

**MEMBER CLOSER PROGRAM AGREEMENT
CHICAGO AREA**

Effective June 1, 2021

MEMBER CLOSER PROCEDURES

To maintain Member Closer Status, the following procedures must be followed:

1. General Responsibilities of the Member Closer

Upon accepting an assignment to perform Agency Closing Services, the Member Closer shall be responsible for taking all actions that are necessary and appropriate to complete the performance of those services, including, but not limited to:

- arranging to receive the closing package (see paragraph 3);
- attending the closing;
- satisfying the lender's instructions;
- completing the closing package;
- delivering the lender's documents to the lender in the time period required by the lender;
- delivering documents to Attorneys' Title Guaranty Fund, Inc. (ATG®) as set out in paragraph 14;
- adherence to applicable laws and regulations; and
- notification of any consumer complaints to ATG and applicable lender within 24 hours of receipt of complaint.

2. Scheduling

All closings must be scheduled with ATG's Closing Services Department prior to closing. Please indicate at the time of scheduling whether the closing will be handled by the Member Closer or an Independent Closer. All closings scheduled will be entered into ATG REsource or ResWare.

ATG must have knowledge of the closing in case we receive lender figures or calls from lenders or parties to the transaction regarding the closing and/or post-closing matters. Scheduling may be handled via phone, fax, online, or by written notice to the Closing Services Department.

3. Confirming

The party (Member Closer Firm or ATG) preparing the HUD-1, Closing Disclosure (CD), or ALTA Settlement Statement is responsible for confirming the closing and making arrangements with the lender for package delivery. If necessary, ATG will print packages emailed to it by the lender and send the package to the Member Closer for a service fee. See Schedule of Fees attached and amended from time to time.

4. HUD-1 or CD Preparation

ATG will provide the Member Closer with the option of having ATG prepare the HUD-1, CD, or ALTA Settlement Statement for a service fee. See Schedule of Fees attached and amended from time to time.

5. Disbursement

The Member Closer Firm has the option of having ATG issue their checks for a service fee. If ATG issues the checks, incoming funds must be turned into ATG within 24 hours of disbursement. Member Closer Firms that issue their own checks to deposit funds and make disbursements for closings in which the ATG member is receiving and disbursing funds must allow ATG access to the Agency Escrow Disbursement Account that is used. Three-way reconciliations must be performed monthly. If the three-way reconciliation is not performed monthly, ATG may require that ATG issue the checks for a service fee. See Schedule of Fees attached and as amended from time to time.

The Member Closer Firm is not required to obtain check approval from ATG prior to disbursement; however, the Member Closer Firm agrees to cooperate with ATG to correct any errors in the disbursement. ATG reserves the right to require the Member Closer Firm to obtain check approval prior to disbursement.

Member Closer Firms with ATG check printers are required to use check stock, toner, and other supplies that are ordered by ATG. While at the time this agreement is executed, ATG is not charging ATG members for these supplies, both parties recognize that if circumstances change, ATG may, with notice, implement a charge.

6. Transferability of Approved Closer Status

Only a closer that has been approved by ATG to perform an ATG member's closings may actually perform the ATG member's closing and sign the appropriate Agency Escrow forms and HUD-1 or ALTA Settlement Statement. If a Member Closer Firm severs its relationship with an Approved Closer, the firm will notify the Manager of ATG's Closing Administration within 24 hours. Once a qualified replacement has been identified, the member can apply for a new Member Closer. The Member Closer Firm

will conduct credit and background checks, and ATG will review them and audit the member's files and escrow account(s). ATG retains specific authority to accept or reject applicants. If a qualified replacement successfully completes ATG's training program and is approved by ATG, his/her name will be added to the Approved Closer List. Until a new Member Closer is approved, the member must use an ATG Independent Closer. The member will receive no portion of the closing fee.

If the Member Closer Firm is not the title agent, the Member Closer Firm may not close the transaction. An approved ATG Independent Closer will close the transaction and ATG will keep the entire closing fee.

The Member Closer firm cannot subcontract any of the work performed by The Member Closer Firm without providing notice to ATG. ATG reserves the right to monitor the work performed by any subcontractors.

7. Maintaining Background Checks on Current Member Closers

Member Closer Firms must conduct background checks on current member closers every five (5) years and may be asked to provide evidence to ATG's Training and Procedures Department that the background check was completed.

8. Use of Member Closer by ATG and Use of an Approved Independent Closer by Member Closer Firm

On occasion, ATG may request the use of the Member Closer to conduct ATG closings. If the closing takes place in the member's office, a fee of \$225.00 will be paid to the Member Closer Firm for the closing and a fee of \$100.00 will be paid to the Member Closer Firm for a room rental fee. If the closing takes place somewhere other than the Member's office, a fee of \$225 will be paid to the Member Closer Firm for the closing.

In the event the Member Closer is unavailable to perform a closing for the Member Closer Firm or the member closer firm is handling a closing that will be happening in two different locations, the Member Closer Firm can request an approved ATG Independent Closer.

If an approved ATG Independent Closer closes the transaction, ATG will keep the entire closing fee.

9. Member Closer Administrative Fee

Member Closer Firms must remit an Administrative Fee for closings conducted by their member closer. See Schedule of Fees attached and as amended from time to time.

10. Room Rental Fee

Member Closer Firms will be assessed a Room Rental Fee for closings conducted by their member closer in an ATG office. When an ATG office is rented for a closing, part of that room rental fee includes the use of ATG's shredding services for documents related to that closing. See Schedule of Fees attached and as amended from time to time.

11. Payment of Member Closers

It is the responsibility of the Member Closer Firm to pay its Member Closer and issue the appropriate 1099 tax reporting form to them. If ATG is cutting the checks, the closing fee will be made payable to the Member Closer Firm, less any fees due ATG.

12. Closing Files

The Member Closer Firm must comply with all ATG closing procedures, including maintaining an in-house file to aid in post-closing problems. ATG no longer provides the service of scanning FAC closing files. For closings that do not occur in an ATG office, the agent is responsible for the shredding of sensitive documents. See attached Addendum A for a more detailed explanation on what documents should be retained by the Member Closer Firm.

13. Delivery of Documents

Documents to be recorded must be sent to the County Recorder or to the entity recording the document within 24 hours of disbursement of the transaction.

If ATG processes the recordings for the Member Closer Firm, the Title Services Closing Packages must be returned to ATG within 24 hours of disbursement.

14. Post-Closing

Member Closer Firms are responsible for the resolution of all post-closing problems and closing claims on the transactions they close. Member Closer Firms are financially responsible for any losses suffered for closings they conduct.

Member Closer Firms will comply with lender requests for documentation and information related to the closing in a prompt and timely manner.

15. 1099 Reporting

When a HUD-1 or CD is used, the member is responsible for complying with 1099 reporting requirements.

16. Use of ATG Closing Forms

The Member Closer must use ATG's Transmittal Cover Letter, First Lien Letter, Agency Escrow Disbursement Agreement, and Closing Protection Letters.

17. Closer Meetings/Trainings

The member shall require their closer to attend all scheduled closer meetings and training sessions. These meetings are ATG's principal means of keeping closers current on lender requirements, software updates, and procedural changes.

18. Illinois Anti-Predatory Lending Database (ILAPLD)

The Member Closer is responsible for complying with the requirements of the Illinois Anti Predatory Lending Database (ILAPLD). The Member Closer will cooperate with requests from ATG and the Illinois Department of Financial & Professional Regulation (IDFPR) for additional information. The Member Closer agrees to correct any certifications that are incorrect and will cooperate in rectifying any post disbursement issues that arise to the best of their ability. Failure to meet these requirements may result in the Member Closer not being able to conduct closings requiring certifications. Repeated failure to comply with the system guidelines may result in the Member Closer being suspended from accessing the database system.

19. Privacy Safeguards

Member Closer Firms will have in place the technological, physical and organizational security safeguards necessary to protect Confidential Information/Non-Public Personal Information (NPI) against anticipated threats or hazards, loss, theft, unauthorized access, disclosure, copying, use, modification, disposal, and destruction. All closing files or other non-public information must be kept secure. All emails that contain NPI shall be received to and sent from a secure email account. Yahoo, Hotmail, Gmail, and other email services available to the general public are not considered secure email accounts. Encryption or password protection must be utilized when transmitting NPI electronically. Alternatives to encryption, such as password protection (for example Adobe password protection) of files, as well as facsimile transmission, are acceptable forms of protecting information.

The Member Closer Firm will allow ATG, the Lender on the file or a Governmental Authority having jurisdiction over the Lender, to inspect the Member Closer Firm's books, records, procedures and facilities when related to the subcontracted work, including but not limited to, the firms internal practices, books and records relating to use, processing, disclosure, copying, modification, disposal and destruction of confidential information.

20. Special Pricing

When circumstances require the member to provide special pricing (e.g., builder transactions), ATG reserves the right to modify the premium and pricing structure.

21. Other

In the event a situation arises that is not addressed in these procedures, the member must obtain authorization from ATG staff prior to closing the transaction.

The above qualifications and procedures have been reviewed and are acceptable to the undersigned:

Date	
Member Name (Print)	Member Closer Name (Print)
Member Signature	Member Closer Signature

Addendum A

Non-public Personal Information (NPI) is defined as personally identifiable data, such as information provided by a customer on a form or application, information about a customer's transactions, or any other information about a customer, which is otherwise unavailable to the general public. NPI includes first name or first initial and last name coupled with any of the following: Social Security Number, driver's license number, state-issued ID number, credit card number, debit card number, or other financial account numbers.

Many lenders consider all lender and customer data confidential and do not allow settlement agents (ATG or Member Closer Firms) to retain documents from their closing package that contain NPI.

Any document that contains the social security number or government-issued identification cannot be retained as part of your closing file and must be securely destroyed (shredded and permanently deleted from email) after the lender has confirmed delivery of the executed loan package. The member closer and member closer firm are required to use the Record of Notarial Service (ATG form 3075) for verifying the borrower(s) identity.

The electronic loan package that was sent to ATG or your office must be deleted after policy issuance. You may keep a copy of the executed funding documents (excluding documents with NPI) along with the funding authorization as part of your file for up to six months after closing.