

DO-08-01
Effective Date: January 22, 2008

BULLETIN FOR DESKTOP ORIGINATOR® SCHEDULE (ORIGINATOR VERSION)

This Bulletin is issued in accordance with the section of the Fannie Mae Software Subscription Agreement (the “Agreement”) entitled “Issued Bulletins; Amendments,” and amends and restates the Desktop Originator Schedule (Originator Version) (the “Old DO Schedule”) as set forth in the attached Desktop Originator Schedule (Originator Version) (the “New DO Schedule”). All terms not defined in the New DO Schedule shall have the meaning set forth in the Agreement.

The New DO Schedule principally clarifies (i) certain rights relating to the identification of secondary uses of consumer credit data in light of recent changes in the credit reporting industry, (ii) the parties’ rights and obligations with respect to system and other data, including consumer credit data and non-public personal information, and (iii) the parties’ rights in the event of a contract default or other action by an originator, particularly where such action arises from or relates to the relationship between an originator and a lender using Desktop Originator (or Desktop Underwriter® for Wholesale).

All of the terms and conditions of the Agreement as supplemented by the New DO Schedule shall continue in full force and effect. In the event of any inconsistency between or among the provisions contained in the Agreement and this Bulletin (including the New DO schedule), the provisions of this Bulletin shall govern.

DESKTOP ORIGINATOR®
(Originator Version)
Schedule

Terms and Conditions
PART I

LICENSED SOFTWARE/ADDITIONAL TERMS

1. **Licensed Software.** Fannie Mae's application software product known as Desktop Originator (Originator Version) (the "**Licensed Software**") is licensed pursuant to this Schedule. As of the date Licensee is registered to use it, the Licensed Software is designed to facilitate the communication and exchange of certain data (a) between Licensee and each Sponsoring Lender, and (b) in the case of the Credit Retrieval Module, between Licensee and consumer reporting agencies accessible through the Credit Retrieval Module.

2. **Definitions.** The following definitions are used in this Schedule as defined below:

"**Agreement**" shall mean that Fannie Mae Software Subscription Agreement (or any successor agreement thereto) made by and between the parties.

"**Consumer Credit Data**" shall mean any information obtained by Licensee, either directly or indirectly, which bears on a consumer's creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living (the "Seven Factors") and which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in performing any authorized analysis. Such data may include, but are not limited to, data contained in: (i) residential mortgage credit reports, "in-file" credit reports, or "consumer reports," as defined in the FCRA; (ii) verifications (whether "standard," "TimeSaver" or other form of alternate documentation as discussed in Fannie Mae's Selling Guide) of loans, mortgages, employment or assets; (iii) the Uniform Residential Loan Application, including any attachments and/or supplements thereto; and (iv) any correspondence or communication from the consumer or any third party, which includes information relating to one of the Seven Factors.

"**Credit Retrieval Module**" shall mean that component of the Licensed Software which: (i) facilitates the retrieval of a consumer report from a "consumer reporting agency," as defined in the FCRA with which Licensee has a direct independent contractual relationship; and (ii) acts solely as an interface between Licensee and such consumer reporting agency in the process of obtaining a consumer report upon Licensee's request.

"**ECOA**" shall mean the federal Equal Credit Opportunity Act, codified at 15 U.S.C. 1691 et seq., and its implementing regulation, Regulation B, codified at 12 C.F.R. Part 202.

"**FCRA**" shall mean the federal Fair Credit Reporting Act, codified at 15 U.S.C. 1681 et seq, and the Federal Trade Commission's Official Staff Commentary (the "Commentary") to the Fair Credit Reporting Act.

"**Help Screen**" shall refer to that function within the Licensed Software that, among other things, provides a reference to the capabilities and features of, and the glossary of terms used in, the Licensed Software.

"**Nonpublic Personal Information**" shall mean personally identifiable information about a consumer that the party handling the information knows or reasonably should know has not been made available to the general public.

"**RESPA**" shall mean the federal Real Estate Settlement Procedures Act, codified at 12 U.S.C. 2601 et seq., and its implementing regulation, Regulation X.

Confidential

"**Sponsoring Lender**" shall mean any third-party financial institution (i) which selects Licensee to offer its mortgage loan products and to communicate with such institution by means of the Licensed Software, which communication includes the submission and receipt of mortgage loan product information and Licensee's submission to Sponsoring Lender of residential mortgage loan applications and consumer reports obtained via the Credit Retrieval Module, and (ii) with which Licensee maintains an independent contractual relationship.

"**Truth-in-Lending Act**" shall mean that federal law, codified at 15 U.S.C. 1601 et seq., which mandates certain disclosures in residential mortgage loan transactions, and its implementing regulation, Regulation Z, and the Official Staff Commentary to Regulation Z, as applicable.

3. **Marks.** Licensee acknowledges that Fannie Mae's Marks include Desktop Originator.

4. **Registration; End-Users and Sponsoring Lenders.** Prior to using the Licensed Software, Licensee shall register with Fannie Mae and identify at least one Sponsoring Lender. Fannie Mae will issue a user identification number to each end-user, which user identification number may be changed from time to time pursuant to Fannie Mae's standard policies and procedures with respect thereto. Licensee shall make its end-users aware of and cause each end-user to comply with the terms of this Agreement and Schedule as they pertain to end-users' use of the Licensed Software. Licensee acknowledges and agrees that no end-user shall have access to the Licensed Materials prior to Fannie Mae's receipt of such information and the issuance of a user-identification number.

5. **Obtaining Consumer Reports; Licensee's Certification.** Licensee shall, coterminous with this Schedule, maintain direct independent contractual agreement(s) with any "consumer reporting agency" that is accessible via the Licensed Software from which it shall order its "consumer reports," as those terms are defined by the FCRA. Such agreement(s) shall govern the use of any and all consumer reports obtained electronically through the use of the Credit Retrieval Module of the Licensed Software. Licensee hereby certifies and warrants that any request for and/or use of consumer reports obtained through the Credit Retrieval Module function shall be strictly for "permissible purposes," as defined in Section 604 of the FCRA, and for no other purpose and shall in all other respects comply with the requirements of the FCRA. The fees for consumer reports will be paid by Licensee directly to the consumer reporting agency/agencies. In no event shall any fees charged by a consumer reporting agency be the responsibility of Fannie Mae. Fees will be at rates negotiated between Licensee and the agency/agencies.

6. **Limited Agency Relationship.** Notwithstanding the Section of the Agreement captioned "Independent Parties," Licensee hereby expressly acknowledges, understands and agrees that, in obtaining consumer reports via the Credit Retrieval Module and in the processing and evaluation of Consumer Credit Data by the Licensed Software for the purpose of performing any authorized analysis, Fannie Mae, as owner of the Licensed Software, (a) shall be the agent of Licensee, as that term is defined in the FCRA, and (b) in its role as limited agent, may disclose to consumer reporting agencies any secondary use of such Consumer Credit Data facilitated by Licensee's use of the Licensed Software (including information relating to the identity of any secondary user). Licensee also expressly acknowledges, understands and agrees that Fannie Mae's role as Licensee's agent shall not extend beyond the limited purpose set forth in this Section and, for all other purposes, there shall be no such principal and agent relationship. Moreover, Licensee shall in no way misrepresent to third parties the limited extent of this principal/agent relationship.

7. **Rights and Responsibilities of the Parties; Rights in Data.** For purposes of this Schedule, the Section of the Agreement entitled "Rights and Responsibilities of Licensee" will be entitled "Rights and Responsibilities of the Parties" and the Section's subsection entitled "Rights in Data" will be replaced with the following:

Fannie Mae, its agents and contractors may use, display, reproduce, distribute, and retain all data, as permitted by applicable law, for: (i) the performance of system and network maintenance and the diagnosis or correction of Incidents, (ii) the measurement of software or service usage or the

functionality or performance of the Licensed Software, Fannie Mae's system or internet site(s), (iii) the protection or security of the Licensed Software, Fannie Mae's system or internet sites, (iv) the preparation of billing statements or the evaluation of Fannie Mae's software or services, (v) recommending, developing or monitoring any improvements, upgrades or enhancements to the Licensed Software, (vi) performing its obligations under this Agreement (including without limitation operation of the Licensed Software or Fannie Mae's system or internet site(s)), (vii) providing reports to Licensee, Sponsoring Lenders and Third-Party Providers, (viii) responding to Licensee requests (ix) analyzing, auditing and evaluating the conduct and practices of Licensee, Sponsoring Lenders and Third-Party Providers, (x) protecting against or preventing actual or potential fraud, and/or (xi) compliance with applicable laws and regulations.

8. Nonpublic Personal Information: Data Retention Procedures and Security Breaches. For purposes of this Schedule, the Section of the Agreement entitled "Security and Data Retention Procedures" will now be replaced with the following:

Nonpublic Personal Information: Data Retention Procedures and Security Breaches. As and to the extent required by law, each party agrees to maintain at all times pertinent to this Agreement reasonable and appropriate measures to: (i) provide for the security and confidentiality of all Nonpublic Personal Information it receives hereunder, (ii) protect such Nonpublic Personal Information from unauthorized access or use and threats or hazards to its security or integrity, (iii) address incidents of unauthorized access to such Nonpublic Personal Information with prompt and effective corrective action, including disclosure and notification as required by law, (iv) provide for the security and integrity of all computer systems and networks on which such Nonpublic Personal Information is stored or transmitted, (v) provide for the confidential disposal or destruction of such Nonpublic Personal Information in accordance with the requirements set forth in the Section entitled "Data Destruction" herein and (vi) instruct its employees, agents, representatives and contractors who may receive such Nonpublic Personal Information about the requirements of this provision and the processes and procedures necessary to fulfill them.

Protection of Systems and Data. Where Licensee data or other materials reside on a Fannie Mae system, Fannie Mae will use reasonable care to avoid loss, alteration or improper access to Licensee's data and other materials. Licensee shall be responsible for implementing appropriate procedures to protect its own data and other materials and shall be responsible for security breaches caused by its employees, agents or contractors, including, without limitation, any access or entry into any Fannie Mae or third party system not covered by this Agreement. Such procedures may include, but are not limited to, encrypting material prior to its transmission, utilizing commercially available virus checking programs designed to prevent the transmission and receipt of viruses and other destructive code, implementing appropriate disaster recovery and back-up procedures, and implementing appropriate procedures to prevent disclosure of data and other materials to a party other than the intended recipient. Licensee shall use reasonable care to prevent third parties from gaining access to Fannie Mae's system or password protected portions of Fannie Mae's internet site(s) through Licensee's systems. Licensee is solely responsible for the back-up and restoration of its data and other materials. Licensee shall comply with all reasonable security policies and procedures established by Fannie Mae and communicated to Licensee with respect to the Licensed Software, Fannie Mae's system and/or internet site(s). Fannie Mae shall have the right to remove any material, the content of which Fannie Mae deems to be in violation of law or any term or condition of this Agreement (including any Schedule). Notwithstanding the foregoing, Fannie Mae shall have no obligation to remove, screen, police, edit or monitor any data or other material generated by Licensee or its employees, agents, contractors, representatives or affiliates.

9. Data Destruction. The parties shall dispose of all materials and records containing Nonpublic Personal Information and Proprietary Information in such a manner as to protect against unauthorized access or use.

10. Recordkeeping. Licensee acknowledges and agrees that it may be required to maintain records of certain data pursuant to the federal Equal Credit Opportunity Act and other state and/or federal laws and regulations. Licensee understands and agrees that: (i) it bears sole responsibility for any such obligation; and (ii) it may need to download Licensed Software data into its own systems storage facilities or print out hard copies of such data from the Licensed Software in order to generate or obtain information necessary to meet such recordkeeping requirements. Licensee also understands and agrees that its access to data shall terminate upon its electronic submission of such data to the Sponsoring Lender. Under such and certain other circumstances, Licensee may need to print out hard copies of the consumer reports and uniform residential loan applications prior to submitting the related loan casefiles to a Sponsoring Lender. In no event will Fannie Mae be responsible for maintaining any such data for Licensee or to provide Licensee with any such data at any time, either in electronic or hard-copy format.

11. Federal Law Compliance Warranties. Without limiting the generality of the Section of the Agreement captioned "Compliance With Law," Licensee hereby represents and warrants that:

(i) Licensee shall maintain a direct independent contractual relationship with a "consumer reporting agency" from which it shall order its "consumer reports" via the Credit Retrieval Module as those terms are defined by the FCRA.

(ii) Licensee shall order or request consumer reports via the Credit Retrieval Module only for a "permissible purpose," as defined in Section 604 of the FCRA and for no other purpose, and shall in all other respects comply with the requirements of the FCRA.

(iii) It is Licensee's sole responsibility to, and Licensee shall, determine whether each cost relating to the origination of each residential mortgage loan is a "finance charge," as that term is defined by the Truth-in-Lending Act.

(iv) Licensee shall not rely on any definitions provided in the Help Screens as being dispositive of the meaning of such terms, and shall seek its own legal counsel to determine the appropriate meaning of such terms, in light of Licensee's operations, for purposes of the Truth-in-Lending Act.

(v) To the extent that Licensee elects to charge a CLO-related access fee (as "CLO" is defined by RESPA or a RESPA-related Policy Statement) to a loan applicant in connection with the Licensee's use of the Licensed Software in addition to any broker or origination-related fees: (1) the CLO access fee shall not be duplicative and shall relate to the CLO-type services actually rendered by Licensee; and (2) any CLO disclosure required by RESPA shall be provided to the applicant in the form and manner prescribed by RESPA. Moreover, any such CLO access fee, any CLO access fee charged to the Sponsoring Lender, and the use of the Licensed Software for CLO-type services shall in all other respects comply with RESPA, including any amendments thereto.

12. Information Warranty. Licensee hereby certifies that all information provided by it to Fannie Mae is complete and accurate, and that any forms containing such information are executed by personnel authorized to bind the Licensee.

13. Limited Contractual Compliance Warranty. Licensee hereby represents and warrants that it shall abide by those terms and conditions of any contractual relationship to which it is a party with a Sponsoring Lender which bear on or are affected by Licensee's use of the Licensed Software. A breach of any such agreement between Licensee and a Sponsoring Lender, which breach arises from and is directly related to Licensee's use of the Licensed Software, shall result in a breach of the warranty set forth in this Section. Licensee acknowledges and agrees that, in the event that Sponsoring Lender advises Fannie Mae of its desire that Licensee no longer have access to Sponsoring Lender's products and other information via the Licensed Software, Licensee agrees that Fannie Mae shall be authorized to deny Licensee access to such Sponsoring Lender information via the Licensed Software. In the event that Fannie Mae, at its election and in its sole discretion, determines that Licensee's access to the Licensed Software may result in harm or potential harm to Fannie Mae or the market in general and/or its efforts to market the Licensed

Software, Fannie Mae may, immediately and without notice, terminate Licensee's access to and use of the Licensed Software.

14. Third-Party Applications. Licensee acknowledges that it may, directly or indirectly, gain access to Licensed Software functionality, materials, findings or data through certain third-party web sites, systems or services and the Licensed Software may enable transactions between Licensee and third party providers of products and services within the mortgage industry (the "**Third-Party Providers**"). In the event that Licensee gains such access or participates in such transactions, Licensee acknowledges and agrees that (i) such Third-Party Providers are entities that are separate from and independent of Fannie Mae and that Fannie Mae makes no representations or warranties relating to Third-Party Providers, their products or services or any web site, internet domain or address operated by Third-Party Providers or their affiliates, including, but not limited to: (1) representations or warranties as to any Third-Party Provider's compliance with laws and representations or (2) warranties as to site availability, (ii) such Third-Party Providers and Fannie Mae are not partners, joint venturers, representatives or agents of each other, (iii) neither Fannie Mae nor such Third-Party Provider has any right, power or authority to enter into any agreement for or on behalf of the other, or to incur any obligation or liability, or to otherwise bind, the other, (iv) any agreement between Licensee and any Third-Party Provider (to which Fannie Mae is not also a party), including but not limited to any licensing agreement between Third-Party Provider and Licensee, shall not be binding upon Fannie Mae, and (v) the applicable or relevant liability limitations, protections and rights afforded to Fannie Mae by the Agreement and this Schedule (as they may be modified from time to time), and the applicable or relevant restrictions and responsibilities imposed upon Licensee by the Agreement and this Schedule (as they may be modified from time to time), shall be construed to apply to such access to the fullest extent practicable under the circumstances, including, but not limited to, the provisions of the Agreement and this Schedule relating to confidentiality, liability limitation, disclaimers, indemnification, publicity, intellectual property protection and ownership and compliance with laws.

The inclusion of any link to or integration with any Third-Party Provider will neither constitute nor imply: (i) any affiliation with, or sponsorship, endorsement or approval of the Third-Party Provider or (ii) any investigation, verification or monitoring by Fannie Mae of any information contained in any Third-Party Provider's website. In no event shall Fannie Mae be responsible for the information contained in such Third-Party Provider's website, including without limitation its formatting, screening or display of data, or for Licensee's use of or inability to use such website. Access to any other website is at Licensee's risk and Licensee should understand that linked websites may have terms and privacy policies that are different from those of Fannie Mae. Fannie Mae is not responsible for such provisions and specifically disclaims any liability for them. Fannie Mae may at any time change or discontinue any aspect, availability or feature of the Licensed Software, including its linkage to or integration with Third-Party Provider websites, products and services.

15. Grant of Rights and Imposition of Obligations. The rights granted in this Schedule do not entitle Licensee to use the Licensed Materials, or any technology or intellectual property contained within them, as reference or inspiration for developing or creating another product, tool or technology in any way based upon the Licensed Software. Licensee agrees that Licensee will not, by the terms of this Schedule, obtain any rights to any ideas or concepts embodied within the Licensed Materials which may be retained in intangible form by individuals who have had access to them.

16. Confidentiality. For purposes of this Schedule, the Section of the Agreement entitled "Confidentiality" shall be revised and the second sentence of Section 9.1 of the Agreement will be replaced with the following:

"The receiving party agrees to (i) receive Proprietary Information disclosed hereunder in confidence, (ii) implement appropriate measures to maintain the confidentiality, security, and integrity of such Proprietary Information and not disclose such Proprietary Information to third parties (except for (a) the receiving party's partners, affiliates, representatives, agents and contractors, acting for the sole benefit of the receiving party, who have a need to know, are under a duty of non-disclosure with respect to such information, and are under a duty to implement appropriate measures to maintain the confidentiality, security and integrity of such information, and (b) the receiving party's regulator, upon request by such regulator and subject to the

receiving party's formal request that such information be treated in confidence), which efforts shall accord such Proprietary Information at least the same level of protection against unauthorized use and disclosure that the receiving party customarily accords to its own information of a similar nature but no less than a commercially reasonable degree of protection, (iii) use or permit the use of such Proprietary Information solely in accordance with the terms of this Agreement, and (iv) promptly notify the disclosing party in writing of any actual or suspected loss or unauthorized use, disclosure or access of the disclosing party's Proprietary Information of which it becomes aware, and take all steps reasonably requested by the disclosing party to limit, stop or otherwise prevent such loss or unauthorized use, disclosure or access."

17. Indemnification. Subsection 6.10 of the Section of the Agreement captioned "Indemnification" shall be expanded to also provide indemnification in the event of any breach of Sections 4-6 and 8-14 of this Schedule.

18. Termination for Convenience. For purposes of this Schedule, the Section of the Agreement entitled "Termination for Convenience" will be replaced with the following:

"Either party may terminate this Schedule hereto without cause upon thirty (30) days' prior written notice to the other."

19. Termination for Cause. In addition to the termination for cause events specified in the Section of the Agreement captioned "Termination for Cause," Fannie Mae will terminate this Schedule immediately if Licensee is found by Fannie Mae to be in breach of its Limited Contractual Compliance Warranty, as set forth in Section 13 of this Schedule.

20. Survival. Any provisions of this Schedule that contemplate their continuing effectiveness, including, without limitation, Sections 5-17 shall survive any termination of this Schedule.

PART II

There are no charges in addition to those imposed pursuant to the Section of the Agreement captioned "Fees, Taxes and Billing."

Rate Sheet

DESKTOP ORIGINATOR® Pricing For Originators

Casefile Charges.

Licensee will pay \$15 for the first unique loan casefile submitted by Licensee for a preliminary finding from the Licensed Software. Except where that casefile is subsequently submitted to a Sponsoring Lender (in which event, Licensee shall not be charged an additional fee for such or any subsequent submission of the same casefile to that particular Sponsoring Lender), Licensee shall be charged \$15 for the first unique casefile submitted to each Sponsoring Lender.