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IMMEDIATE RELEASE

MortgageFlex Takes an Extra Compliance Step *LOS Vendor Partners with Compliance Group*

MortgageFlex Systems has partnered with the Lenders Compliance Group to further ensure the validity and compliance of the LoanQuest loan origination system with CFPB regulations.

Jacksonville, Fla. (September 4, 2014) – MortgageFlex Systems, Inc., an established provider of loan origination and servicing technology, announced a partnership with Lenders Compliance Group, Inc. today.

Lenders Compliance Group is a national, full-service, mortgage risk management firm that specializes in residential mortgage compliance, with an emphasis focused on operational assessment and improvement, benchmarking methodologies, Best Practices, regulatory compliance and offering a suite of services in residential mortgage banking.

"Compliance is our customer's key focus and it is our responsibility to deliver a secure system that is federally compliant," said Craig Bechtle, chief operating officer, MortgageFlex. "While the upcoming RESPA changes are being touted as beastly by some vendors, there's no reason for panic if your technology vendor is acting proactively and taking their customers' needs into consideration."

MortgageFlex utilizes a three-pronged compliance approach to risk management. The LoanQuest loan origination system has continual compliance calculations backed up with seamless integrations to third-party document providers in addition to a partnership with the Lenders Compliance Group.

The Consumer Financial Protection Bureau (CFPB) 2015 compliance changes are the most sweeping yet and will literally change the face of lending. The latest makeover includes combining RESPA (Reg X) and TILA (Reg Z) disclosures and the new Closing Disclosure form taking the place of the HUD-1 and TIL forms. Existing GFE and TIL forms will be eliminated and a single Loan Estimate form created.

Additionally, Freddie Mac and Fannie Mae have released the Uniform Closing Dataset, a common industry dataset that leverages and maps to Mortgage Industry Standards Maintenance Organization (MISMO) data standards, to support implementation of the TILA/RESPA Closing Disclosure form. MISMO is developing a corresponding mapping dataset for the Loan Estimate.

"MortgageFlex has taken an additional security step to facilitate a smooth transition to these changes. We have chosen to employ the Lenders Compliance Group to provide services on an ongoing basis," Bechtle concluded.

"As a leader in loan origination systems, MortgageFlex has shown a deep commitment to offering its clients outstanding products and services, fully supported by an effective commitment to reliable compliance. Through our partnership with MortgageFlex, we plan to enhance its mission



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of providing hands-on access to timely and competent regulatory compliance guidance, while also ensuring that the LoanQuest LOS fully meets the CFPB standards," said Jonathan Foxx, President & Managing Director of Lenders Compliance Group.

While the RESPA/TILA changes are not effective until August 1, 2015, MortgageFlex has already begun system modifications. Extensive system and calculation changes will be required and the LoanQuest loan origination system will undergo a comprehensive audit in accordance with the CFPB's bank and nonbank Supervision and Examination Manual by the Lenders Compliance Group.

MortgageFlex has long collaborated with industry experts to guarantee system compliance with federal mortgage lending regulations. The company was a key player in the development of MISMO standards and the LoanQuest loan origination system is completely mapped to those standards. Upgrades to MISMO 3.3 are already being developed.

As an additional service, the Lenders Compliance Group will interact with customers during MortgageFlex's monthly compliance conference calls, answering or clarifying concerns.

"We feel strongly that having an independent resource and compliance partner will provide a superior lending experience for our customers and we're excited to offer this extra measure of security," said John McCrea, senior vice president, business development, MortgageFlex.

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About Lenders Compliance Group (www.lenderscompliancegroup.com)

Lenders Compliance Group is the first full-service, mortgage risk management firm in the United States specializing exclusively in outsourced mortgage compliance and offering a full suite of services in residential banking for banks and non-banks. We are pioneers in outsourcing solutions for residential mortgage compliance. We offer our clients real world, practical solutions to mortgage compliance issues, with an emphasis focused on operational assessment and improvement, benchmarking methodologies, Best Practices, regulatory compliance and mortgage risk management.

About MortgageFlex Systems, Inc. (www.mortgageflex.com)

MortgageFlex Systems, Inc., Jacksonville, FL, founded in 1980, provides innovative loan origination and servicing software solutions to the lending industry. Developed entirely in Microsoft .NET, the LoanQuest product platform supports evolving business processes as well as government compliance requirements with business rules, intuitive workflow and an embedded product and pricing engine.

For information about products and services, please call 800-326-3539 or visit www.mortgageflex.com.