

**ELECTRONIC RECORDING  
MEMORANDUM OF UNDERSTANDING**

**THIS MEMORANDUM OF UNDERSTANDING**, dated \_\_\_\_\_,  
is between Caldwell County, North Carolina (“**COUNTY**”), and \_\_\_\_\_  
\_\_\_\_\_ (“**COMPANY**”) with offices  
at \_\_\_\_\_  
\_\_\_\_\_.

Caldwell County desires to offer the recording of real property documents by electronic means providing for the receiving and transmitting of documents electronically 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, to the mutual benefit of the parties of the transactions.

For purposes of this Memorandum of Understanding, *Electronic Recording* is defined to be the electronically based submitting of documents from **COMPANY** to **COUNTY** and electronically based receipt of confirmation of recording from **COUNTY** to **COMPANY**.

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 the parties involved in Electronic Recording in order to facilitate a safe and secure Electronic Recording relationship. Participation in the Electronic Recording program is voluntary.

**COMPANY** officials and the Register of Deeds recognize the need to ensure that only original documents holding signatures that are properly notarized are submitted for electronic recording.

The **COUNTY** performs an electronic examination of the electronic documents and indexing information then completes the recording process using the electronic documents.

**COMPANY** acknowledges that Electronic Recording permits them to prepare, sign and transmit in electronic format documents and business records, and that 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, **COMPANY** 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.

The electronic version of the recorded document and electronic recording data, including endorsement and receipt, is returned to the submitting organization.

Neither the **COUNTY** nor **COMPANY** 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.

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.

Either party may terminate this Memorandum of Understanding for any reason by providing 30 days written notice of termination.

There will be no added fees or costs of any kind charged by the **COUNTY** for Electronic Recording although **COMPANY** will be required to meet **COUNTY** requirements in order to record electronically.

**COMPANY** is responsible for the costs of the system or services provided by a third party that enables **COMPANY** to meet the Electronic Recording Program requirements.

**COUNTY Responsibilities:**

**COUNTY** shall attempt to protect the integrity of the Recordation process through ongoing monitoring of documents received and recorded through Electronic Recording means.

**COUNTY** shall test and maintain Electronic Recording software and hardware required to operate the Electronic Recording capability. **COUNTY**, however, shall be held harmless and not liable for any damages resulting from software or equipment failure.

**COUNTY** shall apply the same level of diligence in handling documents submitted electronically as those submitted through the normal manual paper process.

**COMPANY Responsibilities:**

**COMPANY** shall work to insure that all security measures and credentials implemented are protected from unauthorized access. **COMPANY** assumes all responsibility for documents submitted through unique credentials provided to **COMPANY** for the purposes of engaging in Electronic Recording.

**COMPANY** shall be diligent in ensuring that documents submitted for Electronic Recording have been checked before submission for errors, omissions, and other deformities that would impact the validity of the document.

**COMPANY** acknowledges that Electronic Recording permits them to prepare, sign and transmit in electronic formats documents and **COUNTY** approved attachments, and the document or attachments 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.

**COMPANY** agrees to conform to all the requirements contained in NC general statutes regarding electronic documents, electronic notaries, and in particular, the requirements of NCGS 47-14(a1)(5).

By use of electronic or digital certificates to sign documents, **COMPANY** 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.

The **COMPANY** and/or its’ employees attest to the accuracy and completeness of the electronic records and acknowledge responsibility for the content of the documents submitted through the Electronic Recording Program. Should a dispute or legal action arise concerning an electronic transaction, the **COUNTY** will be held harmless and not liable for any damages.

**COMPANY** must maintain an audit trail of all activity.

**COMPANY** is responsible for supporting any technical issues associated with Electronic Recording. **COMPANY** shall work in good faith with any Electronic Recording

Provider, if applicable, and **COUNTY** to resolve issues with the Electronic Recording process.

**COMPANY** shall provide an effective mechanism to both an Electronic Recording Provider and **COUNTY** through which problems or issues can be reported and addressed. In the event that problem is determined to be with the Electronic Recording software and not the infrastructure provided, the **COMPANY** shall work to resolve issues with **COUNTY** and any Electronic Recording Provider.

**COMPANY** is solely responsible for any and all costs of the system or services that enables **COMPANY** to meet the Electronic Recording Program requirements.

**COMPANY** is responsible for coordinating all technical problems and issues through any Electronic Recording Provider and **COUNTY**.

**COMPANY** will appoint a representative, whose name will be given to the **COUNTY** Recorder in writing, who is responsible for enforcing the security procedures. The Recorder will be notified in writing of staff changes.

### **General Understanding**

**COUNTY** will not incur any liability for the information electronically transmitted by the **COMPANY** to **COUNTY**.

**COUNTY** will not incur any liability for any breach of security, fraud or deceit as a result of Electronic Recording.

Neither the **COUNTY** nor **COMPANY**, nor any Electronic Recording Provider 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.

The Electronic Recording Provider, **COUNTY**, and **COMPANY** 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.

The **COUNTY**, **COMPANY**, and any Electronic Recording Provider acknowledge that the electronic recording process is an emerging technology and that State and National standards will continue to evolve. To further the technology and the electronic recording process, all parties agree to meet to discuss changes and additions to this Memorandum of Understanding.

**ENTIRE AGREEMENT.** Except as expressly provided otherwise herein, this Agreement represents the entire agreement between the parties.

**TERMINATION.** Either party may terminate this Agreement without cause with 30 days written notice to the other party. User remains responsible for payment of fees for the filing and recordation of documents prior to the effective date of termination.

**NO WARRANTIES/RELEASE OF LIABILITY.** Absent gross negligence or willful misconduct, **COMPANY** agrees to release the **COUNTY** from any liability in connection with the electronic filing and recordation of documents under this Agreement. User understands that there are no warranties, express or implied, in connection with such transactions.

**ATTACHMENTS**

*Attachment A* defines the technical specifications including format, models of recording supported, and transmission protocols of the electronic records required by **COUNTY**. **COMPANY** agrees to provide the transmission to the **COUNTY** following the specifications outlined. **COMPANY** understands that the specifications may change from time to time. In the event changes to the specification are required, the **COUNTY** will provide a written notice to the **COMPANY** within a reasonable timeframe.

*Attachment B* contains the document and indexing specifications for the Electronic Recording program.

*Attachment C* contains the processing schedules and hours of operation for the Electronic Recording Program and contact names for all parties.

*Attachment D* provides the fee schedule and payment options supported for the Electronic Recording Program.

**Agreed and Accepted:**

By: \_\_\_\_\_ (COMPANY)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_ (**COUNTY**)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **Attachment A**

### **Technical Specifications**

**Electronic Recording** is defined based on the level of automation and structure of the transaction. The three levels of automation are as follows:

**Model 1** Submitting organizations transmit scanned image copies of ink signed documents to the county. The county performs an electronic examination of the imaged documents, and then completes the recording and indexing process using the imaged copy. The copy of the recorded document is returned electronically to the submitting organization along with the electronic recording data.

**Model 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.

**Model 3** Submitting organizations transmit documents which have been created, signed and notarized electronically along with the electronic indexing information. The county performs an electronic examination of the electronic documents and indexing information then completes the recording process using the electronic documents. The electronic version of the recorded document and electronic recording data is returned to the submitting organization.

### **Application of UETA**

The parties agree that, unless otherwise specified herein, the provisions of North Carolina's Uniform Electronic Transactions Act (hereafter "UETA") (66 Article 40) shall apply to the automated transactions contemplated by this Agreement.

### **Format of the transmitted File**

PRIA file format standard will be used. Images will be in multi- page Group IV TIFF format. The **COMPANY** can work with an Electronic Recording Provider and **COUNTY** to provide additional fields (extensions) to the current PRIA standard.

### **Communications Protocol and Options**

TCP/IP, HTTP and HTTPS

### **Models of Electronic Recording Supported**

Models 1, 2, and 3.

**Attachment B**

**Indexing Fields for each Document Code**

All documents submitted will require the minimum index:

Grantor(s)

Grantee(s)

Document Type and/or Document Code

Number of Pages

Recording Fee (or \$0.00 if none)

Grantee's Legal Mailing Address, which includes Street or Post Office Box, City, State and ZIP Code, MUST be clearly identified on any transfer deed.

**Notary Requirements per Document**

If a law requires a signature or record to be notarized, acknowledged, verified, or made under oath, the requirement is satisfied if the electronic signature of the person authorized to perform those acts, together with all other information required to be included by other applicable laws, is attached to or logically associated with the signature or record.



## **Attachment C**

### **Service Offering**

#### **Hours of Operation**

Excluding legal holidays, Caldwell County's Electronic Recording System will be open for business Monday through Friday, 8:00 am to 5:00 pm, Eastern Time.

Documents may be submitted at any time during the week. Documents will only be processed on those days and hours that the **COUNTY** Recording Office is open to the public for business. Documents will not be processed on **COUNTY** holidays, weekends, etc., or in the event of network or equipment failure.

#### **Alternative Delivery Options**

There are no other electronic delivery options at this time.

#### **Return To Options**

Confirmation of acceptance and recordation will be provided to the **COMPANY** in electronic format after recordation is complete. This confirmation will include the document image and **COUNTY** indexing data, including a receipt for fees paid.

Submitted documents that are rejected will be returned to the **COMPANY** in electronic format after rejection, along with a description of the reason(s) for rejection.

#### **Contacts for users**

All parties shall provide the **COUNTY** with an Administrative Contact (an individual familiar with the process of executing and filing documents) and a Technical Contact (an individual familiar with the **COMPANY** computing environment and capable of resolving or reporting any technical issues):

## COMPANY

Administrative Contact Name:

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• Phone Number: \_\_\_\_\_

• Fax Number: \_\_\_\_\_

• Mailing Address: \_\_\_\_\_

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• E-mail Address: \_\_\_\_\_

Other Contact Number(s): \_\_\_\_\_

Technical Contact Name:

**TYLER WOLF**

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• Phone Number: **(435) 374-0131**

• Fax Number: **(435) 755-9625**

• Mailing Address: **CSC eRecording • 919 North 1000 West • Logan, UT 84321**

• E-mail Address: **Tyler.Wolf@cscglobal.com**

• Other Contact Number(s): \_\_\_\_\_

## COUNTY

Administrative Contact Name:

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• Phone Number: \_\_\_\_\_

• Fax Number: \_\_\_\_\_

• Mailing Address: \_\_\_\_\_

• E-mail Address: \_\_\_\_\_

Other Contact Number(s): \_\_\_\_\_

Technical Contact Name:

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• Phone Number: \_\_\_\_\_

• Fax Number: \_\_\_\_\_

• Mailing Address: \_\_\_\_\_

• E-mail Address: \_\_\_\_\_

• Other Contact Number(s): \_\_\_\_\_

**Attachment D**

**Agreement To Pay, Fee Schedule, and Payment Options**

**Agreement To Pay**

**COMPANY** agrees to pay such filing fees as may be established from time to time by NCGS 161-10 and other applicable statutes, on the same day that the documents are electronically filed. The electronic filing system will advise **COMPANY** of the fees owed.

**Fee Schedule**

<b><u>Real Estate Instruments</u></b>	<b><u>Fees</u></b>
<b>Deeds</b>	
1 <sup>st</sup> page (including \$2 notary verification fee)	\$19.00
Each additional page	\$3.00
<b>Deeds of Trust</b>	
1 <sup>st</sup> page (including \$2 notary verification fee)	\$30.00
Each additional page	\$3.00
<b>All other real estate documents</b>	
1 <sup>st</sup> page (including \$2 notary verification fee)	\$14.00
Each additional page	\$3.00
Multi-Instrument Fee**	\$10.00
Excise Tax	\$1.00 per \$500 of purchase price
Satisfaction/Cancellation of Deed of Trust	no charge

\*\* (this fee is added when a document consists of multiple instruments per NCGS 161-10)

<b>Non-Standard Document Fee</b>	<b>\$25.00</b>
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**Uniform Commercial Code (UCC) filings**

(Initial Corrections, Amendments & Terminations)

Fixture Filing Only:

1-2 pages	\$38.00
3-10 pages	\$45.00
Over 10 pages	\$45.00 + \$2.00 each page over 10

## **Payment Options**

In order for the **COMPANY** to record documents with the **COUNTY**, payment must be submitted at the time of document submission. Failure to submit payment, or incorrect payment amount, will be cause to reject the filing. Caldwell County utilizes ACH transactions to facilitate the transfer of funds. **COMPANY** will be responsible for working directly with the Electronic Recording Provider to provide account information necessary to initiate ACH transfers.