

The Mortgage Connection

Date: September 3, 2015

To: Our Current Closing Agents/Attorneys

Re: American Land Title Association "Best Practices"

As you are aware, under the guidance of both the Consumer Financial Protection Bureau (CFPB) and the Office of The Comptroller of the Currency (OCC), lenders are fully responsible for ensuring that their third party service providers are performing their duties so as to comply with all applicable regulations, including, but not limited to, the Truth in Lending Act (TILA), the Real Estate Settlement Procedures Act (RESPA), the Privacy Act and the Patriot Act.

Adherence to the American Land Title Association (ALTA) "Best Practices" framework constitutes a lender's compliance with both CFPB and OCC guidelines.

In order for The Mortgage Connection, LLC to meet both regulatory and investor requirements, we now feel it necessary to require closing agents/attorneys to be ALTA certified. The Mortgage Connection, LLC will apply a two-tiered approach to meeting certification requirements, which will be based upon your total volume of loan closings being conducted on an annual basis, office staff size and number of office locations. The first tier will require less stringent requirements and will be based upon total annual loan closings of 360 or less, five employees or less and no more than two locations. Any closing agent/attorney over those thresholds will be required to be fully ALTA compliant.

You will need to be certified by an independent third party acceptable to us. There are several organizations available that can perform these independent certifications, provided you have not already been certified. Please note that self-certification is not acceptable to either the OCC or the CFPB. If you have multiple locations, each location will be required to be independently certified.

We have been in contact with the following entities and feel that they can fulfill our certification requirements:

Memphis Consumer Credit Association
Attn: Dawn Barker
(901) 321-6723
dbarker@mccacompanies.com

Horne LLP
Attn: Phillip Branch, Senior Manager
(601) 326-1355
Phillip.branch@hornellp.com

156 Grants Ferry Road, Brandon, MS 39047 • 601-829-5000 • www.tmchomeloans.com

NMLS # 912008

HA&W, LLP
Attn: Kim McConkey
(404) 898-8237
kim.mcconkey@hawcpa.com

We understand that the certification process may take some time to complete. Please let us know by no later than September 30, 2015, of your intent to begin the certification process. We are requesting that you actively begin the certification process by no later than January 1, 2016. However, in the interim you must be fully capable of being in compliance with the new TILA/RESPA Integrated Disclosures by October 3, 2015.

The Mortgage Connection, LLC is responsible for ensuring the accuracy of the amounts stated in the new Integrated Disclosures (Loan Estimate and Closing Disclosure) are made in good faith and are consistent. This is determined by calculating the difference between the estimated charges originally provided in the Loan Estimate and the actual charges paid by or imposed on the consumer at closing as disclosed in the Closing Disclosure. Changes in amounts disclosed are becoming more limited. Any differences must be credited and/or reimbursed by us. Therefore in an effort to help us better control these tolerances, we are asking that you consider standardizing your fees for closing costs.

We are also requiring that you provide us with all closing costs no later than ten calendar days before the scheduled closing so that we will have ample time to prepare and deliver the Closing Disclosure at least three business days prior to the closing date. We are also requiring you to provide a separate closing disclosure to the seller in conjunction with a purchase transaction.

We want you to realize that this has been a difficult decision for us. We have appreciated your services over the past years and hope that we will be able to continue our relationship. However, should you choose not to comply with our requirements, we will have no other choice but to discontinue our relationship for these particular closing services.

You may indicate your readiness to be able to meet the new Integrated Disclosure requirements and your intent to proceed seeking certification with our requirements of the ALTA standards by indicating below and returning the "Intent to Proceed" advising of such by no later than September 30, 2015. If you have begun the certification process, please advise accordingly so that we can determine that the process meets our standards. You may do so by returning the enclosed document to my attention via mail to The Mortgage Connection, LLC, 156 Grants Ferry Road, Brandon, MS 39047 or by fax at (601) 992-8158 or by email as indicated below.

If you have any questions or need additional information, please feel free to contact my office at (601) 829-5000 or via email at cfinch@tmchomeloans.com.

Sincerely,

Cathy Finch
Mortgage Closer

Enclosure

Intent to Proceed

(Please mark all applicable statements and return by no later than September 30, 2015)

_____ I/We certify that our firm will be in full compliance with the new Integrated Disclosure requirements by no later than September 30, 2015. Our software vendor, _____, has assured us that our documents will be fully compliant. Current version of software to be utilized is _____.

_____ I/We will consider standardizing our closing costs in an effort to reduce the number and amount of tolerance exceptions that The Mortgage Connection, LLC, may/will have to cure. I/We feel we can meet this requirement prior to the September 30, 2015, compliance date.

_____ I/ We agree to provide final closing costs to The Mortgage Connection, LLC no later than ten calendar days prior to the scheduled closing date so that The Mortgage Connection, LLC can prepare and deliver the Closing Disclosures to the borrower(s) at least three business days prior to the loan closing.

_____ I/We are currently fully ALTA "Best Practices" certified or we are in the process of becoming such. I/We have contracted with _____ to complete or begin this process.

_____ I/We intend to proceed with becoming certified to The Mortgage Connection, LLC's standards but have not selected a company as yet to complete the process. I/We plan to make a selection by no later than _____ and will advise The Mortgage Connection, LLC when a selection is made.

_____ I/We will not be able to meet the new Integrated Disclosure requirements by September 30, 2015, and have also decided not to seek certification; therefore, I/we will no longer be able to close consumer real estate loans for customers of The Mortgage Connection, LLC after September 30, 2015.

Printed Name of Firm/Company

Signature of Authorized Representative

Date

Contact Information:

Firm/Company Name _____

Authorized Representative _____

Address _____

Phone and/or Email _____