



## Quality Control Policies and Procedures

All Senior Freedom Inc. (SFI) employees are required to follow the SFI quality control procedures listed below in the origination and processing of loans using the following guidelines:

### Loan Originators

Must do the following:

1. Complete a loan application checklist for each loan application taken.
2. Insure that all application docs and disclosures are signed and dated by the borrower, including all required information is present, including HMDA information.
3. Insure that all necessary supporting documentation is provided (copies of DL, ID, SS Card, Medicare card, Insurance Dec page, death cert, trust, etc.) prior to submission to processing, or notify processor what is missing and what steps LO is taking to secure those missing documents. Must inspect all customer supplied documentation for validity to detect possible fraud or identity theft.
4. Make an electronic copy of each completed loan application for LO records, or make arrangements with a processor to provide an electronic copy of the loan file. LO's must maintain an electronic copy of each loan application. Electronic file copies must be stored on a password protected computer. No electronic copies are to be transmitted in the clear (email or fax) but are to be uploaded through lender supplied origination software in the notes section. Paper applications and documents may be kept until loan is closed or adversed, then must be shredded.
5. Notify a loan processor or manager immediately if a loan is withdrawn after application has been taken.
6. Complete a pipeline report from management monthly when requested detailing pending loan apps, apps in process, apps withdrawn, denied, or otherwise pending.
7. Provide copies of all advertising, marketing material, or circulated information to management for approval to insure compliance. Submit any changes of marketing materials to management for approval prior to distribution. Due to the continually changing of products and HUD rules, no marketing material may be distributed that does not have an effective date that is no later than the date of distribution. *It is strongly recommended that LO's use lender supplied marketing materials that have been created for our use and pre-approved by the lender.*
8. Follow any Lender / Investor specific guidelines issued concerning loan apps using that lender's proprietary documents.
9. Follow the guidelines and policies dictated by the SFI Red Flags Training and Policy and the Anti-Money Laundering training and policies and alert senior management in the event that possible fraud or illegal activity is suspected.

## **Quality Control Policies and Procedures, continued**

### **Loan Processors**

Must do the following:

1. Follow the processing checklist on each loan application received for processing.
2. Insure a loan registration has been submitted to SFI for each loan entering processing.
3. Scan each loan application received and place in submission order and scan each supporting document as it is received. Upload the scanned application into the documents page of Reversevision as soon as the initial app is scanned so that management can view the loan app and the lender is notified that they have a live loan application.
4. Paper loan applications and supporting docs may be maintained in one folder with no documents for a particular loan stored elsewhere. Lock up all paper documents daily.
5. Maintain each electronic loan application file in one folder on the computer with no documents for that loan stored elsewhere except for electronic backup purposes.
6. Backup all electronic loan files being processed on a daily basis and maintain an online automatic backup system that can be accessed by management at any time.
7. Provide access to the electronic copy of each submitted loan file to the appropriate SFI manager and the designated corporate officer.
8. Insure that time sensitive loan disposition requirements are met. Insure that denials are sent in a timely manner for withdrawn, transferred, or declined loans.
9. Review all closing documents from lenders prior to closing to insure accuracy.
10. Maintain in each loan file a copy of signed closing documents and the title company disbursement ledger for each closed and funded loan.
11. Paper loan files that are closed or adversed must be backed up electronically and then the paper loan file must be redacted or destroyed to prevent the potential loss of sensitive customer information.
12. Follow any Lender / Investor specific guidelines issued concerning their proprietary loan documents.
13. Credit reports are to never be maintained in print form. Processors should be able to save a pdf version of credit reports from the bureau website. If a credit report is printed for any reason, it must be immediately redacted to prevent the potential loss of customer sensitive information.
14. Processors must follow the guidelines and policies dictated by the SFI Red Flags Training and Policy and the Anti-Money Laundering training and policies and alert senior management in the event that possible fraud or illegal activity is suspected.

### **Managers and Corporate Principles**

Must do the following:

1. Maintain a loan registration and pipeline report system for all active, adversed, and closed loan applications.
2. Review each loan file submitted to an investor / lender to insure that it meets quality control and compliance standards.

3. Review and approve all marketing materials or changes to marketing materials created by originators prior to distribution. Insure that all distributed material, with the exception of business cards, has an effective date prior to distribution.
4. Maintain a copy of all marketing materials used by originators.
5. Maintain the electronic files of each loan submitted, closed, or denied, including an automatic online file backup system. Loan applications that are scanned and transmitted by Loan officers will be maintained in an electronic file. Any paper loan application documents must be redacted after an electronic copy is made and backed up.
6. Each month, compare loan applications created in online loan application software to loans registered in the active loan application pipeline and account for any loan applications that are not in the active pipeline.

The above listed procedures for the quality control policy may be amended from time to time and distributed to investors, originators, processors, and managers. All employees must read and attest to the policies and procedures and attest to any modifications to the policies and procedures that are distributed in the future.

Attestation follows:

**Senior Freedom Inc.  
Quality Control Policies and Procedures Acknowledgment**

I hereby certify that I have read and received a copy of the Senior Freedom Inc. Quality Control Policies and Procedures. I understand and agree to conduct myself according to the policies and procedures contained therein. I understand that the policies and procedures may be modified from time to time and that I must conduct myself according to those updated policies and procedures when transmitted to me.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Position

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