



First American Equity Loan Services, Inc.

**SECURITY AND PRIVACY POLICY
FOR
FIRST AMERICAN EQUITY LOAN SERVICES, INC.**

First American Equity Loans Services, Inc. is very serious about protecting the integrity of non-public information belonging to our customers, and the clients of our customers. We maintain safeguards that comply with federal regulations regarding the security of non-public information, including the access to and storage of the same. These safeguards involve administrative, technical and physical aspects to ensure the maximum protection of all non-public information. The objective of our safeguards is to insure the security and confidentiality of customer records and non-public information, protect against any anticipated threats or hazards to the security or integrity of such records, and protect against unauthorized access to or use of such records or non-public information which could result in substantial harm or inconvenience to any customer and it's associated clients.

Our security measures are subject to those of our parent organization, The First American Corporation, which can be viewed at <http://www.firstam.com/faf/company/privacystmt.html>, or <http://www.elsonline.net/>, by clicking on Privacy Statement. Therefore, our security policy is supplemental in nature to any guidelines established by The First American Corporation. However, our focus is on the specific needs of our customers, and to that end, we tailor our policies and those of The First American Corporation to the specific standards of the residential equity lending industry. Our policies are proactively being updated to keep pace with the changes in the industry.

Our approach to information security is both external and internal. Within the external and internal aspects there exists additional levels of protection against unauthorized disclosures of and access to non-public personal information.

Externally, access to our systems and facilities are limited. We employ detailed Web-based security features, including authentication, firewalls and password protection procedures to minimize risk associated with outside unauthorized intrusions into our systems. Specific aspects of our external defense safeguards include the following:

- Security perimeter with a network demilitarized zone (DMZ)
- Intrusion Prevention Software
- Firewall protection on all internet and intranet connectivity
- Key card security system access to facilities

Access to our systems is strictly limited to legitimate subscribers who have contracted with us to use our services. Each subscriber is required to login with a designated username and password every time they enter our system. Once inside our system, each subscriber is required to abide by certain terms of use, which include stringent requirements of confidentiality. Access to our system is otherwise denied to third parties, which includes suppliers/vendors such as appraisers and abstractors. When we contract with third party providers we perform thorough background

checks and require that they agree to protect the privacy of non-public information (The Third Party Acknowledgement Letter that we require our third party vendors to execute is attached hereto as Exhibit A). In addition, we require that each service provider submit evidence of appropriate insurance coverage.

Internally, we are addressing all security and privacy concerns as well. We have identified directories that contain sensitive information and have limited access to such information and facilities to employees who have a “need to know”. Access to all areas designated as “sensitive” are restricted by key card access to certain employees. Database access by our employees is limited, and secured passwords and entry codes are required to enter our system. Background checks and stringent hiring criteria are used as a routine component of the hiring process. Upon becoming employed with our company, each employee or contractor is required to execute a confidentiality agreement that requires them to maintain the privacy of non-public information including a Confidentiality Agreement (A copy of the forms signed by employees entitled Confidentiality and Inventions Agreement is attached hereto as Exhibit B) and Acknowledgement of Receipt of the Electronic Media Policy and the Internet and E-mail Usage Policy and related Standards of Professionalism regarding Internet and e-mail usage. Periodic email communications are sent out to employees reminding them of their obligations under the foregoing agreements, as well as updating them on issues relating to privacy and security. In addition, we provide ongoing training to our employees regarding privacy and security issues as they relate to employees’ job responsibilities, specifically identifying how The Gramm-Leach-Bliley Act applies to our business. For those who have access to our systems, whether it be an employee, third party contractor or a customer, once their relationship with First American Equity Loan Services ends, they are immediately terminated from such limited access to our systems. Some other specific components of our internal controls include the following:

- Implemented strong authentication and access rights
- Limited access to critical system functionality
- Identified and disabled all unnecessary services
- Disabled email relaying on our mail server
- Operating system and application security patches are kept current
- Implemented internal vulnerability scanner
- Implemented syslog and event log consolidation and evaluation tools

First American Equity Loan Services, Inc. is working with an independent security company on an ongoing basis to audit our systems and assist us in identifying potential areas of vulnerability and make recommendations on how to minimize our risks.

We have contracted with a separate third party for disaster recovery and business continuity services and have developed a corresponding disaster recovery plan. The main purpose of this plan was to establish a hot site with such third party provider so that our systems are backed up and can be restarted efficiently in the event of a disaster in order to minimize disruptions in our business. The First American Equity Loan Services, Inc. Disaster Recovery & Business Continuity Plan (“Plan”) identifies all of the critical business and information service elements to provide for a smooth and timely re-establishment of those business processes in case an emergency situation would cause an extended outage. The action plans within the Plan are re-evaluated when changes in business processes warrant. Testing of various critical processes is performed periodically and the entire Plan is tested annually. In addition to the foregoing, we

perform routine backup procedures for our systems and utilize other remote locations for storage and recovery purposes. We has also reserved office space in a designated location that can accommodate certain employees and equipment that are essential to business continuity.

Major elements of our Plan are outlined below:

Operations Elements:

- Management backup and succession procedures.
- Procedures for a smooth and effective implementation of the contingency plan to cover emergency conditions.
- Assessment of the impact of emergency conditions of the critical functions of the corporation.
- Familiarity with an emergency voice and data communications plan.
- Provisions for an alternate facility and manpower requirements assessment.
- Provisions for alternate means of processing work and maintaining services electronically and/or manually.
- Program for cross-training staff members to provide flexibility of assignment in times of emergency.
- Periodic review and update of the contingency plan to assure its relevance and adequacy.

Information Services Elements:

- Provisions for daily backup of data at a secure off-site facility.
- Provisions for a hot-site facility including critical server replication.
- Provision for critical equipment backup and repair.
- Provision for redundant electric power sources.
- Provisions for emergency voice and data communication services.
- Periodic review and update of the contingency plan to assure its relevance and adequacy.
- Periodic testing, at least annually, of contingency plans in order to demonstrate and document their continued efficiency.

Despite the specific safeguards stated in this summary, we are continuing to update and change our systems to keep pace with the changes in the industry and any guidelines established by federal regulatory agencies. Therefore, any or all aspects of our policy are subject to change in response to our parent organization, The First American Corporation, or any change we deem appropriate based on what is suitable for our company in light of the industry demands and federal requirements. Other products and services are constantly being evaluated to update or possibly replace current ones in place so that we can ensure the most up to date protection for our customers' non-public information, and that of their clients.

Specific questions regarding the foregoing policy should be directed initially to John Baumbick, Corporate Counsel @ 1-800-221-8683 x388, or via email jbaumbick@firstam.com. In the event that John cannot be reached, please contact Jeff Myers, Chief Security Officer @ 1-800-221-8683.

EXHIBIT B

CONFIDENTIALITY AND INVENTIONS AGREEMENT

In consideration of my employment with First American Equity Loan Services, Inc. ("First American"), I agree to the following:

1. I will keep in strictest confidence and trust all Proprietary Information (as defined herein) and will not, either during or after my employment, disclose, use or disseminate any Proprietary Information or rights pertaining to Proprietary Information, except as necessary in the performance of my First American duties or with the express prior written consent of First American. For purposes of the immediately preceding sentence, "Proprietary Information" means all information that has been created, discovered, developed or otherwise become known to First American or any of its related entities, corporations, or affiliate companies (including, without limitation, information created discovered, developed or made known to me or by me during my association with First American), which information is not generally known in the real estate industry, and which gives First American a commercial or competitive advantage over its competitors. Thus, such Proprietary Information includes, but is not limited to, contracts, customers, employee and referral source lists and addresses, information about employees and employee relations, training manuals and procedures, recruitment methods and practices, other information about customers and referral sources, pricing, costs and expenses, budgets, business proposals, financial information, information regarding real estate, product development information, computer programs, hardware and software, and any other information relating to First American and its operations, products, business and financial affairs.
2. I also agree that all computer programs and listings, correspondence, notes, records, drawings, memoranda, files, training manuals, customer lists, mailing or contract lists, or other documents that are made or compiled by me, or which are available to me while employed at First American, concerning my employment and my dealings with any customers shall be the exclusive property of First American. I agree to deliver such documents or other Company property to First American upon the termination of my employment or at any other time at First American's request.
3. I agree to disclose in writing and to assign on behalf of myself, my heirs, executors, or administrators, to First American or its successor, any inventions, processes, diagrams, methods, computer software, or any improvements whatsoever that I may have discovered, conceived, or developed, either individually or in collaboration with others, during the course of my employment with First American, or with the use of First American's time, data, equipment, facilities, or materials. I agree to execute all documents necessary or appropriate for use by First American in applying for, obtaining and enforcing any rights regarding Proprietary Information or inventions as First American may desire, together with any assignments thereof to First American.

Confidentiality Agreement

4. I understand that First American is committed to the highest standards of business ethics and requires that its employees conduct themselves at all times with honesty and integrity. I agree and acknowledge that I am required to comply with all laws, rules and regulations of federal, state and local governments. I am also encouraged, and expected, to bring to the attention of management any information that raises the possibility that First American, or any employee is not fulfilling these ethical and legal responsibilities.
5. I agree that during the period of my employment with First American I will not, without First American's express written consent, engage in any employment or business which is competitive with First American, or any such employment or business which is otherwise in conflict with my employment relationship with First American.
6. I have listed below all inventions or other improvements which have been made or conceived by me, either prior to or during my employment with First American, which I believe do not fall within the provisions of this agreement:

In addition, in the event I contend that any invention or improvement made or conceived of by me in the future is not covered by the provisions of this Agreement, I understand that I am required to promptly inform First American in writing of such invention or improvement for the purpose of permitting First American to determine whether such item is covered by the terms of this Agreement.

Date

Employee Signature

Office Location

Employee Name (please print)

Social Security Number

