

## BULLETIN

### DESKTOP UNDERWRITER<sup>®</sup> SCHEDULE (Expanded Use Version)

1. 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 Expanded Use Version of the Desktop Underwriter Schedule (the “Old DU<sup>®</sup> Schedule”) as set forth in the attached amended and restated Desktop Underwriter Schedule (Seller/Service Version) (the “New DU Schedule”). All terms not defined in the New DU Schedule shall have the meaning set forth in the Agreement.

2. Among other things, the New DU Schedule addresses and/or provides for:

- Section 3      ASP Delivery. Revises references to hard media software delivery to reflect an on-line access mode of delivery.
  
- Section 3      Codified Findings. Permissible uses of codified findings have been expanded to include automated process generation, communications with fulfillment staff and database population.
  
- Section 10     Secondary Use of Credit. Permits Fannie Mae to disclose (or require customers to disclose) to issuing credit reporting agencies any secondary use of credit facilitated by DU.
  
- Section 15     Loan Casefile IDs. Disclaims liability on Fannie Mae’s part for any third-party access to loan casefiles resulting from a Licensee’s disclosure of loan casefile identification numbers.
  
- Section 16     Third-Party Originators. Establishes process for sponsorship of TPOs. Provides consent for loan casefile release back to originating TPOs in events of insolvency or termination/suspension of a Licensee’s Master Selling and Serving Contract.
  
- Section 18     Loan Origination System Integration. Requires integrated Licensees to maintain the interface between their LOS and DU in good working order and compatible with the most current version of DU.

Section 19 Adherence to Sound Practices. Requires Licensees to represent and warrant that they have adopted sound underwriting practices, systems and procedures, as well as quality control policies, procedures and plans aimed at assuring compliance with applicable laws.

New Section Subsidiaries/Affiliates. Licensees are now required to obtain a separate addendum in order to redistribute DU to subsidiaries and affiliates. All rights and associated terms pertaining to redistributing DU to subsidiaries and affiliates are contained in the DU Redistribution Addendum. Licensees who are interested in either continuing DU redistribution or beginning DU redistribution should contact their Customer Account Manager or Business and Technology Consultant.

3. The following addenda to the Old DU Schedule shall survive its restatement and shall continue in full force as addenda to the New DU Schedule: (i) DU Property Inspection Waiver (PIW) Service Addendum, (ii) Custom DU Addendum, (iii) DU via Prime Alliance Addendum and (iv) DU Only via Prime Alliance Addendum. All other addenda to the Old DU Schedule are hereby superseded by the terms of the New DU Schedule.

4. The New DU Schedule requires Licensee to obtain a Redistribution Addendum in order to redistribute the Licensed Application to its affiliates and subsidiaries.

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

**DESKTOP UNDERWRITER**  
Schedule

(Seller/Service Version)

Terms and Conditions

**PART I**

**LICENSED APPLICATION/ADDITIONAL TERMS**

1. **Licensed Application.** Access to Fannie Mae's application known as Desktop Underwriter® or DU® (the "Licensed Application") is licensed pursuant to this Schedule and the Master Terms and Conditions between Fannie Mae and Licensee (the "Master Terms"), into which this Schedule is incorporated. As of the effective date of this Schedule, the Licensed Application will include certain functionality and features relating to the automated underwriting of mortgage loans, including, but not limited to, those designed (i) to facilitate the communication and exchange of certain data between Licensee and Third-Party Originators, where authorized, (ii) to support and facilitate Licensee's electronic underwriting of Mortgage Loan Applications and/or performance of Prequalification Analyses, (iii) to generate certain recommendations, underwriting findings (including Codified Findings), underwriting analyses and other reports, (iv) in the case of the Credit Retrieval Module, to facilitate the communication and the exchange of data between Licensee and consumer reporting agencies accessible through the Credit Retrieval Module, and (v) to facilitate Licensee's access to certain mortgage scorecards maintained by or on behalf of the U.S. Federal Housing Administration (the "FHA") and the U.S. Department of Veterans Affairs (the "VA").

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

"Agreement" shall mean the Master Terms, together with the terms and conditions of this Schedule and any applicable Rate Sheet(s).

"Codified Findings" shall mean any underwriting recommendation or underwriting findings files, structures and/or message or other codes pertaining to the Licensed Application, as such files, structures, and/or message and/or other codes may be modified from time to time, and which are provided by (or on behalf of) Fannie Mae to Licensee for the purpose of, among other things, facilitating Licensee's development of Consumer Findings.

"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 underwriting a Mortgage Loan Application or performing a Prequalification 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 the then-current Fannie Mae Selling Guide (the "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.

"Consumer Findings" shall mean underwriting recommendations and underwriting findings relating to the Licensed Application that are understandable and meaningful to Customers.

"Consumer Report" shall mean a "consumer report" issued by a "consumer reporting agency", as those terms are defined by the FCRA.

"Credit Retrieval Module" shall mean that component of the Licensed Application which facilitates the retrieval of a Consumer Report.

"Customer(s)" shall mean individual mortgage loan applicants and borrowers, or prospective mortgage loan applicants and borrowers.

"Documentation" shall mean recommendations, underwriting findings (including Codified Findings), underwriting analyses and other reports generated by the Licensed Application, as well as Fannie Mae's Selling Guide and any other guides and standard end-user manual(s), quick steps, release notes and other reference materials that Fannie Mae makes generally available for the Licensed Application, in either hard-copy or electronic form.

"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 to the Fair Credit Reporting Act.

"Interface" shall mean the then-current release of the program code, communications protocols and all other functionality developed, maintained and supported by or on behalf of Licensee to facilitate the linkage of a Licensee-owned or operated, mortgage-related system, such as a Loan Origination System, with the Licensed Application. References to the Interface shall be construed to include those components and functionalities of Licensee's system that facilitate such linkage. If Licensee maintains more than one Interface, the term "Interface" shall refer to the Interfaces both collectively and individually, as applicable.

"Licensee Site(s)" shall mean any telephone call center(s) operated by Licensee or any Internet site(s) (or portions of Internet site(s)) operated or hosted by Licensee, to permit Customers to shop for or purchase mortgage-related services or products from Licensee where, or through which, (i) Customers are able to obtain recommendations, findings and/or Prequalification Analyses directly or indirectly from the Licensed Application, and (ii) Licensee is able to consider Mortgage Loan Applications or mortgage loan pre-qualification requests submitted by Customers.

"Loan Casefile" shall mean that unique collection of data related to a Customer's loan application, including, as applicable, Consumer Credit Data, and other information such as recommendations, underwriting findings (including Codified Findings), underwriting analyses and other reports generated by the Licensed Application, all of which are logically associated in a single file and assigned a unique casefile identifier.

"Loan Documents" shall mean those Third-Party Licensors forms provided with the Licensed Application as a convenience to Licensee. These forms include, but may not be limited to, the Uniform Residential Loan Application (Form 1003) and any attachments and/or supplements thereto.

"Loan Origination System" or "LOS" shall mean the then-current release of a proprietary loan origination software application utilized by Licensee that is integrated with the Licensed Application. If Licensee integrates more than one proprietary loan origination software application with the Licensed Application, the term shall refer to such applications collectively and individually, as applicable.

"Mortgage Loan Application" shall mean the submission by a mortgage loan applicant of financial information and identification of a specific property to secure a mortgage loan.

"Prequalification Analysis" shall mean the evaluation of Consumer Credit Data with respect to a prospective mortgage loan applicant for the purpose of evaluating such prospective applicant's qualification for mortgage financing, other than in connection with a Mortgage Loan Application.

"Third-Party Originator" shall mean any residential mortgage loan originator authorized by Licensee to access Licensee's product information in order to perform electronic loan submissions and otherwise communicate with Licensee and perform other related functions in conjunction with the origination of residential mortgage loans via the Licensed Application.

3. **License.** For purposes of this Schedule, the Section of the Master Terms captioned "License" is replaced with the following:

Provided that Licensee is an Approved Lender, and subject to the terms and conditions of this Agreement and compliance therewith by Licensee, during the term of this Agreement, Fannie Mae grants Licensee a non-exclusive, non-transferable license (i) to download (if applicable), access and use the Licensed Application through its Authorized Users only, (ii) to operate Licensee Site(s) that is/are logically and physically separated from other Licensee systems for the benefit of Customers who input data to the Licensed Application through the Licensee Site(s), (iii) to use the Documentation, and (iv) if Fannie Mae has provided Codified Findings to Licensee, to (a) modify and develop Consumer Findings that are derivative works of the Codified Findings, and to display such Consumer Findings on Licensee Site(s), (b) populate Licensee's database and/or other downstream systems with data points including, by way of illustration, special feature codes and Consumer Credit Data, (c) create actionable items based on data parsed from the Codified Findings, (d) communicate loan conditions to Licensee's fulfillment staff, (e) trigger automated system messaging of processing requirements based on Licensee's loan processing rules, and enabling suppression of findings messages that are not relevant to Licensee's processing workflow and to add additional messaging that provides specific processing instructions, and (f) trigger automated loan-processing actions based on Licensee's loan processing rules that result in automatically executed actions, such as ancillary fulfillment service ordering (*i.e.*, flood, mortgage insurance and title), loan condition clearing tasks, and loan status tracking, all without user intervention.

4. **Grant of Rights and Imposition of Obligations.** For purposes of this Schedule, Subsection (b) of the Section captioned "Restrictions on Use" of the Master Terms is replaced with the following:

Licensee shall only access and use the Licensed Materials (i) for its own internal business purposes and (ii) in connection with the operation of Licensee Site(s), as expressly authorized in this

Agreement. Without derogating from the generality of the foregoing, except as expressly authorized in this Agreement, (a) Licensee shall not access, use or allow others to access or use the Licensed Materials in a multiple-use arrangement (such as in conjunction with a multi-lender web portal), or as a part of a service bureau, and (b) Licensee shall only access and use the Licensed Materials in support of its mortgage industry activities. Licensee is specifically prohibited from distributing copies of the Documentation or any Fannie Mae Proprietary Information to Customers, except where the Documentation or Agreement otherwise expressly permits such distribution.

5. **Codified Findings.** In the event that Fannie Mae, in its sole discretion, provides Licensee with Codified Findings, Licensee agrees that (i) the Codified Findings are subject to change at any time and from time to time and that Licensee develops code based upon the Codified Findings at its own risk, cost and expense, (ii) upon receipt of any changes to the Codified Findings, Licensee shall promptly update any code that it has developed or licensed in order to conform such code to the most recent version of the Codified Findings, (iii) neither Licensee nor any Third-Party Provider utilized by Licensee shall modify, alter or translate the Codified Findings in such a way as to materially alter the substance of any finding issued by the Licensed Application, (iv) for purposes of a mortgage loan's eligibility for the limited waiver of representations and warranties set forth in Section 7 below, in the event that there is any inconsistency between the findings issued by the Licensed Application and the material contained in the Codified Findings, the findings issued by the Licensed Application shall govern, (v) Fannie Mae has the right, but not the obligation, to review and comment on any Consumer Findings developed by Licensee or any Third-Party Provider utilized by Licensee, (vi) Licensee shall promptly make (or cause to be made) any alterations or additions that Fannie Mae may request from time to time to any Consumer Findings developed by Licensee or any such Third-Party Provider, and (vii) such Consumer Findings shall not contain any reference to Fannie Mae without Fannie Mae's prior written consent. Licensee further acknowledges and agrees that the Codified Findings are provided as a convenience only, and that Licensee's use of such Codified Findings may result in liability under existing laws, rules or regulations, and under agreements to which Licensee is a party. Any liability resulting from Licensee's use of the Codified Findings is solely Licensee's responsibility, and Fannie Mae and its Third-Party Licensors shall not be responsible in any way for any such use or liability.
6. **Unauthorized Representations.** Notwithstanding the provisions of the Section of the Master Terms captioned "Unauthorized Representations," Licensee may inform a Customer of (a) the recommendation (e.g., "approve," "refer," "expanded approval" or "refer with caution") generated by the Licensed Application in connection with such Customer's Loan Casefile, and (b) the related underwriting findings generated by the Licensed Application; provided, however, that (i) such recommendations and findings are appropriately tailored so as to render them understandable and meaningful to Customers, and (ii) if such recommendations or findings contain any reference to Fannie Mae or if Fannie Mae presents Licensee with a written request to do so, Licensee simultaneously informs such Customer that any recommendation or finding rendered by the Licensed Application does not constitute an approval or denial of a Mortgage Loan Application by Fannie Mae or a commitment to purchase a loan by Fannie Mae. In addition, Licensee may inform a prospective purchaser of a mortgage loan underwritten with the assistance of the Licensed Application of (A) the recommendations and findings set forth in clauses (a) and (b) of this Section 6, and (B) the provisions of Section 7 relating to the limited waiver of representations and warranties; provided, however, that Licensee simultaneously informs such prospective purchaser that any recommendation rendered by the Licensed Application does not constitute an approval or denial of a Mortgage Loan Application by Fannie Mae or a commitment to purchase a loan by Fannie Mae. Except as otherwise expressly provided above, Licensee shall not identify Fannie Mae as a provider of underwriting, pre-qualification or other services in connection with any Licensee Site or otherwise in connection with this Schedule, and Licensee shall not refer to Fannie Mae, as such, in its privacy statement(s).
7. **Limited Waiver of Representations and Warranties.** Fannie Mae will not require an Approved Lender to warrant that a mortgage loan underwritten with the assistance of the Licensed Application complies with the Selling Guide requirements identified in the Section of the Selling Guide captioned "Limited Waiver of Contractual Warranties for Mortgages Submitted to DU"; provided that the Approved Lender, as the case may be, complies with the provisions of such Section, as such provisions may be modified by Fannie Mae from time to time.
8. **Use of Licensed Application.**

Licensee will use the Licensed Application's Credit Retrieval Module, underwriting functionality and Prequalification Analysis functionality only under the following circumstances:

- (a) to request and receive Consumer Reports and/or analyze Consumer Credit Data for the purpose of performing Prequalification Analyses of prospective mortgage loan applicants who have submitted an express, written authorization to Licensee to obtain such reports and analyze such data;
- (b) to request and receive Consumer Reports and/or analyze or evaluate Consumer Credit Data in underwriting Mortgage Loan Applications before a decision regarding any such application is made and communicated to any loan applicant(s);
- (c) with respect to Mortgage Loan Applications previously approved but not yet closed by Licensee:
  - (i) to request and receive additional Consumer Reports through the Credit Retrieval Module, when Licensee is requesting such reports in connection with its own Mortgage Loan Applications and/or Prequalification Analyses and has obtained the loan applicant(s)' prior written permission to request such additional Consumer Reports, or

because other circumstances exist which Licensee believes justify the request for such additional Consumer Reports under the FCRA;

(ii) to analyze or evaluate Consumer Credit Data, including Consumer Reports, when Licensee determines that data obtained subsequent to its initial approval may affect its prior underwriting approval decision;

(iii) to request and receive Consumer Reports and/or analyze or evaluate Consumer Credit Data when the loan applicant(s) request different loan terms or a different loan product than that originally requested by the loan applicant(s);

(d) with respect to Mortgage Loan Applications previously denied by Licensee, which denial decision has been communicated to the applicant(s):

(i) to request and receive Consumer Reports through the Credit Retrieval Module, when Licensee is requesting such reports in connection with its own Mortgage Loan Applications and/or Prequalification Analyses and has obtained the loan applicant(s)' prior written permission to request such additional Consumer Reports;

(ii) to analyze or evaluate Consumer Credit Data, including Consumer Reports, when (A) Licensee determines that data obtained subsequent to its initial denial decision may affect its prior underwriting decision, and (B) Licensee intends to make and communicate an offer of credit to the applicant(s) if an approval recommendation decision is rendered by the Licensed Application as a result of consideration of the additional data obtained; and

(e) to request and receive Consumer Reports and/or analyze or evaluate Consumer Credit Data in conjunction with Licensee's quality control program with respect to mortgage loans previously approved and closed by Licensee.

9. **Recommendation Rendered by Licensed Application.** Licensee acknowledges, understands and agrees that any recommendation rendered by the Licensed Application in the evaluation of Consumer Credit Data will not constitute an approval or denial of the Mortgage Loan Application by Fannie Mae or a commitment to purchase the loan by Fannie Mae.

10. **Limited Agency Relationship.** Notwithstanding the Section captioned "Independent Parties" of the Agreement, 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 Application for purposes of performing a Prequalification Analysis and/or making an underwriting recommendation, Fannie Mae, as owner of the Licensed Application, (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 or require Licensee to disclose (through reasonable, prescribed means) to consumer reporting agencies any secondary use of such Consumer Credit Data facilitated by Licensee's use of the Licensed Application (including information relating to the identity of the secondary user). As Licensee's agent, Fannie Mae shall, and is hereby expressly authorized by Licensee to, obtain Consumer Credit Data for the sole purpose of performing a Prequalification Analysis and/or making an underwriting recommendation. Licensee also expressly acknowledges, understands and agrees that Fannie Mae's role as Licensee's agent shall not extend beyond the limited purposes 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 any third party the limited extent of this principal/agent relationship.

11. **Obtaining Consumer Reports; Licensee's Certification.** Licensee shall, concurrently with this Schedule, maintain a separate agreement with any "consumer reporting agency" that is accessible via the Licensed Application and from which it orders "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 Application. Licensee hereby certifies and warrants that any request for and/or use of Consumer Reports obtained through the Credit Retrieval Module 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.

12. **Notification to Borrower.** Licensee acknowledges and understands that it may be required to provide certain disclosures to mortgage loan applicants and/or prospective mortgage loan applicants such as when the Licensee denies or unfavorably changes the terms requested in the Mortgage Loan Application or determines that a prospective mortgage loan applicant would not qualify for a mortgage loan or for a particular mortgage loan amount as a result of a Prequalification Analysis. Such disclosure obligations may be imposed under the FCRA, ECOA, and other federal and/or state statutes and regulations. Licensee expressly understands and agrees that it bears sole responsibility for complying with such disclosure obligations and that such obligations shall in no event be considered imposed upon or shared by Fannie Mae by virtue of Licensee's use of the Licensed Application.

13. **Recordkeeping.** Licensee acknowledges and agrees that it may be required to maintain records of certain data pursuant to ECOA and other state and/or federal laws and regulations. Licensee understands and agrees that: (i) it bears sole responsibility for such obligation; (ii) it may need to download Licensed Application data into its own systems storage facilities (which may include a Third-Party Application) or print out hard copies of such data from the Licensed Application in order to generate or obtain information necessary to meet such recordkeeping requirements; (iii) such data may be unavailable to Licensee and a Third-Party Originator after one party electronically releases the corresponding Loan Casefile to the other party, and Licensee may therefore need to produce hard copies of consumer reports, uniform

residential loan applications or other data prior to releasing the related Loan Casefile to Licensee's Third-Party Originators, and (iv) in no event will Fannie Mae be responsible for maintaining any such data for Licensee or for providing Licensee with any such data at any time, either in electronic or hard-copy format.

14. **Loan Documents**. Licensee acknowledges and agrees that the Loan Documents are provided with the Licensed Materials as a convenience only, and that Licensee's misuse or improper use of such forms may result in liability under existing laws, rules or regulations, and under agreements to which Licensee is a party. Licensee understands and agrees that: (i) any liability resulting from Licensee's use of the Loan Documents is solely Licensee's responsibility and (ii) Fannie Mae and its Third-Party Licensors shall not be responsible in any way for any such use or liability.
15. **Loan Casefile Identification Numbers**. Licensee's disclosure of a Loan Casefile identification number to a third party, either for due diligence purposes or otherwise, shall be deemed to be Licensee's consent to the third party's access to the Loan Casefile (for which Fannie Mae shall have no liability) and authorization to Fannie Mae to provide the third party with access to the Loan Casefile.
16. **Third-Party Originator Relationship**. Prior to using the Licensed Application to communicate with a Third-Party Originator, Licensee shall have accepted such Third-Party Originator's request to be sponsored by Licensee utilizing the Licensed Application and/or other technological and/or process means prescribed by Fannie Mae. In the event that a Third-Party Originator submits and releases a Loan Casefile to Licensee as provided in the Documentation, and, after such release, Licensee (i) becomes insolvent or enters into bankruptcy, suspension of payments, moratorium, reorganization, or any other proceeding that relates to insolvency or protection of creditor's rights, or (ii) is a party to an Agreement and/or Mortgage Selling and Servicing Contract with Fannie Mae that is suspended or terminated, then Licensee consents to the release back to the submitting Third-Party Originator of any such Loan Casefile, effective immediately upon Fannie Mae's notice to Licensee.
17. **Termination of Third-Party Originators**. Licensee acknowledges and agrees that Fannie Mae may, in its absolute and sole discretion, immediately suspend or terminate access by a Third-Party Originator to the Licensed Application (i) for any breach of any contractual or other legal obligation with regard to Fannie Mae's Desktop Originator application or (ii) upon obtaining information from any mortgage lender (including Licensee) that has sponsored such Third Party Originator as a user of the Licensed Application that the Third Party Originator has breached its contractual obligations to such lender. Fannie Mae may also concurrently terminate any agreement it has entered into with (or is otherwise entitled to enforce against) such Third-Party Originator.
18. **Integration**. Licensee may choose to develop one or more Interfaces that will transfer data electronically from a mortgage-related system, such as a Loan Origination System, to the Licensed Application. In the event that Licensee develops an Interface and places it into production, the following terms will apply:
  - (a) Licensee agrees to maintain the Interface in good working order and, except as expressly permitted, at all times compatible with the most current version of the Licensed Application. Licensee understands and agrees that errors and deficiencies in the performance of the Licensed Application, including without limitation accuracy of results and recommendations, may result from Licensee's failure to perform such maintenance and Fannie Mae will bear no responsibility for them.
  - (b) Licensee grants Fannie Mae a limited, non-exclusive, non-transferable, royalty-free license (i) to access and use the interface and mortgage-related system, solely in executable form, and (ii) to use and reproduce Licensee's supporting documentation for the Interface and mortgage-related system for internal purposes and support of Licensee.
  - (c) Licensee will designate and make available to Fannie Mae qualified personnel to promptly respond to technical questions pertaining to the Interface and the mortgage-related system (as integrated with the Licensed Application).
  - (d) Licensee will use reasonable efforts to ensure that the Interface and data transmitted by the Interface will be free of all known bugs, viruses and other functions, routines, devices and instructions which create any unauthorized access to, or interruption in the functioning of the Licensed Application or Fannie Mae's systems.
19. **Compliance With Law**. For purposes of this Schedule, the Section captioned "Compliance With Law" of the Master Terms is replaced with the following:

Licensee acknowledges that its activities, whether or not the Licensed Application is utilized in connection with such activities, may subject Licensee to certain federal, state and local substantive and disclosure laws and regulations including, without limitation, the Real Estate Settlement Procedures Act, the Truth-in-Lending Act, the FCRA, ECOA and the Home Mortgage Disclosure Act and mortgage lending or broker statutes, and their implementing regulations and commentaries, as applicable. Licensee hereby represents and warrants that it is in full compliance with (i) all federal, state and local laws, rules and regulations applicable to its activities in connection with which the Licensed Application is used, and (ii) all applicable laws, rules, regulations and conventions relating to data privacy, international communications, communications decency and the importation and exportation of software and data

(collectively "Applicable Laws"). Licensee further represents and warrants that it has adopted policies, systems and procedures that ensure accurate and reliable data capture, collateral valuation, data reporting and adherence in all other manner to sound underwriting practices and principles. Without limiting the generality of the foregoing, Licensee represents and warrants that (i) it holds all applicable licenses and authorizations in all jurisdictions in which it conducts its business pursuant to Applicable Laws, (ii) such licenses and authorizations are current and are fully in effect and (iii) it has designed and implemented compliance and quality control policies, procedures and plans aimed at assuring compliance with the Applicable Laws, including, without limitation, such Applicable Laws as pertain to predatory lending. Licensee bears sole responsibility for complying with Applicable Laws (and its compliance and quality control policies, procedures and plans), and such compliance obligations shall in no event be considered imposed upon or shared by Fannie Mae or its Third-Party Licensors by virtue of Licensee's use of the Licensed Application or any forms, documents or other written or electronic materials provided by Fannie Mae or its Third-Party Licensors, agents or representatives.

Licensee shall notify Fannie Mae in accordance with the requirements of the Section of the Master Terms captioned "Notices" within three (3) business days of notice of any actual or threatened civil, administrative or criminal litigation or enforcement matter arising out of, or relating to, any alleged material violation by Licensee of an Applicable Law. Upon receipt of such notice, Fannie Mae may conduct an audit of Licensee's books and records, or such other inquiry as it may determine reasonable in the circumstances, regarding such alleged violation, and Licensee shall reasonably cooperate in regard to such audit or inquiry.

Licensee privacy statement(s), policies and practices relating to the Licensed Application shall not conflict with (i) the section of the Master Terms and/or this Schedule captioned "Rights in Data," or (ii) any privacy statement included in the Licensed Application. Fannie Mae shall not be responsible for monitoring or reviewing Licensee's privacy statement(s), or assisting in the development thereof, and shall not be bound thereby.

20. **FHA Loans.** Licensee's use of the Licensed Application to submit a Loan Casefile to the FHA TOTAL Scorecard to evaluate the eligibility of a potential loan for insurance by the FHA is governed by this Schedule.
21. **VA Loans.** Licensee's use of the Licensed Application to submit a Loan Casefile to the VA Scorecard to evaluate the eligibility of a potential loan for guaranty by the VA is governed by this Schedule, including the attached Exhibit A.
22. **Marketing.** Subject to the provisions of the Section of the Master Terms captioned "Publicity; Marks," Licensee agrees that it will be solely responsible for marketing Licensee's Site(s), including the recruitment of Customers.
23. **Support.** Fannie Mae shall make its standard training relating to the use of the Licensed Application available to Licensee and Licensee's Third-Party Originators. From time to time, Fannie Mae may provide additional services, including services in support of Licensee's efforts to market to Third-Party Originators (e.g., originator marketing events, originator training or originator implementation), at the rates set forth in an associated Rate Sheet.

Notwithstanding the above, Licensee acknowledges and agrees that Licensee, and not Fannie Mae, shall be responsible for responding to comments and questions from Customers and Third Party Originators relating to the Licensed Application and the Licensee Site(s) and for all other support and assistance, including without limitation (with regard to Third Party Originators): (i) software installation support, (ii) first line support with respect to inquiries concerning Fannie Mae's automated underwriting guidelines and policies, including, but not limited to, questions concerning the interpretation and applicability of the Licensed Application's findings reports and any other Documentation, and (iii) appropriate training relating to the use of Fannie Mae's Desktop Originator application and such guidelines, policies and Documentation.

Fannie Mae shall have no obligation with respect to the activity of Authorized Users and Customers relating to the Licensed Application, including, but not limited to, any obligation to remove, screen, police, edit or monitor any data or other material generated by Customers.

24. **Indemnification.** Subsection (d) of the Section captioned "Indemnification" of the Master Terms shall be expanded to also provide indemnification in the event of any breach of any of Sections 4 through 6, 8, 10 through 17, 19 or 21 of this Schedule.
25. **Survival.** Any provisions of this Schedule that contemplate their continuing effectiveness, including, without limitation, Sections 6, 7, 9, 11, 13 through 16, 19 and 24 of this Schedule, shall survive any termination of this Schedule.

## PART II

### PRICING

#### SUBSCRIPTION FEES



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

## EXHIBIT A

### DESKTOP UNDERWRITER SCHEDULE (Seller/Service Version)

#### DESKTOP UNDERWRITER FOR VA -- ADDITIONAL TERMS AND CONDITIONS

The Licensed Application contains certain functionality designed to assist Licensee in evaluating a loan's eligibility for guaranty by VA. In addition to (and not in limitation of) the terms and conditions set forth in the Agreement, the following terms and conditions shall apply with respect to the components of the Licensed Application used to assist lenders in their underwriting of VA loans ("Desktop Underwriter for VA"):

1. Licensee hereby represents and warrants that (i) Licensee is authorized to originate VA guaranteed housing loans and (ii) Licensee will comply with all policies and requirements set forth by VA. In addition, Licensee represents and warrants that it will (a) comply with all applicable laws and regulations in its use of Desktop Underwriter for VA and any output of Desktop Underwriter for VA, (b) provide to each applicant as to whom it determines not to extend credit an adverse action notice in accordance with the requirements of ECOA, (c) rely upon its own counsel to ensure compliance with ECOA, the Fair Housing Act and other applicable laws, and (d) obtain each borrower's written consent to obtain credit reports in accordance with the requirements of the FCRA and, where legally required, any other information required by Desktop Underwriter for VA.
2. Licensee agrees that (i) notwithstanding any provision to the contrary in the Agreement, Fannie Mae shall have the right to immediately limit, suspend and/or terminate Licensee's license to access and use Desktop Underwriter for VA in the event that Licensee is deemed unacceptable as a licensee or otherwise by Fannie Mae, or upon VA's determination that Licensee is not complying with the guidelines for the use of Desktop Underwriter for VA, and Fannie Mae shall have no liability to Licensee or otherwise for any such action, (ii) Licensee shall provide, in a timely manner, such information requested by VA from time to time for quality control, monitoring, risk management or other purposes, in the form and format specified by Fannie Mae and/or VA. In addition, notwithstanding any provisions to the contrary in the Agreement, Licensee hereby authorizes Fannie Mae to (a) provide to VA loan data, reports and other information (including, but not limited to, loan level and summary information and information for evaluation, quality control or monitoring purposes) required or requested by VA with respect to applications or loans processed through Desktop Underwriter for VA, and (b) provide VA with periodic reports regarding its status as a licensee of Desktop Underwriter for VA.