# Service Bureau User Agreement for
# Single Family Housing Guarantee Annual Fees (GAF)

This agreement is made on the date set forth in the box below by and between the U.S. Department of Agriculture (USDA), Rural Development, and the Service Bureau (as defined in the Glossary of Terms set forth in Exhibit A below) named in the box below and hereinafter referred to as "User." Unless noted, the term "GAF System" will refer to the Guaranteed Annual Fees (GAF) System (as defined in the Glossary of Terms).

User represents and warrants to Rural Development that User has read all of the terms of the agreement, set forth below in Sections 1 through 10, understands such terms, and agrees to be bound by all of such terms, and has executed this Agreement in the box below in witness of such representation, warranty and agreement. **User further acknowledges that Rural Development has no obligation to perform hereunder until Rural Development provides notice of approval to User in writing pursuant to paragraph 1.1(d) herein.**

***[Approved Service Bureau, aka User, must complete all blank spaces below and must sign below for this Agreement to be effective.]***

# Service Bureau User Agreement for Single Family Housing Guarantee Annual Fees (GAF)

**Taxing Identification Number (TIN):** _____

**Complete legal name of Business [aka: User]** _____

**Street address of User** _____

(Street, City, State, Zip Code) _____

_____

**Name of person executing Agreement for User** _____

**Title of person executing Agreement for User** _____

**Date of Execution** _____

**GAF Service Bureau Security Administrator (GAF-SA) Information** (as defined in the Glossary of Terms below) – at least one GAF-SA must be entered)

**Name of SA #1** _____

**E-mail of SA #1** _____

**Phone Number SA #1** _____

**Fax Number of SA #1** _____

**eAuth ID of SA #1 *** _____

**Name of SA #2** _____

**E-mail of SA #2** _____

**Phone Number of SA #2** _____

**Fax Number of SA #2** _____

**eAuth ID of SA #2 *** _____

***Level 1 eAuth IDs and passwords are required and can be created online, and activated via email at http://www.eauth.egov.usda.gov/. Your SFHG Annual Fee activation cannot occur without a valid activated e-Auth ID for GAF Service Bureau Security Administrator(s).**

**Security Administrator(s) valid for:** ☐ **Only the location listed in the address above** ☐ **All locations of the organization**
(Check only one)

**"USER" [aka Service Bureau]**

**By:** _____
**Signature**

**Title:** _____

By executing this form, I confirm I am a duly authorized officer of the company

_____
**and represent and warrant the information in this form is complete and accurate.**

**"Rural Development"**

**By:** _____
**Signature**

**Title: Deputy Administrator, Single Family Housing**

**Mailing Address**

**For GAF Service Bureau User Agreement**
To Rural Development:

**Standard/Priority/Overnight**

USDA, Rural Development
Chief, Guaranteed Loan Branch
ATTN: **Anthony Porter**; Telephone: (314) 457-4197
4300 Goodfellow Blvd, Bldg 104. South End
2nd Floor, Post H37
St. Louis, MO 63120

**Introduction**
Public Law 111-212, Disaster Relief and Summer Jobs Act of 2010 (H.R. 4899) authorized the Rural Development (RD) Single Family Housing Guaranteed (SFHG) Loan Program to assess an annual fee on guaranteed loans. The annual fee is charged annually for the life of the guaranteed loan. To support collection of the annual fee, the Guaranteed Annual Fee System (GAF System) was developed. The web-based GAF System allows loan servicers to authorize pre-authorized debit (PAD) payments, review annual fee advance notice, billing, and payment reconciliation details for SFH guaranteed loans subject to an annual fee.

**Purpose**
The purpose of this document is to provide an agreement to an Approved Service Bureau for submission of payment of an annual fee on qualifying loans by:
(1) File Transfer Protocol (FTP) over Secured Socket Layer (SSL) FTP Secure (FTPS);
(2) Simple Object Access Protocol (SOAP) web service; or
(3) GAF Web Pages.

All access to the GAF System is secured to ensure confidentiality using SSL/Transport Layer Security (TLS) security.

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**1. Access to the System by the User**

**1.1 Use of System**

(a) Subject to the terms and conditions of this Agreement, Rural Development grants to User a non-exclusive right to use the System, including any updates and enhancements to the System, the output of the System, and the User Instructions and other documentation for the System that may be provided to User by Rural Development. The term “GAF System” and any other capitalized term not defined in the text of this Agreement will have the meaning set forth in the Glossary of Terms attached to this Agreement as Exhibit A. User will cause data to be entered into the GAF System only with respect to user contact information, payments of annual fees, termination of annual fees or reinstatements of annual fees as needed for the full collection of annual fees associated with the loan serviced by User. User’s use of the System is subject to the provisions of the User Instructions and such other instructions as may be communicated by Rural Development in writing, including, without limitation, restrictions on the types of payments which may be entered into the System. Except to the extent otherwise provided in this Agreement or consented to by Rural Development in writing, User will not permit any third parties to use the System, other than those who directly represent the User in an employment capacity, either directly or indirectly through User.

(b) User access to the System is dependent upon the e-Authentication system that will require the User Security Administrator and specific employees or agents of the User to specify a user identification number and password as part of the sign-on procedure. User agrees to immediately notify Rural Development (i) if User terminates the employment or agency of one of its authorized users, or (ii) in the event of any loss, theft, or unauthorized disclosure or use of any user identification number or password. Individual user identification numbers and passwords may not be transferred between employees and agents, and User shall ensure that such transfers do not occur.

(c) Where User data or other materials reside on the System, Rural Development will use reasonable care to avoid loss, alteration, or improper access to User data and other materials. User shall be responsible for implementing appropriate procedures to protect data and other materials and shall be responsible for security breaches caused by its employees, agents or contractors, including without limitation, any access, or entry into the System or any third party system not covered by this Agreement. User shall use reasonable care to prevent unauthorized third parties from gaining access to the System or password protected portions of Rural Development's Internet sites through User's systems.

(d) User's right to use the System and Rural Development's obligation to perform hereunder shall not accrue until the User has been notified, in writing, that it has been approved by Rural Development for use of the System.

**1.2 Responsibility for Interface**

User acknowledges that the Lender associated with USER is responsible for maintaining a financial account and designating said account as the default Pre-Authorized Debit (PAD) account for paying annual fees for specific loans. When the User submits a payment to Rural Development for annual fees due, the User recognizes a Pay.gov transaction (or other such transaction) will be executed against said default account.

**1.3 System Security**

All users from all sources are required to follow all rules and regulations that are established for use of a Federal computing system, specifically that personal use is limited and there is no expectation of privacy when using any aspect of the Federal computing system. User's right to use the System and Rural Development's obligation to perform must conform to the ISAs already in place.

In addition, any User wishing to submit files through the Web Service or by secure FTP are required to have an interconnection security agreement (ISA) signed by Rural Development and the User.

## 2. System Ownership

**2.1 Rural Development's Representation**

USDA, Rural Development represents that USDA Rural Development has the right to grant to User the rights granted by this Agreement.

**2.2 Ownership**

User acknowledges that it has no ownership or other interest in the System, except to the extent of the rights expressly granted herein. All applicable rights to copyrights, trade secrets, patents, trademarks and other rights in and to the System and any modifications or enhancements made to the System will belong to and remain with Rural Development.

## 3. Warranties; Limitation of Liability

**3.1 No Warranty**

Rural Development makes no representation or warranty with respect to the System (except to the extent expressly provided otherwise in Sections 2.1 and 5.1 of this Agreement). In addition, Rural Development makes no representation or warranty with respect to any of the data obtained, provided or transmitted by or through the System. EXCEPT TO THE EXTENT EXPRESSLY PROVIDED OTHERWISE IN THIS

AGREEMENT, THE SYSTEM AND ALL DATA ARE BEING PROVIDED TO USER "AS IS" AND ALL WARRANTIES ARE EXPRESSLY EXCLUDED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF ACCURACY AND THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**3.2 Third Party Services**

Certain products and services belonging to or provided by entities other than Rural Development (collectively referred to as "Third Party Products") may be provided periodically or made accessible to User through the System. Rural Development neither endorses nor has any responsibility whatsoever for such Third Party Products or the entities providing such Third Party Products. Furthermore, Rural Development has no obligation at any time to continue to provide or make accessible through the System any particular Third Party Products. Without limiting the foregoing, User hereby waives and releases Rural Development from any and all claims against Rural Development arising out of or related to such Third Party Products.

**3.3 No Liability**

Rural Development will have no liability under this Agreement or related in any respect to the System (including, without limitation, under any other agreement with User related to the System) for any damages, even if it has been advised of the possibility of such damages.

**4. Data**

(a) User agrees that the System may use the default PAD account set up by the Lender associated with User for payment submissions related to annual fees and/or late fees due. If the User submits a payment on behalf of the Lender, the User agrees that the System will use the default PAD account for said payment. User recognizes the Lender has agreed to maintain the default PAD account with accurate, current information which will allow a successful payment through the use of said account as process through Pay.gov (or other such method) for payment to Rural Development.

(b) User agrees to identify at least one contact person the System may use in the event a notification relating to the System processing is required. This contact person's data will be maintained by the User with current information at all times.

(c) Rural Development may use, reproduce and retain: (i) all data for auditing and other purposes that pertains to annual fee payments on loans that Rural Development may guarantee; (ii) all data generated utilizing the System that pertains to the functionality or performance of the System; (iii) all data necessary or useful in assisting Rural Development in the diagnosis or correction of any irregularity, error, problem, or defect in the System, the measurement of software or service usage, the protection or security of the System or password protected areas of Rural Development's Internet sites, the performance of system or network maintenance, or evaluation of its software or services, or any improvement, upgrades or enhancements thereto; (iv) all data necessary or useful in performing its obligations under this Agreement, providing reports to User or responding to User requests; and (v) all data that User is required to report or make available to Rural Development pursuant to applicable laws and regulations, and any other agreement(s) between User and Rural Development.

**5. Legal Compliance**

### 5.1 Rural Development's Representations and Warranties

(a) Rural Development represents and warrants that it will comply with all applicable laws and regulations in its operation of the System.

(b) The parties acknowledge that the System may require User to input certain information related to service bureau contact information to allow vital information to be transmitted to the service bureau. The limited use information is being collected by Rural Development for regulatory compliance and similar purposes.

### 5.2 User's Representations and Warranties

(a) User represents and warrants that it is licensed to conduct business in all jurisdictions where it is necessary for User to be licensed to comply with its obligations under the terms of this Agreement. User further represents and warrants that it will comply with all applicable laws and regulations in its use of the System and any output of the System.

(b) User also represents and warrants that all information that it has provided to Rural Development in the course of registering as a User, and upon which Rural Development has relied in agreeing to permit User to access and use the System, is true and correct.

(c) User represents and warrants that it will not rely exclusively on the System to determine amount of escrow associated with loan's annual fee.

## 6. Assignment

User may not assign any of its rights or obligations under this Agreement in any manner whatsoever without Rural Development's prior written consent.

## 7. Term; Termination

(a) This Agreement will commence when Rural Development notifies User in writing under paragraph 1.1(d). Each party reserves the right to terminate this Agreement at any time for any reason in its sole discretion upon two (2) days' notice to the other party. Notwithstanding the provisions of Section 10(b) below, at the terminating party's option, notice will be deemed sufficient if made by telephone and confirmed in writing within two (2) business days, in which case notice will be deemed to have been given at the time of the telephone call.

(b) In the event Rural Development terminates this Agreement without cause User will not be entitled to receive any damages.

## 8. Use of Service Bureau (User) - Access to System Output by Service Bureau

Rural Development hereby acknowledges that User is associated as a Service Bureau to a Lender or Lenders via a separate Lender User Agreement whereby the Lender permits an authorized Service Bureau, approved by Rural Development, to have access to System output on the Lender's behalf and submit annual fee payments for the Lender's loan. Any such access must be effectuated in accordance with the terms of the User Instructions.

If Lender uses a Service Bureau for electronic delivery and receipt of business documents, Lender's obligations under Lender's User Agreement and applicable Rural Development reference procedures remain fully in force.

The identification of any Service Bureau relationship must be clearly documented by identifying service bureau information in the body of the Lender's User Agreement presented on the Service Bureau Addendum defined in the Lender's User Agreement. This Service Bureau User Agreement must also be executed.

**9. Confidential Information**

(a) The parties agree that the following information, to the extent that it or any of it is disclosed to User by Rural Development, will be deemed confidential information for purposes of this Agreement, whether or not the information is specifically marked or otherwise designated as such: (i) any specifications or implementation plans for the System; (ii) all information concerning Rural Development's business strategies and plans; (iii) all information concerning the design of the System and any components thereof; (iv) all users' manuals and other System-related documentation; and (v) the terms of this Agreement.

(b) User agrees that it will not disclose any confidential information to any third party. Upon the termination of this Agreement, User will immediately return to Rural Development all copies of any confidential information previously delivered to User or otherwise in User's possession or control; provided that, at Rural Development's request, User will immediately destroy all such information and documentation and all copies received from Rural Development or otherwise in its possession or control and certify in writing that such actions have been taken. User will treat such information as confidential information, and may not disclose the same to any third party, except as may be required by applicable law, court order, subpoena, or by a regulatory agency. User will notify Rural Development at least 10 business days in advance of any disclosure of confidential information to a third party. Notwithstanding the foregoing, User will have the right to retain a copy of any System Categorization and similar output in User's file with respect to the loan to which such output relates.

(c) Rural Development will protect confidential information in accordance with Federal privacy laws.

**10. Miscellaneous**

(a) This Agreement is the complete and exclusive statement of the parties' agreement with respect to the terms of User's right to use the System, which supersedes and merges all prior proposals, understandings and all other agreements, oral or written, between the parties relating to such subject matter.

(b) Any notice required or permitted to be given by Rural Development under the terms of this Agreement, including, but not limited to, notice from Rural Development of User Instructions or of an amendment to the terms of the Agreement, may be given through the System or via electronic mail. All other notices required under this Agreement to be in writing must be printed on paper and will be deemed delivered (i) when delivered in person or by a reputable express mail carrier, or (ii) three (3) business days after deposited in the United States mail in each case addressed as set forth in the introduction of this Agreement. Notices to Rural Development must be sent to the attention of Chief, Guaranteed Loan Branch, ATTN: Anthony Porter, 4300 Goodfellow Blvd, Bldg 104,South End, 2nd Floor, Post H37, St. Louis, MO 63120. Each party may change its address for such notice purposes, and/or the person(s) to

whom such notices should be sent, by giving written notice of its new address and/or such person(s) to the other party in accordance with the provisions of this section.

(c) Rural Development may amend the terms of this Agreement at any time through notice to User setting forth the terms of such amendment. **User's use of the System at any time after the effective date of an amendment shall constitute User's consent to the terms of the amendment**.

(d) The failure of either party to exercise in any respect any right or remedy provided for herein will not be deemed a waiver of such right or remedy. No waiver at any time of any provision of this Agreement will be deemed a waiver of any other provision of this Agreement at that time or a waiver of that or any other provision of this Agreement at any other time.

(e) If any provision of this Agreement is held invalid, illegal or unenforceable, such provision will to that extent be deemed omitted from this Agreement, and the remaining provisions of the Agreement will continue to be valid and enforceable and will not be affected in any way.

(f) This Agreement is binding upon the parties hereto and their respective successors and (subject to the provisions of Section 6 above) assigns. Subject to the provisions of Section 3, the rights and remedies of the parties are cumulative and are in addition to, and not in lieu of, all rights and remedies available at law and in equity. All of the parties' rights, obligations, and agreements under this Agreement (other than User's right to use the System) which arise prior to the termination of this Agreement will survive such termination.

(g) The provisions of the exhibits are hereby incorporated by reference into this Agreement. Any conflict between the provisions of such exhibits and the remainder of the Agreement will be resolved in favor of the remainder of the Agreement.

(h) User agrees that it will not use in any marketing, promotional or advertising materials the name "Rural Development", "Rural Housing Service", "USDA", or any names similar thereto or derivative there from, or any logos associated therewith, unless it shall first have received the express written consent of USDA, Rural Development.

(i) Rural Development has entered into this Agreement pursuant to the signature authority of its Deputy Administrator for Single Family Housing. Rural Development represents and warrants that said officer has complete authority to enter into this Agreement on behalf of Rural Development, and that Rural Development shall be bound by all of the terms of this Agreement upon User's execution of this Agreement by this officer. User represents and warrants that its officer executing this Agreement has complete authority to enter into this Agreement on behalf of User, and that User shall be bound by all of the terms of this Agreement upon its execution of this Agreement.

(j) Neither party shall be responsible for delays or failure of performance resulting from acts beyond the reasonable control of such party. Such acts shall include, but not be limited to, acts of God, strikes, walkouts, riots, acts of war, terrorist attacks, epidemics, failure of vendors to perform, statutes and regulations, power failures, earthquakes, or other disasters.

## Exhibit A: Glossary of Terms

As used in the Agreement, the terms listed below will have the following meaning:

| Term | Definition |
|---|---|
| Applicant(s) or Borrower(s) | The borrower(s) associated with an active loan that is subject to an annual fee. |
| Approved Lender | A lender with an approved lender's agreement from Rural Development. |
| e-Authentication | A Government-wide security access system. |
| GAF | Guaranteed Annual Fee System |
| GAF-SA | GAF Service Bureau Security Administrator – the individual assigned by the User to delegate access to the Guaranteed Annual Fee System for user identification numbers and passwords for specific employees or agents of the User.<br>After selected employee accesses the GAF System, the specific employee will select the Lender on whose behalf they are submitting data based on the Service Bureau association that exists with the Lender. |
| GAF System | An annual fee administrative / collection system owned by Rural Development. The term "GAF System" also includes the output of the System and any updates, enhancements and documentation (such as the User Instructions) made available to User for the System, together with all copies of the foregoing, whether made by Rural Development User or a third party. |
| ISA | Interconnection Security Agreement - a security agreement that details each system's basic information and documents the connection between both interconnected systems and any agreement concerning the maintenance of each system's security has been signed by Rural Development and the User |
| Pay.gov | Pay.gov can be used to make secure electronic payments to Federal Government Agencies. Payments can be made directly from a bank account. |
| PAD | Pre-Authorized Debit default bank account defined by the Lender the Service Bureau is associated with used to submit an annual fee payment using Pay.gov (or other such method). |
| PAD System | The Pre-Authorized Debit (PAD) System, a system owned by Rural Development whereby the user enters Pre-Authorized Debit (PAD) Account information such as Routing Number and Account Number for the default banking account monies will be withdrawn from to pay annual fees on specific loans. The term "PAD System" also includes the output of the System and any updates, enhancements and documentation (such as the User Instructions) made available to User for the System, together with all copies of the foregoing, whether made by Rural Development, User, or a third party. |
| | |
| Service Bureau | Agents of the Approved Lender authorized by the Approved Lender and approved by Rural Development to receive advanced notices/billing/payment reconciliation information on loans serviced by the Approved Lender and due an annual fee. The Service Bureau may submit annual fee payments on behalf of the Approved Lender. The |

| Term | Definition |
|---|---|
| | Approved Lender must specify this relationship in a properly executed Service Bureau Addendum as defined above. |
| SFHG | Single Family Housing Guaranteed |
| System Categorization | System Categorization is the process in which the system and subsets of the system are recognized, differentiated, and understood. System Categorization implies that objects are grouped into categories, usually for some specific purpose. Ideally, a category illuminates a relationship between the subjects and objects of knowledge |
| Third Party Products | Products that are produced by a company / entity other than the USDA and used within the GAF System or the PAD system. |
| User Instructions | Instructions for use of the System, given by Rural Development to User from time to time through required training, or by notification through the System, including notification to User to review and follow instructions posted on Rural Development's Internet site. |