

ROCKY MOUNTAIN ESCROW, INC.
TERMS AND CONDITIONS TO ESCROW INSTRUCTIONS

ACCOUNT NUMBER: _____

ROCKY MOUNTAIN ESCROW, INC., hereinafter, is referred to as RME or ESCROW AGENT. Use of the terms Payor and Payee herein shall be deemed to refer to the buyer/borrower and seller/lender respectively. Use of the term Parties herein shall be deemed to refer to the Payor and Payee, jointly. Use of the term Deed of Trust shall be deemed to refer also to mortgages, financing statements, installment land contracts, leases, and all other security instruments. The term Escrow herein is deemed to mean the depositing of an agreement, which may include original documents, that require an Escrow Agent to administer; this may include the receipt of payments by the Payor called for by the agreement, the disbursement of said payments to the Payee, maintaining an accounting of the payments and the holding of documents, and the distribution of documents when the escrow is completed.

- A. The terms and conditions of this escrow shall not be binding upon RME until reviewed and accepted in writing. No modification of the provisions of this escrow or any change in the conditions as set out herein shall have any effect or be in any manner binding on RME, unless given in writing, signed by all parties and accepted by RME. In consideration of the acceptance of this escrow by RME, the undersigned agree, jointly and severally, for themselves, their heirs, legal representatives, successors and assigns, to pay RME its charges hereunder. Escrow fees or charges, as distinguished from other expenses hereunder, shall be charged in accordance with RME's Fee Schedule in effect at the time, which RME reserves the right to amend from time to time without prior notice.
- B. All bills, notes, checks or non-negotiable instruments deposited under this agreement may be collected by RME in the usual course of business, either through collection agents or by transmittal directly to a bank on which such an instrument may be drawn or at which it may be payable and RME shall incur no liability for the default of any collecting agent or financial institution or for loss in transit or in any manner except for actual cash coming in to its possession. RME, if authorized by Payor, may also initiate collection of payments through the Automated Clearing House (ACH) between RME's bank and Payor's bank. RME shall not be liable for collection items until the proceeds of the same are available for withdrawal as a matter of right, nor shall it be liable for the default in payment of any principle or interest, nor the interest on any deposit of money. Said RME by reason of this agreement becomes merely an escrow holder subject to the provisions herein; and it is further agreed that all payments of funds under the provisions of the agreement may be made by the check of RME or by payment through the Automated Clearing House (ACH) between RME's bank and Payee's bank.
- C. Other than payment in full, default or resignation by RME, this Escrow Agreement may not be terminated or amended without the consent of all the parties hereto in writing together with approval by RME and payment of all fees, costs and expenses incident thereto. RME is authorized to complete this escrow in compliance with all the conditions thereof, although the time specified for such compliance may have expired, up to the time the escrow may terminate due to the removal or resignation of RME. RME has the right to terminate its obligations hereunder by sending written notice of termination to the parties, which shall be effective 5 days after notice is deposited in the United States mail addressed to the parties at the address contained in the records of RME.
- D. RME does not in any manner guarantee the sufficiency, form of execution, validity or compliance with State or Federal consumer lending law of any instrument deposited hereunder, nor shall it be liable in any manner for any such matters; nor does RME assume any liability whatsoever as to the identity or power of any person executing any instrument, and its duties shall extend no further than the collecting, accounting and disbursement of payments, the safekeeping of instruments or documents deposited with it in escrow and the handling of the same in accordance with the instructions made a part hereof. RME shall have no duty to know or determine the performance or non-performance of any provision of any agreement between the parties hereto, other than payment(s) on a security agreement escrowed herein, the deposit of any such agreement(s) with RME shall not bind said RME in any manner. RME shall not be liable for the outlawing of any right under the Statute of Limitations with respect to any document deposited into the escrow. Furthermore, the parties hereto, acknowledge their responsibility to consult with licensed professionals to ensure that any consumer lending that is the subject of this escrow complies with the rules and regulations of the Consumer Financial Protection Bureau and the state where the property is located.
- E. RME shall not be personally liable for any act it may do or omit to do hereunder as such ESCROW AGENT, while acting in good faith and in the exercise of its own best judgment, and any act done or omitted by it pursuant to the advice of its own attorneys shall be conclusive evidence of such good faith.
- F. RME is not responsible for underlying Promissory Notes and Deeds of Trust paid by this agreement which are collected by third parties; this includes, but is not limited to, current balance, late payments, payoffs and obtaining release documents for said underlying Promissory Note(s) and Deed(s) of Trust.
- G. Upon payment in full, RME is hereby authorized to mark the promissory note "paid in full" and execute a release of Deed of Trust as an ESCROW AGENT of seller(s) for this purpose only. Unless otherwise specified in writing by all parties, upon payment in full, the canceled Promissory Note and Deed of Trust will be returned to payor(s).
- H. Payor agrees to pay all close-out fees upon final payment of this escrow. If RME receives written demand from Lender/Payee stating that a default has occurred, then RME is authorized to release the escrowed documents to said Lender or their agent subject to payment of close-out fee and any additional money owed RME by Payor or Payee. RME shall have no obligation or responsibility to determine whether or not a claimed default has in fact occurred. RME may require seller/lender to furnish RME with proof of notice of default as may be required by the contract or loan documents. Thereafter, RME will be released from any liability or responsibility in connection with this escrow.
- I. RME is not responsible for collecting any payments made or money advanced by payee outside of escrow, including taxes and hazard insurance, unless informed in writing of such moneys owed prior to any payoff quotes by RME. If the escrow is paid off in reliance of RME's original payoff quote made prior to being informed in writing of payments or money advanced outside of escrow, then RME is authorized to execute a release of Deed of Trust and submit same to the proper authority to release said Deed of Trust from the public record. In the case of Installment Land Contracts RME is authorized to release original deeds held in escrow to the party making the final payoff.
- J. Interest shall be calculated using simple interest, 365 day year, actual day basis unless otherwise specified in writing by all parties. Interest is taken to the date payment is received and stops on the day final payment is posted by RME.
- K. It is the responsibility of Payor to include payment coupon with any escrow payments or the escrow number on their check to insure proper credit to their account. RME shall not be responsible for giving notice of failure to receive any payment when due and shall not be responsible for the collection of any past due payment. RME will send the Payor a late notice only upon request of the payee. Payee agrees to pay RME its current fee for said service.
- L. RME will not be responsible for collecting default interest unless written notification is received from the seller/lender directing them to do so and specifying the effective date and the amounts to be collected. RME will not be responsible for adjusting the interest rate on variable rate Promissory Note(s) unless written notice of the interest rate change is received from one of the parties to the escrow, subject to verification by RME. RME will not be responsible for payments made outside of escrow, nor any omissions and/or errors that occurred prior to RME becoming ESCROW AGENT.

M. No assignment, transfer, conveyance or hypothecation of any right, title or interest in and to the subject matter of this escrow shall be binding upon RME unless written notice thereof shall be served upon RME and all fees, costs and expenses thereto shall have been paid and then only upon RME's acceptance thereto in writing. Any party acquiring rights under this provision shall be bound by the terms of this agreement.

N. Any notice required or desired to be given by RME to any party to this escrow may be given by mailing the same addressed to such party at the most recent address of such party shown on the records of RME. Any notice so mailed shall for all purposes hereof be effective 5 days after depositing said notice in the United States mail addressed to the parties at the address on record. RME shall only be required to send notices as requested in writing by a party to the escrow with the requesting party paying the fee therefore.

O. RME will provide coupons upon request to the Payor as a reminder of payment due only and in the case of a discrepancy, the Promissory Note and Deed of Trust shall control. RME may accept any payment called for hereunder after the due date thereof, unless prior to the receipt thereof RME shall have been instructed by seller/lender in writing to refuse any such payment. RME is authorized to accept partial payments unless previously instructed in writing by the Payee to refuse all partial payments. Each partial payment will incur an escrow fee.

P. The Parties hereto understand that multiple payments may be accepted and will increment the due date accordingly unless RME is instructed otherwise by Payee in writing.

Q. The undersigned agree, jointly and severally, for themselves, their heirs, legal representatives, successors and assigns, to indemnify and hold RME harmless as to any liability by it incurred to any other person, firm or corporation by reason of its having accepted this escrow, or its carrying out any of the terms thereof, and to reimburse it for all of its expenses, including, among other things, attorney fees and court costs incurred in connection herewith; and that RME shall have a first and prior lien upon and security interest in all deposits made hereunder to secure the performance of said agreement of indemnity and payment of its charges and expenses. In the event payment is not received promptly from the undersigned, RME is expressly authorized to deduct such charges and expenses, without prior notice, from any funds deposited hereunder or from any other funds received by RME for the benefit of the Payee and to foreclose its lien and security interest (as allowed by the Colorado UCC or otherwise) and to exercise its other legal remedies.

R. If any conflict arises between the Payor and Payee hereto growing out of or involving this escrow, and demands are made or notices given by the parties hereto that cannot be harmonized, RME shall have the absolute right either to A) take no further action under this Escrow Agreement, and hold all money and instruments deposited herein or; B) to institute legal proceedings either by way of interpleader, or of such other nature as it may be advised and submit the whole matter to the judgement of a court of competent jurisdiction for determination of the rights of the parties hereto. A dispute between the Parties hereto, shall not be deemed to exist until RME has been given written notice thereof by one of the parties hereto. Any costs incurred by RME resulting from such proceedings, including reasonable attorney's fees and any expenses involved therein, shall be paid by the parties hereto, jointly and severally as such amount may be fixed in the judgement rendered in any legal proceedings. If any such proceedings are instituted, said RME shall be thereupon released from any further performance under this Escrow Agreement, except as may be determined by the judgement of the court in such proceedings.

S. RME shall not be liable for the outlawing of any rights under any Statute of Limitations or by reason of laches with respect to the Escrow Agreement or any documents or papers deposited into the Escrow.

T. Any funds collected under this escrow shall not be commingled by RME with its own funds; provided however, any gain that may accrue from said deposits shall be the property of RME as compensation for its handling of the escrow in addition to any escrow fees collected. RME shall not in any way be liable to any of the other parties to the Escrow Agreement for the payment of interest. It is intended that the provisions hereof shall supersede any other terms, conditions, covenants or provisions contained in Supplemental Escrow Instructions which expressly or by implication are in conflict herewith.

U. It is the responsibility of the Payor and Payee to assure themselves that property taxes and/or hazard insurance coverage is maintained. If RME is escrowing for taxes and/or hazard insurance, it is the responsibility of the Parties to timely deliver all bills and notices for taxes and/or hazard insurance to RME. It is the Seller/Lender's responsibility to require that they be named as an additional insured on the hazard insurance coverage and to notify RME in writing of any potential lapse in coverage due to non-payment of premiums. Payee is responsible for any additional funds to keep insurance coverage in force. RME is not liable for any loss or damage due to the Seller/Lender not being named as an additional insured on any hazard insurance policy or the cancellation of said hazard insurance policy.

V. Any checks returned to RME or ACH's declined due to insufficient funds will incur an additional fee and may cause the account to incur a late fee. Payor will be required to deliver a replacement payment in the form of a money order or cashier's check. RME reserves the right to delay delivery of the payoff to Payee, release of the Deed of Trust and delivery of the documents to the appropriate parties if payoff(s) or payments are made by a method other than wired funds.

W. Electronic files for terminated/closed accounts are retained for a period of five (5) years. There is a fee for retrieval of closed accounts. The Party requesting information from a closed account may be required to provide the account number in order to locate the file.

BUYER(S):

SELLER(S):

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Date: _____

Date: _____

Escrow Account: _____

FOR USE BY ESCROW AGENT

Setup by: _____

Reviewed by: _____

Missing Docs: _____