



## CLIENT QUESTIONNAIRE

<b>COMPANY NAME:</b>	_____
<b>DBA (IF APPLICABLE):</b>	_____
<b>MAILING ADDRESS:</b>	_____ _____
<b>UPS/FEDEX ADDRESS:</b>	_____ _____
<b>TELEPHONE NUMBER:</b>	_____
<b>FAX NUMBER:</b>	_____
<b>WEBSITE:</b>	_____

### Contact Information:

1. Who will be sending your closed loan reports to MCA?

Name:

Telephone number:

Email address:

2. Who should the file selections be sent to at your company?

Name:

Telephone number:

Email address:

3. Who should all other correspondence, including the management reports be sent to?

Name:

Telephone number:

Email address:

4. Who should receive invoices and all billing related items?

Name:

Telephone number:

Email address:

**Quality Control Audit information:**

5. How did you hear about Mortgage Compliance Advisors, LLC?

6. Please select your entity type from the choices below (select all that apply):

Bank                                       Broker                                       Correspondent  
 Credit Union                                       Mortgage Bank                                       Wholesale Lender  
 Other (please specify): \_\_\_\_\_

7. Which agencies are you approved by?

FNMA                                       FHLMC                                       VA  
 FHA                                       Ginnie Mae

8. If you are FHA approved, are you a:

MINI EAGLE                                       FULL EAGLE

9. Will you be submitting files to be audited on a monthly or quarterly basis? (Note: As a rule of thumb, if you close less than 15 loans per month, your audit will be quarterly, otherwise it will be monthly.)

Monthly                                       Quarterly

10. Which loan types are to be reviewed by MCA?

FHA                                       Conventional  
 VA                                       Non-Conforming Conventional  
 Other (Please list): \_\_\_\_\_

11. Which types of audits are to be completed by MCA?

Post-Closing                                       Cancelled/Denied Loans  
 Early Payment Default                                       Pre-Closing

12. What is your estimated monthly volume (as pertains to the loan types needing to be audited)?

FHA \_\_\_\_\_                                      VA \_\_\_\_\_                                      Conventional \_\_\_\_\_

**Appraisal Field Reviews:**

13. FHA requires that a 3<sup>rd</sup> party APPRAISAL FIELD REVIEW be completed on 1 out of 100 FHA closed loans. MCA will select 1 file from every 10 files we audit on which to perform this appraisal field review, unless otherwise indicated (price ranges from \$250-\$350 for most states).

Please indicate your preference:

I would like MCA to complete a 3<sup>rd</sup> party APPRAISAL FIELD REVIEW on 1 FHA file out of every 10 FHA files submitted for auditing.  
 I would like MCA to complete a 3<sup>rd</sup> party APPRAISAL FIELD REVIEW, but on a different ratio as to the one listed above. (If chosen, we will contact you to make further arrangements for your use of this service.)  
 I would not like to use this service

## CONSULTING SERVICES AGREEMENT

THIS CONSULTING SERVICES AGREEMENT (the "Agreement") is made and entered into as of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_ ("Client") and Mortgage Compliance Advisors, LLC ("Consultant").

### RECITALS

- A. Client is seeking to obtain mortgage compliance consulting services, and desires to engage Consultant to provide such mortgage compliance consulting services.
- B. Consultant is willing to provide Client the desired mortgage compliance consulting services, subject to the terms and conditions set forth below.

### AGREEMENT

NOW, THEREFORE, in consideration of the representations, warranties, and covenants contained in this Agreement, Client and Consultant hereby agree as follows:

1. Scope of Services. Client hereby engages Consultant to perform, on the terms and conditions set forth in this Agreement, the mortgage compliance consulting services set forth on Exhibit A, attached hereto and incorporated (the "Services").
2. Compensation and Expenses; Manner of Payment. In exchange for the Services, Client hereby agrees to compensate and reimburse Consultant for work done and costs incurred by Consultant as follows:
  - 2.1 Consulting Fee. Client shall compensate Consultant for its performance of the Services (the "Consulting Fee") pursuant to Exhibit A incorporated herein (the Services).
  - 2.2 Reimbursable Expenses. Client shall reimburse Consultant for costs incurred by Consultant on behalf of Client as outlined on Exhibit B and incorporated herein ("Reimbursable Expenses").
  - 2.3 Manner of Payment; Late Payments. Consultant shall, on a monthly basis, submit to Client invoice(s) for the Consulting Fee and the Reimbursable Expenses. Client shall pay the invoiced amounts upon receipt of the invoice. Payments shall be made by check, automatic withdrawal, or by credit card, but an additional five percent (5%) of the payment shall be added as a fee for all credit card transactions. Any payment not received by Consultant within fifteen (15) days shall be considered delinquent. Consultant reserves the right to include a late payment charge, at a rate of one percent (1%) per month. Consultant also reserves the right to suspend its performance of Services until all payment delinquencies have been remedied.
  - 2.4 Term of Agreement. The term of this Agreement shall commence on \_\_\_\_\_, 20\_\_\_\_ and shall expire on \_\_\_\_\_, 20\_\_\_\_. Either party may terminate this Agreement following thirty (30) days written notice to the other party. If termination is requested by Consultant, it shall be paid the value of its Consulting Fee incurred through the termination date, as well as all Reimbursable Expenses. If termination is requested by the Client, it shall pay Consultant the entire Consulting Fee and all Reimbursable Expenses on the date of termination. However, if either party is in default at the time termination is sought, Section 11 of this Agreement shall govern the termination. It is anticipated that at the end of its term, this Agreement may be renewed through a simple written Addendum executed by both parties and acknowledging any change in terms.
3. Independent Contractor Status. Consultant is and will perform Services under this Agreement as an independent contractor and shall have and maintain complete control over the manner in which it performs the Services. Nothing contained in this Agreement will be construed as creating an employment, representative, partnership, joint venture or agency relationship of any kind between Client and Consultant. This Agreement shall not create any obligation or responsibility on behalf of any other party, nor shall any party be in any way liable for any debt of the other.
4. Standard of Performance. Consultant agrees its Services will be prepared and presented in a manner consistent with professional and industry standards. Consultant shall comply with all applicable federal, state, and local laws, rules, and regulations in performing the Services.
5. Third Party Work. To the extent that any third party is reasonably required to be engaged in connection with the Services, Consultant shall engage such third party and all costs required and expenses incurred in connection with the services of such third party shall be included in the Consulting Fee, with the exception of the specific individual pricing items described in Exhibit A, including Field Appraisals. In no event shall Consultant be liable for the acts or omissions of any such third party.

6. Client Provided Information. Unless otherwise agreed, Consultant shall be entitled to rely, without further inquiry or investigation, on any and all documents and information furnished to Consultant by Client, its agents, and any third party engaged by Client.

7. Reuse of Documents. All documents and information produced by Consultant in connection with the Services are not intended or represented to be suitable for reuse by Client or others on any project. Any reuse without written verification or adaptation by Consultant for the specific purpose intended will be at Client's sole risk and without liability to Consultant.

8. No Guaranty; Limited Warranty. Client acknowledges that the Services shall not include, and the results thereof shall not be construed to be, tax or legal advice. Client acknowledges and agrees that Consultant cannot and will not guaranty a result from the Services, and that the accuracy and applicability of results from the Services are subject to and limited by factors beyond Consultant's control, including, by way of example and not of limitation, the accuracy and quality of the information, reports, and records provided to Consultant, whether by Client or any third party; the commission of fraud by Client or any other party; the timeliness and accuracy of the work of third parties engaged by Client; the fluctuation of economic, legal, and other such conditions; and the failure of Client to appropriately and adequately implement any recommendations of Consultant arising from or relating to the results of the Services.

9. Release/Hold Harmless by Consultant. To the extent permitted by law, Consultant shall release, defend, and hold harmless Client and its shareholders, partners, directors, officers, employees, and agents from and against all claims, damages, demands, liens, losses, or liabilities of any kind, including attorneys' fees and litigation costs, only to the extent arising out of or connected with (i) any grossly negligent acts, errors, or omissions or willful misconduct of the Consultant or its officers, employees, or agents in performing the Services under this Agreement; and (ii) grossly negligent or willful non-performance or breach by Consultant, its officers, employees, or agents of any of its or their duties, obligations, or representations under this Agreement.

10. Release/Hold Harmless by Client. To the extent permitted by law, Client shall release, defend and hold harmless Consultant and its shareholders, partners, directors, officers, employees, and agents from and against all claims, damages, demands, liens, losses, or liabilities of any kind, including attorneys' fees and litigation costs, to the extent arising out of or connected with (i) any errors, omissions or willful misconduct of Client, its officers, employees, or agents relating to the Services or terms of this Agreement; and (ii) negligent or willful non-performance or breach by Client of any of its duties, obligations, or representations under this Agreement.

11. Default and Remedies. The following provisions shall govern defaults and remedies under this Agreement.

11.1 Events of Default by Consultant. Any of the following events shall constitute an event of default by Consultant under this Agreement:

(a) Consultant shall default in the performance or observance of any covenants, agreements or conditions required to be performed or observed by Consultant under the terms of this Agreement, and such default shall continue after written notice to Consultant specifying such default until the same is remedied; provided, however, that if a cure requires a longer period to cure than five (5) days and Consultant is diligently pursuing a cure, Consultant shall be granted an additional reasonable period to remedy said default; or

(b) Any representation or warranty made by Consultant in this Agreement or in any certificate or document furnished or executed under the terms of this Agreement shall prove untrue in any material respect that affects Consultant's performance under this Agreement.

11.2 Rights and Remedies of Client. Upon the occurrence of an event of default by Consultant, unless such event of default is subsequently waived in writing by Client, Client shall be entitled, at the option of Client, to exercise any or all of the following rights and remedies:

(a) Client may terminate this Agreement; and/or

(b) Client may pursue such other rights and remedies as it has available to it under law or equity, including but not limited to the right to recover any actual damages that may accrue as a result of said default. In no event, however, shall Client be entitled to recover consequential damages.

11.3 Events of Default by Client. Any of the following events shall constitute an event of default by Client under this Agreement:

(a) Client shall default in the performance or observance of any covenants, agreements or conditions required to be performed or observed by Client under the terms of this Agreement, and such default shall continue after written notice to Consultant specifying such default, until the same is remedied; provided, however, that if a cure requires a longer period to cure than five (5) days, and Client is diligently pursuing a cure, such five (5) day period may be extended by an additional reasonable period necessary to remedy said defaults; or

(b) Any representation or warranty made by Client in this Agreement or in any certificate or document furnished or executed under the terms of this Agreement shall prove untrue in any material respect; or

(c) Client or any of its principals or affiliates shall admit its or their inability to pay debts, or shall make an assignment for the benefit of creditors; or shall be adjudicated bankrupt; or shall file a voluntary petition in bankruptcy or to effect a plan or other arrangement with creditors, or to liquidate its or their assets under court supervision; or shall have applied for or permitted the appointment of a receiver or trustee or custodian for any of its or their property or assets; or a trustee, receiver or custodian shall have been appointed for any of its or their property or assets.

11.4 Rights and Remedies of Consultant. Upon the occurrence of an event of default by Client, unless such event of default is subsequently waived in writing by Consultant, Consultant shall be entitled, at the option of Consultant, to exercise any or all of the following rights and remedies:

(a) Consultant may terminate this Agreement, and retain the right to collect the Consulting fee in full, regardless of the state of completion of the Services; and/or

(b) Consultant may pursue such other rights and remedies as it has available to it under law or equity.

12. Limitation of Liability. Any provision of this Agreement to the contrary notwithstanding, Consultant's total liability to Client for any loss or damage arising out of or in connection with the performance of Services or any other cause, including Consultant's negligent acts, errors, or omissions, shall not exceed the amount of the Consulting Fee.

13. Insurance. During the term of the Agreement, Consultant shall obtain and maintain in full force, at its own expense, a policy of Comprehensive General Liability Insurance, including contractual liability and errors and omissions coverage, with limits of not less than \$1,000,000.00 applicable to bodily injury, sickness, or death in any one occurrence, and \$1,000,000.00 for loss of or damage to property in any one occurrence.

14. Ownership of Records. All documents and records prepared or developed by or pursuant to this Agreement shall be the property of Client, provided, however, that Consultant shall have the right, but shall not be obligated, to retain copies of all such documents and records. The foregoing notwithstanding, Consultant shall retain the right of ownership with respect to any patentable or copyrightable concepts arising from the performance of Consultant's Services.

15. Confidentiality. The Services, all communications between Consultant and Client, and all information developed by or received by Consultant in connection with the Services under this Agreement are confidential and protected communications. Accordingly, without the prior written consent of Client, which consent may be withheld in its discretion, Consultant shall neither divulge to nor discuss with third parties the Services or nature of the Services provided hereunder, the names of Client, or any communication or information in connection with the Services. This paragraph and its subparts shall survive termination of this Agreement or the Services hereunder. This provision shall not apply to information in the public domain, received from a third party, or required to be disclosed by operation of law, including, but not limited to, order of court or governmental regulation.

16. Notices. All notices and demands which either party is required or desires to give to the other shall be given in writing by personal delivery, by express courier service, by certified mail, return receipt requested, or by facsimile transmission to the address set forth below for the respective party, or as modified by said party. All notices and demands given by personal delivery, express courier service or facsimile transmission shall be effective upon receipt by the party to whom notice or a demand is being given; all notices given by mail shall be effective on the third business day after mailing.

If to Consultant:

Mortgage Compliance Advisors, LLC  
5505 South 900 East Suite 110  
Salt Lake City, Utah 84117  
Attn: Craig R. Christensen  
Tel: (801) 649-6038  
Fax: (801) 264-0301

If to Client:

\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Tel: \_\_\_\_\_  
Fax: \_\_\_\_\_

17. General Provisions.

17.1 Successors, Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties to this Agreement. Neither Consultant nor Client may assign this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed.

17.2 Force Majeure. Neither party to this Agreement shall be liable to the other party for delays in performing the Service or for the direct or indirect cost resulting from such delays that may result from strikes, riots, war, acts of governmental authorities, extraordinary weather conditions or other natural catastrophe, or any other cause beyond the reasonable control of either party.

17.3 Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah and any action arising out of its terms and conditions shall be instituted and litigated in the courts of the State of Utah exclusively.

17.4 Severability. If any term, covenant, condition or provision of this Agreement, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, covenants, conditions, or provisions of this Agreement, shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Further, the waiver by one party of the performance of any covenant or condition under this Agreement shall not invalidate this Agreement nor shall it be considered a waiver by it of any other covenant or condition under this Agreement.

17.5 Amendment. This Agreement may be amended at any time by the written agreement of Consultant and Client.

17.6 Counterparts. This Agreement may be executed in faxed or PDF counterparts, which when taken collectively shall be treated as one complete document, and shall have the same force and effect as an original document.

17.7 Further Acts. Each party agrees to perform any further acts and to execute, acknowledge, and deliver any documents which may be reasonably necessary to carry out the provisions of this Agreement. Further, this Agreement contains the entire agreement between the parties respecting the subject matter of this Agreement and supersedes all prior understandings and agreements, whether oral or in writing, between the parties respecting the subject matter of this Agreement.

17.8 Due Authorization. In executing this Agreement, the undersigned represent and warrant that they have full authority to act and, if they represent entities, to bind the entities for which they will sign, and that acting with such authority they execute this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

CONSULTANT:

MORTGAGE COMPLIANCE ADVISORS, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

CLIENT:

\_\_\_\_\_

a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

CLIENT SERVICES AGREEMENT  
ADDENDUM 1

This addendum to the Client Services Agreement between \_\_\_\_\_ (“Client”) and Mortgage Compliance Advisors, LLC (“Consultant”) specifies the roles and responsibilities of both Client and Consultant as outlined in FHA Handbook 4060.1 7-3 B2.

1. The Client will insure that the Consultant is meeting all of the requirements of HUD for the Quality Control Audit process (4060.1 7-3 B2).
2. Consultant will use only well qualified staff to perform quality control file audits. Consultant will train all staff prior to any quality control file audits being completed and will continually train auditing staff with updates and requirements of HUD/FHA . Consultant will make available to all staff the handbooks, mortgagee letters, and memos from HUD/FHA. It will be the responsibility of Consultant to maintain a qualified and properly trained staff (4060.1 7-3 C).
3. The client will supply a list of files closed for the period required (monthly if the client closes more than 15 FHA loans per month, and /or quarterly if the client closes less than 15 FHA loans per month) and the Consultant will randomly choose 10% to be QC reviewed. The Consultant will also have an appraisal field review done on 10% of the 10% QC audited files. (4060.1 7-6 C & E)
4. Consultant will perform the quality control audits in accordance with Client’s FHA Quality Control Plan, as written and approved by HUD/FHA at the time of Client’s lender approval. Exceptions include but not limited to, MCA will not track early payment defaults which need to be reviewed, branch office reviews, HMDA reporting, or reporting required items to FHA or other regulatory officials.
5. Client will retain the quality control management reports supplied by Consultant for two years and they will be available to the HUD staff upon request (4060.1 7-3 B2).
6. Consultant will retain both the quality control management report and the audit check lists used for the quality control audits for a period of two years. Any and all of these documents will be supplied to HUD staff upon request (4060.1 7-3 B2).

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Mortgage Compliance Advisors

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Client

## EXHIBIT A

### (Scope of Services)

#### **Pricing for FHA, VA, and Conventional Post-Closing or Early Payment Default Quality Control File Audit (per file cost)†**

	<b>Streamline Refinance</b>	<b>Reverse Mortgage</b>	<b>Full File</b>
Base Fee	\$125.00	\$125.00	\$125.00
Full Credit Report			\$15.00*
<b>Total</b>	<b>\$125.00</b>	<b>\$125.00</b>	<b>\$140.00</b>

#### **Pricing for FHA, VA, and Conventional Re-Audits, Pre-Closing and Cancelled/Denied Quality Control File Audit (per file cost)†**

	<b>Streamline Refinance</b>	<b>Reverse Mortgage</b>	<b>Full File</b>
Base Fee	\$65.00	\$65.00	\$65.00
<b>Total</b>	<b>\$65.00</b>	<b>\$65.00</b>	<b>\$65.00</b>

#### **Other Product Pricing†**

#### **Miscellaneous pricing for file audit related items (requires client authorization before ordering)†**

	<b>Streamline Refinance</b>	<b>Reverse Mortgage</b>	<b>Full File</b>
Tax Transcript	n/a	n/a	\$22.00
Social Security # Verification	\$5.00	\$5.00	\$5.00
3rd Party Appraisal Desk Review	n/a	\$125.00	\$125.00
3rd Party Appraisal Field Review	Per Case	Per Case	Per Case
Other:	Per Case	Per Case	Per Case

#### **Advisory & Consulting Services\*\***

FHA Approval Services	\$1,000.00
Red Flag Policy	\$350.00
Quality Control Plan	\$400.00
Quality Control Plan Implementation	\$100.00 / Hour
Operational Reviews	\$100.00 / Man Hour
Training and Education	\$100.00 / Hour
Education (More than 8 Persons)	\$25.00 / Person
Other Advisory and Consulting Services	\$100.00 / Hour

*\*Recommended for a complete file audit per agency guidelines. Due at time of order.*

*\*\*Requires authorization from Client. Other items with pricing upon request. Due at time of order.*

*†Pricing subject to change and will increase proportionately with any third party increases. Fees do not include travel, meals and lodging expense for onsite visits.*

**Exhibit B**

**Reimbursable Expenses**

(The below reimbursable expenses are for costs incurred in relation to quality control plan implementations, operational reviews, training and education, and advisory and consulting services)

<b>EXPENSE*</b>	<b>AMOUNT</b>
Travel expenses	\$ _____
Document production	\$ _____
Deliveries	\$ _____
Mileage	\$ _____
Approved Travel	\$ _____
Per diem reimbursements	\$ _____
Employee overtime necessitated by Client's express request for expedited service	\$ _____
Governmental fees or charges advanced as an accommodation to Client	\$ _____

*\*These expenses are subject to change and will increase proportionately with any third-party expense increases incurred during the term of this Agreement.*