



## ELECTRONIC RECORDING MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, dated 9/11/2013, is between eRecording Partners Network, LLC (ePN) and Gila ("County") located in Arizona.

ePN offers a national electronic recording service to function as a trusted third party for Title Insurance Companies, Attorneys, Mortgage Bankers, Full Service Banks and other trusted entities to submit electronic documents to government entities for recording.

County desires to offer recording of real property documents by electronic transmission in substitution for conventional paper based documents and to assure that transactions are not legally invalid or unenforceable as a result of the use of available electronic technologies for the mutual benefit of the parties of the transactions.

For purposes of this Memorandum of Understanding, *Electronic Recording* is defined based on the level of automation and structure of the transaction. The three levels of automation are as follows:

- Level 1 Submitting organizations transmit scanned image copies of ink signed documents to the county. The County completes the recording process in the same way as paper using the imaged copy as the source document. An electronic recording endorsement is returned to the organization in the form of a label or printing process in order for the submitting organization to append that information to the original paper document.
- Level 2 Submitting organizations transmit scanned images of ink signed documents along with electronic indexing information to the county. The County performs an electronic examination of the imaged documents and indexing data, and then completes the recording process using the imaged copy and electronic indexing information. The electronic version of the recorded document is returned electronically to the submitting organization along with the electronic recording data.
- Level 3 Submitting organizations transmit "Smart" documents which are a single object containing the electronic version of the document in such a way that enables the electronic extraction of data from the object. Smart documents are required to be signed and notarized electronically. The Smart document is endorsed electronically by the county and returned in Smart document format to the submitting organization.



## Program Eligibility

Title Insurance Companies, Attorneys, Mortgage Bankers, Full Service Banks and other trusted entities may directly or through a trusted third party provider submit real property records for electronic recording. Electronic Recording mandates a close working relationship as well as mutual trust between the County and the submitting entity. All parties of the Electronic Recording transaction desire to operate and maintain a secure recording system that safeguards parties to recordation from deceit, fraud and forgery. This Memorandum of Understanding outlines the procedures and rules for the trusted relationship between ePN and the County to facilitate a safe and secure Electronic Recording relationship.

Participation in the Electronic Recording program is voluntary and the decision to do so is a business judgment.

There will be no added fees or costs of any kind charged by the County for Electronic Recording.

## County Requirements

The Electronic Recording Program of the County is defined by the requirements attached to this Memorandum of Understanding.

- **Attachment A** contains the document and indexing specifications for the Electronic Recording program. For each document, the County specific document code is provided along with the required indexing information. Any County specific editing rules will also be described in this attachment. ePN acknowledges that County will reject and return any transactions that do not meet the document and indexing specifications.
- **Attachment B** contains the processing schedules and hours of operation for the Electronic Recording Program. Neither party shall be liable for any failure to perform processing of the transactions and documents where such failure results from any act of God or other cause beyond the party's reasonable control (including, without limitation, any mechanical, electronic or communications failure which prevents the parties from transmitting or receiving the electronic recording transactions. If the County system causes delays or power failures that interfere with the normal course of business, the County will notify ePN with a choice of using a courier service or waiting until the problem has been remedied.
- **Attachment C** provides the payment instructions for the Electronic Recording program. This form provides the account information for ePN to deposit payments via ACH into the County bank account.



## **ePN Responsibilities**

888-325-3365  
E-MAIL: [support@erecordingpartners.net](mailto:support@erecordingpartners.net)  
WEBSITE: [www.erecordingpartners.net](http://www.erecordingpartners.net)

400 Second Ave S  
Minneapolis, MN 55401

ePN acknowledges that Electronic Recording permits them to prepare, sign and/or transmit in electronic formats documents and business records and the document or records shall be considered as the "original" record of the transaction in substitution for, and with the same intended effect as, paper documents and, in the case that such documents bear a digital or electronic signature, paper documents bearing handwritten signatures.

By use of electronic or digital certificates to sign documents, ePN intends to be bound to those documents for all purposes as fully as if paper versions of the documents had been manually signed.

By use of electronic or digital certificates to sign documents, ePN intends to be bound by those electronic signatures affixed to any documents and such electronic signature shall have the same legal effect as if that signature was manually affixed to a paper version of the document.

### **General Terms**

The County will not incur any liability for the information electronically transmitted by ePN. Should a dispute or legal action arise concerning an electronic transaction, the County will be held harmless and not liable for any damages.

The County will not incur any liability for any breach of security, fraud or deceit as a result of Electronic Recording. Neither ePN nor the County shall be liable to the other for any special, incidental, exemplary or consequential damages arising from or as a result of any delay, omission or error in the Electronic Recording transmission or receipt.

ePN and the County will attempt in good faith to resolve any controversy or claim arising out of or relating to Electronic Recording through either negotiation or mediation prior to initiating litigation.

### **ePN Contact Information:**

Pamela Trombo  
eRecording Manager  
888-325-3365 ext 11240  
[ptrombo@erecordingpartners.net](mailto:ptrombo@erecordingpartners.net)

ePN Support  
888-325-3365 ext 1  
[support@erecordingpartners.net](mailto:support@erecordingpartners.net)

Cancellation: This agreement is subject to cancellation pursuant to A.R.S. §38-511.

Legal Arizona Works Act Compliance: Firm hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to Firm's employment of its employees, and with the requirements of A.R.S. §23-214 (A) (together the "State and Federal Immigration Laws"). Firm shall further ensure that each subcontractor who performs any work for Firm under this contract likewise complies with the State and Federal Immigration Laws.

Any breach of Firm's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting Firm to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Firm shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontractor or retain a replacement subcontractor, (subject to County approval if MWBE preference apply) as soon as possible so as not to delay project completion.

Firm shall advise each subcontractor of County's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form: "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirement of A.R.S. § 23-214(A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

Any additional costs attributed directly or indirectly to remedial action under this Article shall be responsibility of Firm. In the even that remedial action under this Article results in delay to one or more tasks on the critical path of Firm's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which Firm shall be entitled to an extension of time, but not costs.

Dated effective the date first written above.

GILA COUNTY

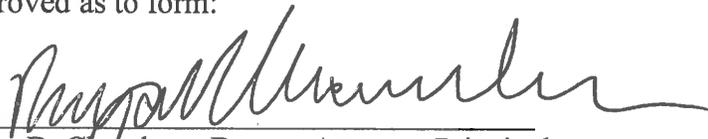
eRecording Partners Network, LLC

  
Don E. McDaniel, Jr., County Manager

  
Signature

Pamela Trombo, eRecord Manager  
Print Name/Title

Approved as to form:

  
Bryan B. Chambers, Deputy Attorney Principal  
For Bradley D. Beauchamp, County Attorney

## Attachment A

Receiver's electronic recording program (the "Program") is defined by the following requirements:

- a. Levels 1, 2, and 3 electronic recording are supported.
- b. PRIA file format standard will be used. Images will be in a single-page Group IV TIFF format.
- c. Communications protocol will be TCP/IP, HTTP and HTTPS
- d. Encryption will be 128-bit file and image encryption. SSL and XML's are enveloped with a Digital Certificate to validate the submitter.
- e. Electronic signatures and digital certificates will be used for Level 3 recording
- f. Submitter shall confirm that notary signatures and seals are present on all documents requiring notarization.
- g. Documents will be scanned to conform to Receiver's requirements
- h. Document images will be captured as single-page Group IV TIFF images.
- i. Scanned documents will be legible. "Legible" means a clear, readable image – including signatures and notary seals – and in which all portions of each page are captured.
- j. Submitter shall be responsible for the clarity and brightness of the image.
- k. Document font size must meet minimum PRIA standards.
- l. Margins shall conform to Receiver's requirements for top and side margins (ARS §11-480)
  - i. Top Margin – 2" inch
  - ii. Sides Margin – ½" inch
- m. Deeds must include grantee's mailing addresses
- n. All documents must be in English
- o. Documents types that may be accepted electronically are based on the County's preferred list of document types. This list may change at the County's request.
- p. All documents submitted will conform to Receiver's requirements for indexing data. Such requirements may include the following index fields"
  - i. Document type
  - ii. Document date
  - iii. One grantor OR grantee
  - iv. Submitter information – Business
- q. Submitted documents electronically recorded will be returned to Submitter (and the grantor or grantee if so directed) in electronic format after acceptance. Confirmation of recordation will include the document image and Receiver's indexing data.
- r. Rejected documents will be returned to Submitter in electronic format with the reason(s) for rejection.

## Attachment B

- A. Availability. The Gila County Recorder's office shall process electronically submitted documents during normal business hours on normal business days. The term "normal business days" shall not include weekends, holidays or any other day that the County is closed for public business.
- B. Recording Priority. The Gila County Recorder's shall record documents in the order they are received, either physically or electronically. Documents received on any business day after 4:00 p.m. will be processed on the next business day in the order they were received.
- C. Disruptions. The Gila County Recorder's Office will attempt to notify eRecording Partners Network, LLC, and other submitters of any disruption in service.
- D. Monitoring. The Gila County Recorder's Office shall attempt to protect the integrity of the recordation process through ongoing monitoring of documents received and recorded.
- E. System Testing. The Gila County Recorder's Office shall test and maintain its software and hardware required to operate the electronic recording capability; provided, however, that the Gila County will not be liable for any damages resulting from failure of such software or hardware.
- F. Equivalency. Gila County shall apply the same level of diligence in handling documents submitted electronically as it applies to documents submitted through the manual recording process.
- G. Fees. There will be no added fees or costs of any kind charged by Gila County for electronic recording by or through eRecording Partners Network, LLC.
- H. No Infringement. Gila County and its agents shall not attempt to hack, reverse engineer, inspect, copy, or use for any other purpose, any hardware software, or digital data belonging to eRecordings Partners Network, LLC, or used in the electronic process.