

Press Release

For immediate release

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Settleware helps American First Credit Union Sell E-Note

Registered with MERS® eRegistry to Fannie Mae

The paperless system worked flawlessly and the deal was signed, sealed and delivered.

- Easy-to-use middleware solution works perfectly with MERS and Fannie Mae.
- Borrowers thrilled with the process and the results.
- Fannie receives and validates the e-Note in 1 minute 36 seconds
- Settleware now in full production in the lender's shop.

LAGUNA BEACH, CA—July 16, 2007—Settleware Secure Services, Inc. today announced that Ruben and Darla Nino of Buena Park, Calif., were the first home loan borrowers to have their electronic mortgage note registered with the MERS® eRegistry through the use of the Settleware Solution. American First Credit Union (AFCU), La Habra, Calif., originated the loan, and then sold it and electronically delivered it to Fannie Mae.

“We were very excited when the loan closed and was registered with the MERS® eRegistry,” said Rick Triola, President and CEO of Settleware Secure Services, Inc. “But now that it has sold and delivered to the final investor, Fannie Mae, we couldn't be happier with the results. We've been working for a long time to perfect this system and we're thrilled that it worked flawlessly.”

AFCU has been using Settleware's Secure Signing Solution for over 18 months for electronic signatures, electronic notarization and electronic recording of digital documents without scanning.

“We've been successfully using Settleware's E-Notary and E-Recording solution to release our mortgage liens electronically for over a year and the next logical step was to produce our first E-Mortgage. Electronic mortgages are essential in speeding up the loan closing process, improving service quality, and reducing costs,” said Carlos Miramontez, Vice President of Lending for American First Credit Union. “We are grateful to have partnered with Fannie Mae and Settleware to make this E-Mortgage concept a reality for our credit union. Our E-Mortgage proves that you don't have to be a billion dollar mortgage lender to be able to afford the technology needed to closed mortgage loans electronically. In fact, in today's competitive mortgage industry lenders can't afford not to progress in producing E-Mortgages.”

The lender was also pleased with the results and with the fact that the loan was purchased

by Fannie Mae the same day. This can only be attained through the effective application of technology, he said. Other experts agree.

“Electronic Closing systems like Settleware can provide a better borrower experience, while registering the eNote on the MERS® eRegistry and delivering it to an investor within minutes,” said Harry Gardner, MBA’s Senior Director of Industry Technology and Vice President of eMortgages for MISMO, Inc. “We are very pleased that Settleware has built a solution supporting the MISMO® eMortgage standards. The use of standardized e-documents and transactions will lead to broader lender adoption of eMortgages and greater liquidity for electronic notes throughout the industry.”

Triola says lenders are seeking out technologies like Settleware in order to meet the changing needs of the marketplace. Today, Settleware offers the only single-platform esigning solution in production for the fully-electronic real estate and mortgage transaction, from the Point-of-Sale through to the County Recorder’s office and the secondary mortgage market. The company’s innovative workflow meets all standards set by the ESIGN Act and UETA and supports both MISMO SMART Doc® and e-Signed PDF standards.

A 27-year veteran of the industry and former Wall Street Investment Banker, Triola served as Sales & Marketing Director of one of California's largest independent escrow companies before launching his technology business. Under his leadership, nearly \$5 billion of real estate transactions were generated, processed, and closed. But in the future, according to Triola, every industry will need better software.

“The entire mortgage industry is moving in the direction of all-electronic mortgages, and for good reason,” Triola said. “We’re very glad to be in production with American First Credit Union. They’ve been a great partner and this is fitting in many ways, perhaps chief among them being that this is an American first. Going forward, Settleware will be the standard solution for electronic lending.”

Dan McLaughlin, EVP of MERS said, “We are pleased to have Settleware in production with the MERS eRegistry. We were also excited to see American First Credit Union transfer the eNote to Fannie Mae using MERS® eDelivery. Rick (Triola) and Settleware have demonstrated real leadership in the evolving eMortgage market from the beginning.”

#### About MERS

With over 3,000 lenders registering an average of 25,000 loans a day, MERS continues to grow. Borrowers name MERS as mortgagee for the lender on deeds of trust and mortgages that are recorded in the county land records. Lenders then register the loans on

the MERS® System and electronically track changes in servicing and beneficial ownership rights over the life of the loan.

The company's vision is to eliminate all paper from the mortgage lending process. To date, it has launched several products in support of this vision, including MERS® Commercial for the CMBS marketplace, and the MERS eRegistry, the legal system of record that identifies the owner (Controller) and custodian (Location) for registered eNotes, providing greater liquidity, transferability and security for lenders. To learn more about MERS, visit us at [www.mersinc.org](http://www.mersinc.org).

#### About Settleware

Based in Laguna Beach, Calif., Settleware Secure Services, Inc. has been working to facilitate electronic transactions since 1999 and is the leading provider of e-Signatures, e-Notarization and e-Recording workflow to the Mortgage/Real Estate Industry. Today, Settleware offers the only single-platform e-signing solution in production for the fully electronic real estate and mortgage transaction, from the Point-of-Sale through to the County Recorder's office and the secondary mortgage market. The company's innovative workflow meets guidelines set by the E-Sign Act and UETA and supports both MISMO SMART Doc® and e-Signed PDF standards. The company offers a secure signing solution that provides document tamper sealing, roles and permissions access and extremely hack proof digital encryption algorithms that can authenticate the source of a digital signature as "valid" while providing one of the Industry's first certified e-Vaults. Settleware's lender clients have been recording documents electronically with electronic signatures in the Orange County, Calif. County Recorder's office since 2006. The company's low-cost, Web-based solution seamlessly connects all participants in the real estate/mortgage transaction, is vendor neutral and is offered either as a Software as a Service (SaaS) subscription basis or our Enterprise Edition for large institutions. For more information about Settleware, visit the company's website at [www.settleware.com](http://www.settleware.com).