ORIGATION OR PURCHASE ACTIVITIES** FOR THE NEXT 12 MONTHS

OF LOANS % SUBPRIME %
\$VOLUME % SUBPRIME %

13 DOES THE COMPANY MAKE CONSTRUCTION LOANS? (DO NOT CHECK "YES" IF ONLY ACTING AS A BROKER)

☐ YES ☐ NO

14 BY NUMBER OF LOANS, WHAT PERCENTAGE OF THE 1-4 FAMILY LOANS ORIGINATED OR PURCHASED (IN QUESTION 12) ARE (NOTE: TOTAL MAY EXCEED 100%):

FANNIE/FREDDIE COMPLIANT (INCLUDE LOANS SOLD TO OTHER INVESTORS, IF COMPLIANT) %
JUMBO (OTHERWISE COMPLIANT) %
FHA/HUD %
OTHER ALT-A/A- %
SUBPRIME (FICO SCORE BELOW 620) %
FIXED RATE MORTGAGES %
ARM's %
OPTION ARM's %
LOW DOC/NO DOC %
INTEREST-ONLY %
BALLOON %
NO INCOME – NO ASSET %
>100% LTV %

15 BY NUMBER OF LOANS, WHAT PERCENTAGE OF 1-4 FAMILY LOANS ORIGINATED OR PURCHASED (IN QUESTION 12) ARE, OR WILL BE:

	PAST 12 MONTHS	NEXT 12 MONTHS
QUALIFIED MORTGAGES (QM)	<input type="text"/>	<input type="text"/>
NON-QUALIFIED MORTGAGES (NON-QM)	<input type="text"/>	<input type="text"/>
QM - LEGAL SAFE HARBOR	<input type="text"/>	<input type="text"/>
QM - REBUTTABLE PRESUMPTION OF COMPLIANCE	<input type="text"/>	<input type="text"/>

16 HAVE YOU INTRODUCED ANY NEW LOAN PRODUCTS IN THE PAST 12 MONTHS?

☐ YES ☐ NO

IF "YES", PLEASE EXPLAIN

17 DOES YOUR FIRM HAVE A WAREHOUSE LINE OF CREDIT?

☐ YES ☐ NO

IF "NO", DO YOU INTEND ON GETTING A WAREHOUSE LINE OF CREDIT IN THE NEXT SIX MONTHS?

☐ YES ☐ NO

WAREHOUSE LENDERS YOUR FIRM USES OR HAS APPLIED TO:

<input type="text"/>	<input type="text"/>	<input type="text"/>
FIRM	CONTACT	PHONE
<input type="text"/>	<input type="text"/>	<input type="text"/>
FIRM	CONTACT	PHONE
<input type="text"/>	<input type="text"/>	<input type="text"/>
FIRM	CONTACT	PHONE
<input type="text"/>	<input type="text"/>	<input type="text"/>
FIRM	CONTACT	PHONE
<input type="text"/>	<input type="text"/>	<input type="text"/>
FIRM	CONTACT	PHONE

18 WHAT PROFESSIONAL SERVICE ACTIVITIES IS THE APPLICANT INTERESTED IN COVERING UNDER THIS POLICY? PLEASE INDICATE BELOW.

IF ADDITIONAL PROFESSIONAL SERVICES ARE REQUIRED, PLEASE ATTACH TO APPLICATION

PROFESSIONAL SERVICES		% OF LAST YEARS TOTAL REVENUES	% OF PROJECTED TOTAL REVENUES
<input type="checkbox"/>	MORTGAGE ORIGATION*	<input type="text" value=""/>	<input type="text" value=""/>
<input type="checkbox"/>	MORTGAGE SERVICING	<input type="text" value=""/>	<input type="text" value=""/>
<input type="checkbox"/>	REAL ESTATE APPRAISAL	<input type="text" value=""/>	<input type="text" value=""/>
<input type="checkbox"/>	REAL ESTATE SALES	<input type="text" value=""/>	<input type="text" value=""/>
<input type="checkbox"/>	PROPERTY MANAGEMENT	<input type="text" value=""/>	<input type="text" value=""/>
<input type="checkbox"/>	INSURANCE AGENCY	<input type="text" value=""/>	<input type="text" value=""/>
<input type="checkbox"/>	OTHER <input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>

*SHOULD ONLY INCLUDE LOAN ORIGATION FEES, AND NOT, FOR EXAMPLE, SERVICING RIGHTS RELEASED OR WAREHOUSE LINE OF CREDIT INTEREST REVENUES.

LOAN SERVICING ACTIVITY (19-23)

IF NO LOAN SERVICING ACTIVITY, CHECK BOX BELOW AND PROCEED TO QUESTION 24

NO LOAN SERVICING ACTIVITY ☐

19 LOAN SERVICING PORTFOLIO AS OF:

/ /

	NUMBER	VOLUME
1-4 FAMILY	# <input type="text" value=""/>	\$ <input type="text" value=""/>
SECOND MORTGAGES/HELOC	# <input type="text" value=""/>	\$ <input type="text" value=""/>
REVERSE MORTGAGES	# <input type="text" value=""/>	\$ <input type="text" value=""/>
MULTIFAMILY	# <input type="text" value=""/>	\$ <input type="text" value=""/>
OTHER COMMERCIAL	# <input type="text" value=""/>	\$ <input type="text" value=""/>
GRAND TOTAL	# <input type="text" value=""/>	\$ <input type="text" value=""/>

FOR THE ABOVE LOAN SERVICING PORTFOLIO, THE DELINQUENCY SERVICING RATIOS ARE:

30 - 59 DAYS	<input type="text" value=""/> %
60- 89 DAYS	<input type="text" value=""/> %
OVER 90 DAYS	<input type="text" value=""/> %
REO OR IN FORECLOSURE	<input type="text" value=""/> %
TOTAL	<input type="text" value=""/> %

FOR THE ABOVE LOAN SERVICING PORTFOLIO, HOW MANY LOANS WERE FORECLOSED UPON IN THE PAST 12 MONTHS

#

20 PRIMARY AND SUB-SERVICING ACTIVITIES (NOTE: ESTIMATE %):

A. BASED ON THE NUMBER OF LOANS, PLEASE ESTIMATE THE PERCENTAGE OF LOANS IN THE LOAN SERVICING PORTFOLIO WHERE THE APPLICANT ACTS AS THE PRIMARY SERVICER (I.E. APPLICANT OWNS THE SERVICING RIGHTS AND SERVICES THE LOAN):

%

B. BASED ON THE NUMBER OF LOANS, PLEASE ESTIMATE THE PERCENTAGE OF LOANS IN THE LOAN SERVICING PORTFOLIO WHERE APPLICANT COMPANY ACTS AS SUB-SERVICER (I.E. APPLICANT DOES NOT OWN THE SERVICING RIGHTS AND SERVICES LOANS FOR OTHERS):

%

C. BASED ON THE NUMBER OF LOANS, PLEASE ESTIMATE THE PERCENTAGE OF LOANS IN THE LOAN SERVICING PORTFOLIO THAT ARE SUB-SERVICED BY OTHERS (I.E. APPLICANT OWNS THE SERVICING RIGHTS, BUT LOANS ARE SERVICED BY ANOTHER ENTITY):

%

21 ESTIMATED % OF CONDOMINIUM/PUD LOANS IN LOAN SERVICING PORTFOLIO:

%

22 DOES THE APPLICANT OWN, ORIGINATE, OR SERVICE ANY LOANS FOR WHICH EARTHQUAKE INSURANCE IS REQUIRED?

☐ YES ☐ NO

23 DOES THE APPLICANT CARRY A "FORCE PLACEMENT" PROGRAM WHICH AUTOMATICALLY PROVIDES COVERAGE ON PROPERTY FOR WHICH THE APPLICANT IS AWARE THERE IS NOT EXISTING INSURANCE OF THE TYPE THAT IS REQUIRED IN THE MORTGAGE CONTRACT?

☐ YES ☐ NO

IF "YES", PLEASE PROVIDE THE FOLLOWING

FORCE PLACED CARRIER:

EXPIRATION DATE:

DOES FORCE PLACED PROGRAM GIVE THE APPLICANT THE ABILITY TO BACKDATE COVERAGE?

☐ YES ☐ NO

TITLE & LOAN CLOSING (24-34)

24 DO YOU REQUIRE TITLE INSURANCE ON ALL LOANS FUNDED:

FOR 1ST MORTGAGES / DEEDS OF TRUST ☐ YES ☐ NO
FOR 2ND MORTGAGES / DEEDS OF TRUST ☐ YES ☐ NO

25 WHERE PERMITTED, DO YOU REQUIRE AN INSURED CLOSING PROTECTION LETTER FROM THE TITLE INSURANCE UNDERWRITER FOR EACH LOAN CLOSING?

☐ YES ☐ NO

26 DO YOUR LOAN CLOSING / SETTLEMENT AGENTS' AND ATTORNEYS' AGREEMENTS INCLUDE LANGUAGE REQUIRING THAT THE CLOSING AGENT INFORM YOU OF RECENT ESCROWS, CLOSINGS, OR CHANGE OF TITLE?

☐ YES ☐ NO

27 DO YOU REQUIRE A 12-MONTH OR MORE CHAIN OF TITLE?

☐ YES ☐ NO

28 DO YOU REQUIRE LOAN CLOSING / SETTLEMENT AGENTS AND ATTORNEYS TO CARRY ERRORS AND OMISSIONS (E&O) INSURANCE?

☐ YES ☐ NO

29 DO YOU REQUIRE LOAN CLOSING / SETTLEMENT AGENTS AND ATTORNEYS TO CARRY FIDELITY BOND INSURANCE?

☐ YES ☐ NO

IF "YES", WHAT IS THE MINIMUM PER OCCURRENCE AMOUNT?

\$ PER OCCURRENCE

IF "YES", DO YOU REQUIRE THAT YOUR WAREHOUSE LENDERS ARE NAMED AS LOSS PAYEES ON THE POLICY?

☐ YES ☐ NO

IF "YES", DO YOU REQUIRE THAT YOUR WAREHOUSE LENDERS HAVE A RIGHT OF ACTION AGAINST THAT POLICY IN THE EVENT THAT FUNDS ARE STOLEN?

☐ YES ☐ NO

30 WHAT IS THE MAXIMUM DOLLAR AMOUNT OF FUNDS PERMITTED TO BE WIRED TO A LOAN CLOSING / SETTLEMENT AGENT OR ATTORNEY AT ANY GIVEN TIME?

\$

31 DO YOU (OR A THIRD PARTY) RUN A BACKGROUND CHECK ON THE LOAN CLOSING / SETTLEMENT AGENT OR ATTORNEY PERFORMING EACH LOAN CLOSING?

☐ YES ☐ NO

32 WHAT EXCLUSIONARY LISTS DO YOU REVIEW PRIOR TO FORWARDING FUNDS TO LOAN CLOSING / SETTLEMENT AGENTS AND ATTORNEYS?

HOW OFTEN ARE THESE EXCLUSIONARY LISTS UPDATED?

--

33 IF LOAN CLOSINGS ARE CONDUCTED BY ATTORNEYS, DO YOU CHECK THAT THEIR LAW LICENSE IS VALID AND IN GOOD STANDING WITH THE STATE?

☐ YES ☐ NO

34 DO YOU OWN A TITLE COMPANY OR AGENCY OR ARE YOU AFFILIATED WITH A TITLE AND/OR ESCROW COMPANY?

☐ YES ☐ NO

APPRAISAL (35-38)

35 DO YOU HAVE CALL BACK PROCEDURES IN PLACE TO VERIFY THAT RECEIVED APPRAISALS WERE ACTUALLY PERFORMED BY THE APPRAISAL COMPANY SHOWN ON THE APPRAISAL?

☐ YES ☐ NO

36 DO ANY OF YOUR EMPLOYEES OR EMPLOYEES OF RELATED OR OWNED ENTITIES PERFORM PROPERTY APPRAISALS ON WHICH LENDING DECISIONS ARE BASED?

☐ YES ☐ NO

37 DO YOU VERIFY THAT ENTITIES PERFORMING APPRAISALS FOR YOU HAVE ERRORS AND OMISSIONS (E&O) INSURANCE?

☐ YES ☐ NO

38 ARE ALL APPRAISALS ORDERED USING APPRAISAL MANAGEMENT COMPANIES (AMC's)?

☐ YES ☐ NO

MISCELLANEOUS (39-41)

39 IN THE PAST 12 MONTHS, HAS THE COMPANY CHANGED ANY INTERNAL AUDITORS, OR OUTSIDE CPA?

☐ YES ☐ NO

40 ARE BORROWER AND INVESTOR ESCROWS MAINTAINED IN SEGREGATED CUSTODIAL ACCOUNTS?

☐ YES ☐ NO

41 DO THE COMPANY'S POLICIES PROHIBIT THE TRANSFER OF ESCROW FUNDS:

TO OR FROM OTHER ESCROW ACCOUNTS OR OTHER CUSTODIAL ACCOUNTS?

☐ YES ☐ NO

TO OR FROM OPERATING ACCOUNTS?

☐ YES ☐ NO

COMPUTER SYSTEMS (42-48)

42 IS ALL VALUABLE / SENSITIVE DATA BACKED UP BY THE COMPANY ON A DAILY BASIS?

☐ YES ☐ NO

43 DOES THE COMPANY ENCRYPT DATA STORED ON LAPTOP COMPUTERS AND OTHER PORTABLE MEDIA?

☐ YES ☐ NO

44 DOES THE COMPANY ENCRYPT DATA STORED ON BACK-UP TAPES?

☐ YES ☐ NO

45 DOES THE COMPANY MAINTAIN COMPUTER SECURITY THAT INCLUDES THE FOLLOWING:

FIREWALL

☐ YES ☐ NO

ANTI-VIRUS

☐ YES ☐ NO

SPYWARE / MALWARE PROTECTION

☐ YES ☐ NO

IF "YES", DOES THE SOFTWARE UPDATE AUTOMATICALLY FOR THE FOLLOWING?

FIREWALL

☐ YES ☐ NO

ANTI-VIRUS

☐ YES ☐ NO

SPYWARE / MALWARE PROTECTION

☐ YES ☐ NO

46 DOES THE COMPANY HAVE A WRITTEN CORPORATE-WIDE PRIVACY POLICY?

☐ YES ☐ NO

IF "YES", PLEASE ATTACH A COPY OF THE PRIVACY POLICY TO THIS APPLICATION

47 DOES THE COMPANY ACCEPT CREDIT CARDS FOR GOODS SOLD OR SERVICES RENDERED?

☐ YES ☐ NO

IF "YES", IS THE COMPANY COMPLIANT WITH APPLICABLE DATA SECURITY STANDARDS ISSUED BY FINANCIAL INSTITUTIONS THE COMPANY TRANSACTS BUSINESS WITH (E.G. PCI STANDARDS)?

☐ YES ☐ NO

48 HAS THE COMPANY EVER RECEIVED ANY CLAIMS OR COMPLAINTS WITH RESPECT TO ALLEGATIONS OF INVASION OF OR INJURY TO PRIVACY, IDENTITY THEFT, THEFT OF INFORMATION, BREACH OF INFORMATION, SOFTWARE COPYRIGHT INFRINGEMENT OR CONTENT INFRINGEMENT OR BEEN REQUIRED TO PROVIDE NOTIFICATION TO INDIVIDUALS DUE TO AN ACTUAL OR SUSPECTED DISCLOSURE OF PERSONAL INFORMATION?

☐ YES ☐ NO

IF "YES", PLEASE PROVIDE DETAILS OF EACH SUCH CLAIM, ALLEGATION OR INCIDENT, INCLUDING COSTS, LOSSES OR DAMAGES INCURRED OR PAID, AND ANY AMOUNTS PAID UNDER ANY INSURANCE POLICY.

CASH & ACCOUNTING (49-56)**49 DESCRIBE CONTROLS ON INCOMING AND OUTGOING WIRE TRANSFERS OF MONEY:**

50 IS A SEPARATE LEDGER ACCOUNT MAINTAINED FOR EACH OF THE COMPANY'S BANK ACCOUNTS?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
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51 ARE DUTIES SEGREGATED SO THAT NO SINGLE INDIVIDUAL HAS BOTH CUSTODIAL FUNCTIONS AND ACCOUNTING AUTHORITY (I.E. CASH RECEIPTS AND DISBURSEMENTS) OVER THE COMPANY'S FUNDS AND SECURITIES?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
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52 ARE TRANSFERS FROM ONE BANK ACCOUNT TO ANOTHER UNDER ACCOUNTING CONTROL (I.E. CHARGES AND CREDITS RECORDED AND PASSED THROUGH A LEDGER ACCOUNT)?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
--------------------------	-----	--------------------------	----

53 ARE DEPOSIT SLIPS COMPARED WITH CASH RECEIPT RECORDS BY SOMEONE OTHER THAN THE CASHIER?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
--------------------------	-----	--------------------------	----

54 ARE ALL CASH BALANCES, BANK BALANCES, OR SIMILAR BALANCES RECONCILED MONTHLY?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
--------------------------	-----	--------------------------	----

55 ARE RECONCILIATIONS PREPARED AND SUPERVISED BY AN INDIVIDUAL WITH NO RESPONSIBILITY FOR CASH RECEIPTS OR DISBURSEMENTS BY MEANS OF CHECKS OR WIRE TRANSFER?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
--------------------------	-----	--------------------------	----

56 DOES AN OFFICER, WHO IS NOT RESPONSIBLE FOR THE RECEIPT OR DISBURSEMENT OF CASH, REVIEW ALL RECONCILIATIONS AND QUESTION UNUSUAL UNRECONCILED ITEMS?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
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IF "NO" APPLIES TO QUESTIONS 50-56, PLEASE EXPLAIN HOW THE COMPANY HANDLES SUCH FUNCTION(S):

GENERAL QUALITY CONTROL (57-66)**57 DO YOU USE REGULATORY COMPLIANCE SOFTWARE?**

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
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IF "YES", WHAT SYSTEM(S) DO YOU USE?

58 HOW DOES THE COMPANY KEEP ABREAST OF APPLICABLE FEDERAL AND STATE REGULATIONS?

59 HOW DOES THE COMPANY MAINTAIN COMPLIANCE WITH CFPB / DODD-FRANK REGULATIONS IN REGARD TO:

MORTGAGE SERVICING RULES

ABILITY TO REPAY AND QUALIFIED MORTGAGE STANDARDS

60 DO YOU UTILIZE A FRAUD DETECTION SERVICE?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
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IF "YES", WHAT PERCENTAGE OF LOANS ARE TESTED? %

IF "YES", WHAT FIRM(S) ARE YOU USING FOR FRAUD DETECTION?

61 DO YOU HAVE CALL BACK PROCEDURES IN PLACE TO VERIFY VOE AND VOD INFORMATION PRIOR TO LOAN CLOSING?

<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
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62 PLEASE DESCRIBE THE STEPS TAKEN TO VERIFY BORROWERS IDENTITIES.

63 DO YOU RUN BACKGROUND CHECKS ON ALL LOAN OFFICERS THAT ORIGINATE LOANS FOR THE COMPANY:

A. ON A RETAIL BASIS?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
B. ON A WHOLESALE BASIS?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO

64 IN THE PAST 12 MONTHS, HOW MANY LOANS HAS THE APPLICANT BEEN REQUIRED TO REPURCHASE FROM, OR INDEMNIFY, A SECONDARY MARKET INVESTOR?

# OF LOANS	<input type="text"/>
\$VOLUME	<input type="text"/>

65 TO PURCHASE LOANS, DOES THE TAKE-OUT INVESTOR WIRE FUNDS TO:

A. THE WAREHOUSE FACILITY?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
B. YOUR COMPANY?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO

66 DO LOAN UNDERWRITERS HAVE PRODUCTION GOALS BASED ON THE NUMBER OF LOANS CLOSED?

☐ YES ☐ NO

CURRENT COVERAGE (67)

IF YOUR CURRENT NSURANCE IS PLACED WITH BANKERS INSURANCE SERVICE, CHECK BOX BELOW AND PROCEED TO QUESTION 68

INSURANCE COVERAGE CURRENTLY WITH BANKERS INSURANCE SERVICE

☐

67 CURRENT PROFESSIONAL SERVICES LIABILITY INSURANCE:

INSURANCE COMPANY

LIMIT

\$

DEDUCTIBLE

\$

PREMIUM

\$

EXPIRATION DATE

RETROACTIVE DATE

CURRENT FIDELITY BOND INSURANCE:

INSURANCE COMPANY

LIMIT

\$

DEDUCTIBLE

\$

PREMIUM

\$

EXPIRATION DATE

RETROACTIVE DATE

CURRENT DIRECTORS' & OFFICERS' LIABILITY INSURANCE:

INSURANCE COMPANY

LIMIT

\$

DEDUCTIBLE

\$

PREMIUM

\$

EXPIRATION DATE

RETROACTIVE DATE

CURRENT PRIVACY LIABILITY / CYBER INSURANCE

INSURANCE COMPANY

LIMIT

\$

DEDUCTIBLE

\$

PREMIUM

\$

EXPIRATION DATE

RETROACTIVE DATE

CLAIMS (68-76)

68 WAS PRIOR COVERAGE EVER CANCELLED OR NON-RENEWED? (OTHER THAN BEING NON-RENEWED DUE TO THE CARRIER NO LONGER WRITING THIS TYPE OF COVERAGE) (OTHER THAN MISSOURI APPLICANTS)

☐ YES ☐ NO

IF "YES", PLEASE EXPLAIN

69 DOES THE APPLICANT KNOW OF ANY OR HAVE ANY REPORTED VIOLATIONS OF LAW IN ANY OF THE FOLLOWING:

A. REAL ESTATE SETTLEMENT PROCEDURES ACT (RESPA)	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
B. TRUTH IN LENDING LEGISLATION (TILA)	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
C. EQUAL CREDIT OPPORTUNITY LEGISLATION (ECOA)	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO

IF "YES" TO ANY OF THE ABOVE, PLEASE EXPLAIN ON A SEPARATE PAGE AND ATTACH IT TO THIS APPLICATION

70 DOES THE APPLICANT HAVE WRITTEN POLICIES WITH RESPECT TO TILA, RESPA, ECOA?

☐ YES ☐ NO

71 IN THE PAST 5 YEARS, HAS YOUR FIRM DISCOVERED OR INCURRED A LOSS OR POTENTIAL LOSS IN EXCESS OF \$5,000 IN ANY OF THE FOLLOWING AREAS?

A. EMPLOYEE DISHONESTY/FIDELITY	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
B. FORGED DOCUMENTS/CHECKS	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
C. BURGLARY, ROBBERY OR THEFT	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
D. OBTAINING/MAINTAINING MORTGAGOR'S INSURANCE	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
E. REAL ESTATE TAX PAYMENTS	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
F. OTHER	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO

72 HAS THE APPLICANT AT ANY TIME OVER THE LAST FIVE YEARS, BEEN INVOLVED IN ANY POLICY DISPUTE WITH ANY OF YOUR INSURERS (ON ANY CLASS OF BUSINESS)?

☐ YES ☐ NO

IF "YES", PLEASE PROVIDE DETAILS ON A SEPARATE PAGE AND ATTACH IT TO THIS APPLICATION

73 HAVE ANY SUITS, DEMANDS FOR ARBITRATION OR ADMINISTRATIVE OR REGULATORY ACTIONS BEEN FILED AGAINST THE APPLICANT COMPANY(IES) OR THEIR PREDECESSORS, OR ANY OF ITS PRESENT OR PAST DIRECTORS, OFFICERS, OR EMPLOYEES?

☐ YES ☐ NO

IF "YES", PLEASE ATTACH CLAIMS HISTORY SHOWING NUMBER OF CLAIMS AND AMOUNT INCLUDING DEFENSE COSTS

74 HAS THE COMPANY ANY KNOWLEDGE OR INFORMATION, AFTER FULL INQUIRY, OF ANY FACTS, CIRCUMSTANCES, OR EVENTS WHICH COULD GIVE RISE TO A LOSS (OR CLAIM BEING MADE AGAINST THEM)?

☐ YES ☐ NO

IF "YES", PLEASE PROVIDE FULL DETAILS ON A SEPARATE PAGE AND ATTACH IT TO THIS APPLICATION.

75 HAS ANY PRINCIPAL, DIRECTOR, OFFICER OR EMPLOYEE HAD A PROFESSIONAL LICENSE SUSPENDED OR REVOKED?

☐ YES ☐ NO

IF "YES", PLEASE PROVIDE FULL DETAILS ON A SEPARATE PAGE AND ATTACH IT TO THIS APPLICATION.

76 DURING THE PAST FIVE YEARS, HAS THE APPLICANT OR ANY PREDECESSOR IN BUSINESS OR ANY OF THE PAST OR PRESENT PARTNERS, OFFICERS, DIRECTORS OR EMPLOYEES BEEN THE SUBJECT OF AN INVESTIGATION, REPRIMAND, DISCIPLINARY ACTION, CRITICISM, OR FILED COMPLAINT BY THE FHA, VA, PMI CARRIER, ANY INVESTOR, AUTHORITY, OR GOVERNMENTAL AGENCY?

☐ YES ☐ NO

IF "YES", PLEASE PROVIDE FULL DETAILS ON A SEPARATE PAGE AND ATTACH IT TO THIS APPLICATION.

WARNING

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT (S)HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

Applicable in AL, AR, DC, LA, MD, NM, RI and WV

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties (may)* include imprisonment, fines and denial of insurance benefits. *Applies in ME Only.

Applicable in CO

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in FL and OK

Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony (of the third degree)*. *Applies in FL Only.

Applicable in KS

Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

Applicable in KY, NY, OH and PA

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties* (not to exceed five thousand dollars and the stated value of the claim for each such violation)*. *Applies in NY Only.

Applicable in ME, TN, VA and WA

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties (may)* include imprisonment, fines and denial of insurance benefits. *Applies in ME Only.

Applicable in NJ

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in OR

Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Applicable in PR

Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

NO FACT, CIRCUMSTANCE OR SITUATION INDICATING THE PROBABILITY OF A CLAIM OR ACTION AGAINST WHICH INDEMNIFICATION WOULD BE AFFORDED BY THE PROPOSED INSURANCE IS NOW KNOWN BY ANY COMPANY OR ANY OF ITS PRESENT OR PAST DIRECTORS, OFFICERS OR ANY EMPLOYEES UNDER THIS PROPOSED INSURANCE OTHER THAN THAT WHICH IS DISCLOSED IN THIS APPLICATION.

IT IS AGREED BY ALL CONCERNED THAT IF THERE BE KNOWLEDGE OF ANY SUCH FACT, CIRCUMSTANCE, OR SITUATION, ANY CLAIM OR ACTION SUBSEQUENTLY EMANATING THEREFROM SHALL BE EXCLUDED FROM COVERAGE UNDER THIS PROPOSED INSURANCE.

THE UNDERSIGNED AUTHORIZED OFFICER OF THE APPLICANT WARRANTS AFTER INQUIRY THAT TO THE BEST OF HIS KNOWLEDGE THE STATEMENTS SET FORTH IN THIS APPLICATION, AND THE MATERIALS SUBMITTED THEREWITH ARE TRUE, AND IT IS AGREED THAT THE APPLICATION FORM AND ALL MATERIALS SUBMITTED WITH THE APPLICATION FORM SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED AND THE APPLICATION FORM INCLUDING ALL ATTACHMENTS WILL BE ATTACHED TO AND MADE PART OF THE POLICY.

SIGNING OF THIS APPLICATION FORM DOES NOT BIND THE APPLICANT NOR THE INSURER TO COMPLETE THE INSURANCE.

IT IS AGREED THAT IN THE EVENT THERE IS ANY MATERIAL CHANGE IN THE ANSWERS TO THE QUESTIONS HEREIN PRIOR TO THE EFFECTIVE DATE OF THE POLICY, THE APPLICANT WILL NOTIFY THE UNDERWRITERS AND ANY OUTSTANDING QUOTATION MAY BE MODIFIED OR WITHDRAWN. IN ADDITION, NO INFORMATION PROVIDED BY THIS APPLICATION OR ALONG WITH THIS APPLICATION SHALL BE DEEMED TO REPORT A CLAIM SUCH NOTICE SHOULD BE MADE AS INSTRUCTED BY THE POLICY.

SIGNATURE

TITLE

(MUST BE SIGNED BY CHAIRMAN OF THE BOARD OR PRESIDENT)

APPLICANT COMPANY NAME

MONTH, DAY & YEAR SIGNED



APPLICATION

TILA - RESPA INTEGRATED MORTGAGE DISCLOSURE RULE ("TRID") SUPPLEMENTAL APPLICATION

TRID SUPPLEMENT (1-7)

- 1 IS THE NEW TILA-RESPA INTEGRATED MORTGAGE DISCLOSURE RULE ("TRID") APPLICABLE TO YOUR COMPANY?

☐ YES ☐ NO

IF "NO", PLEASE EXPLAIN WHY TRID IS NOT APPLICABLE TO YOUR COMPANY AND SKIP THE REMAINDER OF THIS SUPPLEMENTAL APPLICATION.

- 2 IS YOUR COMPANY FULLY PREPARED FOR THE IMPLEMENTATION OF TRID?

☐ YES ☐ NO

- 3 HAS YOUR COMPANY PERFORMED COMPANY-WIDE EMPLOYEE TRAINING ON TRID?

☐ YES ☐ NO

- 4 DOES YOUR COMPANY HAVE WRITTEN POLICIES AND PROCEDURES IN REGARD TO TRID COMPLIANCE?

☐ YES ☐ NO

- 5 DOES YOUR COMPANY PLAN TO UTILIZE ANY THIRD PARTY OR INTERMEDIARY TO COMPLY WITH TRID?

☐ YES ☐ NO

IF "YES", DO YOU HAVE A HOLD HARMLESS AND / OR INDEMNIFICATION AGREEMENT WITH SUCH ENTITY(IES) TO PROTECT YOU FROM THEIR NON-COMPLIANCE WITH TRID?

☐ YES ☐ NO

IF "NO", PLEASE EXPLAIN YOUR AGREEMENT OR ARRANGEMENT WITH SUCH ENTITY(IES).

- 6 WILL YOUR COMPANY BE PREPARING ALL LOAN ESTIMATES FOR THE BORROWER (AND NOT USING ANY THIRD PARTY INTERMEDIARY WHATSOEVER)?

☐ YES ☐ NO

WILL YOUR COMPANY BE DELIVERING ALL LOAN ESTIMATES TO THE BORROWER (AND NOT USING ANY THIRD PARTY INTERMEDIARY WHATSOEVER)?

☐ YES ☐ NO

IF YOU ANSWER "NO" TO EITHER OF THE ABOVE, HOW WILL YOUR COMPANY MANAGE THE PREPARATION AND/OR DELIVERY OF THE LOAN ESTIMATE TO BORROWERS?

- 7 WILL YOUR COMPANY BE PREPARING ALL CLOSING DISCLOSURES FOR THE BORROWER (AND NOT USING ANY THIRD PARTY INTERMEDIARY WHATSOEVER)?

☐ YES ☐ NO

WILL YOUR COMPANY BE DELIVERING ALL CLOSING DISCLOSURES TO THE BORROWER (AND NOT USING ANY THIRD PARTY INTERMEDIARY WHATSOEVER)?

☐ YES ☐ NO

IF YOU ANSWER "NO" TO EITHER OF THE ABOVE, HOW WILL YOUR COMPANY MANAGE THE PREPARATION AND/OR DELIVERY OF THE CLOSING DISCLOSURE TO BORROWERS?

 **BANKERS**
INSURANCE SERVICE

APPLICATION

NET BRANCH SUPPLEMENT

NET BRANCH SUPPLEMENT (1-10)

1 WHICH OF THE FOLLOWING BEST DESCRIBES YOUR COMPANY?

NET BRANCH

☐

PARENT COMPANY WITH NET BRANCHES

☐

2 IF YOU ARE A PARENT COMPANY WITH NET BRANCHES, HOW MANY NET BRANCHES DO YOU HAVE?

WHAT IS THE PERCENT OWNERSHIP INTEREST IN THE NET BRANCHES?

#

%

3 DO ANY OF YOUR NET BRANCHES OPERATE UNDER A SEPARATE NAME OR A D/B/A (DOING A BUSINESS AS) NAME?

☐

YES

☐

NO

IF "YES", PLEASE LIST THE NAMES

4 ARE ALL NET BRANCH EMPLOYEES AND BRANCH MANAGERS CONSIDERED TO BE EMPLOYEES OF THE PARENT AND PAID ON A W2 BASIS?

☐

YES

☐

NO

IF NOT, PLEASE DESCRIBE HOW EMPLOYEES ARE COMPENSATED

5 ARE NET BRANCHES ABLE TO ORIGINATE FHA LOANS UNDER THE PARENT'S APPROVAL?

☐

YES

☐

NO

ARE THESE FHA LOANS ISSUED IN THE NAME OF THE PARENT COMPANY?

☐

YES

☐

NO

6 DO THE NET BRANCHES HAVE:

A. ACCESS TO THE LOAN PROGRAMS FUNDED THROUGH THE PARENT?

☐

YES

☐

NO

B. THE ABILITY TO BROKER LOANS TO OUTSIDE WHOLESALE LENDERS?

☐

YES

☐

NO

7 DOES THE NET BRANCH HAVE UNDERWRITING AUTHORITY?

☐

YES

☐

NO

8 DOES THE PARENT COMPANY HANDLE ACCOUNTING AND PAYROLL SERVICES?

☐

YES

☐

NO

9 CAN NET BRANCHES ORIGINATE LOANS ACROSS STATE LINES UNDER THE PARENT COMPANY LICENSES?

☐

YES

☐

NO

10 ARE ALL NET BRANCHES NOW EITHER COVERED OR INTENDED TO BE COVERED UNDER THE PARENT COMPANY FIDELITY AND/OR E&O INSURANCE POLICIES?

☐

YES

☐

NO

IF "NO", PLEASE EXPLAIN



APPLICATION

WHOLESALE LENDING SUPPLEMENT

WHOLESALE LENDING SUPPLEMENT (1-13)

1 DO YOU VERIFY EACH MORTGAGE BROKERS' LICENSING?

☐ YES ☐ NO

2 WHAT IS YOUR MINIMUM LEVEL OF EXPERIENCE FOR A MORTGAGE BROKER?

3 WHAT IS YOUR MINIMUM NET WORTH REQUIREMENT FOR MORTGAGE BROKERS ORIGINATING LOANS FOR YOU?

4 DO YOU PERFORM THE FOLLOWING DUE DILIGENCE ON THE MORTGAGE BROKERS ORIGINATING LOANS FOR YOU:

- A. NET WORTH ☐ YES ☐ NO
- B. BACKGROUND CHECKS ☐ YES ☐ NO
- C. BROKERS' PROCEDURES & CONTROLS MANUALS ☐ YES ☐ NO

IF "NO" TO ANY OF THE ABOVE OPTIONS, WHAT TYPE(S) OF DUE DILIGENCE DO YOU PERFORM ON MORTGAGE BROKERS WITH WHOM YOU DO BUSINESS?

5 DO YOU MAKE AN ONSITE VISIT TO THE MORTGAGE BROKERS OFFICE?

☐ YES ☐ NO

IF "YES", WHO IN YOUR OFFICE IS RESPONSIBLE FOR THIS VISIT AND WHAT IS REVIEWED?

6 DO YOU CHECK TO DETERMINE IF MORTGAGE BROKERS HAVE OWNED OR AFFILIATED BUSINESSES, SUCH AS: APPRAISAL, REAL ESTATE, TITLE, OR ESCROW COMPANIES?

☐ YES ☐ NO

7 DO YOU HAVE SPECIFIC PROCEDURES YOUR BROKERS MUST FOLLOW WHEN SUBMITTING A LOAN PACKAGE TO YOUR COMPANY?

☐ YES ☐ NO

8 WITH HOW MANY MORTGAGE BROKERS DO YOU CURRENTLY DO BUSINESS?

MORTGAGE BROKERS

9 HOW MANY MORTGAGE BROKER RELATIONSHIPS HAVE YOU TERMINATED IN THE PAST YEAR?

MORTGAGE BROKER RELATIONSHIPS TERMINATED

10 DO YOU TRACK INCIDENT OF EARLY PAYMENT DEFAULT BY SOURCE OF ORIGINATING AGENT OR WHOLESALE MORTGAGE BROKERS?

☐ YES ☐ NO

11 DO YOU PERFORM RANDOM OR TARGETED QUALITY CONTROL AUDITS ON WHOLESALE MORTGAGE BROKER LOAN FILES?

☐ YES ☐ NO

12 DO YOU REQUIRE MORTGAGE BROKERS TO CARRY FIDELITY BOND INSURANCE?

☐ YES ☐ NO

13 DO YOU REQUIRE MORTGAGE BROKERS TO CARRY E&O INSURANCE?

☐ YES ☐ NO



APPLICATION

TITLE COMPANY SUPPLEMENT

TITLE COMPANY SUPPLEMENT (1-15)

1 ARE THE MORTGAGE AND TITLE COMPANIES REGISTERED AS SEPARATE ENTITIES WITH THE DEPARTMENT OF STATE?

☐ YES ☐ NO

2 DO YOUR MORTGAGE COMPANY AND TITLE COMPANY OCCUPY SEPARATE OFFICES?

☐ YES ☐ NO

3 DO YOUR MORTGAGE COMPANY AND TITLE COMPANY SHARE ANY STAFF OR EMPLOYEES?

☐ YES ☐ NO

4 DOES THE TITLE COMPANY REQUIRE TWO SIGNATURES ON ALL CHECKS GENERATED FROM THE ESCROW/FUNDING ACCOUNTS?

☐ YES ☐ NO

WHO ARE THE PERSONS AUTHORIZED TO SIGN CHECKS?

5 DOES THE MORTGAGE COMPANY UNDERGO AN ANNUAL AUDIT BY AN INDEPENDENT CPA?

☐ YES ☐ NO

6 DOES THE TITLE COMPANY UNDERGO AN ANNUAL AUDIT BY AN INDEPENDENT CPA?

☐ YES ☐ NO

7 IF THE ANSWERS TO QUESTIONS 5 AND 6 ARE "YES", ARE THESE AUDITS CONDUCTED SEPARATELY?

☐ YES ☐ NO

8 DO YOUR MORTGAGE AND TITLE COMPANY HAVE SEPARATE AND DEDICATED PHONE LINES, FAX LINES, AND E-MAIL SERVERS?

☐ YES ☐ NO

9 ARE CLIENT FILES FOR BOTH COMPANIES MAINTAINED AT THEIR OWN ON-SITE LOCATIONS?

☐ YES ☐ NO

10 IS ALL COMMUNICATION BETWEEN THE TWO ENTITIES DONE EXCLUSIVELY THROUGH WRITTEN CORRESPONDENCE?

☐ YES ☐ NO

11 WHAT TITLE INSURANCE CARRIERS DOES YOUR TITLE COMPANY UTILIZE?

12 DO THESE TITLE CARRIERS AUDIT YOUR TITLE ENTITY?

☐ YES ☐ NO

IF "YES", PLEASE SEND A COPY OF THE MOST RECENT AUDIT(S) TO THIS APPLICATION

13 WHAT DISCLOSURE PROCEDURES ARE IN PLACE TO ENSURE FULL DISCLOSURE OF THE RELATIONSHIP BETWEEN YOUR MORTGAGE COMPANY AND YOUR TITLE ENTITY?

PLEASE ATTACH A COPY OF THIS DISCLOSURE INFORMATION TO THIS APPLICATION

14 DOES THE BORROWER HAVE A CHOICE OF TITLE AGENT?

☐ YES ☐ NO

15 WHAT PERCENTAGE OF YOUR MORTGAGE COMPANY'S BORROWERS USE YOUR TITLE AGENCY?

%