

Vendor Application Package

VM-0200, version 2.1

Thank you for your interest in joining the LRES vendor panel!

LRES has been part of the residential and commercial valuation community for nearly 20 years and is looking for independent contract vendors who are eager to work with us in delivering superior service to the top banks, credit unions, lenders, servicers, and investors in the U.S.

As an LRES vendor panel member, you can expect the following:

- Order payments automatically processed 15 days post-QC approval
- A user-friendly vendor portal to view, accept and manage your orders
- LRES' ongoing investment in tools to make communicating and working with LRES easier
- Full support from your dedicated regional Vendor Specialist
- Knowledgeable LRES associates, who are trained in USPAP, IAG, state regulatory, and information security rules and regulations

Vendors that wish to join the LRES vendor panel must submit the following documents at CONNECT! for review by LRES Vendor Management:

- Vendor Application Package (this document)
- W-9 Form
- Copy of License or Certification
- E&O / Professional Liability Insurance Policy (declaration page)
- Digital Signature (for real estate professionals)
- Government-issued Photo Identification (photo and name must be legible)

Optional submissions include:

- ACH Form
- Vendor Appraisal Pricing Form

If you are approved for inclusion on the LRES panel, you will receive a confirmation email from LRES that includes your login credentials for the vendor portal.

We look forward to working with you!

LRES Vendor Management

714-520-5737 ext.185

vendormgmt@lrescorp.com

Minimum Vendor Requirements

To be eligible for inclusion on LRES' panel, an individual must:

Appraiser	Real Estate Broker / Agent	Inspector
<p>Have an active license in each State included in the desired coverage area.</p> <p>Have an E&O Insurance policy with a minimum of \$500,000 aggregate coverage.</p> <p>Have at least three years of full-time field appraisal experience*.</p>	<p>Have an active license in each State included in the desired coverage area.</p> <p>Have an E&O Insurance policy with a minimum of \$250,000 aggregate coverage.</p> <p>Have at least one year of full-time field experience.</p> <p>Meet state criteria for continuing education to meet specific product requirements.</p>	<p>Have an active certification from the International Council Code (ICC) as a certified Residential Combination Inspector (RCI) or Combination Inspector (CI).</p>

**Please note that the following types of appraisers do not meet our minimum requirements and need not apply for panel inclusion: Trainee, Associate, or Assistant.*

Vendor Management may deny a completed application for any of the following reasons:

- Vendor license does not appear on industry, State or Federal registries
- Vendor license has been revoked or suspended
- Vendor does not carry adequate E&O coverage
- Vendor has prior disciplinary history that exceeds LRES' risk appetite
- Vendor has current, unresolved disciplinary activity
- Vendor has infractions or violations that have resulted in sanctions from a state appraisal board, secondary lender, or financial regulatory agency within the immediate three-year period prior to the completion date of this document.
- Vendor has failed to complete all necessary registration steps or return required application documents

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Vendor Application Questionnaire

Vendor Information (as listed on CONNECT!)

Full Name	E-mail Address		
Company Name	Office Phone #		
Mailing Address	Direct Phone #		
Starting Address (for travel distances)	Mobile Phone #		
	Mobile Phone Carrier		
Years of Residential Experience?	Preferred Contact	Email	Office
Years of Commercial Experience?		Mobile Call	Direct
CRS Identification Number (New Mexico only)	Mobile Text*		
Is your company an AMC? (per Federal and State definitions)	*By selecting "Mobile Text" you are opting in to receive text messages.		
Yes	No	Work Saturdays?	Yes
		Work Sundays?	No
			Maybe

Certifications and Specializations

Commercial Specialties (Check all that apply)

Agriculture Land/Ranch	Healthcare/Skilled Nursing	Mobile Home Park	Self-Storage
Data Center	Hospitality	Multifamily (5+ Units)	Subdivision Land
Eminent Dom./Condemned	Land	Office	Tax Appeal
Expert Witness	Marina	Parking Facility	Warehouse/Industrial
Golf Course	Mixed-Use	Retail/Shopping Center	
Other:			

Paid Data Access (Check all that apply)

Argus Enterprise	Compstak	LoopNet	REIS
Collateral Analytics	CoStar	Platinum Data	Site to do Business
MLS*	Other:		

*MLS is required for Appraisers

Languages (Check all that apply)

English	Chinese	Hindi	Russian
Spanish	French	Japanese	Tagalog
Arabic	German	Korean	Vietnamese
Other:			

Professional Organizations/Certifications *(Check all that apply)*

AI-GRS	CREOBA	MAI	R/W-AC
AI-RRS	FRICS	MRICS	SR/WA
CBRE	IFA	NABPOP	SRA
CCIM		Other:	

Residential Specialties *(Check all that apply)*

Atypical	High-End / Luxury	New Construction	REO
Default	Jumbo	Origination	USDA
Eco / Green	Land	Plans / Specs	VA
FHA	Mobile / Manufactured	Relocation	
		Other:	

Software Used *(Check all that apply)*

ACI	CARS	Narrative1	ValueLink
Alamode/Wintotal	DataComp/Edge	Nova	Valcre
Appraisal Studio	Datappraise	RealQuantum	Wilson/WCA
Bradford	FUEL Valuation	SFREP	
		Other:	

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Vendor Performance Expectations

LRES Corporation anticipates that all independent contract vendors performing services for LRES meet certain qualifications, as well as performance and conduct standards set by LRES clients and or other industry participants.

General Performance Expectations

Letters of Engagement (LOE)

Each assignment from LRES contains specific requirements pertaining to the order. Vendors are expected to complete each accepted assignment in accordance with the terms and specific conditions outlined within the service request, order request, order Special Instructions, or other manner of request from LRES (collectively referred to as a Letter of Engagement or “LOE”).

Vendors are asked to immediately contact LRES if they are unable to meet the terms of the LOE. Failure to adhere to order requirements may result in a failed quality examination, generate a request for corrections that delay the completion of the report, or affect vendor scoring.

Communication

Communication is critical to any successful relationship. Vendors are asked to keep LRES up to date on a regular basis regarding past and present orders, vendor profile status, or other matters critical to the successful delivery of services to LRES.

Vendors who are proactive in communicating updates to LRES can expect to receive minimal status inquiry calls from LRES. Vendors are strongly encouraged to utilize the Vendor Portal as the primary method of communication, but we are happy to accommodate phone calls when that is more efficient for you.

Vendors are asked to notify LRES of their progress on all basic service milestones, so that we can, in turn, advise our clients of the same. Please refer to *Basic Milestone Expectations*, below, for more information. Vendors should contact LRES immediately when issues arise during the performance of services, including but not limited to:

- Questions regarding the specific order instructions, form, or Letter of Engagement (LOE)
- Need to reject an assignment after order acceptance due to conflict of interest, lack of competency, etc.
- Unable to reach the property access contact for interior inspections
- Missing lock box or incorrect lock box code
- Unable to complete or schedule an inspection within the timeframe necessary to meet the report delivery deadline
- Unforeseen delays that may impact the report delivery deadline
- Running late for, unable to keep, or missed a scheduled inspection

- Identification of property issues that may prevent report completion, such as zoning issues, unsafe conditions, highest and best use, stop and call requirements, etc.
- Unable to meet a pre-required response timeframe to client post-delivery inquiries

LRES associates will help to answer questions, eliminate, or mitigate delays, or gain clarification from the client on how to proceed, if needed.

Service Level Performance

Order Assignment

Depending on the product service type, LRES may utilize auto-assignment, broadcast, or manual assignment processes to route orders to the most qualified vendor. Vendors are selected for individual assignments based on a variety of factors, including but not limited to eligibility, score, familiarity with the product type, proximity to the subject property, available capacity, fee, etc.

Order Acceptance

Vendors can accept orders by accessing their secure account on the LRES Vendor Portal, or by contacting an LRES associate by phone to verbally confirm acceptance. Regardless of the acceptance method, the action is logged within the LRES proprietary order processing application. A vendor's verbal or electronic acceptance of the order constitutes understanding of, and their agreement to, the conditions of the assignment (LOE).

As noted in the *Vendor Engagement Agreement*, vendors must personally complete all assignments in their entirety, up to and including the physical inspection of the subject property; and vendors will not subcontract or reassign any assignment, or part of an assignment, to any other party.

Interior Inspections

Vendors should attempt to reach the property access contact to schedule the inspection on the same day as order acceptance. Vendors are asked to communicate the date and time of the scheduled inspection by accessing their secure account on the LRES Vendor Portal, or by contacting LRES by phone to verbally communicate the information.

Vendors are encouraged to consider the availability of the point of contact (or borrower) when scheduling interior inspections.

Exterior Inspections

Vendors should visit the subject property at their earliest availability. Vendors are asked to communicate the anticipated date and time of the inspection by accessing their secure account within the LRES Vendor Portal, or by contacting LRES by phone to verbally communicate the information.

Report Delivery / Form Completion

Vendors should return the completed product in accordance with the terms outlined in the specific LOE. For traditional appraisal products, reports must be submitted via the Vendor Portal and include PDF, XML and, in some cases, ENV formats. Certain products, such as Broker Price Opinions (BPO) and Evaluations, require that the vendors complete an online form on the LRES Vendor Portal.

Post-Delivery Requests

After report delivery, the client may request additional clarification or detail regarding a report, may identify factual errors within the report requiring correction, or may request that the vendor consider additional, appropriate property information that may differ from what the vendor has reported. Post-completion requests from the client are considered part of the original scope of the assignment.

Milestone Performance Expectations

The below table provides the typical milestone performance expectations for LRES assignments based on broad product type. The table is meant to provide general guidelines for standard order completion and interim milestones as required by the majority of LRES clients or industry participants. Please note that the order-specific instructions or LOE provides precise assignment conditions, and if those requirements differ from the table below, the information listed in the LOE supersedes the table.

Milestone	Interior Appraisal	Exterior Appraisal	Interior BPO	Exterior BPO	Interior Evaluation	Exterior Evaluation
PRIMARY: Order Acceptance to Report Delivery	Not to exceed 4 business days	Not to exceed 3 business days	Not to exceed 4 business days	Not to exceed 3 business days	Not to exceed 5 business days	Not to exceed 3 business days
SECONDARY: Assignment to Order Acceptance	4 business hours	4 business hours	4 business hours	4 business hours	4 business hours	4 business hours
SECONDARY: Call the Property Access Contact	8 business hours	n/a	8 business hours	n/a	8 business hours	n/a
SECONDARY: Order Acceptance to Inspection	48 hours	48 hours	24 hours	24 hours	24 hours	24 hours
SECONDARY: Inspection Complete to Report Delivery	48 hours	48 hours	24 hours	24 hours	24 hours	24 hours
SECONDARY: Complete Post-Delivery Requests	24 hours	24 hours	8 hours	8 hours	8 hours	8 hours

LRES reserves the right to cancel or reassign any request for services if a vendor disregards the specific conditions listed in the applicable LOE. Extended cessation of communications with LRES, or other actions incompatible with client, industry or LRES guidelines may also result in order reassignment or cancellation.

Vendor Scoring and Eligibility

The LRES order processing application uses an algorithm that evaluates the expected performance of eligible vendors, and it ranks vendors for each specific assignment. Criteria used in the evaluation include a vendor's available capacity, proximity to the subject property, historical quality rating, historical response time, historical turnaround time, prior experience with the product type, and fee. Scores are individually computed for each criterion, then summed to present a final score that can be used in both manual and auto-assignment.

LRES reserves the right to periodically modify its scoring algorithm to better reflect business priorities, account for changes in regulations, allow for technology enhancements, or based on client and vendor panel feedback.

Vendor Eligibility

Client restrictions, or “*Do Not Use*” requirements, are applied to each client's account as requested. Because LRES is not privy to the client's documented administrative or quality-control process that warranted their request to exclude a vendor from receiving additional client assignments, no notification is made by LRES. LRES is unable to share details of client requested restrictions with vendors.

If it is determined that removal of a vendor from the LRES panel is warranted due to illegal conduct, or failure to comply with industry regulations, state licensing standards, or LRES' professional or performance expectations, LRES notifies the vendor in writing.

The vendor is provided a 15-calendar-day window to respond to the notification and rebut the allegations. LRES makes a final determination based on internal information and the information provided by the vendor, if any, and then notifies the vendor of the final decision as well as any additional actions taken (e.g., reporting to state licensing authority), if warranted.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Vendor Code of Conduct

LRES Corporation anticipates that its independent contract vendors will engage in conduct that is professional and courteous to all participants in accordance with regular professional and business standards. Even as an independent contractor, when you perform contracted services for LRES and its clients, your conduct reflects on both LRES and its clients in the marketplace.

The LRES *Vendor Code of Conduct* reflects client and industry expectations. Vendors agree to:

- Abide by all applicable Federal, State, and local laws, industry requirements, regulations, and published guidelines.
- Maintain a dress code and appearance that conforms to the standards for your profession.
- Speak in a polite and courteous manner to all participants in the process.
- Present a photo ID or business card to the point of contact to confirm your identity, if requested.
- Refrain from having other persons accompany you to the inspection who are not directly involved in the services being performed. If you have an assistant or trainee with you, introduce them to the point of contact, and advise how they will be assisting you.
- If asked, offer a brief description to the point of contact of what actions you will take on site during the inspection, including what areas you may need to access (e.g., crawlspace or attic).
- Inspect the property with care and consideration for personal belongings, antiques, etc.
- Avoid conversation with the homeowner that is related to the value, property condition, loan process, program, or fees. Politely request that the homeowner contact their lender with these types of questions.
- Report any perceived attempts by any party to influence the value or outcome of the valuation to the LRES Appraiser Independence Requirements (AIR) Hotline at 714-872-5889 or compliance@lrescorp.com.
- Notify LRES, upon discovery, of any complaint or potential complaint regarding the services completed for LRES, regardless of the entity that is the subject of the complaint.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Vendor Engagement Agreement

This *Vendor Engagement Agreement* ("Agreement") is made and entered into between LRES Corporation ("LRES"), a California Corporation, located at 765 The City Drive South, Suite 300, Orange, CA 92868, and its affiliates, and "Vendor" (as listed on the Acknowledgement and Signature page) an independent third-party Appraiser, Inspector, Broker, or Agent. LRES and Vendor may be referred to herein individually as "Party", or collectively as the "Parties".

WHEREAS, LRES is in the business of managing the ordering of valuation and inspection services from third-party vendors on behalf of LRES' lender-clients, and facilitating the review and delivery of such services for lender-clients; and

WHEREAS, Vendor is an independent vendor in the business of supplying appraisal, inspection or other real estate services and desires to receive orders for such services from LRES and, if accepted by Vendor, performing the contracted services.

THEREFORE, Vendor and LRES agree that this Agreement sets forth the terms and conditions pursuant to which LRES may retain Vendor from time to time, on a non-exclusive basis, to provide valuation or inspection services pursuant to future orders.

A. Performance of Services

Vendor, as an independent contractor to LRES, shall provide valuation or inspection services in accordance with the terms and conditions of this Agreement for assignments accepted by Vendor in any separate letter of engagement, service request, order request or other manner of request from LRES, collectively referred to in this Agreement as a Letter of Engagement ("LOE"), regardless of the specific format delivered by LRES to Vendor.

Vendor will personally complete all accepted assignments, and will not subcontract or reassign any assignment, or part of an assignment, to any other party. LRES does not accept reports completed by an assistant or trainee unless specifically authorized within the LOE.

Vendor represents he/she will only accept LOEs for assignments which Vendor is competent and qualified to perform and for which Vendor has the necessary skills to perform under this Agreement in a competent and professional manner, without advice and direction of LRES.

Vendor agrees to observe the specific communication, service level, workflow, and technical guidelines outlined in LRES' *Vendor Performance Expectations* document, to be amended as client, LRES, or regulatory requirements may require.

B. Independent Contractor

Vendor enters this Agreement as an independent contractor, who regularly offers and provides valuation or inspection services to parties other than LRES, and who is holding out to the general public as independent with Vendor's own respective office, namesake, and services provided. All operating expenses related to Vendor's independent contractor business are the sole responsibility of Vendor.

Vendor shall act solely as an independent contractor in the performance of services under this Agreement. It shall not at any time be intended or implied that there is an employee/employer relationship or partnership between Vendor and LRES. Vendor agrees he/she is not entitled to the rights or benefits afforded to LRES employees, including disability, medical or unemployment insurance, worker's compensation, sick leave, overtime, or any other employment benefit.

The parties agree and acknowledge that this Agreement is not an exclusive contract to either party. LRES makes no guarantee of any volume of business. Vendor may sell represent, perform services for, and contract with additional clients, persons, or companies as Vendor, in his/her sole discretion, sees fit. Failure of vendor to distribute its available capacity to additional clients other than LRES does not implicitly constitute an exclusive relationship.

For the purposes of this Agreement, LRES is the Vendor's client. The Lender, Bank, or Servicer listed within the LOE is LRES' client. In certain cases, LRES' client may not be named within the LOE, as allowable by industry guidelines.

C. Licenses

Vendor shall be currently licensed or certified as required to legally perform services for LRES. Vendor is required to provide evidence of such licensure or certification prior to joining the LRES panel and on an ongoing basis as updates or renewals take place. Vendor understands that current and active licensure or certification is required to remain on the LRES vendor panel, and to be eligible to receive order requests.

Vendor is currently in good standing with each regulatory body as of the date of this Agreement. Vendor has no pending disciplinary actions or infractions. Vendor has no past infractions or violations that have resulted in sanctions from any state board, secondary lender, or financial regulatory agency within the immediate three-year period prior to the signature date of this document. Prior disciplinary action, even if resolved, may result in ineligibility to perform work for certain clients or LRES and will be determined at client or LRES' sole discretion.

Vendor will advise LRES immediately of any changes in licensing status, including pending or expected disciplinary action that may affect Vendor's ability to perform independent services for LRES. Vendors without a current, active license in good standing may be deactivated from the LRES panel in accordance with applicable law and notification requirements.

Certain inspection services may not require the Vendor to be licensed or certified by a regulatory body to perform the services. However, that does not eliminate Vendor's requirement to comply with the remaining terms of this *Vendor Engagement Agreement*, the *LRES Vendor Application*, any LOE, or any other terms and conditions by which LRES may retain Vendor.

D. Insurance

Vendor shall secure and maintain Errors and Omissions (E&O) insurance coverage, with minimum coverage amounts per claim/aggregate that meet LRES' prerequisite as outlined within the *LRES Vendor Application*. LRES will not reimburse Vendor for the expense of this E&O coverage. Vendor must be specifically named as insured.

The Vendor E&O insurance policy serves as primary in the event a claim is filed related to the work completed by the Vendor on behalf of LRES, regardless as to whether or not LRES is named as an insured party on the policy.

Vendor is required to provide evidence of insurance coverage prior to joining the panel, and on an ongoing basis as updates or renewals take place. Vendor understands that E&O insurance is required to remain on the LRES vendor panel, and to be eligible to receive order requests. Vendor must notify LRES, upon discovery, of any lapse in Errors and Omissions (E&O) or other required insurance coverage. Vendors without acceptable levels of E&O coverage may be deactivated from the LRES panel. The insurance coverage and limits required of Vendor shall be primary to any insurance coverage maintained by LRES.

As an independent contractor, Vendor understands it is his/her responsibility to provide worker's compensation insurance for Vendor's employees or agents and agrees to hold harmless and indemnify LRES for all claims arising out of any injury, disability, or death of any of Vendor's employees or agents.

E. Skills and Information

Vendor confirms that they have the education, expertise, capability, competence, means, and experience required to perform accepted assignments competently and credibly for LRES, including access to requisite data sources. Data source or technical supplies vary by Vendor type, but may include access to MLS, third-party tools, or specific desktop software.

Vendor is responsible for determining the method, details and means of performing the services.

Acceptance of an LOE confirms that Vendor is familiar with current market factors in the geographic area of the property being inspected; Vendor has the knowledge, experience and access to data sources or information required to complete the assignment in a competent manner; Vendor is able to perform the assignment with impartiality, objectivity, and independence; and Vendor will make all necessary and required disclosures as required by applicable law. If Vendor determines at any time after order acceptance that they are not able to competently complete the assignment, Vendor will immediately notify LRES and decline the order.

F. Compliance with Applicable Laws

Vendor shall perform all services pursuant to this *Vendor Engagement Agreement* in compliance with the professional standards, laws, and regulatory guidelines applicable to the specific service, now or hereafter in effect, of authorities having jurisdiction, including, but not limited to:

- a) the Uniform Standards of Professional Appraisal Practice (USPAP), Broker Price Opinion Standards and Guidelines (BPOSG), Interagency Appraisal and Evaluation Guidelines (IAG), and Appraiser Independence Requirements (AIR);
- b) all relevant requirements and laws pertaining to anti-discrimination and the lending and servicing of mortgage loans, such as the Fair Housing Act (FHA), Equal Credit Opportunity Act (ECOA), and Real Estate Settlement Procedures Act (RESPA);

- c) all other data and information security, consumer protection, or other laws, codes, regulations, guidelines, rules, and standards applicable to Vendor; and
- d) all lender, GSE, client or LRES specific guidelines.

G. Compliance with the Vendor Code of Conduct

Vendor shall comply with all guidelines established in the LRES *Vendor Code of Conduct*.

Vendor acknowledges that if at any point pre- or post-order completion a complaint or a potential complaint regarding an order completed for LRES or its Clients becomes known to the Vendor, regardless of the entity that is the subject of the complaint, Vendor will promptly submit all relevant information to LRES at compliance@lrescorp.com.

H. Confidentiality

Vendor acknowledges that during the performance of services under this Agreement, exposure to Personally Identifiable Information, Non-Public Personal Information, and proprietary business information about LRES and its associates, clients and consumers may occur. All such information is collectively referred to in this Agreement as “Confidential Information.”

Confidential Information does not include any information that is or becomes generally available to the public, other than as a result of disclosure by Vendor. It also does not include information that was known by Vendor prior to the time of disclosure of the information, and that knowledge is evidenced in writing; was or becomes available from a source other than the owner if the source was not legally bound to the owner to maintain the confidentiality of the information; or the Vendor independently develops the information without use of or reference to the Confidential Information.

Vendor agrees to hold Confidential Information in strict confidence and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to any third parties, or use Confidential Information for any purpose other than to supply the services outlined in this Agreement, unless such other use is expressly permitted by a written agreement executed by the client, or required by law or legal process.

Vendor agrees to take all reasonable measures (including without limitation such measures taken to safeguard Vendor’s own Confidential Information) to ensure the security and confidentiality of all Confidential Information, to protect against anticipated threats or hazards to the security or integrity of such Confidential Information, and to protect against unauthorized access to or use of such Confidential Information. Vendor will comply with all applicable laws, regulations, guidelines, and rules concerning the confidentiality of consumer information, including the Gramm-Leach-Bliley Act (“GLBA”) and the EU’s General Data Protection Regulation (GDPR).

Vendor shall promptly notify LRES, in writing, of each instance of unauthorized access to or use of Confidential Information that could result in harm or inconvenience to LRES and its associates, clients, other vendors, or consumers. Vendor will similarly notify LRES, in writing, of any unauthorized disclosure, misuse, alteration, destruction or other compromise of that Confidential Information. Such notification will be made to compliance@lrescorp.com.

Vendor recognizes that a breach of this Confidentiality clause may cause irreparable harm to LRES, and that actual damages may be difficult to ascertain. Vendor agrees that in the event of such breach, LRES shall be entitled to injunctive relief in addition to such other legal or equitable remedies as may be available.

I. Compensation and Payment

LRES shall pay Vendor in accordance with the contracted services listed in the LOE, electronically accepted by the Vendor, and completed by the Vendor in accordance with the conditions and terms set forth in the LOE.

Vendor shall not submit individual invoices to LRES unless required to do so under applicable state law. LRES will automatically process payment to Vendor within 15 days of completion of the services. Completion refers to delivery of the final product to LRES' client. LRES reserves the right to withhold payment for non-performance of services.

Vendor shall not accept any form of payment from the property owner, borrower, selling Realtor, or listing Realtor. Questions regarding fees or payment from any of the above parties should be referred to LRES.

Taxes

Vendor is solely responsible for payment of all applicable federal, state, and local taxes on all compensation received. LRES is not responsible for withholding income taxes, paying sales or use taxes that may be assessed in connection with the services, or maintaining accounting records for Vendors. Vendor must maintain independent accounting records. Vendor agrees to indemnify LRES for any claims, costs, losses, fees, penalties, interest, or damages suffered by LRES resulting from Vendor's failure to comply with this Taxes provision.

J. Indemnification

Vendor shall indemnify, hold harmless, and defend LRES, its assigns, clients, and each of their respective directors, officers, employees, agents, and representatives ("Indemnitees") against all losses, liabilities, penalties, damages, expenses, costs and fees (including attorneys' fees) that are threatened, incurred or imposed upon an Indemnatee as a result of, or that arise from, any negligent act, error or omission or any intentionally wrongful conduct by Vendor.

Such omissions may include, without limitation, security breaches, loss or material alteration of customer information, violations of GLBA or its regulations and guidelines, or applicable state laws, caused by the Vendor or its stockholders, affiliates, and respective officers, directors, employees, agents, successors and permitted assigns. **Vendor shall not be liable for the errors or omissions or other wrongful conduct of LRES or its clients.** This section (J) shall not apply in the State of Vermont.

K. Assignment

Vendor may not assign its rights or obligations under this Agreement (including exhibits, addendums, work orders, or any other request for services), in whole or in part, without the prior written consent of LRES, which consent shall not be withheld unreasonably. Any attempted assignment, delegation, or transfer in any manner of any rights or obligations that is contrary to the terms of this section shall be null and void.

L. Separability

In the event that any court of law or other governing authority deems any provision of this contract to be invalid, said provision shall be deemed separated from the remainder of the contract, and the remainder of the contract shall remain effective and in force.

M. Termination

Vendor should immediately notify LRES if performance of contracted services becomes impossible, impractical, or undesirable due to changes in applicable federal, state, or local laws, regulations, rules, or professional or LRES customer requirements, as outlined by LRES, or communicated via LOE.

LRES and Vendor each have the right to terminate this Agreement at any time, without notice. However, Vendor must complete any work in progress, and any work performed by Vendor is bound by the terms of this Agreement. In the event of termination by either party, LRES will be liable to Vendor for undisputed fees for services rendered up to the effective date of termination. Despite termination of this Agreement, Vendor's obligations under sections B, H, I, J, K, L, M and N shall survive and remain in full force and effect.

N. Dispute Resolution and Arbitration Provision

Without impairing either Vendor's or LRES' rights to terminate this Agreement as provided herein, Vendor and LRES mutually commit to making a good faith effort to first seek to resolve any disputes between them through clear and open communication and through informal discussion prior to pursuing other action. If resolution is unattainable through such informal means, Vendor and LRES agree that any dispute between them will be resolved on an individual basis (not in any class action) in arbitration pursuant to the Arbitration Provision below, unless an express exception is stated.

ARBITRATION PROVISION

IMPORTANT: PLEASE REVIEW THE ARBITRATION PROVISION CAREFULLY, AS IT WILL REQUIRE YOU TO RESOLVE DISPUTES WITH LRES ON AN INDIVIDUAL BASIS THROUGH FINAL AND BINDING ARBITRATION. BY ENTERING THIS AGREEMENT, YOU EXPRESSLY ACKNOWLEDGE THAT YOU HAVE READ AND UNDERSTAND ALL OF THE TERMS OF THIS ARBITRATION PROVISION.

Vendor and LRES agree that all disputes covered by this Arbitration Provision will be decided by an arbitrator through arbitration on an individual basis (not class or collective basis) and not by way of court or jury trial.

1. Covered Claims

Except as it otherwise provides, the Arbitration Provision is intended to apply mutually to the resolution of all disputes that otherwise would be resolved in a court of law or before a forum other than arbitration. Except as it otherwise applies, the Arbitration Provision applies to any and all disputes, past, present, or future, that may arise between Vendor and LRES and survives after the Agreement or relationship terminates. Unless the claim is expressly excluded below, the Arbitration Provision applies, without limitation, to claims based upon or related to defamation, breach of a contract, fraud, negligence, personal injury, emotional distress, breach of fiduciary duty, trade secrets, unfair competition, discrimination, harassment, retaliation, tort claims, equitable claims, and all statutory and common law claims. The Arbitration Provision specifically also covers, without limitation, claims under Title VII of the Civil Rights Act of 1964, 42 U.S.C. §1981, the Americans with Disabilities Act, the Fair Labor Standards Act, the Fair Credit Reporting Act, the Genetic Information Non-Discrimination Act, and state or local statutes, if any, addressing the same or similar subjects. Covered disputes also include any dispute relating to the interpretation, applicability, enforceability, or formation of this Agreement, including this Arbitration Provision.

Regardless of anything else in this Arbitration Provision and/or the American Arbitration Association (“AAA”) rules or procedures, however, any dispute relating to the interpretation, applicability, enforceability or formation of the Class Action Waiver in subsection (5) below may only be determined by a court and not an arbitrator.

2. Excluded Claims

This Arbitration Provision does not apply to: (a) any claim for injunctive relief (including without limitation claims for injunctive relief concerning protection of confidential information); and (b) any claim that an applicable federal statute or applicable, enforceable federal executive order expressly states cannot be arbitrated. Either Vendor or LRES may apply to a court of competent jurisdiction for temporary or preliminary injunctive relief in connection with an arbitrable controversy; however, and except as stated in this subsection (2), all determinations of final relief shall be decided in arbitration.

Nothing in this Arbitration Provision prevents the making of a report to or filing a claim or charge with a government agency or prevents the investigation by a government agency of any report, claim or charge otherwise covered by this Arbitration Provision. Nothing in this Arbitration Provision prevents or excuses a party from satisfying any conditions precedent and/or exhausting administrative remedies under applicable law before bringing a claim in arbitration.

3. Arbitration Procedures

The arbitration will be held under the auspices of the American Arbitration Association (“AAA”), and except as provided in this Arbitration Provision, shall be under the then current Commercial Arbitration Rules of the AAA (“AAA Rules”) (the AAA Rules are available through the AAA’s website at www.adr.org.) Unless the parties jointly agree otherwise, the Arbitrator shall be an attorney experienced in commercial business relationships and licensed to practice law in the state in which the arbitration is convened, or a retired judge from any jurisdiction in the state.

Unless the parties jointly agree otherwise, the arbitration shall take place in Orange County, California.

The Arbitrator shall be selected as follows: The AAA will give each party a list of eleven (11) arbitrators drawn from its panel of arbitrators from which the parties shall strike alternately, with the party to strike first to be determined by a coin toss, until only one name remains. That person shall be designated as the Arbitrator. If for any reason, the individual selected cannot serve, AAA shall issue another list of eleven (11) arbitrators and repeat the alternate striking selection process. If for any reason the AAA will not administer the arbitration, either party may apply to a court of competent jurisdiction with authority over the location where the arbitration will be conducted to appoint a neutral Arbitrator.

The Arbitrator may award any remedy to which a party is entitled under applicable law, but remedies will be limited to those that would be available to a party in their individual capacity for the claims presented to the Arbitrator, and no remedies that otherwise would be available to an individual under applicable law will be forfeited. The Arbitrator shall apply the statute of limitation that the law prescribes for the claim(s). The Arbitrator shall have the authority to consider a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure. The award issued by the Arbitrator shall be in writing and include the factual and legal basis for the award. The award may be entered in any court of competent jurisdiction.

4. Notice of Claim

A demand for arbitration must be in writing and delivered by hand or first-class mail to the other party within the applicable statute of limitations period. The Arbitrator shall resolve all disputes regarding the timeliness or propriety of the demand for arbitration.

5. Class Action Waiver

Vendor and LRES agree to bring any dispute in arbitration on an individual basis only. There will be no right or authority for any dispute to be brought, heard, or arbitrated as a class action and/or as a collective action ("Class Action Waiver"). Nor will the Arbitrator have any authority to hear or arbitrate any such dispute. The Class Action Waiver is not severable from this Arbitration Provision in any action brought and/or maintained as a class and/or collective action.

6. Severability

Except as stated in the Class Action Waiver above, in the event any of the terms or provisions of this Arbitration Provision are determined to be unenforceable by any court of competent jurisdiction, the parties shall amend or modify such terms or provisions to the extent necessary to eliminate such invalidity or unenforceability, and all other terms and provisions shall remain in full force and effect as originally written.

7. Arbitration Fees and Costs

Each party will pay its filing fees as required by the AAA Rules and pay for its own costs and attorneys' fees, if any, but if any party prevails on a claim which affords the prevailing party attorneys' fees under an applicable provision of law, the Arbitrator may award fees to the prevailing party as provided by such law. In the event the law (including the common law) of the jurisdiction in

which the arbitration is held requires a different allocation of arbitral fees and costs in order for this Arbitration Provision to be enforceable, then such law will be followed.

O. Entire Agreement

This Agreement is the final and exclusive statement of all agreements and understandings between the Parties with respect to the subject matter described herein. This Agreement may be amended only by written instrument acknowledged to the Agreement by both Parties.

All information provided by Vendor to LRES and its clients, in providing services and applying for approval as a member of the LRES approved vendor panel is true and correct, as of the submission date and the effective date of this Agreement.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

P. Acknowledgement and Signature

By my signature below, I, as Vendor, acknowledge that I have received, read, understand and will abide by the terms and conditions set forth in this document. I also make the Attestations below. My facsimile or electronic signature shall have the same effect as an original signature.

Vendor Name

Company Name

Vendor Signature

Date

Attestations

- | | | | |
|---------------------------|--------------------------|-----|--|
| <input type="radio"/> Yes | <input type="radio"/> No | 1. | Have you been named as a party in a lawsuit, initiated by a client, lender, servicer, or investor, and in a matter related to the services you intend to supply to LRES Corporation? |
| <input type="radio"/> Yes | <input type="radio"/> No | 2. | Have you ever been disciplined by a state board, licensing authority, real estate agency, or other regulatory body? |
| <input type="radio"/> Yes | <input type="radio"/> No | 2a. | If the answer to #2 is "Yes", does such discipline remain unresolved, or was it resolved in an unsatisfactory manner? |
| <input type="radio"/> Yes | <input type="radio"/> No | 2b. | If #2 is "Yes", did the disciplinary activity take place within the last three years? |
| | | 2c. | If #2b is "No", enter the month/year of all instances of prior disciplinary history, even if resolved: |
| <input type="radio"/> Yes | <input type="radio"/> No | 3. | Have you ever had your license revoked or suspended? |
| <input type="radio"/> Yes | <input type="radio"/> No | 4. | Have you ever voluntarily surrendered your license to avoid discipline or revocation? |
| <input type="radio"/> Yes | <input type="radio"/> No | 5. | I understand that providing false or misleading information on this application or as part of my registration request for LRES panel inclusion is grounds for disqualification. |
| <input type="radio"/> Yes | <input type="radio"/> No | 6. | I agree to observe the General Performance Expectations contained herein |
| <input type="radio"/> Yes | <input type="radio"/> No | 7. | I have read and understand the Vendor Scoring and Eligibility conditions contained herein |
| <input type="radio"/> Yes | <input type="radio"/> No | 8. | I understand that I am an independent contractor, am not engaged in an exclusive relationship with LRES, nor am operating under the control of LRES |
| <input type="radio"/> Yes | <input type="radio"/> No | 9. | I have read and will act in accordance with the Vendor Code of Conduct contained herein |