MORTGAGE PROCESSING SERVICES AGREEMENT

This Mortgage Processing Services Agreement ("Agreement") is entered into as of ______________________ ("Effective Date") by and between:

Pelagic Processing, Inc.
5415 Stately Oaks Street
Fort Pierce, Florida 34981
NMLS ID: 2853512
("Processor")

and

Broker: ____

Company: ____

NMLS ID: ____

Address: ____

("Broker")

Collectively referred to as the "Parties."

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1. Purpose

The purpose of this Agreement is for Processor to provide third-party residential mortgage loan processing services to Broker in connection with mortgage loan applications originated by Broker.

Processor shall perform processing services only at the direction of Broker and shall not engage in mortgage loan origination activities.

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2. Scope of Services

Processor may perform services including, but not limited to:

- Reviewing loan applications for completeness
- Collecting documentation requested by Broker

- Ordering or assisting with ordering third-party services as authorized by Broker
- Communicating with borrowers regarding outstanding documentation as directed by Broker
- Coordinating with title companies, insurance agents, appraisers, and settlement agents
- Submitting completed loan files to underwriting
- Managing underwriting conditions
- Preparing files for closing
- Providing status updates to Broker
- Other administrative processing services requested by Broker.

Processor shall not:

- Negotiate loan terms with consumers
- Quote interest rates
- Make underwriting decisions
- Approve or deny loans
- Bind Broker to any agreement.

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3. Broker Responsibilities

Broker agrees to:

- Maintain all licenses and registrations required by applicable law.
- Obtain all borrower authorizations and disclosures required by federal and state law.
- Supervise all mortgage origination activities.
- Remain responsible for compliance with all applicable mortgage lending laws.
- Promptly provide Processor with necessary information and documentation.
- Review all work completed by Processor prior to loan submission.

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4. Processor Responsibilities

Processor agrees to:

- Perform services in a professional and timely manner.
- Maintain all registrations required by applicable law.
- Perform only those services permitted by law.
- Maintain adequate procedures to safeguard consumer information.
- Cooperate with Broker during audits or regulatory examinations related to processing services.

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5. Confidentiality

Processor acknowledges that, during the course of performing services under this Agreement, it will receive confidential consumer information and non-public personal information ("NPI").

Processor agrees to:

- Maintain the confidentiality of all consumer information.
- Use such information solely for the purpose of performing services under this Agreement.
- Restrict access to authorized personnel with a legitimate business need.
- Not disclose consumer information except as required by law or authorized by Broker.

These obligations shall survive termination of this Agreement.

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6. Gramm-Leach-Bliley Act Compliance

The Parties acknowledge that they are subject to the privacy requirements of the **Gramm-Leach-Bliley Act (GLBA), 15 U.S.C. §6801 et seq.** , and all applicable implementing regulations, including the **Federal Trade Commission Safeguards Rule (16 C.F.R. Part 314**), as applicable.

Processor agrees to:

- Maintain administrative, technical, and physical safeguards designed to protect the security, confidentiality, and integrity of consumer information.
- Protect against anticipated threats or hazards to the security or integrity of consumer information.
- Protect against unauthorized access to or use of consumer information that could result in substantial harm or inconvenience to any consumer.
- Use consumer information solely for the purpose of performing services under this Agreement and only as authorized by Broker.
- Limit access to consumer information to employees or authorized contractors with a legitimate business need to know, who are subject to confidentiality obligations at least as restrictive as those contained in this Agreement.
- Comply with all applicable federal and state privacy and information security laws, including applicable provisions of the GLBA Safeguards Rule.
- Maintain and periodically review its written information security policies and procedures to ensure they remain appropriate based on the nature of the information maintained and evolving cybersecurity risks.

Upon reasonable request, Processor shall provide Broker with reasonable evidence of its compliance with the Gramm-Leach-Bliley Act, the FTC Safeguards Rule, and other applicable privacy and information security requirements. Such evidence may include written policies, certifications, or other documentation reasonably requested by Broker, provided that Processor shall not be required to disclose proprietary information or information that could compromise the security of its systems.

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7. Information Security

Processor shall maintain reasonable information security measures, including:

- Password-protected computer systems
- Multi-factor authentication where available
- Encrypted storage or transmission of consumer information when appropriate
- Secure document destruction procedures
- Antivirus and malware protection

- Regular software updates
- Physical safeguards to protect paper loan files

Processor shall notify Broker promptly upon discovering any actual or suspected unauthorized access, disclosure, or security incident involving consumer information.

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8. Data Security Incident and Breach Notification

Processor shall maintain written policies and procedures for responding to actual or suspected security incidents involving Non-Public Personal Information ("NPI").

Processor agrees to notify Broker in writing as soon as practicable, but no later than forty-eight (48) hours after becoming aware of any actual or suspected:

- unauthorized access to consumer information;
- unauthorized disclosure of consumer information;
- loss, theft, or compromise of consumer information;
- cybersecurity event that may affect information received from Broker.

Processor shall cooperate fully with Broker in investigating the incident, mitigating any potential harm, complying with applicable notification requirements, and implementing corrective measures to prevent future occurrences.

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9. Right to Audit

Upon reasonable prior notice and during normal business hours, Broker may request documentation reasonably necessary to verify Processor's compliance with this Agreement, including its obligations relating to confidentiality, information security, and applicable federal and state laws.

Processor agrees to cooperate with any reasonable compliance review or regulatory examination relating to services performed under this Agreement. Any audit shall be conducted in a manner that minimizes disruption to Processor's business operations and protects the confidentiality of other clients' information.

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10. Business Continuity and Disaster Recovery

Processor shall maintain commercially reasonable business continuity and disaster recovery procedures designed to ensure the continued availability of processing services and the protection of consumer information in the event of natural disasters, system failures, cyber incidents, or other business interruptions.

Processor shall maintain secure backup procedures for electronic records and shall take reasonable measures to restore operations in a timely manner following any significant disruption.

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11. FTC Safeguards Rule Compliance

Processor acknowledges that it is considered a service provider under the Federal Trade Commission's Safeguards Rule, 16 C.F.R. Part 314, as applicable.

Processor agrees to maintain and implement a comprehensive written information security program appropriate to the size and complexity of its business and the nature of the consumer information received from Broker. Such program shall include administrative, technical, and physical safeguards reasonably designed to:

- ensure the security and confidentiality of customer information;
- protect against anticipated threats or hazards to the security or integrity of customer information;
- protect against unauthorized access to or use of customer information;
- periodically assess and update information security controls to address evolving risks; and
- require employees with access to consumer information to receive appropriate information security and confidentiality training.

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12. Records

Processor shall maintain records relating to services performed under this Agreement for the period required by applicable federal and state law and shall make such records available to Broker upon reasonable request.

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13. Compensation

Broker agrees to compensate Processor according to separate invoices or fee schedules agreed upon by the Parties.

Unless otherwise agreed in writing:

- Fees are payable within ____ days of invoice.
- Late payments may accrue interest at the maximum rate permitted by law.

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14. Independent Contractor

Processor is an independent contractor.

Nothing contained in this Agreement shall create:

- an employer-employee relationship;
- a partnership;
- a joint venture; or
- an agency relationship beyond the limited authority necessary to perform processing services.

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15. Compliance with Laws

Each Party shall comply with all applicable federal, state, and local laws, including but not limited to:

- Gramm-Leach-Bliley Act
- SAFE Act
- RESPA
- Truth in Lending Act
- Equal Credit Opportunity Act
- Fair Credit Reporting Act
- Applicable North Carolina mortgage laws and regulations

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16. Indemnification

Each Party agrees to indemnify and hold harmless the other from claims, damages, or losses arising from its own negligence, misconduct, or violation of applicable law.

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17. Limitation of Liability

Neither Party shall be liable for indirect, consequential, incidental, or punitive damages arising out of this Agreement, except where prohibited by law or resulting from gross negligence, willful misconduct, or unauthorized disclosure of confidential consumer information.

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18. Term and Termination

This Agreement shall begin on the Effective Date and continue until terminated.

Either Party may terminate this Agreement by providing thirty (30) days written notice.

Either Party may terminate immediately for:

- material breach of this Agreement;
- violation of applicable law;
- unauthorized disclosure of confidential information.

Termination shall not affect obligations relating to confidentiality or payment for services already performed.

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19. Governing Law

This Agreement shall be governed by the laws of the State of North Carolina without regard to conflict of law principles.

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20. Entire Agreement

This Agreement constitutes the entire agreement between the Parties regarding the subject matter herein and supersedes all prior discussions or agreements.

Any amendment must be in writing and signed by both Parties.

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21. Signatures

PELAGIC PROCESSING, INC.

By: ______________________________________

Name: Ashlee Register

Title: Owner

Date: _________________________

BROKER

Company: _________________________________

By: ______________________________________

Name: ___________________________________

Title: ____________________________________

Date: _________________________