

## AGREEMENT

**THIS AGREEMENT**, made and entered into this 21 day of June, 2018, by and between the Lexington-Fayette Urban County Government, an urban county government of the Commonwealth of Kentucky pursuant to KRS 67A (hereinafter "GOVERNMENT"), whose mailing address is 200 East Main Street, Lexington, Kentucky 40507, and AmeriNat, a limited liability company organized and existing under the laws of the State of Minnesota (hereinafter "CONTRACTOR"), whose mailing address is 217 S. Newton Avenue, Albert Lea, Minnesota 56007.

### WITNESSETH:

WHEREAS, GOVERNMENT has been awarded federal funds from the U.S. Department of Housing and Urban Development (hereinafter "HUD") under the Federal Community Development Block Grant Program and the HOME Investment Partnerships Program;

WHEREAS, GOVERNMENT issued a Request for Proposals, RFP #11-2018 "Loan Servicing for Division of Grants and Special Programs;"

WHEREAS, GOVERNMENT has selected CONTRACTOR to perform the herein described services;

WHEREAS, the GOVERNMENT'S responsibility for ensuring compliance with all grant requirements necessitates a written Agreement with CONTRACTOR;

NOW, THEREFORE, in consideration of the foregoing and mutually agreed upon promises, conditions, and covenants hereinafter set forth, pursuant to federal requirements, the parties hereto agree as follows:

## ARTICLE I

### General Terms:

1. The terms of this Agreement shall be for a period beginning July 1, 2018 and continuing until June 30, 2021, unless within that period either party gives sixty (60) days written notice of termination of this Agreement in which case this Agreement shall terminate sixty (60) days from the date notice is given. The contract will be for an initial 3 years with 3-1 year automatic renewals.
2. The total amount of grant funds available for distribution by the GOVERNMENT shall not exceed \$70,000 annually for services for the period of July 1, 2017 through June 30, 2021 to include tax monitoring and tax escrows as requested at loan set-up, insurance monitoring and insurance escrows, as requested at loan set-up, delinquency follow up/loss mitigation, and credit reporting.
3. This Agreement shall include the following additional documents, which are attached hereto as Exhibits and incorporated herein by reference as if fully stated:

- a. Exhibit "A" – RFP #11-2018 – Loan Servicing for Division of Grants and Special Programs, consisting of 39 pages, and Addendum #1 consisting of 1 page.
- b. Exhibit "B" – CONTRACTOR'S Formal Response to RFP #11-2018, consisting of 79 pages;
- c. Exhibit "C" – Fee Schedule (as included in the formal response to RFP)

## **ARTICLE II**

### **Obligation of GOVERNMENT:**

To provide up to \$70,000 in grant funds for the support of the herein described services and scope of work for the period of July 1, 2017 through June 30, 2021.

## **ARTICLE III**

### **Obligations of CONTRACTOR:**

1. CONTRACTOR shall perform services as outlined in the Request for Proposals (Exhibit A) and in the CONTRACTOR'S proposal response (Exhibit B) as requested by the GOVERNMENT.
2. CONTRACTOR shall be compensated according to the Fee Schedule included in the CONTRACTOR'S proposal response (Exhibit C). CONTRACTOR will remit the total receipts of principal and interest monthly, net of servicing fees deducted for services performed in the respective month as supported by a separate accounting remittance manifest that includes evidence of the services provided.
3. The CONTRACTOR agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968, as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11375 and 12086.
4. CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability or other handicap, or age. The CONTRACTOR shall take affirmative action to insure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, national origin, age, or handicap. CONTRACTOR will take affirmative action to insure that all employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection of training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this discrimination clause.

5. CONTRACTOR will, in all solicitations or advancements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
6. CONTRACTOR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, as amended by Executive Orders 11375 and 12086, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
7. CONTRACTOR shall comply with all provisions as applicable of Executive Order No. 11246 of September 24, 1965, as amended by Executive Orders 11375 and 12086, and the rules, regulations, and relevant orders of the Secretary of the U.S. Department of Labor.
8. CONTRACTOR will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended by Executive Orders 11375 and 12086, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
9. In the event of the CONTRACTOR'S noncompliance with the discrimination clauses of the contract or with any such rules, regulations, and orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 11246, of September 24, 1965, as amended by Executive Orders 11375 and 12086, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246, of September 24, 1965, as amended by Executive Orders 11375 and 12086, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
10. The CONTRACTOR will include the provisions of paragraphs (1) through (8) of Section 202 of Executive Order No. 11246 in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.
11. The CONTRACTOR shall comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135. The CONTRACTOR further agrees to comply with these "Section 3" requirements and to include the following language in all subcontractors executed under this Agreement:

"The work to be performed under this contract is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area and contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The CONTRACTOR further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns which provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

12. CONTRACTOR shall retain all records pertinent to expenditures incurred under this Agreement, for a period of (5) five years after the termination of all activities funded under this Agreement. CONTRACTOR shall also provide officials of the GOVERNMENT, officials of HUD, and the Comptroller General of the United States, or any of their authorized representatives, access to any pertinent books, documents, papers, or other records of CONTRACTOR which are pertinent to funds expended under the terms of the Agreement, in order to make audits, examinations, excerpts and transcripts. The right of access shall be for the period in which records are retained. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the three-year period, whichever occurs later.
13. The CONTRACTOR certifies, in accordance with Executive Order 12549 (Debarment and Suspension February 18, 1986) that to the best of its knowledge and belief, that it, its principals, and its subcontractors:
  - a. Are not presently debarred, suspended, proposed for debarment, declared negligible, or voluntarily excluded from covered transactions or contract by any Federal department or agency for noncompliance with the Federal Labor Standards, Title VI of the Civil Rights Act of 1964 as amended, Executive Order 11246 as amended or any other federal law;

- b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (a) of this certification; and
- d. Have not within a three-year period preceding this proposal had one or more public (Federal, State, or local) transactions or contracts terminated for cause or default.

#### 14. Certification of Lobbying

- a. No federal funds appropriated to the CONTRACTOR pursuant to this contract shall be used to influence, either directly or indirectly, the introduction or modification of any Federal or State legislation, or the outcomes of any Federal, State, or local election, referendum or initiative.
- b. In addition, for any payment involving federal funds, the CONTRACTOR certifies, to the best of his or her knowledge and belief, that for the preceding contract period, if any, and for this current period:
  - i. No federal appropriated funds have been paid or will be paid, by or on behalf of the CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
  - ii. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the CONTRACTOR shall complete and submit Standard Form-LLL "Disclosure Form to Report Lobbying," in accordance with its instructions.
  - iii. The CONTRACTOR shall require that the language of the certification be included in the award documents for all sub awards at all tiers and that all sub recipients shall certify and disclose accordingly.

- c. This certification is a material representation of fact upon which reliance was placed when this transaction was made and entered into. Submission of the certification is a prerequisite for making or entering into this transaction imposed under section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for such failure.
15. The CONTRACTOR shall comply with 1994's Senate Bill 258, provisions of KRS Chapters 136, 139, 141, 337, 338, 341 and 342, which apply to the CONTRACTOR'S operations.
16. CONTRACTOR agrees to maintain Commercial General Liability and Umbrella Excess Liability Protection Insurance Coverage at an amount not less than \$1 million per occurrence, \$2 million aggregate or \$2 million combined single limit for general liability, \$1 million per occurrence for Commercial Automobile Liability, \$1 million per occurrence and \$2 million aggregate for Professional Liability, and \$500,000 for Employer's Liability. GOVERNMENT will be named as an additional insured on the CGL policy. CONTRACTOR shall provide Worker's Compensation as provided by statute.
17. CONTRACTOR shall defend, indemnify, and hold harmless the GOVERNMENT from and against all liability, claims, losses, actions, costs, expenses, obligations, fines, and assessments of whatever kind, including defense costs and attorney's fees, that are in any way incidental to or connected with, or that arise or are alleged to have arisen, directly or indirectly, in whole or in part, from or by: (a) CONTRACTOR'S negligent acts or misconduct, or errors or omissions, in connection with the performance of this Agreement; (b) CONTRACTOR'S performance or breach of the contract provided the claim or loss is attributable to death, illness, personal injury, or property loss or damage or loss of use, and not caused by a negligent act or omission, or the willful misconduct of the GOVERNMENT; or (c) the condition of any premises, equipment or other property being used or operated by the CONTRACTOR in connection with the performance of this contract. In the event GOVERNMENT is alleged to be liable based upon the actions or inactions of CONTRACTOR, CONTRACTOR shall defend such allegations and shall bear all costs, fees and expenses of such defense, including but not limited to, all attorneys' fees and expenses, court costs, and expert witness fees and expenses, using attorneys approved in writing by GOVERNMENT, which approval shall not be unreasonably withheld. This Indemnification and Hold Harmless Provision shall in no way be limited by any financial responsibility or insurance requirements, and shall survive the termination of this Agreement.

#### ARTICLE IV

##### Additional Terms:

1. This Agreement may be terminated by the GOVERNMENT upon sixty days written notice, if CONTRACTOR materially fails to comply with any term of the Agreement in accordance with 24 CFR 85.43.
2. This Agreement may be terminated for convenience upon sixty days written notice by either party in accordance with 24 CFR 85.44.

3. GOVERNMENT and CONTRACTOR each binds himself and his partners, successors, executors, administrators, assigns and legal representatives of such other party, in respect to all covenants, agreements, and obligations of the Agreement.
4. The CONTRACTOR shall not enter into any subcontracts with any agency or individual in the performance of this Agreement without the written consent of the GOVERNMENT prior to the execution of such agreement.
5. If this Agreement results in any copyrightable material or inventions, the GOVERNMENT and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for government purposes.
6. This Agreement contains the entire and complete understanding of the parties and neither party has relied upon any representation not contained herein.
7. This Agreement, or any part hereof, may be amended from time to time hereafter only in writing executed by the GOVERNMENT and CONTRACTOR.
8. All matters, whether sounding in tort or in contract, relating to the validity, construction, performance, or enforcement of this Agreement shall be controlled by and determined in accordance with the laws of the Commonwealth of Kentucky without regard to conflicts of law principles. The prevailing party shall be entitled to reasonable attorneys' fees and costs in addition to any other relief to which said party may be entitled.
9. Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the un-exercised portion, can be reasonably interpreted to give effect to the intentions of the parties.
10. Any delays in or failure of performance by either party, except in respect of the obligation of payments under this Agreement, shall not constitute default of this Agreement, if and to the extent such delays or failures are caused by occurrence(s) beyond the reasonable control of the party affected, and which by the exercise of due diligence such party is unable to prevent, such occurrence(s) including but not limited to: acts of God, sabotage, war, acts of terrorism, riots, insurrections, civil unrest, riots, embargoes, strikes, lockouts, fires, floods, tornados, hurricanes or other natural disaster or governmental actions. In any such event, the party claiming Force Majeure shall promptly notify the other party of the nature of the event in writing, and, if reasonably possible, such notice shall set forth the extent and duration thereof, and shall resume performance at the earliest possible date.
11. The CONTRACTOR operates under the regulation and jurisdiction of various licensing authorities including the GOVERNMENT's State authorities, the requirements of which may vary from time to time. If CONTRACTOR'S relevant authority were to be modified and/or revoked due to changes in circumstances or regulation, CONTRACTOR will provide prompt

notice of its requirement to terminate services and will terminate services before the latest available date as allowed by regulatory authority. Termination under this provision will not be deemed to be a default by CONTRACTOR, and no liability will exist to reimburse GOVERNMENT for any losses incurred as a result of the termination. If services are terminated under this provision GOVERNMENT will not be liable to CONTRACTOR for any transfer fees specified in the fee section of this agreement.

12. If the services to be provided under this agreement include the acceptance of loan payments and/or 1099 reporting (1099-Int, 1099-C, etc.), CONTRACTOR will submit the required 1098 and/or 1099 forms to the Internal Revenue Service as required. If the loan data provided by GOVERNMENT does not include a valid social security number for a borrower(s), CONTRACTOR will exercise all reasonable means to obtain such valid social security number(s). CONTRACTOR will also notify GOVERNMENT, at a minimum of one time annually, of any missing or invalid social security numbers which remain outstanding. If the lack of an available and/or valid social security number(s) results in a penalty or fine assessed by the Internal Revenue Service, GOVERNMENT will be notified of the amount of the penalty and fine, and will immediately reimburse CONTRACTOR for any such penalty or fine paid or to be paid.
13. The CONTRACTOR agrees to perform its services in accordance with established policies and procedures designed to detect, prevent, and mitigate the risk of money laundering, terrorist financing or other crimes. Such policies and procedures are available for review by the GOVERNMENT on their request. GOVERNMENT is responsible for OFAC screening of borrowers prior to loan origination to ensure they do not appear on the U.S. Department of Treasury's "Specially Designated Nationals List (SDN) (<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>), and for compliance with Anti-Money Laundering program requirements of 31 U.S.C. § 5318(h), or other directives that may relate to the appropriate verification of borrower identity to ensure the prohibition of transactions with certain foreign countries and/or their nationals. GOVERNMENT also agrees to immediately notify CONTRACTOR if it becomes aware of any of its borrowers being added to the SDN during the term of this agreement.
14. CONTRACTOR performs its services in accordance with established policies and procedures designed to provide for adequate privacy, protection, security and confidentiality of consumer information. The GOVERNMENT acknowledges its obligation under the Gramm-Leach-Bliley Act 15 USC 6801 and confirms that it adheres to the provisions of this regulation and related guidance, including issuance of the proper privacy notices to its customers.
15. Any written notices, bills, invoices, or reports required by this Agreement shall be sent by the parties hereto in the United States Mail, postage paid, to the addresses noted below:

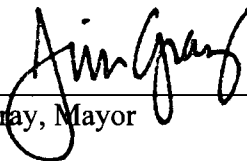


FOR THE GOVERNMENT: Lexington-Fayette Urban County Government  
Division of Grants and Special Programs  
200 East Main Street  
Lexington, Kentucky 40507  
ATTN: Cyndra Brown, Grants Manager

FOR THE CONTRACTOR: AmeriNat  
217 S. Newton Ave.  
Albert Lea, MN 56007  
ATTN: Amber Loverink  
Marketing & Contracts Manager

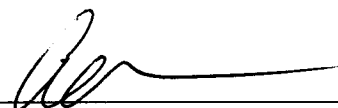
IN WITNESS WHEREOF, the parties have executed this Agreement at Lexington, Kentucky,  
the day and year first above written.

LEXINGTON-FAYETTE URBAN COUNTY  
GOVERNMENT

BY:   
Jim Gray, Mayor

ATTEST:  
  
Clerk of Urban County Council

AMERINAT

BY: 

Adrienne Thorson, CEO

Printed Name \_\_\_\_\_ Title \_\_\_\_\_



# Lexington-Fayette Urban County Government

## Request for Proposals

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The Lexington-Fayette Urban County Government hereby requests proposals for **RFP #11-2018 Loan Servicing for Division of Grants and Special Programs** to be provided in accordance with terms, conditions and specifications established herein.

Sealed proposals will be received in the Division of Central Purchasing, Room 338, Government Center, 200 East Main Street, Lexington, KY, 40507, until **2:00 PM**, prevailing local time, on **May 3, 2018**.

Proposals received after the date and time set for opening proposals will not be considered for award of a contract and will be returned unopened to the Proposer. It is the sole responsibility of the Proposer to assure that his/her proposal is received by the Division of Central Purchasing before the date and time set for opening proposals.

Proposals must be sealed in an envelope and the envelope prominently marked:

**RFP #11-2018 Loan Servicing for Division of Grants and Special Programs** If mailed, the envelope must be addressed to:

Todd Slatin – Purchasing Director  
Lexington-Fayette Urban County Government  
Room 338, Government Center  
200 East Main Street  
Lexington, KY 40507

Additional copies of this Request For Proposals are available from the Division of Central Purchasing, Room 338 Government Center, 200 East Main Street, Lexington, KY 40507, (859)-258-3320, at no charge.

Proposals, once submitted, may not be withdrawn for a period of sixty (60) calendar days.

**The Proposer must submit one (1) master (hardcopy), (1) electronic version in PDF format on a flashdrive or CD and five (5) duplicates (hardcopies) of their proposal for evaluation purposes.**

The Lexington-Fayette Urban County Government reserves the right to reject any or all proposals, and to waive technicalities and informalities when such waiver is determined by the Lexington-Fayette Urban County Government to be in its best interest.

Signature of this proposal by the Proposer constitutes acceptance by the Proposer of terms, conditions and requirements set forth herein.

Minor exceptions may not eliminate the proposal. Any exceptions to the specifications established herein shall be listed in detail on a separate sheet and attached hereto. The Lexington-Fayette Urban County Government shall determine whether any exception is minor.

The Lexington-Fayette Urban County Government encourages the participation of minority- and women-owned businesses in Lexington-Fayette Urban County Government contracts. This proposal is subject to Affirmative Action requirements attached hereto.

***Please do not contact any LFUCG staff member or any other person involved in the selection process other than the designated contact person(s) regarding the project contemplated under this RFP while this RFP is open and a selection has not been finalized. Any attempt to do so may result in disqualification of the firm's submittal for consideration.***

### **Laws and Regulations**

All applicable state laws, municipal ordinances and regulations of all authorities having jurisdiction over the project shall apply to the contract, and shall be deemed to be incorporated herein by reference.

### **Equal Employment Opportunity**

The Entity (regardless of whether construction contractor, non-construction contractor or supplier) agrees to provide equal opportunity in employment for all qualified persons, to prohibit discrimination in employment because of race, color, creed, national origin, sex or age, and to promote equal employment through a positive, continuing program from itself and each of its subcontracting agents. This program of equal employment opportunity shall apply to every aspect of its employment policies and practices.

### **Kentucky Equal Employment Opportunity Act**

The Kentucky Equal Employment Opportunity Act of 1978 (KRS 45.560-45.640) requires that any "county, city, town, school district, water district, hospital district, or other political subdivision of the state shall include in directly or indirectly publicly funded contracts for supplies, materials, services, or equipment hereinafter entered into the following provisions:

"During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, or national origin;

(2) The contractor will state in all solicitations or advertisements for employees placed by or on behalf of the contractors that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, or national origin;

(3) The contractor will post notices in conspicuous places, available to employees and applicants for employment, setting forth the provision of the nondiscrimination clauses required by this section; and

(4) The contractor will send a notice to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding advising the labor union or workers' representative of the contractor's commitments under the nondiscrimination clauses."

The Act further provides:

"KRS 45.610. Hiring minorities -- Information required

(1) For the length of the contract, each contractor shall hire minorities from other sources within the drawing area, should the union with which he has collective bargaining agreements be unwilling to supply sufficient minorities to satisfy the agreed upon goals and timetables.

(2) Each contractor shall, for the length of the contract, furnish such information as required by KRS 45.560 to KRS 45.640 and by such rules, regulations and orders issued pursuant thereto and will permit access to all books and records pertaining to his employment practices and work sites by the contracting agency and the department for purposes of investigation to ascertain compliance with KRS 45.560 to 45.640 and such rules, regulations and orders issued pursuant thereto.

KRS 45.620. Action against contractor -- Hiring of minority contractor or subcontractor

(1) If any contractor is found by the department to have engaged in an unlawful practice under this chapter during the course of performing under a contract or subcontract covered under KRS 45.560 to 45.640, the department shall so certify to the contracting agency and such certification shall be binding upon the contracting agency unless it is reversed in the course of judicial review.

(2) If the contractor is found to have committed an unlawful practice under KRS 45.560 to 45.640, the contracting agency may cancel or terminate the contract, conditioned upon a program for future compliance approved by the contracting agency and the department. The contracting agency may declare such a contractor ineligible to bid on further contracts with that agency until such time as the contractor complies in full with the requirements of KRS 45.560 to 45.640.

(3) The equal employment provisions of KRS 45.560 to 45.640 may be met in part by a contractor by subcontracting to a minority contractor or subcontractor. For the provisions of KRS 45.560 to 45.640, a minority contractor or subcontractor shall mean a business that is owned and controlled by one or more persons disadvantaged by racial or ethnic circumstances.

KRS 45.630 Termination of existing employee not required, when

Any provision of KRS 45.560 to 45.640 notwithstanding, no contractor shall be required to terminate an existing employee upon proof that employee was employed prior to the date of the contract.

KRS 45.640 Minimum skills

Nothing in KRS 45.560 to 45.640 shall require a contractor to hire anyone who fails to demonstrate the minimum skills required to perform a particular job."

It is recommended that all of the provisions above quoted be included as special conditions in each contract. In the case of a contract exceeding \$250,000, the contractor is required to furnish evidence that his workforce in Kentucky is representative of the available work-force in the area from which he draws employees, or to supply an Affirmative Action plan which will achieve such representation during the life of the contract.

### **LFUCG Non-Appropriation Clause**

Contractor acknowledges that the LFUCG is a governmental entity, and the contract validity is based upon the availability of public funding under the authority of its statutory mandate.

In the event that public funds are unavailable and not appropriated for the performance of the LFUCG's obligations under this contract, then this contract shall automatically expire without penalty to the LFUCG thirty (30) days after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that the LFUCG shall not activate this non-appropriation provision for its convenience or to circumvent the requirements of this contract, but only as an emergency fiscal measure during a substantial fiscal crisis, which affects generally its governmental operations.

In the event of a change in the LFUCG's statutory authority, mandate and mandated functions, by state and federal legislative or regulatory action, which adversely affects the LFUCG's authority to continue its obligations under this contract, then this contract shall automatically terminate without penalty to the LFUCG upon written notice to Contractor of such limitation or change in the LFUCG's legal authority.

### **Contention Process**

Vendors who respond to this invitation have the right to file a notice of contention associated with the RFP process or to file a notice of appeal of the recommendation made by the Director of Central Purchasing resulting from this invitation.

Notice of contention with the RFP process must be filed within 3 business days of the bid/proposal opening by (1) sending a written notice, including sufficient documentation to support contention, to the Director of the Division of Central Purchasing or (2) submitting a written request for a meeting with the Director of Central Purchasing to explain his/her contention with the RFP process. After consulting with the Commissioner of Finance the Chief Administrative Officer and reviewing the documentation and/or hearing the vendor, the Director of Central Purchasing shall promptly respond in writing findings as to the compliance with RFP processes. If, based on this review, a RFP process irregularity is deemed to have

occurred the Director of Central Purchasing will consult with the Commissioner of Finance, the Chief Administrative Officer and the Department of Law as to the appropriate remedy.

Notice of appeal of a RFP recommendation must be filed within 3 business days of the RFP recommendation by (1) sending a written notice, including sufficient documentation to support appeal, to the Director, Division of Central Purchasing or (2) submitting a written request for a meeting with the Director of Central Purchasing to explain his appeal. After reviewing the documentation and/or hearing the vendor and consulting with the Commissioner of Finance and the Chief Administrative Officer, the Director of Central Purchasing shall in writing, affirm or withdraw the recommendation.

**SELECTION CRITERIA:**

Completeness and conformity of the reply to the specific requirements of the solicitation.	10 points
Demonstrated ability to provide loan services to public sector loan programs.	30 points
Availability of facilities and personnel for the service.	10 points
References and Qualifications.	25 points
Reasonableness of Cost	20 points
Degree of Local Employment	5 points

Proposals shall contain the appropriate information necessary to evaluate based on these criteria. A committee composed of government employees as well as representatives of relevant user groups will evaluate the proposals.

Questions shall be submitted via IonWave at: <https://lexingtonky.ionwave.net>

Or submitted to:

**Sondra Stone**  
Division of Central Purchasing  
[sstone@lexingtonky.gov](mailto:sstone@lexingtonky.gov)

## Affirmative Action Plan

All vendors must submit as a part of the proposal package the following items to the Urban County Government:

1. Affirmative Action Plan for his/her firm;
2. Current Work Force Analysis Form;

Failure to submit these items as required may result in disqualification of the submitter from award of the contract. All submissions should be directed to:

Director, Division of Central Purchasing  
Lexington-Fayette Urban County Government  
200 East Main Street, 3rd Floor  
Lexington, Kentucky 40507

All questions regarding this proposal must be directed to the Division of Central Purchasing, (859)-258-3320.

## AFFIDAVIT

Comes the Affiant, \_\_\_\_\_, and after being first duly sworn, states under penalty of perjury as follows:

1. His/her name is \_\_\_\_\_ and he/she is the individual submitting the proposal or is the authorized representative of \_\_\_\_\_, the entity submitting the proposal (hereinafter referred to as "Proposer").
  
2. Proposer will pay all taxes and fees, which are owed to the Lexington-Fayette Urban County Government at the time the proposal is submitted, prior to award of the contract and will maintain a "current" status in regard to those taxes and fees during the life of the contract.
  
3. Proposer will obtain a Lexington-Fayette Urban County Government business license, if applicable, prior to award of the contract.
  
4. Proposer has authorized the Division of Central Purchasing to verify the above-mentioned information with the Division of Revenue and to disclose to the Urban County Council that taxes and/or fees are delinquent or that a business license has not been obtained.
  
5. Proposer has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky within the past five (5) years and the award of a contract to the Proposer will not violate any provision of the campaign finance laws of the Commonwealth.
  
6. Proposer has not knowingly violated any provision of Chapter 25 of the Lexington-Fayette Urban County Government Code of Ordinances, known as "Ethics Act."

**Continued on next page**



7. Proposer acknowledges that "knowingly" for purposes of this Affidavit means, with respect to conduct or to circumstances described by a statute or ordinance defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.

Further, Affiant sayeth naught.

\_\_\_\_\_

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

The foregoing instrument was subscribed, sworn to and acknowledged before me

by \_\_\_\_\_ on this the \_\_\_\_\_ day

of \_\_\_\_\_, 20\_\_.

My Commission expires: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC, STATE AT LARGE

## EQUAL OPPORTUNITY AGREEMENT

### Standard Title VI Assurance

The Lexington Fayette-Urban County Government, (hereinafter referred to as the "Recipient") hereby agrees that as a condition to receiving any Federal financial assistance from the U.S. Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78Stat.252, 42 U.S.C. 2000d-4 (hereinafter referred to as the "Act"), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, (49 CFR, Part 21) Nondiscrimination in Federally Assisted Program of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the "Regulations") and other pertinent directives, no person in the United States shall, on the grounds of race, color, national origin, sex, age (over 40), religion, sexual orientation, gender identity, veteran status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient receives Federal financial assistance from the U.S. Department of Transportation, including the Federal Highway Administration, and hereby gives assurance that will promptly take any necessary measures to effectuate this agreement. This assurance is required by subsection 21.7(a) (1) of the Regulations.

### The Law

- Title VII of the Civil Rights Act of 1964 (amended 1972) states that it is unlawful for an employer to discriminate in employment because of race, color, religion, sex, age (40-70 years) or national origin.
- Executive Order No. 11246 on Nondiscrimination under Federal contract prohibits employment discrimination by contractor and sub-contractor doing business with the Federal Government or recipients of Federal funds. This order was later amended by Executive Order No. 11375 to prohibit discrimination on the basis of sex.
- Section 503 of the Rehabilitation Act of 1973 states:

*The Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap.*

- Section 2012 of the Vietnam Era Veterans Readjustment Act of 1973 requires Affirmative Action on behalf of disabled veterans and veterans of the Vietnam Era by contractors having Federal contracts.
- Section 206(A) of Executive Order 12086, Consolidation of Contract Compliance Functions for Equal Employment Opportunity, states:

*The Secretary of Labor may investigate the employment practices of any Government contractor or sub-contractor to determine whether or not the contractual provisions specified in Section 202 of this order have been violated.*

\*\*\*\*\*

The Lexington-Fayette Urban County Government practices Equal Opportunity in recruiting, hiring and promoting. It is the Government's intent to affirmatively provide employment opportunities for those individuals who have previously not been allowed to enter into the mainstream of society. Because of its importance to the local Government, this policy carries the full endorsement of the Mayor, Commissioners, Directors and all supervisory personnel. In following this commitment to Equal Employment Opportunity and because the Government is the benefactor of the Federal funds, it is both against the Urban County Government policy and illegal for the Government to let contracts to companies which knowingly or unknowingly practice discrimination in their employment practices. Violation of the above mentioned ordinances may cause a contract to be canceled and the contractors may be declared ineligible for future consideration.

Please sign this statement in the appropriate space acknowledging that you have read and understand the provisions contained herein. Return this document as part of your application packet.

Bidders

*I/We agree to comply with the Civil Rights Laws listed above that govern employment rights of minorities, women, Vietnam veterans, handicapped and aged persons.*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of Business

\_\_\_\_\_

## WORKFORCE ANALYSIS FORM

Name of Organization: \_\_\_\_\_

Categories	Total	White (Not Hispanic or Latino)		Hispanic or Latino		Black or African- American (Not Hispanic or Latino)		Native Hawaiian and Other Pacific Islander (Not Hispanic or Latino)		Asian (Not Hispanic or Latino)		American Indian or Alaskan Native (not Hispanic or Latino)		Two or more races (Not Hispanic or Latino)		Total	
		M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Administrators																	
Professionals																	
Superintendents																	
Supervisors																	
Foremen																	
Technicians																	
Protective Service																	
Para-																	
Office/Clerical																	
Skilled Craft																	
Service/Maintenan																	
<b>Total:</b>																	

Prepared by: \_\_\_\_\_ Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

(Name and Title)

Revised 2015-Dec-15

**DIRECTOR, DIVISION OF CENTRAL PURCHASING  
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT  
200 EAST MAIN STREET  
LEXINGTON, KENTUCKY 40507**

**NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION TO ENSURE EQUAL EMPLOYMENT OPPORTUNITIES AND DBE CONTRACT PARTICIPATION**

Notice of requirement for Affirmative Action to ensure Equal Employment Opportunities and Disadvantaged Business Enterprises (DBE) Contract participation. Disadvantaged Business Enterprises (DBE) consists of Minority-Owned Business Enterprises (MBE) and Woman-Owned Business Enterprises (WBE).

The Lexington-Fayette Urban County Government has set a goal that not less than ten percent (10%) of the total value of this Contract be subcontracted to Disadvantaged Business Enterprises, which is made up of MBEs and WBEs. The Lexington Fayette Urban County Government also has set a goal that not less than three percent (3%) of the total value of this Contract be subcontracted to Veteran-owned Small Businesses. The goal for the utilization of Disadvantaged Business Enterprises as well Veteran -owned Small Businesses as subcontractors is a recommended goal. Contractor(s) who fail to meet such goal will be expected to provide written explanations to the Director of the Division of Purchasing of efforts they have made to accomplish the recommended goal, and the extent to which they are successful in accomplishing the recommended goal will be a consideration in the procurement process. Depending on the funding source, other DBE goals may apply.

For assistance in locating Disadvantaged Business Enterprises Subcontractors contact:

Sherita Miller, MPA, Division of Central Purchasing  
Lexington-Fayette Urban County Government  
200 East Main Street, 3rd Floor, Room 338  
Lexington, Kentucky 40507  
[smiller@lexingtonky.gov](mailto:smiller@lexingtonky.gov)

Firm Submitting Proposal: \_\_\_\_\_

Complete Address: \_\_\_\_\_  
Street City Zip

Contact Name: \_\_\_\_\_ Title: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Email address: \_\_\_\_\_

**Lexington-Fayette Urban County Government**  
**MWDBE PARTICIPATION GOALS**

**A. GENERAL**

- 1) The LFUCG request all potential contractors to make a concerted effort to include Minority-Owned (MBE), Woman-Owned (WBE), Disadvantaged (DBE) Business Enterprises and Veteran-Owned Small Businesses (VOSB) as subcontractors or suppliers in their bids.
- 2) Toward that end, the LFUCG has established 10% of total procurement costs as a Goal for participation of Minority-Owned, Woman-Owned and Disadvantaged Businesses on this contract.
- 3) **It is therefore a request of each Bidder to include in its bid, the same goal (10%) for MWDBE participation and other requirements as outlined in this section.**
- 4) The LFUCG has also established a 3% of total procurement costs as a Goal for participation for of Veteran-Owned Businesses.
- 5) **It is therefore a request of each Bidder to include in its bid, the same goal (3%) for Veteran-Owned participation and other requirements as outlined in this section.**

**B. PROCEDURES**

- 1) The successful bidder will be required to report to the LFUCG, the dollar amounts of all payments submitted to Minority-Owned, Woman-Owned or Veteran-Owned subcontractors and suppliers for work done or materials purchased for this contract. (See Subcontractor Monthly Payment Report)
- 2) Replacement of a Minority-Owned, Woman-Owned or Veteran-Owned subcontractor or supplier listed in the original submittal must be requested in writing and must be accompanied by documentation of Good Faith Efforts to replace the subcontractor / supplier with another MWDBE Firm; this is subject to approval by the LFUCG. (See LFUCG MWDBE Substitution Form)
- 3) For assistance in identifying qualified, certified businesses to solicit for potential contracting opportunities, bidders may contact:
  - a) The Lexington-Fayette Urban County Government, Division of Central Purchasing (859-258-3320)
- 4) The LFUCG will make every effort to notify interested MWDBE and Veteran-Owned subcontractors and suppliers of each Bid Package, including information on the scope of work, the pre-bid meeting time and location, the bid date, and all other pertinent information regarding the project.

**C. DEFINITIONS**

- 1) A Minority-Owned Business Enterprise (MBE) is defined as a business which is certified as being at least 51% owned, managed and controlled by persons of African American, Hispanic, Asian, Pacific Islander, American Indian or Alaskan Native Heritage.
- 2) A Woman-Owned Business Enterprise (WBE) is defined as a business which is certified as being at least 51% owned, managed and controlled by one or more women.

- 3) A Disadvantaged Business (DBE) is defined as a business which is certified as being at least 51% owned, managed and controlled by a person(s) that are economically and socially disadvantaged.
- 4) A Veteran-Owned Small Business (VOSB) is defined as a business which is certified as being at least 51% owned, managed and controlled by a veteran and/or a service disabled veteran.
- 5) Good Faith Efforts are efforts that, given all relevant circumstances, a bidder or proposer actively and aggressively seeking to meet the goals, can reasonably be expected to make. In evaluating good faith efforts made toward achieving the goals, whether the bidder or proposer has performed the efforts outlined in the Obligations of Bidder for Good Faith Efforts outlined in this document will be considered, along with any other relevant factors.

#### D. OBLIGATION OF BIDDER FOR GOOD FAITH EFFORTS

- 1) **The bidder shall make a Good Faith Effort to achieve the Participation Goal for MWDBE and Veteran-Owned subcontractors/suppliers. The failure to meet the goal shall not necessarily be cause for disqualification of the bidder; however, bidders not meeting the goal are required to furnish with their bids written documentation of their Good Faith Efforts to do so.**
- 2) Award of Contract shall be conditioned upon satisfaction of the requirements set forth herein.
- 3) The Form of Proposal includes a section entitled "MWDBE Participation Form". The applicable information must be completed and submitted as outlined below.
- 4) **Failure to submit this information as requested may be cause for rejection of bid or delay in contract award.**

#### E. DOCUMENTATION REQUIRED FOR GOOD FAITH EFFORTS

- 1) Bidders reaching the Goal are required to submit only the MWDBE Participation Form." The form must be fully completed including names and telephone number of participating MWDBE firm(s); type of work to be performed; estimated value of the contract and value expressed as a percentage of the total Lump Sum Bid Price. The form must be signed and dated, and is to be submitted with the bid.
- 2) Bidders not reaching the Goal must submit the "MWDBE Participation Form", the "Quote Summary Form" and a written statement documenting their Good Faith Effort to do so. If bid includes no MWDBE and/or Veteran participation, bidder shall enter "None" on the subcontractor / supplier form). In addition, the bidder must submit written proof of their Good Faith Efforts to meet the Participation Goal:
  - a. Advertised opportunities to participate in the contract in at least two (2) publications of general circulation media; trade and professional association publications; small and minority business or trade publications; and publications or trades targeting minority, women and disadvantaged businesses not less than fifteen (15) days prior to the deadline for submission of bids to allow MWDBE firms and Veteran-Owned businesses to participate.
  - b. Included documentation of advertising in the above publications with the bidders good faith efforts package



- c. Attended LFUCG Central Purchasing Economic Inclusion Outreach event
- d. Attended pre-bid meetings that were scheduled by LFUCG to inform MWDBEs and/or Veteran-Owned businesses of subcontracting opportunities
- e. Sponsored Economic Inclusion event to provide networking opportunities for prime contractors and MWDBE firms and Veteran-Owned businesses.
- f. Requested a list of MWDBE and/or Veteran subcontractors or suppliers from LFUCG and showed evidence of contacting the companies on the list(s).
- g. Contacted organizations that work with MWDBE companies for assistance in finding certified MWDBE firms and Veteran-Owned businesses to work on this project. Those contacted and their responses should be a part of the bidder's good faith efforts documentation.
- d. Sent written notices, by certified mail, email or facsimile, to qualified, certified MWDBEs and/or Veteran-Owned businesses soliciting their participation in the contract not less than seven (7) days prior to the deadline for submission of bids to allow them to participate effectively.
- e. Followed up initial solicitations by contacting MWDBEs and Veteran-Owned Businesses to determine their level of interest.
- j. Provided the interested MWDBE firm and/or Veteran-Owned business with adequate and timely information about the plans, specifications, and requirements of the contract.
- k. Selected portions of the work to be performed by MWDBE firms and/or Veteran-Owned businesses in order to increase the likelihood of meeting the contract goals. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate MWDBE and Veteran participation, even when the prime contractor may otherwise perform these work items with its own workforce
- l. Negotiated in good faith with interested MWDBE firms and Veteran-Owned businesses not rejecting them as unqualified without sound reasons based on a thorough investigation of their capabilities. Any rejection should be so noted in writing with a description as to why an agreement could not be reached.
- m. Included documentation of quotations received from interested MWDBE firms and Veteran-Owned businesses which were not used due to uncompetitive pricing or were rejected as unacceptable and/or copies of responses from firms indicating that they would not be submitting a bid.
- n. Bidder has to submit sound reasons why the quotations were considered unacceptable. The fact that the bidder has the ability and/or desire to perform the contract work with its own forces will not be considered a sound reason for rejecting a MWDBE and/or Veteran-Owned business's quote. Nothing in this provision shall be construed to require the bidder to accept unreasonable quotes in order to satisfy MWDBE and Veteran goals.

o. Made an effort to offer assistance to or refer interested MWDBE firms and Veteran-Owned businesses to obtain the necessary equipment, supplies, materials, insurance and/or bonding to satisfy the work requirements of the bid proposal

p. Made efforts to expand the search for MWBE firms and Veteran-Owned businesses beyond the usual geographic boundaries.

q. Other--any other evidence that the bidder submits which may show that the bidder has made reasonable good faith efforts to include MWDBE and Veteran participation.

**Note: Failure to submit any of the documentation requested in this section may be cause for rejection of bid. Bidders may include any other documentation deemed relevant to this requirement which is subject to review by the MBE Liaison. Documentation of Good Faith Efforts must be submitted with the Bid, if the participation Goal is not met.**



## MINORITY BUSINESS ENTERPRISE PROGRAM

Sherita Miller, MPA  
Minority Business Enterprise Liaison  
Division of Central Purchasing  
Lexington-Fayette Urban County Government  
200 East Main Street  
Lexington, KY 40507  
[smiller@lexingtonky.gov](mailto:smiller@lexingtonky.gov)  
859-258-3323

**OUR MISSION:** The mission of the Minority Business Enterprise Program is to facilitate the full participation of minority and women owned businesses in the procurement process and to promote economic inclusion as a business imperative essential to the long term economic viability of Lexington-Fayette Urban County Government.

To that end the city council adopted and implemented Resolution 484-2017 – A Certified Minority, Women and Disadvantaged Business Enterprise ten percent (10%) minimum goal and a three (3%) minimum goal for Certified Veteran-Owned Small Businesses and Certified Service Disabled Veteran – Owned Businesses for government contracts.

The resolution states the following definitions shall be used for the purposes of reaching these goals (a full copy is available in Central Purchasing):

***Certified Disadvantaged Business Enterprise (DBE)*** – a business in which at least fifty-one percent (51%) is owned, managed and controlled by a person(s) who is socially and economically disadvantaged as define by 49 CFR subpart 26.

***Certified Minority Business Enterprise (MBE)*** – a business in which at least fifty-one percent (51%) is owned, managed and controlled by an ethnic minority (i.e. African American, Asian American/Pacific Islander, Hispanic Islander, Native American/Native Alaskan Indian) as defined in federal law or regulation as it may be amended from time-to-time.

***Certified Women Business Enterprise (WBE)*** – a business in which at least fifty-one percent (51%) is owned, managed and controlled by a woman.

***Certified Veteran-Owned Small Business (VOSB)*** – a business in which at least fifty-one percent (51%) is owned, managed and controlled by a veteran who served on active duty with the U.S. Army, Air Force, Navy, Marines or Coast Guard.

***Certified Service Disabled Veteran Owned Small Business (SDVOSB)*** – a business in which at least fifty-one percent (51%) is owned, managed and controlled by a disabled veteran who served on active duty with the U.S. Army, Air Force, Navy, Marines or Coast Guard.

The term “Certified” shall mean the business is appropriately certified, licensed, verified, or validated by an organization or entity recognized by the Division of Purchasing as having the appropriate credentials to make a determination as to the status of the business.

We have compiled the list below to help you locate certified MBE, WBE and DBE certified businesses. Below is a listing of contacts for LFUCG Certified MWDBEs and Veteran-Owned Small Businesses in (<https://lexingtonky.ionwave.net>)

<b>Business</b>	<b>Contact</b>	<b>Email Address</b>	<b>Phone</b>
<b>LFUCG</b>	Sherita Miller	<a href="mailto:smiller@lexingtonky.gov">smiller@lexingtonky.gov</a>	859-258-3323
<b>Commerce Lexington – Minority Business Development</b>	Tyrone Tyra	<a href="mailto:ttyra@commercelexington.com">ttyra@commercelexington.com</a>	859-226-1625
<b>Tri-State Minority Supplier Diversity Council</b>	Susan Marston	<a href="mailto:smarston@tsmsdc.com">smarston@tsmsdc.com</a>	502-365-9762
<b>Small Business Development Council</b>	Shawn Rogers UK SBDC	<a href="mailto:shawn.rogers@uky.edu">shawn.rogers@uky.edu</a>	859-257-7666
<b>Community Ventures Corporation</b>	Phyllis Alcorn	<a href="mailto:palcorn@cvky.org">palcorn@cvky.org</a>	859-231-0054
<b>KY Transportation Cabinet (KYTC)</b>	Melvin Bynes	<a href="mailto:Melvin.bynes2@ky.gov">Melvin.bynes2@ky.gov</a>	502-564-3601
<b>KYTC Pre-Qualification</b>	Sheila Eagle	<a href="mailto:Sheila.Eagle@ky.gov">Sheila.Eagle@ky.gov</a>	502-782-4815
<b>Ohio River Valley Women’s Business Council (WBENC)</b>	Sheila Mixon	<a href="mailto:smixon@orvwbc.org">smixon@orvwbc.org</a>	513-487-6537
<b>Kentucky MWBE Certification Program</b>	Yvette Smith, Kentucky Finance Cabinet	<a href="mailto:Yvette.Smith@ky.gov">Yvette.Smith@ky.gov</a>	502-564-8099
<b>National Women Business Owner’s Council (NWBOC)</b>	Janet Harris-Lange	<a href="mailto:janet@nwbooc.org">janet@nwbooc.org</a>	800-675-5066
<b>Small Business Administration</b>	Robert Coffey	<a href="mailto:robertcoffey@sba.gov">robertcoffey@sba.gov</a>	502-582-5971
<b>LaVoz de Kentucky</b>	Andres Cruz	<a href="mailto:lavozdeky@yahoo.com">lavozdeky@yahoo.com</a>	859-621-2106
<b>The Key News Journal</b>	Patrice Muhammad	<a href="mailto:production@keynewsjournal.com">production@keynewsjournal.com</a>	859-685-8488



**LFUCG MWDBE PARTICIPATION FORM**

Bid/RFP/Quote Reference # \_\_\_\_\_

The MWDBE and/or veteran subcontractors listed have agreed to participate on this Bid/RFP/Quote. If any substitution is made or the total value of the work is changed prior to or after the job is in progress, it is understood that those substitutions must be submitted to Central Purchasing for approval immediately. **Failure to submit a completed form may cause rejection of the bid.**

MWDBE Company, Name, Address, Phone, Email	MBE WBE or DBE	Work to be Performed	Total Dollar Value of the Work	% Value of Total Contract
1.				
2.				
3.				
4.				

The undersigned company representative submits the above list of MWDBE firms to be used in accomplishing the work contained in this Bid/RFP/Quote. Any misrepresentation may result in the termination of the contract and/or be subject to applicable Federal and State laws concerning false statements and false claims.

\_\_\_\_\_  
Company

\_\_\_\_\_  
Company Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title



**LFUCG MWDBE SUBSTITUTION FORM**

Bid/RFP/Quote Reference # \_\_\_\_\_

The substituted MWDBE and/or veteran subcontractors listed below have agreed to participate on this Bid/RFP/Quote. These substitutions were made prior to or after the job was in progress. These substitutions were made for reasons stated below and are now being submitted to Central Purchasing for approval. By the authorized signature of a representative of our company, we understand that this information will be entered into our file for this project.

SUBSTITUTED MWDBE Company Name, Address, Phone, Email	MWDBE Formally Contracted/ Name, Address, Phone, Email	Work to Be Performed	Reason for the Substitution	Total Dollar Value of the Work	% Value of Total Contract
1.					
2.					
3.					
4.					

The undersigned acknowledges that any misrepresentation may result in termination of the contract and/or be subject to applicable Federal and State laws concerning false statements and false claims.

\_\_\_\_\_  
Company

\_\_\_\_\_  
Company Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title



**MWDBE QUOTE SUMMARY FORM**

Bid/RFP/Quote Reference # \_\_\_\_\_

The undersigned acknowledges that the minority and/or veteran subcontractors listed on this form did submit a quote to participate on this project. Failure to submit this form may cause rejection of the bid.

Company Name	Contact Person
Address/Phone/Email	Bid Package / Bid Date

MWDBE Company Address	Contact Person	Contact Information (work phone, Email, cell)	Date Contacted	Services to be performed	Method of Communication (email, phone meeting, ad, event etc)	Total dollars \$\$ Do Not Leave Blank (Attach Documentation)	MBE * AA HA AS NA Female	Veteran

(MBE designation / AA=African American / HA= Hispanic American/AS = Asian American/Pacific Islander/ NA= Native American)

The undersigned acknowledges that all information is accurate. Any misrepresentation may result in termination of the contract and/or be subject to applicable Federal and State laws concerning false statements and claims.

\_\_\_\_\_  
Company

\_\_\_\_\_  
Company Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title



## LFUCG SUBCONTRACTOR MONTHLY PAYMENT REPORT

The LFUCG has a 10% goal plan adopted by city council to increase the participation of minority and women owned businesses in the procurement process. The LFUCG also has a 3% goal plan adopted by cited council to increase the participation of veteran owned businesses in the procurement process. In order to measure that goal LFUCG will track spending with MWDDBE and Veteran contractors on a monthly basis. By the signature below of an authorized company representative, you certify that the information is correct, and that each of the representations set forth below is true. Any misrepresentation may result in termination of the contract and/or prosecution under applicable Federal and State laws concerning false statements and false claims. Please submit this form monthly to the Division of Central Purchasing/ 200 East Main Street / Room 338 / Lexington, KY 40507.

**Bid/RFP/Quote #** \_\_\_\_\_

**Total Contract Amount Awarded to Prime Contractor for this Project** \_\_\_\_\_

<b>Project Name/ Contract #</b>	<b>Work Period/ From:</b> _____ <b>To:</b> _____
<b>Company Name:</b>	<b>Address:</b>
<b>Federal Tax ID:</b>	<b>Contact Person:</b>

Subcontractor Vendor ID (name, address, phone, email)	Description of Work	Total Subcontract Amount	% of Total Contract Awarded to Prime for this Project	Total Amount Paid for this Period	Purchase Order number for subcontractor work (please attach PO)	Scheduled Project Start Date	Scheduled Project End Date

By the signature below of an authorized company representative, you certify that the information is correct, and that each of the representations set forth below is true. Any misrepresentations may result in the termination of the contract and/or prosecution under applicable Federal and State laws concerning false statements and false claims.

\_\_\_\_\_  
**Company**

\_\_\_\_\_  
**Company Representative**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Title**



## LFUCG STATEMENT OF GOOD FAITH EFFORTS

Bid/RFP/Quote # \_\_\_\_\_

By the signature below of an authorized company representative, we certify that we have utilized the following Good Faith Efforts to obtain the maximum participation by MWDBE and Veteran-Owned business enterprises on the project and can supply the appropriate documentation.

\_\_\_\_\_ Advertised opportunities to participate in the contract in at least two (2) publications of general circulation media; trade and professional association publications; small and minority business or trade publications; and publications or trades targeting minority, women and disadvantaged businesses not less than fifteen (15) days prior to the deadline for submission of bids to allow MWDBE firms and Veteran-Owned businesses to participate.

\_\_\_\_\_ Included documentation of advertising in the above publications with the bidders good faith efforts package

\_\_\_\_\_ Attended LFUCG Central Purchasing Economic Inclusion Outreach event

\_\_\_\_\_ Attended pre-bid meetings that were scheduled by LFUCG to inform MWDBEs and/or Veteran-Owned Businesses of subcontracting opportunities

\_\_\_\_\_ Sponsored Economic Inclusion event to provide networking opportunities for prime contractors and MWDBE firms and Veteran-Owned businesses

\_\_\_\_\_ Requested a list of MWDBE and/or Veteran subcontractors or suppliers from LFUCG and showed evidence of contacting the companies on the list(s).

\_\_\_\_\_ Contacted organizations that work with MWDBE companies for assistance in finding certified MWBDE firms and Veteran-Owned businesses to work on this project. Those contacted and their responses should be a part of the bidder's good faith efforts documentation.

\_\_\_\_\_ Sent written notices, by certified mail, email or facsimile, to qualified, certified MWDBEs soliciting their participation in the contract not less than seven (7) days prior to the deadline for submission of bids to allow them to participate effectively.

\_\_\_\_\_ Followed up initial solicitations by contacting MWDBEs and Veteran-Owned businesses to determine their level of interest.

\_\_\_\_\_ Provided the interested MWBDE firm and/or Veteran-Owned business with adequate and timely information about the plans, specifications, and requirements of the contract.

\_\_\_\_\_ Selected portions of the work to be performed by MWDBE firms and/or Veteran-Owned businesses in order to increase the likelihood of meeting the contract goals. This includes, where appropriate, breaking out contract work

items into economically feasible units to facilitate MWDBE and Veteran participation, even when the prime contractor may otherwise perform these work items with its own workforce

\_\_\_\_\_ Negotiated in good faith with interested MWDBE firms and Veteran-Owned businesses not rejecting them as unqualified without sound reasons based on a thorough investigation of their capabilities. Any rejection should be so noted in writing with a description as to why an agreement could not be reached.

\_\_\_\_\_ Included documentation of quotations received from interested MWDBE firms and Veteran-Owned businesses which were not used due to uncompetitive pricing or were rejected as unacceptable and/or copies of responses from firms indicating that they would not be submitting a bid.

\_\_\_\_\_ Bidder has to submit sound reasons why the quotations were considered unacceptable. The fact that the bidder has the ability and/or desire to perform the contract work with its own forces will not be considered a sound reason for rejecting a MWDBE and/or Veteran-Owned business's quote. Nothing in this provision shall be construed to require the bidder to accept unreasonable quotes in order to satisfy MWDBE and Veteran goals.

\_\_\_\_\_ Made an effort to offer assistance to or refer interested MWDBE firms and Veteran-Owned businesses to obtain the necessary equipment, supplies, materials, insurance and/or bonding to satisfy the work requirements of the bid proposal

\_\_\_\_\_ Made efforts to expand the search for MWBE firms and Veteran-Owned businesses beyond the usual geographic boundaries.

\_\_\_\_\_ Other--any other evidence that the bidder submits which may show that the bidder has made reasonable good faith efforts to include MWDBE and Veteran participation.

**NOTE: Failure to submit any of the documentation requested in this section may be cause for rejection of bid. Bidders may include any other documentation deemed relevant to this requirement which is subject to approval by the MBE Liaison. Documentation of Good Faith Efforts must be submitted with the Bid, if the participation Goal is not met.**

The undersigned acknowledges that all information is accurate. Any misrepresentations may result in termination of the contract and/or be subject to applicable Federal and State laws concerning false statements and claims.

\_\_\_\_\_  
Company

\_\_\_\_\_  
Company Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

## GENERAL PROVISIONS

1. Each Respondent shall comply with all Federal, State & Local regulations concerning this type of service or good.

The Respondent agrees to comply with all statutes, rules, and regulations governing safe and healthful working conditions, including the Occupational Health and Safety Act of 1970, 29 U.S.C. 650 *et. seq.*, as amended, and KRS Chapter 338. The Respondent also agrees to notify the LFUCG in writing immediately upon detection of any unsafe and/or unhealthful working conditions at the job site. The Respondent agrees to indemnify, defend and hold the LFUCG harmless from all penalties, fines or other expenses arising out of the alleged violation of said laws.

2. Failure to submit ALL forms and information required in this RFP may be grounds for disqualification.
3. Addenda: All addenda and IonWave Q&A, if any, shall be considered in making the proposal, and such addenda shall be made a part of this RFP. Before submitting a proposal, it is incumbent upon each proposer to be informed as to whether any addenda have been issued, and the failure to cover in the bid any such addenda may result in disqualification of that proposal.
4. Proposal Reservations: LFUCG reserves the right to reject any or all proposals, to award in whole or part, and to waive minor immaterial defects in proposals. LFUCG may consider any alternative proposal that meets its basic needs.
5. Liability: LFUCG is not responsible for any cost incurred by a Respondent in the preparation of proposals.
6. Changes/Alterations: Respondent may change or withdraw a proposal at any time prior to the opening; however, no oral modifications will be allowed. Only letters, or other formal written requests for modifications or corrections of a previously submitted proposal which is addressed in the same manner as the proposal, and received by LFUCG prior to the scheduled closing time for receipt of proposals, will be accepted. The proposal, when opened, will then be corrected in accordance with such written request(s), provided that the written request is contained in a sealed envelope which is plainly marked "modifications of proposal".
7. Clarification of Submittal: LFUCG reserves the right to obtain clarification of any point in a bid or to obtain additional information from a Respondent.
8. Bribery Clause: By his/her signature on the bid, Respondent certifies that no employee of his/hers, any affiliate or Subcontractor, has bribed or attempted to

bribe an officer or employee of the LFUCG.

9. Additional Information: While not necessary, the Respondent may include any product brochures, software documentation, sample reports, or other documentation that may assist LFUCG in better understanding and evaluating the Respondent's response. Additional documentation shall not serve as a substitute for other documentation which is required by this RFP to be submitted with the proposal,
10. Ambiguity, Conflict or other Errors in RFP: If a Respondent discovers any ambiguity, conflict, discrepancy, omission or other error in the RFP, it shall immediately notify LFUCG of such error in writing and request modification or clarification of the document if allowable by the LFUCG.
11. Agreement to Bid Terms: In submitting this proposal, the Respondent agrees that it has carefully examined the specifications and all provisions relating to the work to be done attached hereto and made part of this proposal. By acceptance of a Contract under this RFP, proposer states that it understands the meaning, intent and requirements of the RFP and agrees to the same. The successful Respondent shall warrant that it is familiar with and understands all provisions herein and shall warrant that it can comply with them. No additional compensation to Respondent shall be authorized for services or expenses reasonably covered under these provisions that the proposer omits from its Proposal.
12. Cancellation: If the services to be performed hereunder by the Respondent are not performed in an acceptable manner to the LFUCG, the LFUCG may cancel this contract for cause by providing written notice to the proposer, giving at least thirty (30) days notice of the proposed cancellation and the reasons for same. During that time period, the proposer may seek to bring the performance of services hereunder to a level that is acceptable to the LFUCG, and the LFUCG may rescind the cancellation if such action is in its best interest.

#### A. Termination for Cause

- (1) LFUCG may terminate a contract because of the contractor's failure to perform its contractual duties
- (2) If a contractor is determined to be in default, LFUCG shall notify the contractor of the determination in writing, and may include a specified date by which the contractor shall cure the identified deficiencies. LFUCG may proceed with termination if the contractor fails to cure the deficiencies within the specified time.
- (3) A default in performance by a contractor for which a contract may be terminated shall include, but shall not necessarily be limited to:

- (a) Failure to perform the contract according to its terms, conditions and specifications;
- (b) Failure to make delivery within the time specified or according to a delivery schedule fixed by the contract;
- (c) Late payment or nonpayment of bills for labor, materials, supplies, or equipment furnished in connection with a contract for construction services as evidenced by mechanics' liens filed pursuant to the provisions of KRS Chapter 376, or letters of indebtedness received from creditors by the purchasing agency;
- (d) Failure to diligently advance the work under a contract for construction services;
- (e) The filing of a bankruptcy petition by or against the contractor; or
- (f) Actions that endanger the health, safety or welfare of the LFUCG or its citizens.

#### B. At Will Termination

Notwithstanding the above provisions, the LFUCG may terminate this contract at will in accordance with the law upon providing thirty (30) days written notice of that intent, Payment for services or goods received prior to termination shall be made by the LFUCG provided these goods or services were provided in a manner acceptable to the LFUCG. Payment for those goods and services shall not be unreasonably withheld.

13. **Assignment of Contract:** The contractor shall not assign or subcontract any portion of the Contract without the express written consent of LFUCG. Any purported assignment or subcontract in violation hereof shall be void. It is expressly acknowledged that LFUCG shall never be required or obligated to consent to any request for assignment or subcontract; and further that such refusal to consent can be for any or no reason, fully within the sole discretion of LFUCG.
14. **No Waiver:** No failure or delay by LFUCG in exercising any right, remedy, power or privilege hereunder, nor any single or partial exercise thereof, nor the exercise of any other right, remedy, power or privilege shall operate as a waiver hereof or thereof. No failure or delay by LFUCG in exercising any right, remedy, power or privilege under or in respect of this Contract shall affect the rights, remedies, powers or privileges of LFUCG hereunder or shall operate as a waiver thereof.
15. **Authority to do Business:** The Respondent must be a duly organized and authorized to do business under the laws of Kentucky. Respondent must be in good standing and have full legal capacity to provide the services specified under this Contract. The Respondent must have all necessary right and lawful authority to enter into this Contract for the full term hereof and that proper corporate or

other action has been duly taken authorizing the Respondent to enter into this Contract. The Respondent will provide LFUCG with a copy of a corporate resolution authorizing this action and a letter from an attorney confirming that the proposer is authorized to do business in the State of Kentucky if requested. All proposals must be signed by a duly authorized officer, agent or employee of the Respondent.

16. **Governing Law:** This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. In the event of any proceedings regarding this Contract, the Parties agree that the venue shall be the Fayette County Circuit Court or the U.S. District Court for the Eastern District of Kentucky, Lexington Division. All parties expressly consent to personal jurisdiction and venue in such Court for the limited and sole purpose of proceedings relating to this Contract or any rights or obligations arising thereunder. Service of process may be accomplished by following the procedures prescribed by law.
17. **Ability to Meet Obligations:** Respondent affirmatively states that there are no actions, suits or proceedings of any kind pending against Respondent or, to the knowledge of the Respondent, threatened against the Respondent before or by any court, governmental body or agency or other tribunal or authority which would, if adversely determined, have a materially adverse effect on the authority or ability of Respondent to perform its obligations under this Contract, or which question the legality, validity or enforceability hereof or thereof.
18. Contractor understands and agrees that its employees, agents, or subcontractors are not employees of LFUCG for any purpose whatsoever. Contractor is an independent contractor at all times during the performance of the services specified.
19. If any term or provision of this Contract shall be found to be illegal or unenforceable, the remainder of the contract shall remain in full force and such term or provision shall be deemed stricken.
20. Contractor [or Vendor or Vendor's Employees] will not appropriate or make use of the Lexington-Fayette Urban County Government (LFUCG) name or any of its trade or service marks or property (including but not limited to any logo or seal), in any promotion, endorsement, advertisement, testimonial or similar use without the prior written consent of the government. If such consent is granted LFUCG reserves the unilateral right, in its sole discretion, to immediately terminate and revoke such use for any reason whatsoever. Contractor agrees that it shall cease and desist from any unauthorized use immediately upon being notified by LFUCG.

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Signature

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Date

**RISK MANAGEMENT PROVISIONS  
INSURANCE AND INDEMNIFICATION**

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**INDEMNIFICATION AND HOLD HARMLESS PROVISION**

- (1) It is understood and agreed by the parties that Consultant hereby assumes the entire responsibility and liability for any and all damages to persons or property caused by or resulting from or arising out of any act or omission on the part of Consultant or its employees, agents, servants, owners, principals, licensees, assigns or subcontractors of any tier (hereinafter "Consultant") under or in connection with this agreement and/or the provision of goods or services and the performance or failure to perform any work required thereby.
- (2) Consultant shall indemnify, save, hold harmless and defend the Lexington-Fayette Urban County Government and its elected and appointed officials, employees, agents, volunteers, and successors in interest (hereinafter "LFUCG") from and against all liability, damages, and losses, including but not limited to, demands, claims, obligations, causes of action, judgments, penalties, fines, liens, costs, expenses, interest, defense costs and reasonable attorney's fees that are in any way incidental to or connected with, or that arise or are alleged to have arisen, directly or indirectly, from or by Consultant's performance or breach of the agreement and/or the provision of goods or services provided that: (a) it is attributable to personal injury, bodily injury, sickness, or death, or to injury to or destruction of property (including the loss of use resulting therefrom), or to or from the negligent acts, errors or omissions or willful misconduct of the Consultant; and (b) not caused solely by the active negligence or willful misconduct of LFUCG.
- (3) Notwithstanding, the foregoing, with respect to any professional services performed by Consultant hereunder (and to the fullest extent permitted by law), Consultant shall indemnify, save, hold harmless and defend LFUCG from and against any and all liability, damages and losses, including but not limited to, demands, claims, obligations, causes of action, judgments, penalties, fines, liens, costs, expenses, interest, defense costs and reasonable attorney's fees, for any damage due to death or injury to any person or injury to any property (including the loss of use resulting therefrom) to the extent arising out of, pertaining to or relating to the negligence, recklessness or willful misconduct of Consultant in the performance of this agreement.
- (4) In the event LFUCG is alleged to be liable based upon the above, Consultant shall defend such allegations and shall bear all costs, fees and expenses of such defense, including but not limited to, all reasonable attorneys' fees and expenses, court costs, and expert witness fees and expenses, using attorneys approved in writing by LFUCG, which approval shall not be unreasonably withheld.
- (5) These provisions shall in no way be limited by any financial responsibility or insurance requirements, and shall survive the termination of this agreement.
- (6) LFUCG is a political subdivision of the Commonwealth of Kentucky. CONSULTANT acknowledges and agrees that LFUCG is unable to provide indemnity or otherwise save, hold harmless, or defend the CONSULTANT in any manner.

**FINANCIAL RESPONSIBILITY**

CONSULTANT understands and agrees that it shall, prior to final acceptance of its proposal and the commencement of any work or services, demonstrate the ability to assure compliance with the above Indemnity provisions and these other risk management provisions.

## **INSURANCE REQUIREMENTS**

YOUR ATTENTION IS DIRECTED TO THE INSURANCE REQUIREMENTS BELOW, AAND YOU MAY NEED TO CONFER WITH YOUR INSURANCE AGENTS, BROKERS, OR CARRIERS TO DETERMINE IN ADVANCE OF SUBMISSION OF A RESPONSE THE AVAILABILITY OF THE INSURANCE COVERAGES AND ENDORSEMENTS REQUIRED HEREIN. IF YOU FAIL TO COMPLY WITH THE INSURANCE REQUIREMENTS BELOW, YOU MAY BE DISQUALIFIED FROM AWARD OF THE CONTRACT.

### **Required Insurance Coverage**

CONSULTANT shall procure and maintain for the duration of this contract the following or equivalent insurance policies at no less than the limits shown below and cause its subcontractors to maintain similar insurance with limits acceptable to LFUCG in order to protect LFUCG against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work or services hereunder by CONSULTANT. The cost of such insurance shall be included in any bid:

<b><u>Coverage</u></b>	<b><u>Limits</u></b>
General Liability (Insurance Services Office Form CG 00 01)	\$1 million per occurrence, \$2 million aggregate or \$2 million combined single limit
Commercial Automobile Liability (Insurance Services Office Form CA 0001)	combined single, \$1 million per occurrence
Professional Liability aggregate	\$1 million per occurrence, \$2 million
Worker's Compensation	Statutory
Employer's Liability	\$1,000,000.00

The policies above shall contain the following conditions:

- a. All Certificates of Insurance forms used by the insurance carrier shall be properly filed and approved by the Department of Insurance for the Commonwealth of Kentucky. LFUCG shall be named as an additional insured in the General Liability Policy and Commercial Automobile Liability Policy using the Kentucky DOI approved forms.
- b. The General Liability Policy shall be primary to any insurance or self-insurance retained by LFUCG.
- c. The General Liability Policy shall include a Products and Completed Operations endorsement or Premises and Operations Liability endorsement and a Products Liability endorsement unless they are deemed not to apply by LFUCG.
- d. The General Liability Policy shall have a Professional Liability endorsement (including Errors and Omissions) for any services performed pursuant to the contract, and/or a separate Professional Liability Policy shall be obtained unless it is deemed not to apply by LFUCG.
- e. The Professional Liability policy shall be maintained for a minimum of three years beyond the completion date of the project, to the extent commercially available. If not commercially available, CONSULTANT shall notify LFUCG and obtain similar insurance that is commercially available and acceptable to LFUCG.



- f. LFUCG shall be provided at least 30 days advance written notice via certified mail, return receipt requested, in the event any of the required policies are canceled or non-renewed.
- g. Said coverage shall be written by insurers acceptable to LFUCG and shall be in a form acceptable to LFUCG. Insurance placed with insurers with a rating classification of no less than Excellent (A or A-) and a financial size category of no less than VIII, as defined by the most current Best's Key Rating Guide shall be deemed automatically acceptable.

#### Renewals

After insurance has been approved by LFUCG, evidence of renewal of an expiring policy must be submitted to LFUCG, and may be submitted on a manually signed renewal endorsement form. If the policy or carrier has changed, however, new evidence of coverage must be submitted in accordance with these Insurance Requirements.

#### Deductibles and Self-Insured Programs

**IF YOU INTEND TO SUBMIT A SELF-INSURANCE PLAN IT MUST BE FORWARDED TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, DIVISION OF RISK MANAGEMENT, 200 EAST MAIN STREET, LEXINGTON, KENTUCKY 40507 NO LATER THAN A MINIMUM OF FIVE (5) WORKING DAYS PRIOR TO THE RESPONSE DATE.** Self-insurance programs, deductibles, and self-insured retentions in insurance policies are subject to separate approval by Lexington-Fayette Urban County Government's Division of Risk Management, upon review of evidence of CONSULTANT's financial capacity to respond to claims. Any such programs or retentions must provide LFUCG with at least the same protection from liability and defense of suits as would be afforded by first-dollar insurance coverage. If CONSULTANT satisfies any portion of the insurance requirements through deductibles, self-insurance programs, or self-insured retentions, CONSULTANT agrees to provide Lexington-Fayette Urban County Government, Division of Risk Management, the following data prior to the final acceptance of bid and the commencement of any work:

- a. Latest audited financial statement, including auditor's notes.
- b. Any records of any self-insured trust fund plan or policy and related accounting statements.
- c. Actuarial funding reports or retained losses.
- d. Risk Management Manual or a description of the self-insurance and risk management program.
- e. A claim loss run summary for the previous five (5) years.
- f. Self-Insured Associations will be considered.

#### Safety and Loss Control

CONSULTANT shall comply with all applicable federal, state, and local safety standards related to the performance of its works or services under this Agreement and take necessary action to protect the life, health and safety and property of all of its personnel on the job site, the public, and LFUCG.

#### Verification of Coverage

CONSULTANT agrees to furnish LFUCG with all applicable Certificates of Insurance signed by a person authorized by the insurer to bind coverage on its behalf prior to final award, and if requested, shall provide LFUCG copies of all insurance policies, including all endorsements.

Right to Review, Audit and Inspect

CONSULTANT understands and agrees that LFUCG may review, audit and inspect any and all of its records and operations to insure compliance with these Insurance Requirements.

**DEFAULT**

CONSULTANT understands and agrees that the failure to comply with any of these insurance, safety, or loss control provisions shall constitute default and that LFUCG may elect at its option any single remedy or penalty or any combination of remedies and penalties, as available, including but not limited to purchasing insurance and charging CONSULTANT for any such insurance premiums purchased, or suspending or terminating the work.

00471865

# LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

## NOTICE OF REQUEST FOR PROPOSALS

### LOAN SERVICING

The Lexington-Fayette Urban County Government is requesting proposals from qualified persons or firms to contract for the servicing of approximately 265 amortizing loans and 180 deferred loans funded with Community Development Block Grant, HOME funds, and other funding sources made under the Lexington-Fayette Urban County Government's Housing Programs. In order for a proposal to be considered, the persons or firms responding to this proposal (Respondents) must demonstrate the capacity to perform all of the services described in the request for proposals.

**CONTRACT DESCRIPTION** – The Respondents selected by the government will perform the required services as an independent contractor (Contractor). The Contractor must provide the diligent and customary functions to service an expanding portfolio for the Government on a month to month basis. The Contractor must carry the loans on its books and receive monthly payments on each loan. The Contractor must remit the total receipts of principal and interest less fees earned to the Government monthly along with a remittance manifest and delinquency report. The Contractor must also provide the government with a monthly report that details each accounts loan history. Some of the loans have escrow accounts for adjustable taxes and insurance and some do not. The loans have a fixed interest rate. The loans are to be accounted for according to separate categories designated by the Government.

The Contractor must furnish payment coupons to the borrowers and respond to borrower requests for information on an as needed basis. The Contractor will be responsible for providing all notices, statements, forms and reports required by the Internal Revenue Service in connection with the individual loan account and providing the borrower with an annual history of activity on individual loans.

**MINIMUM QUALIFICATIONS OF CONTRACTOR** – The Contractor must have the following minimum qualifications as determined by the Government in its sole discretion.

1. Specific experience in loan management and servicing for public sector programs.
2. Sufficient insurance.
3. Adequate financial capacity.
4. Good public sector references.
5. Demonstrated knowledge of program funding source regulations and procedures.

**SELECTION PROCEDURE** – The final selection will be made by the Government's selection team.

**REQUESTS FOR PROPOSALS** – The requests for Proposals includes:

1. This notice of Request for Proposals.
2. Instructions to Respondents.

## INSTRUCTIONS TO RESPONDENTS

### REQUEST FOR PROPOSALS

#### LOAN SERVICING FOR THE DIVISION OF GRANTS AND SPECIAL PROGRAMS

##### A. GENERAL

The Lexington-Fayette Urban County Government is requesting proposals from qualified persons or firms to contract for the servicing of housing and mortgage loans made under the government's Housing Programs. In order for a proposal to be considered, the persons or firms responding to this proposal (Respondents) must demonstrate the capacity to perform (at minimum) all of the services described in the Request for Proposals. The contract will be for an initial 3 years with 3-1 year automatic renewals. The contract may be cancelled by either party with 60 days notice to the other party.

##### B. CONTRACT DESCRIPTION

The Respondent selected by the Government will perform the required services as an independent contractor (Contractor). The Contractor must provide the diligent and customary functions to service the loans for the government on a month-to-month basis. The Contractor must carry the loans on its books and receive monthly payments on each loan. The Contractor must remit the total receipts of principal and interest less fees earned to the Government monthly along with a remittance manifest and delinquency report. Some of the loans have escrow accounts for taxes and insurance and some do not. The loans have a fixed interest rate. The loans are to be accounted for according to separate categories designated by the Government.

The Contractor must furnish payment coupons to the borrowers and respond to borrower request for information on an as needed basis. The Contractor will be responsible for providing all notices, statements, forms and reports required by the Internal Revenue Service in connection with the individual loans and providing the borrower with an annual history of activity on the individual loan account.

##### C. ACCEPTANCE OF PROPOSAL CONTENT

Before submitting a proposal, each Respondent shall make all investigations and examinations necessary to ascertain all conditions and requirements affecting the performance of the contract and to verify any representations made by the Government upon which the proposal will rely. If the Respondent receives an award as a result of its proposal, failure to have made such investigation and examinations will in no way relieve the Respondent from its obligation to comply in every detail with all provisions and requirements.

**D. RESPONSIVENESS**

The detailed requirements set forth in Section H, PROPOSAL FORMAT, are mandatory. Failure by a Respondent to respond to a specific requirement may result in disqualification. The Government reserves the right to accept or reject any or all proposals.

**E. EQUAL EMPLOYMENT OPPORTUNITY**

Attention of Respondents is particularly called to the requirement for ensuring that employees and applicants for employment are not discriminated against because of their race, color religion, sex, national origin, age or disability.

**F. COMPETITIVE NEGOTIATION SOLICITATION**

The Government will receive proposals from persons or firms having specific experience and qualifications in loan servicing for public sector loan programs. For consideration, proposals for the contract must contain evidence of the firm or person's experience in loan servicing for public sector loan programs. Unless otherwise stated, all Respondents shall provide profiles of the management staff to be assigned to the contract services, references and any other information that clearly demonstrates the respondent's expertise in the area of the solicitation. See Section H, PROPOSAL FORMAT.

A selection committee will review and evaluate all replies and mark the firms using the following criteria:

Completeness and conformity of the reply to the specific requirements of the solicitation.	10 points
Demonstrated ability to provide loan services to public sector loan programs.	30 points
Availability of facilities and personnel for the service.	10 points
References and Qualifications.	25 points
Reasonableness of Cost	20 points
Degree of Local Employment	5 points

Respondents are advised that the Government reserves that right to evaluate and rank the proposals without further input from the respondents. Therefore, proposals should be complete as initially submitted.

The Government reserves the right to accept the proposal which, in its judgment, will best serve the interest of the Government.

## **G. RIGHTS RESERVED BY GOVERNMENT**

The Government may make such investigation as it deems necessary to determine the ability of a Respondent to furnish the required services, and the Respondent will furnish to the Government all such information and data for this purpose as the Government may request. The Government reserves the right to reject any Respondent if the evidence submitted by or investigation of such Respondent fails to satisfy the Government that such Respondent is properly qualified to carry out the obligations of a Contract, and deliver the services contemplated herein.

Respondents will fully inform themselves as to conditions, requirements and specifications before submitting their proposal. Failure to do so will be at the Respondent's own risk.

## **H. PROPOSAL FORMAT**

Proposals shall be submitted in the following format with each element requested and/or form furnished as specified to facilitate evaluation of the proposals.

### **FAILURE TO ADHERE TO THE REQUIRED FORMAT MAYBE CAUSE FOR REJECTION OF PROPOSAL**

#### **1. Letter of Transmittal**

A letter of transmittal must be submitted with a Respondent's proposal. The letter must include:

- A statement of the respondent's understanding of the services required by the Request for Proposals and attached specifications.
- A statement that the Respondent can and will furnish the required services in full compliance to the terms, conditions and specifications set forth in the RFP within the designated time frames.
- A statement of the Respondent's status (i.e. corporation, partnership, other) and its affiliation with any other corporation or firm along with the names of the person(s) authorized to make representations on behalf of the respondent, binding the firm to a contract.

#### **2. Table of Contents**

The Table of Contents must indicate the material included in the proposal. The Table of Contents of the respondent should mirror the section of the government's Request for Proposals and must include all items set forth in this section of the RFP.

#### **3. Experience**

- a. Describe type of experience related to loan servicing for public sector programs, (i.e. when, how long, service area, type of service, etc.)

- b. Describe the level of activity, (i.e. number of contracts, number of loans being serviced, amount of loans being serviced).
  - c. Describe a typical implementation schedule.
  - d. Describe the approach used for customer service.
4. Insurance
- a. Describe the types of insurance maintained by the firm, including General Liability and Errors and Omissions.
5. References
- a. Provide the names and phone numbers of five public sector agencies for which the Contractor currently provides loan servicing.
6. Corporate Information
- a. Provide a list of corporate officers and the location of office(s).
7. Management and Participating Personnel
- a. Provide a profile or resume of pertinent personnel assigned to the specific services.
  - b. Equal Employment Opportunity: Provide current employment data that describes ethnicity and gender of management and staff.

I. **SCOPE OF WORK**

The Contractor will be required to furnish the services listed below under this contract. The Contractor must describe any additional services provided that will demonstrate knowledge of, and/or be of benefit in managing the Government's loan portfolio. The Government reserves the right to choose among such additional alternatives/services after selection of Contractor.

The following general services will be required for all loans:

- a. The Government will initiate the preparation of all mortgage instruments, make all required regulatory and compliance disclosures, properly close the loans and transmit the loans to the Contractor. The Contractor must carry the loan accounts on its books and provide the diligent and customary functions to service the loans on a month to month basis.
- b. The Contractor must provide a separate accounting remittance manifest to the Government on a monthly basis for each loan type.
- c. The Contractor must provide loan customers payment coupons to be used in connection with making monthly payments.
- d. The Contractor will be responsible for providing all notices, statements, forms and reports required by the Internal Revenue Service in connection with the individual loans and providing the borrower an annual history of activity on the individual loan account.

**J. FEE SCHEDULE**

All Respondent's must include in their proposals a fee schedule which includes all fees proposed in connection with the loan servicing contract. Please include all set up fees and all monthly service fees.



MAYOR JIM GRAY



LEXINGTON

TODD SLATIN  
DIRECTOR  
CENTRAL PURCHASING

**ADDENDUM #1**

RFP Number: #11-2018

Date: April 16, 2018

Subject: Loan Servicing for Division of Grants and Special Programs

Address inquiries to:  
Sondra Stone  
(859) 258-3320

**TO ALL PROSPECTIVE SUBMITTERS:**

**Please be advised of the following clarifications to the above referenced RFP:**

Respondents shall have in place a blanket fidelity bond in the amount of \$1M, affording coverage with respect to employees in all capacities, in the performance of obligations provided under this contract.

Todd Slatin, Director  
Division of Central Purchasing

All other terms and conditions of the RFP and specifications are unchanged. This letter should be signed, attached to and become a part of your submittal.

COMPANY NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

SIGNATURE OF BIDDER: \_\_\_\_\_



# **PROPOSAL TO PROVIDE SERVICES**

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Request for Proposals #11-2018

Loan Servicing for Division of Grants and Special Programs

Lexington-Fayette Urban County Government



April 30, 2018



April 30, 2018

Todd Slatin, Purchasing Director  
Lexington-Fayette Urban County Government  
Room 338, Government Center  
200 East Main Street  
Lexington, KY 40507

AmeriNat is pleased to respond to the Lexington-Fayette Urban County Government's ("LFUCG") RFP #11-2018 for Loan Servicing for Division of Grants and Special Programs. AmeriNat will provide LFUCG a comprehensive and proven solution for its loan portfolio needs.

Having worked with LFUCG since 2002, we have an in-depth understanding of your portfolio needs. AmeriNat is able to continue to provide the scope of work requested by the LFUCG. Further detail of these services is provided in the "Scope of Work" section of this proposal.

AmeriNat is a wholly-owned operating subsidiary of OSP, LLC. OSP is an O'Brien-Staley Partners company. Alongside OSP, the senior management of AmeriNat remains committed to continuing to grow our services within the affordable housing and economic development arenas.

Our goal has been to provide excellence in customer and borrower service. We thank the LFUCG for allowing us to service your portfolio needs and look forward to continuing our relationship with you. We will be pleased to answer any questions you have on the enclosed material or provide any additional information you should need. You may contact me directly at (866) 779-5545 or via email at [athorson@amerinatls.com](mailto:athorson@amerinatls.com) or Micki Gylten, Regional Sales Manager at (319) 569-1876 or via email at [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Adrienne", with a long horizontal flourish extending to the right.

Adrienne Thorson  
Chairwoman and CEO

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LETTER OF TRANSMITTAL

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# Experience

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Since the early 1970's AmeriNat has been providing a full suite of services to local governments, non-profits and housing and economic development agencies. We service over 71,000 loans with a principal balance of \$8 billion, the majority of which were generated by clients similar to the LFUCG, to promote affordable housing. AmeriNat services portfolios of both multifamily and single-family loans with widely varying structures. These loans can be originated under multiple funding arenas including CDBG, HOME, ARRA, NSP, HOPE, EECBG, tax-exempt bonds and other common federal and state sources and are insured by FHA, VA, RD, and private insurers. They include first and junior lien loans. We are also extensively familiar with the LIHTC program. AmeriNat is an approved servicer for:

- FHA Title I and Title II
- Fannie Mae
- Federal Home Loan Bank
- Veterans Administration
- Guaranteed Rural Housing

Our experience has enabled us to provide programs tailored to meet the requirements of our valued clients. The LFUCG can rely upon AmeriNat for:

- ▶ **Industry Expertise** – AmeriNat possesses a vast knowledge of varying lending portfolios that often require extensive and unique portfolio management requirements not found in conventional lending environments. Our realm of expertise includes residential and commercial rehab loans, “blended loans” with multiple funding sources, deferred loans, due on sales loans, forgivable loans, and equity share provisions of first time home buyer loans.
- ▶ **Advanced Information Technology Capabilities** – AmeriNat utilizes a state of the art technology platform and robust business processes to perform its loan account management and collection services. Information technology tools have been customized solely for the affordable housing industry. AmeriNat offers the best of in-house and outsourced servicing by providing the experienced and trained staff to perform the back-office operations and ensure compliance with applicable regulations, while allowing the City and its borrowers access to all loan information on a real-time basis 24/7/365 via a secured internet connection.
- ▶ **Flexible Reporting** – AmeriNat prides itself on its reporting flexibility. Through our online access system, LoanLink, authorized City staff can view, print, and download all of their portfolio data, at any time, via their own computer terminals. In addition, soft copy reports are provided at no extra cost.

AmeriNat offers a comprehensive menu of services that has been customized to meet the special requirements of its clients, including:

- ▶ **Single Family Loan Processing and Underwriting:** Includes preliminary application screening, analysis and review of submitted application packages for approval, Preliminary Risk Analysis generation and final underwriting based on the client's approved underwriting guidelines, and the preparation of loan documents including security documentation. AmeriNat's Mortgage Compliance Solution combines the underwriting and document preparation services with both early and final disclosure generation on first or junior lien 1-4 family residential real estate loans.
- ▶ **Multifamily Credit Underwriting:** Includes the full analysis and underwriting of multifamily developments, concluding on compliance with programmatic rule and LIHTC or other funding source requirements, analyses of sources and uses of funds and debt service coverage, market need, experience and qualifications of the development team, resources of partners involved, and financial strength and feasibility.
- ▶ **Loan Portfolio Management:** Covers the complete array of servicing responsibilities and disciplines including loan set-up, payment posting, tax and insurance monitoring and escrow accounts, escrow analyses, lender (servicer)-placed insurance, satisfactions and reconveyances, payoffs, 1098 reporting, credit bureau reporting, and investor reports as well as loan modification analyses.
- ▶ **Loss Mitigation:** The loss mitigation teams within AmeriNat are trained and experienced in working with under affordable housing and local development programs. They implement a robust collection calling program, assist with and refer to professional credit counselors, develop and implement loan modification programs, evaluate for forbearance programs, handle bankruptcies and foreclosure activities.
- ▶ **Property Conditions Profiles and Affidavit of Ownership:** This includes site visits to owner properties to assess the condition of the dwelling and detached structures and grounds and verification with property owners as to pertinent information from the program covenants including occupancy and ownership status.
- ▶ **Income Re-Verifications:** This includes the issuance and management of re-verifications to property owners to calculate continued compliance with program requirements. This tool can be used to re-verify income, debt levels, and other financial, operating or occupancy criteria.
- ▶ **Compliance Monitoring:** AmeriNat provides Davis Bacon and state prevailing wage compliance, LIHTC and state program compliance services, housing quality inspections, and financial monitoring services.
- ▶ **Financial Monitoring:** Analysis of financial statements for compliance with program or note criteria. This includes the determination and calculation of surplus cash flow requirements and related debt repayment schedules, sufficiency of operating deficit or shareholder deposits and guaranties, and compliance with other financial covenants.

- ▶ **PACE Assessment Administration:** Property tax management service offering a full suite of solutions for the PACE industry including database set-up, enrollment of payments, tracking and reporting, payoff calculations and transmission, client and customer service and program reporting.

**Typical Implementation Schedule:**

As a current client of AmeriNat, the LFUCG’s loan portfolio is already on our system. This section describes the initial portfolio conversion and future on-boarding of loans.

We are experienced with large portfolio integration through bulk transfers, as well as the ongoing generation of existing clients. Our customer service and IT departments work together on the coordination of all transfers. A typical implementation timeframe is ninety days from award to service initiation. This timeframe depends in part on data availability from the current servicers. AmeriNat’s servicing platform is compatible with most systems being utilized today, which generally provides for a streamlined data transfer process. A typical process is for the data to be pulled from the existing servicer’s system into Excel or another commonly used platform, and then migrated onto our system.

The following table outlines typical milestones in the implementation of service for new portfolios.

Milestones	Activities	Deliverables
▶ <b>Implementation Planning</b>	<ul style="list-style-type: none"> <li>• Define roles and responsibilities; obtain preliminary information about portfolio</li> <li>• On-site client meetings</li> <li>• Plan implementation and schedule conversion date</li> <li>• Determine available formats for data</li> <li>• Complete “portfolio transfer questionnaire” with client</li> </ul>	Implementation plan and schedule
▶ <b>Requirements Preparation</b>	<ul style="list-style-type: none"> <li>• Program data files with needed fields of information required to board loans</li> <li>• Receive and review preliminary test files from current servicers system (re-run as necessary for completeness and accuracy checks to be satisfied)</li> <li>• Run exception testing on missing, illogical, or unexpected data results</li> <li>• Records tested against original loan documents for consistency</li> <li>• Prepare program guidelines</li> <li>• Forward proposed borrower welcome package to client for approval</li> </ul>	Completed program guidelines; completed approved welcome packages
▶ <b>Data Programming</b>	<ul style="list-style-type: none"> <li>• Transfer loan data into AmeriNat’s system</li> <li>• Quality control review of set up reports, trial balances</li> <li>• Cash and loan balancing</li> </ul>	Data entered

<b>Milestones</b>	<b>Activities</b>	<b>Deliverables</b>
▶ <b>File and Data Reconciling</b>	<ul style="list-style-type: none"> <li>• Hardcopy (original or copy) files transferred</li> <li>• Records tested against original loan documents for consistency</li> <li>• Data reconciling and balancing, acknowledgement by the client</li> </ul>	Portfolio status report sign-off
▶ <b>Borrower Notifications</b>	<ul style="list-style-type: none"> <li>• Good-bye letters (client) a minimum of 15 days prior to the servicing start date. AmeriNat to supply a sample and assist with this process if requested</li> <li>• Send each borrower a welcome letter (English or Spanish), a Servicing Transfer Notice, FACT Act Notice, an annual supply of coupons or invoices, and ACH payment information</li> </ul>	15 day letter ; welcome letter and necessary servicing transfer notices and letters
▶ <b>Training</b>	<ul style="list-style-type: none"> <li>• Review program guidelines with staff</li> <li>• Provide client staff training for web-based reporting</li> </ul>	Completed reviews and training
▶ <b>Service Conversion</b>	<ul style="list-style-type: none"> <li>• Update data as of the date of transfer, including account/reference number, current balance, next payment due, date of last payment, accrued interest, and current impound/escrow balance</li> <li>• Provide client staff with website logon credentials and passwords</li> </ul>	Transfer of service
▶ <b>Quality assurance team 90 day responsibilities</b>	<ul style="list-style-type: none"> <li>• Weekly review of portfolio performance with client</li> <li>• Review of each report with client during first two months of servicing</li> <li>• Operations meeting with multiple client departments to review status</li> <li>• Intensified management review of reports for each of the first three months, looking for possible posting errors, verifying report accuracy and completion, discrepancy review</li> <li>• Additional exception reporting review and overall analysis of borrower remittances in line with expectations</li> </ul>	Review notes and completed reports to management

Training is integrated within each step of the implementation phase. Detailed instructions and forms are provided to aid the process. Borrowers are provided coupon books, contact information and easy to understand transfer information (available in English and Spanish). Monthly statements can also be provided, with the postage costs passed through to the LFUCG. The introductory packet that new borrowers receive includes our 1-800 telephone numbers for contact, office address information, and our website which has a direct link to us. The borrowers can request additional documentation through any of these means, and also have their payment history and loan terms available to them via our website loan tool.

The borrower services team assigned to the client is familiarized with the servicing and program requirements so that any one of them can take a call from a borrower and provide an immediate answer to the common questions. During the transfer process property insurers are notified of the new loss payee information. The status of any existing property tax contracts is verified or new contracts are ordered. We obtain escrow funds from the lender/servicer and request a copy of the most recent escrow analysis completed.



Individual loans on a go-forward basis are set up manually but through much the same process. Once we are able to determine that the loan data to be moved to AmeriNat is accurate and complete, the loans are boarded onto our system. Prior to accepting any payments, the resulting portfolio data is run through a rigorous audit and review system and will be verified by our staff.

The expected result of a well-defined and executed implementation phase is seamless service delivery from the date of boarding. However, even the smoothest of transfers can have unforeseen problems. We provide an intensified monitoring of your portfolio during the first ninety days of actual servicing. This review looks for possible posting errors, verifies report accuracy and completion, and looks for any discrepancies that seem out of the ordinary. We will have frequent meetings between our staff and yours to ensure that the full reporting capabilities of our system are understood and utilized, and to quickly and completely address questions by either party.

We have had numerous clients that have boarded loans with us where the previous servicing had resulted in inaccurate loan balances, such as through missing payment information or the improper posting of partial payments. We have developed a service through which we reconstruct the booked loans to be consistent with the terms and conditions of the original loan documents. Reconstruction work typically involves a detailed review of payment histories to determine posting accuracy and compliance with amortization statements, truth in lending statements, and other applicable loan documents. This is particularly helpful when prior servicing has resulted in incorrect posting of payments. The reconstruction fee varies depending on the scope of the project.

### **Customer Service:**

AmeriNat is a “customer driven” service firm. Our staff and departments are organized to provide the highest level of attention to each customer and borrower as possible, and to reach a satisfactory outcome for each inquiry as soon as possible. Ongoing training is provided for staff members on customer service expectations and delivery standards as well as technical loan servicing requirements. The average staff to supervisor ratio in our customer service departments is currently 5:1. The highest staff to supervisor ratio that we would maintain in the customer service departments is 6:1.

Customer service and collection staff is available by telephone through our toll-free number at (800) 943-1988 between the hours of 8:00 AM and 8:00 PM Eastern Time, Monday through Friday. AmeriNat also has an automated voicemail system available 24 hours a day, 7 days a week. It is our firm’s policy that all calls/emails are responded to within 24 hours.

Borrowers can also easily reach our representatives via email from our website. Our borrower services departments in each of our offices consist of experienced staff working side by side with other departments. In the rare occasion they cannot answer a question for a borrower directly, their supervisor, manager or a coworker are right there to assist them. AmeriNat treats all written inquiries as “Qualified Written Requests” under the Real Estate Settlement Procedures Act (RESPA).

All contact with the client and borrower is captured and notated in the loan servicing system and is available for inquiry or review. Tasks are logged, monitored and evaluated for completion. In

addition, all phone calls are recorded. The recordings are reviewed by management for quality control and training purposes, and we will query the system for particular customer calls for clients who might wish to review a particular call or when we have reason to delve further into certain specifics.

Both the borrowers and the LFUCG will have 24-hour electronic access to their loan information via AmeriNat's website at [www.amerinatls.com](http://www.amerinatls.com). The website offers our clients a secure, quick and convenient method of accessing all pertinent loan level data, including borrower information, payment history, outstanding current principal balance, escrow account balance and disbursements, and form 1098 information. In addition, the LFUCG will be able to access the pertinent loan information online, including transaction history, payments posted, interest paid to date, next payment due date, late charge assessment dates and balances, and payoff amounts with per diem, among other items.

### **Ethics and Integrity:**

AmeriNat has built a foundation that emphasizes sustainability, integrity of operations, and successful outcomes for its clients as well as the company's employees and shareholders. AmeriNat operates in a fiscally responsible manner across its operations and meets or exceeds the financial requirements of all of its regulatory agencies. The company has an extensive system of internal controls to ensure the accuracy and integrity of financial reporting.

AmeriNat has always operated within a heavily regulated industry and its infrastructure emphasizes compliance with all applicable local, state and federal laws and regulations. AmeriNat holds the appropriate licenses for every jurisdiction in which it operates. All employees operate under a Code of Ethics that has been established by AmeriNat's Board of Directors. The policy reinforces the high standards of conduct underlying all operations. A Compliance Committee composed of each senior line manager maintains a strong and consistent focus on ethical and regulatory compliant operations.

AmeriNat also adheres to a rigorous audit program that operates under the jurisdiction of an independent audit committee. Audits conducted include:

- Annual audited financial statement and report on internal controls
- Annual USAP audit
- Annual SSAE 18 audit, SOC 1 and SOC 2
- Annual HUD audit
- Annual FNMA audit procedures
- Quarterly loan audits
- Annual to 18 month compliance audits over all pertinent federal regulations
- Annual to 18 month SAFE and BSA audits
- Outsourced internal audits based on annual risk assessment

### **Management Information System:**

Since its inception, AmeriNat has serviced loans on a proprietary system called ALIAS. ALIAS was designed specifically for the types of loans generated by municipalities and housing finance

agencies under affordable housing programs. AmeriNat has compared its system capabilities with off-the-shelf servicing packages and has consistently found that the unique terms and structures inherent in these types of loans necessitate a custom-designed system in order for the necessary processes to be enacted in an accurate and efficient fashion. The system components, workflows and interfaces are designed around the requirements of the loan programs being serviced.

The loan database is accessible to our clients via LoanLink. LoanLink is AmeriNat's electronic access tool for both borrowers and clients. It is accessed via the internet, so mortgage loan holders can view their information 24/7/365 in the privacy of their own homes or offices. Their access is restricted with authentication procedures and passwords to ensure privacy of and protection over sensitive personal information. Direct links are provided from LoanLink and our website allowing borrowers to submit questions to us electronically without having to search around for contact information on a statement or other correspondence. Toll-free numbers are also provided.

LoanLink is a simple and straight-forward system, and borrowers do not need any training to access or use the tool. Our borrower services department is specifically designated to answer any questions that do arise. In addition, all staff members are proficient on LoanLink and can address calls or emailed questions as needed.

Our clients also access their loan portfolio information electronically via LoanLink. LoanLink is provided at no extra cost to our clients or their borrowers. Soft-copy paper month end investor reports are still sent out to clients but are also available on LoanLink electronically. LoanLink offers our clients a secure, quick and convenient method of accessing all pertinent portfolio or loan level data, including borrower names and contact numbers, payment history, delinquency status, as well as portfolio wide reporting and statistics, and transactions. Clients are also able to download reports into excel for further manipulation and analysis.

# Insurance

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AmeriNat has a comprehensive package of insurance coverage in place that meets the requirements for FNMA approved servicers. This includes business liability of \$1,000,000 per occurrence and umbrella liability of \$5,000,000 per occurrence; a mortgage bond (fidelity bond) in the amount of \$8,500,000; errors and omissions liability in the amount of \$3,500,000; management liability insurance of \$5,000,000; workers compensation of \$1,000,000 per accident; cyber liability insurance of \$3,000,000, along with automobile, personal property and other standard coverages.

# References

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AmeriNat believes recommendations from past and/or present clients are the best indicators of a firm's performance. The LFUCG is encouraged to contact the individuals listed below for a candid assessment of our capabilities.

Client Information	Contact Person	Service Description	Service Years
City of Columbus 90 W. Broad Street, 4 <sup>th</sup> Floor Columbus, OH 43215	Carolyn Thurman Management Analyst II Phone: (614) 645-8065 <a href="mailto:cthurman@columbus.gov">cthurman@columbus.gov</a>	Loan Portfolio Management	2004 - Present
City of Birmingham 710 N. 20 <sup>th</sup> Street Birmingham, AL 35203	Adrienne Stitt Community Development Specialist Phone: (205) 254-2434 <a href="mailto:Adrienne.Stitt@birminghamal.gov">Adrienne.Stitt@birminghamal.gov</a>	Loan Portfolio Management	2003 – Present
Washington, D.C. 801 N. Capitol Street, NE Suite 7000 Washington, D.C. 20002	Robert Hayden Chief Asset Manager, Fiscal Office Phone: (202) 442-7160 <a href="mailto:robert.hayden@dc.gov">robert.hayden@dc.gov</a>	Loan Portfolio Management	2006 – Present
City of Cincinnati 805 Central Avenue 7 <sup>th</sup> Floor Cincinnati, OH 45202	Shannon Johnson Administrative Specialist Dept. of Trade and Development Phone: (513) 352-6255 <a href="mailto:shannon.johnson@cincinnati-oh.gov">shannon.johnson@cincinnati-oh.gov</a>	Loan Portfolio Management	2008 – Present
City of Durham Department of Community Development 807 E Main Street Building 2, Suite 200 Durham, NC 27701	Terri Porter Holmes Assistant Director Phone: (919) 560-4570 ext. 22230 <a href="mailto:terri.holmes@durhamnc.gov">terri.holmes@durhamnc.gov</a>	Loan Portfolio Management	2005 – Present

# Corporate Information

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## Corporate Officers:

**Adrienne Thorson** serves as Chairwoman and CEO. Adrienne has 30 years' experience in financial services, including 20 years at AmeriNat. Prior to coming to AmeriNat, Adrienne was CFO of Americana National Bank and spent 8 years in public accounting at CliftonLarsonAllen LLP. Adrienne holds a BS in Accounting from Mankato State University and is a Certified Public Accountant.

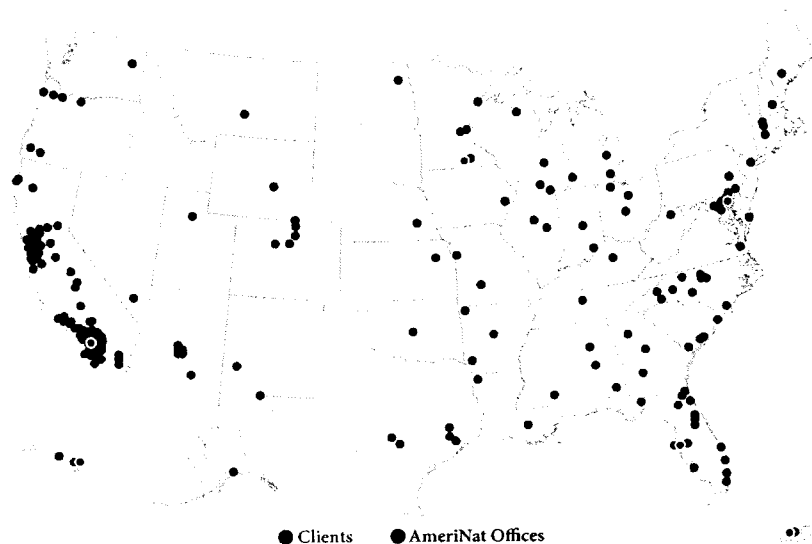
**Michael Torres** serves as President and Chief Operating Officer. Mike has 30 years' experience working for AmeriNat. Prior to his employment with AmeriNat, Michael served in the United States Marine Corps. Michael holds a Bachelor's degree in Business Administration with a concentration in Finance from the University of Phoenix

**Mark Fredericks** serves as Senior Vice President of Multifamily Services. Mark has over 17 years' experience directly related to affordable multifamily real estate finance and Section 42 Low Income Housing Tax Credit equity investments. Prior to AmeriNat, Mark was Vice President for Wachovia Bank and Vice President for Bank of America. Mark holds a Bachelor's degree in Accounting from Florida State University.

**Tim O'Malley** serves as Senior Vice President of Sales and Marketing. Tim has 12 years' experience working for AmeriNat. Prior to his employment with AmeriNat, Tim was National Government and Education Sales Representative for Nikon. Tim is active in the support of affordable housing across the United States. Tim holds a Bachelor's degree in American Studies from the University of Maryland.

## Locations:

The locations in which AmeriNat either performs work or has offices are indicated on the following map:



# Management and Participating Personnel

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## Personnel:

AmeriNat is proud to have a highly trained and motivated, caring team of staff members. We have approximately 110 employees located throughout our offices who combine proven experience with a level of personal care and concern for their clients and borrowers that we have found to be unmatched in this industry. We engage in continual training and industry education and stay abreast of the ever-changing regulations and practices in the loan servicing arena. We have established robust hiring criteria, background checks and screening processes, and maintain a supervisor to staff ratio that ensures sufficient oversight, mentoring and feedback.

The managers and supervisors listed below and on the following page will be assigned to the LFUCG's portfolio, and will be assisted by our other staff members. They are capable of effectively carrying out the scope of services desired by the LFUCG in accordance with its servicing manual.

Staff member	Job Title/Classification	Role
Adrienne Thorson	Chairwoman and CEO	Oversee the overall financial and strategic direction of this project.
Michael Torres	President and Chief Operations Officer	Oversee and supervise the overall operations of this project.
Debra Vranesh	Operations Manager	Project manager, servicing line management.
Jennifer Zollman	Client Services Manager	Project manager, special requests and client services
Victor Merritt	Director of Default Management	Oversees all loss mitigation efforts.
Robert Ramirez	Loss Mitigation/Collections Manager	Loss mitigation.
Jason Rembert	Borrower Services Manager	Borrower services, including reconveyance, payoffs, set ups, and other borrower service requests.
Mary Puertos	Payment Processing & Monitoring Manager	Payment processing activities, including tax and insurance administration.

Resumes of the above staff are included on the following pages.

**ADRIENNE THORSON, CPA  
CHAIRWOMAN, CEO/CFO**

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**Summary of Qualifications:**

Adrienne came to AmeriNat with a strong background in executive consulting, financial services and lending environments. She is the Chairwoman of the Board of Directors, Chief Executive Officer and Chief Financial Officer of AmeriNat.

<b>PROFESSIONAL EXPERIENCE</b>	
1998 – Present	<p><b>AmeriNat</b></p> <p>Adrienne is responsible for the overall financial and strategic direction of AmeriNat. She develops and distills company service standards as key values, assuring that the firm’s delivery of services is consistent with such. Adrienne oversees all division heads of the firm, including the company President, the Sales and Marketing department, accounting and compliance, and the multi-family areas of the firm. She is the firm’s primary individual answerable to clients and employees for satisfaction with company performance and service goals and generally accepted servicing standards.</p> <p>She participates frequently in industry building initiatives through private enterprise and government sponsored events to promote a responsible, effective and valued servicing industry, and promotes affordable housing opportunities nationwide through government, non-profit and for-profit sectors.</p> <p>Adrienne is also the management representative on the firm’s Audit Committee.</p>
1998 – 2004 2008 – 2010	<p><b>American Bank and its predecessor Americana National Bank</b></p> <p>From 2008 through 2010 Adrienne served as the Market President for the Community Banking division of American Bank.</p> <p>From 1998 to 2004 Adrienne was also Chief Financial Officer of Americana National Bank, AmeriNat’s former parent organization. She was responsible for all financial matters of the bank and its subsidiary organizations, managed all regulatory compliance and reporting, was a member of the Board of Directors and served as Chairperson of the Audit Committee. Adrienne was also the key liaison to the 2004 combination of Americana National Bank with American Bank.</p>



**IBM Mid America Employees Credit Union**

1996 – 1997

Adrienne was a key member of the management team and was responsible for the overall audit plan of a \$500,000,000 credit union. She developed the audit plan and scope for mortgage origination and servicing operations nationwide, was a member of the audit committee reporting directly to the Board of Directors, directly oversaw all branch audits for a nationwide branch network and held a key role in regulatory compliance and reporting.

**LarsonAllen LLP**

1988 – 1996

Adrienne was a Manager in financial services department of LarsonAllen LLP, now a top 20 accounting firm with locations throughout the United States. Adrienne conducted and led audits of financial institutions, including banks, credit unions and loan servicing organizations. She also conducted audits of government entities, nursing homes, and manufacturing entities and was responsible for business generation as well as staff and firm development.

**Education:**

Mankato State University – Graduated Magna Cum Laude with a Bachelor’s degree in Accounting.

**Special Certifications, Community Activities:**

- Certified Public Accountant
- Frequent speaker for educational and charitable functions
- Current President the Freeborn/Mower Habitat for Humanity
- Board Member Habitat Minnesota
- Leader in the Freeborn County 4H Program
- Former Good Samaritan Home Community Advisory Board Member
- Member of Community Growth Initiative: Immigrants in the Workforce and Minority Entrepreneurs

**MICHAEL TORRES**  
**PRESIDENT & CHIEF OPERATIONS OFFICER**

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**Summary of Qualifications:**

Michael is the President and Chief Operations Officer of AmeriNat. He has been with AmeriNat since 1987 and has served in various leadership roles during his tenure. He is a key member of the executive management team and is integral in the execution of many of the firm's strategic initiatives. Prior to his employment with AmeriNat, Michael served in the United States Marine Corps.

**PROFESSIONAL EXPERIENCE**

1987 – Present	<p><b>AmeriNat</b></p> <p>As the President and COO of AmeriNat, Michael is responsible for all aspects of the single family servicing and financial services functions of the company.</p> <p>A proven executive manager with over 28 years of progressive management experience in the Affordable Housing and mortgage industry. During this span, Michael has been a key leader in the development and successful evolution of the firm's operational controls, spearheaded enhancement and expansion of main infrastructure systems designed to maximize operating efficiency, and provided continuous care and focus in mentoring the firm's high performance management team.</p> <p>Another key aspect of Michael's role is the management and oversight of service delivery quality assurance. As such, Michael routinely works directly with clients to ensure services delivered consistently meet client satisfaction.</p>
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**Education:**

University of Phoenix – Bachelor's degree in Business Administration with a concentration in Finance

United College of Business – Diploma in Business Data Processing

Numerous lending and regulatory compliance related seminars and conferences

**DEBBIE VRANESH**  
**OPERATIONS MANAGER**

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**Summary of Qualifications:**

Debbie possesses a strong background in Loan Servicing. She has experience servicing fixed and adjustable first and second mortgages, Home Equity Lines of Credit, consumer loans, personal lines of credit and sub-serviced loans. She has management experience in all areas of Loan Servicing including Investor Reporting, New Loan Set-up, Payoffs, Payment Processing, Collections, Customer Service, Taxes and Insurance, Impound Accounts, and Reconciliations. She is directly responsible for developing and training staff, implementing operational policies, servicing procedures and quality control.

<b>PROFESSIONAL EXPERIENCE</b>	
2006 – Present	<p><b>AmeriNat</b></p> <p>As the Operations Manager for AmeriNat, Debbie's responsibilities include overseeing key loan servicing operations, including Payment Processing, Escrow Administration, Payoff, Investor Reporting, Customer Service and Compliance. She is responsible for new client implementation and satisfaction and also oversees client relationships and service commitments. She is responsible for establishing and implementing procedures, insuring proper reporting and controls are in place, supervising and developing service line managers.</p>
1995 – 2006	<p><b>Financial Partners Credit Union</b></p> <p>As the Director of Loan Servicing, Debbie was responsible for the servicing of all loans originated and purchased by the credit union for a \$723 million loan portfolio. She negotiated secondary loan sales with the highest regard for profitability requirements to various investors including Fannie Mae, Freddie Mac and several private investors. She developed and implemented annual strategic department business plans, expense budgets, policies and procedures and maintained compliance with all applicable laws and regulations pertaining to loan servicing. Debbie supervised, motivated, trained, coached and evaluated the performance of the positions reporting to the Loan Servicing Department. She was also a member of the management team and would join with all management members to review and address customer service and related function, operational policies, lending rates, employee issues, quality control, planning new loan products and other activities.</p>

**Education:**

Orange Coast College – Associate of Arts Degree in Business Administration, Certificate in Accounting

**Summary of Qualifications:**

Jennifer has over 15 years of experience in loan servicing.

**PROFESSIONAL EXPERIENCE**

2000 – Present	<p><b>AmeriNat</b></p> <p>As the Client Services Manager for AmeriNat, Jennifer is responsible for new client orientation to ensure smooth service implementation, and to serve as a direct point-of-contact during client’s acclimation to services. This includes assisting the client in coordinating the transfer of their loan portfolio to AmeriNat. Ongoing responsibility is to serve as liaison between staff and clients to resolve service issues before they become problems.</p> <p>Jennifer’s responsibilities include maintaining contact with all clients to ensure the highest possible level of satisfaction. Educating clients and AmeriNat staff on the best use of our services as well as the use of our web site. Assisting new clients with transferring loan portfolios and ensuring that all transfers are done smoothly and accurately. Assisting existing clients with establishing new programs and the transfer of corresponding portfolios. Preparing and maintaining program guidelines for each client to ensure that their individual loan programs are being handled per their guidelines and requirements. Reviewing contracts and program guidelines to ensure compliance in servicing and billing. Auditing loan portfolios to ensure proper contract pricing. Educating AmeriNat staff in regard to new client programs and portfolios. Coordinating AmeriNat departments regarding to work flow for new and existing clients.</p>
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**Education:**

Associates of Arts degree with a special emphasis on the foundations of business – University of Phoenix

Various Customer Service and Affordable Housing industry training seminars and conferences.

**VICTOR MERRITT**  
**DIRECTOR OF DEFAULT MANAGEMENT**

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**Summary of Qualifications:**

Victor possesses a strong background in loan servicing, risk management and compliance. He brings over 23 years of collections experience to AmeriNat.

<b>PROFESSIONAL EXPERIENCE</b>	
2013 – Present	<p><b>AmeriNat</b></p> <p>As the Director of Default Management for AmeriNat, Victor's is responsible for overseeing all of the loss mitigation and collection activities for the firm. He is responsible for establishing and implementing procedures, insuring proper reporting and controls are in place, supervising and developing the collections department.</p>
2006 – 2013	<p><b>Carrington Capital Management, LLC</b></p> <p>As the Senior Collateral Risk Manager/Corporate Risk Compliance Officer, Victor managed two large loan pools, established and implemented extensive risk/third party oversight policies to adhere to the CFPB expanded regulations. He participated in senior management business-level discussions and decisions involving business vision and strategy, enterprise-level decisions, standardization of best practices and project governance oversight. He advised internal legal department on complex litigation and or trustee activities and represented the company at contested foreclosure hearings when necessary. Victor conducted regular risk assessments and quality assurance reviews to evaluate compliance with company requirements. He developed strategies to improve non-performing loans, reduce delinquencies, and maximize recoveries and minimized losses.</p>
2005 – 2006	<p><b>Greenlight Financial</b></p> <p>As the Director of Loan Servicing/Loan Administration, Victor was responsible for managing all servicing units including foreclosure, bankruptcy, collections, customer service and loss mitigation. He performed loan transfers, identified loss mitigation opportunities, tracked bankruptcies on residential 1st and 2nd mortgages, among various other duties.</p>

**Wells Fargo Home Mortgage**

2002 – 2005

As the Default Manager I, Victor was responsible for managing 21 cross trained default counselors and two supervisors. He hired, trained and evaluated employee's performance, managed bankruptcy filings and reaffirmation agreement, negotiated forbearance agreements, obtained and analyzed collection data, prepared complaints for court action and acceleration letters.

**Education:**

Rutgers University – Newark, NJ

Licensed Real Estate Agent

Member of Western Independent Bankers

**ROBERT RAMIREZ**  
**LOSS MITIGATION/COLLECTIONS MANAGER**

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**Summary of Qualifications:**

Robert came to AmeriNat with a strong background in collection and financial services. He has over 17 years of mortgage servicing experience.

<b>PROFESSIONAL EXPERIENCE</b>	
2014 – Present	<p><b>AmeriNat</b></p> <p>As the Loss Mitigation/Collections Manager for AmeriNat, Robert is responsible for handling the daily duties of the Collection Department to ensure adherence to collection policies and procedures, state and federal regulations, and client contract requirements. He manages the collection staff to ensure all collection and loss mitigation timelines and delinquency goals are met and maintained. Robert provides additional coaching to assist staff in striving for results.</p>
2011 – 2014	<p><b>PMAC Lending Services</b></p> <p>As the Loss Mitigation/Default Manager, Robert planned, directed, supervised and evaluated the workflow for the Loss Mitigation department. He managed foreclosures and bankruptcies to ensure requirements were met. He also managed the outsourced international collections center. Robert reviewed credit reports, BPO/appraisals, title, and income documentation for overall qualifications.</p>
2010 – 2011	<p><b>Kondaaur Capital Corporation</b></p> <p>As the Foreclosure Specialist, Robert provided customer service within high volume call centers and mortgage businesses. He provided day-to-day supervision and training of front-end collection associates. Robert provided coaching and daily feedback to associates. He reviewed income documentation and analyzed new loans.</p>

Robert's prior work experience also includes:

**NCCI (2008 – 2010)**

Loss Mitigation Supervisor

**EMC Mortgage (2008)**

Mortgage Loan Counselor

**Option One Mortgage (2000 – 2008)**

Underwriter II

Collection Supervisor

Loan Counselor Specialist



**JASON REMBERT**  
**CUSTOMER SERVICE MANGER**

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**Summary of Qualifications:**

Jason has 23 years of experience in customer service and over 11 years of experience in the financial industry.

<b>PROFESSIONAL EXPERIENCE</b>	
2016 – Present	<p><b>AmeriNat</b></p> <p>As the Customer Service Manager for AmeriNat, Jason’s responsibilities include managing training, work flow and performance of the employees in the areas of new loan setups, payoffs, reconveyance and customer service. He creates/updates procedure manuals for various job functions and sets guidelines for delivering exceptional customer service. Jason establishes departmental goals and fields technical questions from staff.</p>
2005 – 2016	<p><b>Bank of America</b></p> <p>As an Officer and Enterprise Estate Unit Team Manager, Jason managed 13-15 associates responsible for handling a high volume of deceased notifications on deposit accounts. He ensured they were producing at optimal levels in all metrics. He created and implemented key fundamental reporting and policies that set the foundation in a growing environment.</p> <p>Jason held other positions at Bank of America including: Customer Service and Sales Team Manager – Home Loan Servicing Customer Service and Sales Team Manager – Small Business Priority Services Small Business Card Associate Consumer Deposits Associate</p>
1995 – 2005	<p><b>Sam’s Club</b></p> <p>As the Marketing Manager, Jason managed a team of 10-12 sales associates responsible for soliciting and enrolling external clients in memberships and credit cards.</p>

**Education:**

California State University, Fullerton – Bachelor of Arts, Business Management  
Cypress College – Associate of Arts

**MARY PUERTOS**  
**PAYMENT PROCESSING & MONITORING MANAGER**

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**Summary of Qualifications:**

Mary has been with AmeriNat since 1990. She has extensive experience in loan administration and collections.

**PROFESSIONAL EXPERIENCE**

**AmeriNat**

As the Payment Processing and Monitoring Manager, Mary is responsible for ensuring processes and procedures are followed as it pertains to payment processing and tax and insurance payments and/or monitoring. She establishes guidelines and procedures and continues to amend procedures as needed to increase efficiency and quality of service. She ensures the Loan Servicing Department is current regarding any regulatory changes that pertain to property taxes, insurance, and the processing of payments.

1990 – Present

Prior to her role as the Payment Processing and Monitoring Manager, Mary was the Collection Manager and was responsible collection duties, foreclosure analysis, amendment recommendations, foreclosure monitoring and bankruptcy monitoring. Additionally, she routinely trained staff in new procedures to increase collection results and productivity. Mary worked with program managers to assess feasibility of work-out agreements, modifications and foreclosures. She assisted program specialists to better understand bankruptcy and foreclosure procedures. She also works with borrowers to reach work-out agreements that would assist borrowers in repaying delinquency.

Prior to being the Collections Manager, Mary was the New Accounts Supervisor. Her responsibilities included the set-up of new and/or transferred loans as well as the review of new and/or transferred loan setup files. She coordinated with program specialists the information necessary to facilitate transfer of loan portfolios and worked with borrowers to understand terms and conditions of promissory notes.

**Education:**

Cerritos Jr. College  
California State University of Long Beach  
Certification of Attendance – California Foreclosure and Related Bankruptcy and Title Issues Seminar

## **Equal Employment Opportunity**

AmeriNat has a strong commitment to non-discrimination and encouraging diversity among its employees. We encourage the hiring and advancement of women and minorities in the workplace and have a non-discrimination policy in place which is acknowledged by every employee. We maintain numerous staff members fluent in Spanish. Our training programs include various modules focused on sensitivity training and diversity.

Current leadership positions held in our firm by women and minorities include the positions of CEO/CFO, COO, Operations Manager, Mortgage Operations Manager, Sales Manager, National Compliance Manager, Baltimore Branch Manager, Marketing Manager, and multiple department managers as well as line staff.

Attached are the required Affirmative Action documentation as indicated the LFUCG's RFP:

- ▶ AmeriNat's Affirmative Action Plan
- ▶ Affidavit
- ▶ Equal Opportunity Agreement
- ▶ Workforce Analysis Form
- ▶ Notice of Requirement for Affirmative Action to Ensure Equal Opportunities and DBE Contract Participation

## AmeriNat's Affirmative Action Plan

AmeriNat's policy of providing Equal Opportunity to all employees and applicants for employment is in accordance with all applicable Equal Employment Opportunity/Affirmative Action laws, directives and regulations of Federal, State and Local governing bodies or agencies thereof. Our organization will not discriminate against or harass any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, sexual orientation, disability, age, marital status, domestic partner status, medical condition, status with regard to public assistance, or any other characteristic protected by law.

We will take Affirmative Action to ensure that all employment practices are free of such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, selection, layoff, disciplinary action, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. We will provide reasonable accommodation to applicants and employees with disabilities.

AmeriNat will evaluate the performance of its management and supervisory personnel on the basis of their involvement in achieving these Affirmative Action objectives as well as other established criteria. In addition, all other employees are expected to perform their job responsibilities in a manner that supports equal employment opportunity for all.

Adrienne Thorson, Chairwoman and CEO of AmeriNat, in conjunction with Karen Morse, Personnel Administration and Achievement Manager, manage the Equal Employment Opportunity Program. Responsibilities will include monitoring all Equal Employment Opportunity activities and reporting the effectiveness of this Affirmative Action Program, as required by Federal, State and Local agencies. Adrienne will receive and review reports on the progress of the program. Any employee or applicant may inspect our Affirmative Action Program during normal business hours by contacting Karen Morse, the EEO Coordinator.

If any employee or applicant for employment believes he or she has been treated in a way that violates this policy, they should contact either one of the following individuals or another member of management:

Adrienne Thorson  
Chairwoman and CEO  
217 S. Newton Ave.  
Albert Lea, MN 56007  
(866) 779-5545

Karen Morse  
Personnel Administration and Achievement Manager  
8121 E. Florence Ave.  
Downey, CA 90240  
(562) 927-6686

Responsible parties will investigate allegations of discrimination or harassment as confidentially and promptly as possible, and we will take appropriate action in response to these investigations.

**AFFIDAVIT**

Comes the Affiant, Adrienne Thorson, and after being first duly sworn, states under penalty of perjury as follows:

1. His/her name is Adrienne Thorson and he/she is the individual submitting the proposal or is the authorized representative of AmeriNat, the entity submitting the proposal (hereinafter referred to as "Proposer").
  
2. Proposer will pay all taxes and fees, which are owed to the Lexington-Fayette Urban County Government at the time the proposal is submitted, prior to award of the contract and will maintain a "current" status in regard to those taxes and fees during the life of the contract.
  
3. Proposer will obtain a Lexington-Fayette Urban County Government business license, if applicable, prior to award of the contract.
  
4. Proposer has authorized the Division of Central Purchasing to verify the above-mentioned information with the Division of Revenue and to disclose to the Urban County Council that taxes and/or fees are delinquent or that a business license has not been obtained.
  
5. Proposer has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky within the past five (5) years and the award of a contract to the Proposer will not violate any provision of the campaign finance laws of the Commonwealth.
  
6. Proposer has not knowingly violated any provision of Chapter 25 of the Lexington-Fayette Urban County Government Code of Ordinances, known as "Ethics Act."

**Continued on next page**

7. Proposer acknowledges that "knowingly" for purposes of this Affidavit means, with respect to conduct or to circumstances described by a statute or ordinance defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.

Further, Affiant sayeth naught.



STATE OF Minnesota

COUNTY OF Freeborn

The foregoing instrument was subscribed, sworn to and acknowledged before me

by Adrienne Thorsen on this the 30 day  
of April, 2018

My Commission expires: Jan 31, 2022



NOTARY PUBLIC, STATE AT LARGE



## EQUAL OPPORTUNITY AGREEMENT

### Standard Title VI Assurance

The Lexington Fayette-Urban County Government, (hereinafter referred to as the "Recipient") hereby agrees that as a condition to receiving any Federal financial assistance from the U.S. Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78Stat.252, 42 U.S.C. 2000d-4 (hereinafter referred to as the "Act"), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, (49 CFR, Part 21) Nondiscrimination in Federally Assisted Program of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the "Regulations") and other pertinent directives, no person in the United States shall, on the grounds of race, color, national origin, sex, age (over 40), religion, sexual orientation, gender identity, veteran status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient receives Federal financial assistance from the U.S. Department of Transportation, including the Federal Highway Administration, and hereby gives assurance that will promptly take any necessary measures to effectuate this agreement. This assurance is required by subsection 21.7(a) (1) of the Regulations.

### The Law

- Title VII of the Civil Rights Act of 1964 (amended 1972) states that it is unlawful for an employer to discriminate in employment because of race, color, religion, sex, age (40-70 years) or national origin.
- Executive Order No. 11246 on Nondiscrimination under Federal contract prohibits employment discrimination by contractor and sub-contractor doing business with the Federal Government or recipients of Federal funds. This order was later amended by Executive Order No. 11375 to prohibit discrimination on the basis of sex.
- Section 503 of the Rehabilitation Act of 1973 states:

*The Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap.*

- Section 2012 of the Vietnam Era Veterans Readjustment Act of 1973 requires Affirmative Action on behalf of disabled veterans and veterans of the Vietnam Era by contractors having Federal contracts.
- Section 206(A) of Executive Order 12086, Consolidation of Contract Compliance Functions for Equal Employment Opportunity, states:

*The Secretary of Labor may investigate the employment practices of any Government contractor or sub-contractor to determine whether or not the contractual provisions specified in Section 202 of this order have been violated.*

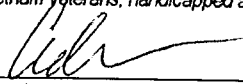
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The Lexington-Fayette Urban County Government practices Equal Opportunity in recruiting, hiring and promoting. It is the Government's intent to affirmatively provide employment opportunities for those individuals who have previously not been allowed to enter into the mainstream of society. Because of its importance to the local Government, this policy carries the full endorsement of the Mayor, Commissioners, Directors and all supervisory personnel. In following this commitment to Equal Employment Opportunity and because the Government is the benefactor of the Federal funds, it is both against the Urban County Government policy and illegal for the Government to let contracts to companies which knowingly or unknowingly practice discrimination in their employment practices. Violation of the above mentioned ordinances may cause a contract to be canceled and the contractors may be declared ineligible for future consideration.

Please sign this statement in the appropriate space acknowledging that you have read and understand the provisions contained herein. Return this document as part of your application packet.

Bidders

*I/We agree to comply with the Civil Rights Laws listed above that govern employment rights of minorities, women, Vietnam veterans, handicapped and aged persons.*

  
\_\_\_\_\_  
Signature

AmeriNat  
\_\_\_\_\_  
Name of Business

\_\_\_\_\_



**WORKFORCE ANALYSIS FORM**

Name of Organization: AmeriNat

Categories	Total	White (Not Hispanic or Latino)		Hispanic or Latino		Black or African-American (Not Hispanic or Latino)		Native Hawaiian and Other Pacific Islander (Not Hispanic or Latino)		Asian (Not Hispanic or Latino)		American Indian or Alaskan Native (not Hispanic or Latino)		Two or more races (Not Hispanic or Latino)		Total	
		M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Administrators																	
Professionals	8	3	1	1						2	1						53
Superintendents																	
Supervisors	25	4	11	4	1	2	2							1			1114
Foremen																	
Technicians																	
Protective Service																	
Para-																	
Office/Clerical	76	6	27	6	25	4	5			3							11660
Skilled Craft																	
Service/Maintenan																	
<b>Total:</b>	<b>109</b>	<b>13</b>	<b>39</b>	<b>11</b>	<b>26</b>	<b>6</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>3277</b>

Prepared by: Karen Morse Date: 4/17/18  
 Karen Morse, Personnel Mgr. (Name and Title)

Revised 2015-Dec-15

**DIRECTOR, DIVISION OF CENTRAL PURCHASING  
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT  
200 EAST MAIN STREET  
LEXINGTON, KENTUCKY 40507**

**NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION TO ENSURE EQUAL EMPLOYMENT  
OPPORTUNITIES AND DBE CONTRACT PARTICIPATION**

Notice of requirement for Affirmative Action to ensure Equal Employment Opportunities and Disadvantaged Business Enterprises (DBE) Contract participation. Disadvantaged Business Enterprises (DBE) consists of Minority-Owned Business Enterprises (MBE) and Woman-Owned Business Enterprises (WBE).

The Lexington-Fayette Urban County Government has set a goal that not less than ten percent (10%) of the total value of this Contract be subcontracted to Disadvantaged Business Enterprises, which is made up of MBEs and WBEs. The Lexington Fayette Urban County Government also has set a goal that not less than three percent (3%) of the total value of this Contract be subcontracted to Veteran-owned Small Businesses. The goal for the utilization of Disadvantaged Business Enterprises as well Veteran -owned Small Businesses as subcontractors is a recommended goal. Contractor(s) who fail to meet such goal will be expected to provide written explanations to the Director of the Division of Purchasing of efforts they have made to accomplish the recommended goal, and the extent to which they are successful in accomplishing the recommended goal will be a consideration in the procurement process. Depending on the funding source, other DBE goals may apply.

For assistance in locating Disadvantaged Business Enterprises Subcontractors contact:

Sherita Miller, MPA, Division of Central Purchasing  
Lexington-Fayette Urban County Government  
200 East Main Street, 3rd Floor, Room 338  
Lexington, Kentucky 40507  
[smiller@lexingtonky.gov](mailto:smiller@lexingtonky.gov)

Firm Submitting Proposal: AmeriNat

Complete Address: 217 South Newton Ave. Albert Lea, MN 56007  
Street City Zip

Contact Name: Adrienne Thorson Title: Chairwoman and CEO

Telephone Number: (866) 779-5545 Fax Number: (562) 745-1274

Email address: athorson@amerinatls.com

# Scope of Work

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## Loan Servicing for Amortized and Deferred Loans

1. Introductory Package: Upon boarding of each new loan, AmeriNat will send to each borrower a welcome package. This welcome package contains a Notice of Servicing Transfer, Fair Debt Notice, FACT Act Letter, ACH sign-up form and a supply of coupons.
2. Collection and Remittance of Payments: AmeriNat will collect payments from the borrowers through monthly or other scheduled remittances of principal, interest, fees, escrow balances and other identified payments. These remittances will be posted to the loan and ancillary records in accordance with the loan documents and the LFUCG's written instructions. Payments will be posted the same day as receipt. All funds will be maintained in an FDIC insured banking institution in a custodial account for the benefit of the LFUCG and the borrowers as applicable. AmeriNat will ensure the proper balancing of cash received and transmitted and loan portfolio totals on a daily and monthly basis. Remittances will be forwarded to the LFUCG monthly net of fees and other authorized charges due to AmeriNat.
3. Payment of Property Taxes: At the LFUCG's request, AmeriNat will monitor the timely payment of property taxes. Tax service will be required to monitor payment of property tax.
4. Insurance Monitoring: AmeriNat will notify the insurance agent in writing that AmeriNat is monitoring premium payments and that we are to be made aware of delinquencies or cancellations. AmeriNat will force place insurance in accordance with respective regulation (see Insurance section).
5. Escrow/Impound Account: If the LFUCG chooses, AmeriNat will establish an escrow/impound account for any borrower for the payment of taxes and insurance. Many borrowers find it easier to pay into an escrow account on a monthly basis rather than making large semi-annual or annual tax and insurance payments. AmeriNat will collect the monthly escrow payment from the borrower and make the tax and insurance payments on the borrower's behalf. The borrower escrow accounts will be analyzed annually in accordance with the Real Estate Settlement Procedures Act (RESPA). Tax service is necessary to ensure the timely and accurate payment of property taxes.

Please note: Unless respective state law requires otherwise, AmeriNat's escrow analysis utilizes a 2-month cushion in accordance with RESPA. This cushion is an industry standard and is intended to minimize the likelihood of escrow shortages / deficits when and if escrow disbursement items increase. If this cushion is not consistent with the LFUCG's current escrow analysis process, borrowers' escrow analysis may result in a shortage and/or escrow payment increase at the time of AmeriNat's first analysis. This may impact borrowers' ability to make increased monthly payments to escrow. Should the LFUCG request alternative handling of loan accounts with escrow payment increases, this may result in the LFUCG incurring extraordinary services charges.

If the LFUCG chooses to establish an escrow/impound account for any borrower, AmeriNat will also establish a Client Escrow Deficit account. This account is used to track and

reconcile borrower accounts with escrow deficits as a result of payments made on the borrower's behalf in excess of their escrow balance. The escrow deficit account will be reconciled monthly and the net change will be included or deducted from the LFUCG's monthly remittance; a net shortage/negative will be deducted and a net overage/positive will be remitted. Regardless of whether or not the net shortage/negative is deducted from remittance, the LFUCG remains responsible for all escrow advances made by AmeriNat.

At portfolio transfer AmeriNat will require a cash deposit of the total amount of positive escrow balances. Negative escrow balances will be set up, and the aggregate total will need to be deposited in to an "Escrow Advances" account until such time that said advance is recouped from the respective borrower.

6. Late Fees: In keeping with the provisions of the LFUCG's promissory note, AmeriNat will assess and retain a late fee when payment is not made within the grace period.

### **Lender Placed Insurance**

In accordance with respective regulation, upon notification of a policy cancellation from the borrower's insurance carrier, or when proof of a current policy is not received, AmeriNat will request lender-placed insurance from AmeriNat's insurance provider.

1. Coverage is instantly bound upon receipt of request with an effective date up to 90 days prior to receipt of our request.
2. AmeriNat's insurance provider or their carrier will send out three letters to the borrower over the course of forty-five days. If the borrower provides proof of coverage, lender-placed coverage will be cancelled.
3. If the effective date of this coverage is the same and there is no lapse in coverage, there will be no premium charged. If there is a lapse in coverage, there may be a fee charged to the borrower's account for an earned premium.
4. If the borrower does not provide proof of coverage, AmeriNat's insurance provider will send an insurance policy and notification of premium to the borrower and bill AmeriNat for a one-year policy. If the borrower does not have an established impound account; AmeriNat will create one and disburse the premium from it. If the borrower fails to pay the premium before the end of the month, and the disbursed premium results in an escrow deficit balance, said balance will be accounted for in that month's reconciliation of the Client Escrow Deficit Account. If the aggregate portfolio remittance for said month is insufficient to cover the deficit amount, the LFUCG will be billed and responsible for the cost until recouped from the borrower. Any pay-off quotations or demands will reflect any impound deficit amounts (caused by the cost of any forced-place insurance or other advances) so that the borrower will still be held responsible for the cost even if they are unresponsive.

The Portfolio Status Report, delivered monthly to the LFUCG, will also reflect such negative impound balances (i.e. the total amount of such premiums owed by borrower).

5. The one-year policy is cancelable at any time by either AmeriNat or the LFUCG.

### **Account Inquiries**

Borrowers and LFUCG have 24-hour electronic access to their loan information via AmeriNat's website at [www.amerinatls.com](http://www.amerinatls.com). Continuous access to all loan account information is also provided during normal working hours through our toll-free customer service telephone lines. In addition, we can provide hard copy account payment histories or other information through facsimile transmission or email. When requested by a borrower, AmeriNat will provide, without charge, a detailed statement of all transactions relating to the borrower's payments and/or escrow account.

### **Non-sufficient Funds (NSF) Checks**

In the event that a check is returned to us unpaid due to non-sufficient funds, a returned check fee will be assessed. A letter will be sent to the borrower requesting immediate payment plus the returned check fee. If this fee is not received, a memo will be placed on the individual's account and the fee will be collected at the time the loan is paid off.

### **Additional Portfolio Management Services**

1. Loan Payoff Quotations, Satisfactions, Reconveyances: AmeriNat will provide Loan Payoff Quotations and will perform Satisfactions and Reconveyances of Mortgage at the borrower's expense for any loan at the LFUCG's request.
2. Loan Amortization Schedules: AmeriNat will provide Loan Amortization Schedules for any loan at the LFUCG's request.
3. 1098 Tax Forms: Pursuant to IRS regulations and, on behalf of the LFUCG, AmeriNat will submit required 1098 tax form for any and all borrowers paying interest on any LFUCG loan.
4. Year-End Account Summary: AmeriNat will supply a year-end account summary statement to each borrower if there has been principal, interest or escrow activity on their account. The report will indicate principal and interest paid, amount of payments AmeriNat made on the borrower's behalf for taxes and insurance, and any remaining escrow balance.
5. Tickler Notifications: AmeriNat will provide for an annual tickler notification to any borrower, at the LFUCG's request.

### **Loan Transfer**

In the event the LFUCG requires AmeriNat to transition loans back to the LFUCG or to another Servicer, AmeriNat will gather and package all loan files (hard-copy and/or electronic copy) for shipment. AmeriNat has an in-house IT department that is dedicated to the maintenance and enhancement of its proprietary loan servicing system. AmeriNat's IT department will work with the LFUCG's staff to electronically transmit servicing data in an agreed upon format.

## Loan Reconstruction

Over the course of our history, we have assisted our wide range of clients in reconstructing their portfolio of loans to ensure the accuracy and consistency of the booked loans with the terms and conditions of the original loan documents. Reconstruction work may involve a detailed review of payment histories to determine posting accuracy and compliance with promissory notes, truth in lending statements, and other applicable related loan documents.

## Reports

AmeriNat's standard reports are designed to meet the LFUCG's objectives and funding source requirements. Data reporting is flexible and can be reported in several ways, including program type, funding source and funding year. Soft-copy reports are available as indicated in addition to the electronic reporting available to the LFUCG online through our Internet LoanLink service. Through LoanLink, the LFUCG has unlimited access to account and portfolio data, and can view the information as well as generate reports that can be downloaded into Excel.

1. Portfolio Status Report: The report provides a complete accounting per loan of the total portfolio. The report identifies annual payments made, remaining balances, borrower's name and account number, original loan balance, interest rate, and loan term. For those deferred loans accruing interest, the report shows the ongoing accrued interest balance.  
*Frequency: Available on-line, one soft-copy report forwarded monthly to the LFUCG.*
2. Current Month Reconciliation Report: This report serves as reconciliation for the loan payments remitted by borrowers.  
*Frequency: Available on-line, one soft-copy report, along with remittance check, forwarded to the LFUCG within ten working days of the close of the month.*
3. Delinquent Aging Report: This report reflects delinquent accounts at the 30, 60, 90, and over 90 day levels. Borrower accounts moved into the forbearance or foreclosure process are designated.  
*Frequency: Available on-line, one soft-copy report forwarded monthly to the LFUCG.*
4. Loan Amortization Schedule: The Loan Amortization Schedule shows the breakout of principal and interest paid for each payment during the term of the loan. This schedule is useful in determining how much principal is still owed and how much interest has been paid, at any period of time. This report can also be used in determining any balloon amounts due per the terms of the note.  
*Frequency: Available to the LFUCG upon request.*
5. Escrow Analysis Report: For loans requiring monthly escrow/impound payments for taxes and/or insurance, AmeriNat conducts an annual escrow analysis to determine the proper monthly payment a given borrower needs to make in order to cover future tax and insurance payments. This report is especially useful when escrow requirements change significantly, e.g., a marked increase in property tax due to a reassessment or supplemental tax.  
*Frequency: Available to the LFUCG upon request.*

6. Account Status Information Report: Provides borrower profile, loan term and current balance and status information for individual borrower accounts within a client's portfolio. This report includes a vast amount of information on any particular account within the LFUCG's portfolio.  
*Frequency: Available on-line.*
7. Current Year Payment History: Details transactions on individual accounts for the current year's activity.  
*Frequency: Available on-line.*
8. Payment History with Memos: AmeriNat uses a series of memo codes to help classify various borrower requests or processing activity. Activities subject to memo code classification include, for example, requests for duplicate coupon books, payoff requests, and other miscellaneous borrower questions. This report summarizes the loan history with identification of these types of activities along with associated comments by AmeriNat personnel.  
*Frequency: Available on-line.*
9. Memo Listing Report: This report lists the various coded activities and their dates. It is particularly useful when researching activity on any particular borrower account.  
*Frequency: Available on-line.*

### **Loss Mitigation**

AmeriNat provides treatment for delinquent mortgages through positive pressure that is fair but firm. If delinquent borrowers have a positive attitude toward their obligations, we will work with them to help them retain title to their property.

The following policy of follow-up will be adhered to by AmeriNat to minimize any loss of income to the LFUCG:

1. First Payment Default: Early delinquency can be a sign of a chronic delinquent borrower. AmeriNat forwards its first letter to new delinquent borrowers at 5 days past the first payment due date. If there is no response, a second letter is sent at 15 days. Borrowers are invited to contact our office to discuss difficulties they may be facing in meeting their obligations. If no response is received to either letter, due diligence phone calls begin at 17 days delinquent.
2. Delinquency/Default Letter Production: While most borrowers will pay without much individual attention, delinquencies will rise because some borrowers, left alone, will fall into poor paying habits. Therefore, letters of varying tone and composition will be sent at 15, 30 and 45 and 90 days past the payment due date. The 45 day letter will include the Consumer Financial Protection Bureau (CFPB) mandated notification informing the borrower of the available loss mitigation options. The 90 day letter will detail for the borrower possible escalated collection activity up to and including foreclosure. The letters emphasize the seriousness of the situation, the potential for loss of the borrower's property, and demands immediate payment.



3. Due Diligence Phone Calls: Telephone calls will be placed to all mortgage loan borrowers in accordance with CFPB guidance and best practices. We will attempt to establish live contact with the borrower beginning at the 17th day of delinquency with a good faith goal of establishing contact with the borrower by the 36th day of delinquency. We will make one or more subsequent attempts to contact the borrower every 30 days thereafter. Telephone contact offers several advantages: it demands attention; it interrupts other activity; it establishes a personal communication; and it requires immediate response. The objective of the call is to secure or demand prompt payment, obtain information needed to determine the reason for the delinquency, and to gain a commitment for future payments.
4. Credit Reporting: AmeriNat will report to the credit bureaus any borrower payment activity on a monthly basis.
5. Confirmation Letters: Contact with borrowers is used to solicit commitments to repay past due amounts. A borrower will be provided with the opportunity to bring the loan current immediately, and within six months. Once a commitment is gained, AmeriNat will forward a confirmation letter to document both the call and the commitment. The revised payment plan of no greater than six month's duration is then implemented. Default under this plan may cause AmeriNat to recommend foreclosure.

### **Forbearance Plans**

Formal forbearance plans are typically used for defaults of 90+ days. A forbearance plan of less than six months duration is executed by the borrower and immediately implemented by AmeriNat, with notice immediately provided to the LFUCG. Formal modifications to promissory note terms and forbearance plans of greater than six months duration are forwarded to the LFUCG for pre-approval. Before the borrower executes the agreement, the LFUCG is requested to approve the plan.

Once approved, AmeriNat will implement the new payment schedule. Should a borrower default from the new payment schedule without cause, AmeriNat will recommend foreclosure.

Forbearance Evaluation Process: A hardship is defined as a situation or set of events or circumstances beyond the normal control of the borrower that prohibits the borrower from adhering to a planned repayment schedule. If a borrower states, either verbally or in writing, that a hardship situation exists, AmeriNat will document the circumstances and provide the following:

- i. Letter from borrower requesting the LFUCG's consideration of hardship
- ii. Nature of the hardship
- iii. Expected duration of the hardship
- iv. Evidence to substantiate hardship
- v. Forbearance Plan Proposal

If the LFUCG approves the Forbearance Plan Proposal and executes the agreement with the borrower, AmeriNat will resume loan servicing under the new payment plan. The file will be tickled for follow-up at the expiration of the temporary plan.

AmeriNat's objective is to formulate a plan to bring the loan current as soon as possible. However, in light of the LFUCG's original purpose in making these loans (to assist the low/moderate income and disadvantaged citizens of its community), AmeriNat may recommend forbearance plans that defer all or part of the regular repayments for a specified period of time.

### **Loan Modification Analysis**

1. **Preliminary Screening:** When initial contact with the borrower indicates a short term forbearance agreement will not be enough to bring the account current, AmeriNat will provide the borrower with a "Request for Loan Modification Package."
2. **Initial Analysis:** Upon receipt of the Modification Package, AmeriNat will review the package to determine supporting materials are present and that the forms are complete. Support materials may include but are not limited to, paycheck stubs, W-2's, Federal Tax Returns, bank statements, mortgage statements, property tax bills and insurance policies. After the package is reviewed and found to be complete, an initial analysis will be completed. The initial analysis can be completed prior to incurring any applicable outside costs, such as ordering a credit report or property value report if required.
3. **Final Modification Analysis and Recommendation:** Once all information received has been verified, the final analysis will be developed using the LFUCG's modification program guidelines. This analysis will reflect information such as affordability (debt-to-income ratio), status of 1<sup>st</sup> mortgage, occupancy, and borrower's ability to pay, etc. Based on the aforementioned, the recommendation will convey whether it is reasonable to proceed with the modification and what type of modification will best suit the needs of the borrower and the LFUCG. The recommendation along with the supporting documentation will be sent to the LFUCG for approval.
4. **Approval:** Once a loan modification has been approved, either the LFUCG or AmeriNat shall prepare and forward the required documents to the borrower for signature and recording if applicable. After the documents have been executed, originals will be retained by the LFUCG and copies will be sent to AmeriNat.

After receipt of executed modification documents, AmeriNat will make the appropriate modifications to the loan, send the borrower new payment coupons, if applicable, and electronically notate the account. The copied modification documents will be electronically uploaded into the electronic paperless loan file for retention.

### **Loan Foreclosure**

The mortgage transaction and all collections efforts are predicated on the assumption that the borrower is motivated and able to meet the mortgage obligation. A decision to foreclose is based on an analysis of an individual loan. We will look at the borrower with particular emphasis on basic motivation, ability to pay; and attitude or level of cooperation. If a borrower has been uncooperative, non-responsive, or unwilling to cure the existing default by all reasonable means, AmeriNat will recommend foreclosure.

This step is generally not taken until after a loan becomes over 120 days delinquent. Upon the LFUCG's approval, and in accordance with respective local, state and federal statutes, AmeriNat will send the borrower a notice of intent to foreclose/demand letter, with a copy to the LFUCG. If no response is received within 30 days, AmeriNat will advise the LFUCG of the non-response. Upon the LFUCG's direction, AmeriNat will proceed to foreclosure. AmeriNat will properly document all steps taken to affect a cure.

If the loan is not reinstated or paid off, AmeriNat will continue foreclosure up to and including the sale of the property. Upon sale of the property, AmeriNat will return all proceeds of the sale to the LFUCG less foreclosure fees and any previously un-reimbursed costs incurred.

In the event the borrower reinstates the loan, AmeriNat will remit to the LFUCG all payments received from the borrower. For those loans that are reinstated by the borrower, AmeriNat will resume normal servicing functions.

### **Bankruptcy Administration Services**

#### **1. Chapter 13 Bankruptcy:**

- a. Upon receipt of notification from a court of law, debtor (borrower), or the LFUCG of a Chapter 13 bankruptcy for a debtor serviced by AmeriNat, AmeriNat will forward a notification letter to the LFUCG indicating intention to file a Notice of Claim as well as supporting bankruptcy documentation. Such Notice of Claim will indicate the total amount past due at time of Chapter 13 filing. AmeriNat will then file a Proof of Claim to the appropriate court. Upon receipt of a returned filed Proof of Claim from the court, AmeriNat will forward a copy of same to the LFUCG and will begin monitoring post and pre-petition payments to borrower's loan account.
- b. Upon any default of borrower in the remittance of post petition payments, AmeriNat will contact the borrower's (debtor's) counsel to notify counsel of the default, instructing that any further default will result in the filing of a Motion to Lift the bankruptcy stay. If the borrower has no legal counsel and has filed their bankruptcy petition "pro se", (on their own behalf) or with the assistance of a licensed paralegal; AmeriNat can communicate directly with the borrower. In addition, notification of the default will be forwarded to the Trustee's office. Should there be a continued default in post-petition payments and at the instruction of the LFUCG, the Motion to Lift will be filed by AmeriNat and AmeriNat will begin foreclosure proceedings as directed by the LFUCG.

#### **2. Chapter 7 Bankruptcy:**

- a. Upon receipt of notification of a Chapter 7 bankruptcy for a debtor serviced by AmeriNat, AmeriNat will establish a file for the borrower and monitor payments. Additionally, a reaffirmation agreement will be generated and forwarded to the borrower's attorney (debtor's counsel) for signature, and to the appropriate court upon receipt of the executed document. This fully enforceable agreement, if executed, will retain the lien as secured and will keep the lien from being discharged as part of the Chapter 7 discharge. If the borrower has no legal counsel and has filed their bankruptcy petition "pro se", (on their

- own behalf) or with the assistance of a licensed paralegal; AmeriNat can communicate directly with the borrower.
- b. Upon any default of borrower's remittance of payments during the bankruptcy, AmeriNat will contact the borrower's (debtor's) counsel advising of the default, but if filed pro se, then the debtor would be contacted directly.
  - c. Should the Chapter 7 Trustee determine that assets are available for distribution to creditors, AmeriNat will file a Proof of Claim on behalf of the LFUCG, indicating total amount due.

### **Subordination Processing**

1. Subordination Request Package: The LFUCG, upon receiving a request for subordination, will refer the borrower to AmeriNat. AmeriNat will send a Subordination Request Package to the borrower or designee (lender or title). The LFUCG may require the borrower to pay the cost of the subordination processing at application or the LFUCG may pay the cost upon billing from AmeriNat.
2. Review Process: The purpose of the subordination review process is to determine that the new senior loan on the borrower's property will be made in conformance with the LFUCG's subordination policy and that the LFUCG's title position and security for its note is properly treated. Also, a review of income of the borrower may be performed if there are ongoing restrictions on income levels for the program participant. Documentation typically required for the review may include the following:
  - a. Letter from borrower with reasons for requesting subordination
  - b. FNMA 1003 application, or other applicable application, for new senior loan
  - c. Lender's approval of new senior loan
  - d. Title report
  - e. Appraisal
  - f. Closing instructions and estimated closing statement
  - g. Credit report (if required)
  - h. Tax return or other income documentation (if required)
  - i. Completed Subordination Agreement ready for signature
  - j. Request for Notice document on new senior loan(s)
3. Document Preparation: AmeriNat prepares (or reviews documents prepared by new senior lender):
  - a. Subordination Agreement
  - b. Request for Notice document on new senior loan(s)
  - c. Closing instructions
4. Recommendation: At the completion of the review, a report is forwarded to the LFUCG with a recommendation to either approve the request and to execute the Agreement, or to deny the request. The report will contain a recapitulation of pertinent information such as lowered monthly payment amounts, old and new LTV's, new and old senior debt loan amounts, etc.

5. Approval: Upon the LFUCG's approval of a request for subordination, the LFUCG will forward to borrower's lender or Title Company:
  - a. Completed and executed Subordination Agreement between the LFUCG and borrower
  - b. Closing instructions dictating terms / use of Subordination Agreement document
  - c. Request for Notice document for new senior loan

### **Income Re-verifications**

#### 1. Level One (Income Only):

- a. In keeping with the provisions of the borrower's promissory note and/or loan agreement, AmeriNat will forward an income re-verification package to each borrower. The package will contain instructions and forms needed to complete the re-verification.
- b. A reminder letter will be sent in two weeks if the required information has not been received.
- c. If the borrower fails to respond within the allotted time frame, AmeriNat will notify the LFUCG of the borrower's non-compliance.
- d. Upon receipt of a completed re-verification package, AmeriNat will perform the following tasks:
  - Verify that forms are complete and proof of income has been received.
  - Calculate the borrower's income to determine continued compliance with the LFUCG's program requirements for income.
  - Forward re-verification report to the LFUCG, with a recommendation for continued deferral or amortization.
  - If the recommendation is to amortize the loan, and the LFUCG approves, AmeriNat will prepare necessary loan documents (additional charges will apply). The loan documents will be forwarded to the LFUCG for borrower and LFUCG signatures. AmeriNat will record necessary documents and will begin collecting under the new payment schedule.

#### 2. Level Two (Income, Debt, and other Program Requirements):

Includes all level one services plus the following:

- a. AmeriNat will order credit reports on borrower and will calculate the borrower's debt to income ratio to determine if borrower has present capacity to make monthly loan repayments;
- b. AmeriNat will receive documentation (established by the LFUCG) to determine that program requirements have been met, e.g. continued occupancy, insurance, etc.

- c. AmeriNat will forward a re-verification report that includes the status of the borrower's income, capacity for incurring additional monthly note repayments, and compliance with the LFUCG's program requirements.

### **Property Conditions Profile and Affidavit of Owner**

#### 1. Property Conditions Profile:

- a. AmeriNat engages an outside vendor to perform a site visit to each owner's property to determine the outer condition of the dwelling and the condition of any detached structures and grounds. Two photos will be taken to document the condition of the property. NOTE: AmeriNat will not, at any time, enter upon the owner's private property.
- b. Property profiles shall rate (good, fair, poor) the condition of the property, and also comment on the following: roof type, property type, structure color, neighborhood condition, construction type, environmental hazards, and status of utilities.
- c. If the dwelling appears vacant or abandoned, it will be noted in the report.
- d. Property profiles may be ordered by the LFUCG with any frequency desired, e.g., once every two years, once every three years, etc.

#### 2. Affidavit of Owner:

AmeriNat will forward an instructional letter and Affidavit of Owner to each borrower. The Affidavit requires the owner to affirm continued compliance with all provisions of the promissory note and/or rehabilitation agreement. Such provisions may include, but are not limited to, the following:

- Continued residence
  - Timely payment of property taxes
  - Ongoing hazard and flood insurance coverage
  - Timely payment of all sums due to superior lien holders
  - Proper maintenance of the property
  - Non-subordination
- a. If no response is received within two weeks, AmeriNat will send a second letter, again requesting owner to sign and return affidavit.
  - b. AmeriNat will compile responses and will forward original affidavits to the LFUCG.

# Fee Schedule

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## Loan Portfolio Management

**New Loan Set-Up Fee:** \$45.00 per loan

The set-up fees above are based on the LFUCG's performance of certain portfolio transfer activities, as established in the portfolio transfer timeline. Should additional boarding time, effort, and/or resources, be required to accomplish the portfolio transfer, the Extraordinary Services fee will apply, and the boarding date may be delayed.

**Monthly Service Fee for Amortized Loans:** \$16.00 per loan per month

The above fees include delinquency monitoring and collections activities on past due accounts and all other servicing activities unless separate service fees are identified below. Escrowing and/or monitoring of taxes and insurance are included with the service at no additional cost except for a one-time tax service vendor fee if acceptable transferable tax contracts are not already in place.

### **Deferred Loans:**

- i. Set-Up Fee: \$45.00 per loan
- ii. Warehouse: \$2.20 per loan per month
- iii. Warehouse and monitor of taxes and/or insurance: \$3.80 per loan per month plus a one-time tax service vendor fee.
- iv. Warehouse and escrow of taxes and/or insurance: \$16.00 per loan per month plus a one-time tax service vendor fee.
- iv. Flat fee for receiving occasional payments on deferred loans: \$16.00 per payment

### Loans serviced by AmeriNat prior to June 7, 2012:

- i. Warehouse: One-time charge of \$80.00 per loan
- ii. Warehouse and monitor of taxes and/or insurance: one-time charge of \$125.00 per loan plus a one-time tax service vendor fee.
- iii. Warehouse and escrow of taxes and/or insurance: one-time charge of \$60.00 per loan PLUS \$6.50 per month PLUS a one-time tax service vendor fee.
- v. Flat fee for receiving occasional payments on deferred loans: \$9.00 per payment

**Loss Mitigation:** Included in monthly service fee.

**Tax Service:** If it is determined that Tax Service is needed, then a one-time fee of \$69.00 per loan upfront at time of servicing commencement will be charged (may be assessable to borrower) for all loan amounts up to \$500,000. For loan amounts over \$500,000, there is an additional charge of \$10.00 per \$100,000. Future charges may vary based on outside vendor pricing.

Please note: Any additional or supplemental charges that may be imposed by the respective taxing authority for procurement of duplicate tax bills will be directly passed through to the LFUCG.

**Forbearance Plans (if requested by the LFUCG):**

AmeriNat will charge a flat fee of \$375.00 per loan per occurrence to institute a formal forbearance plan (usually in excess of 6 months in duration and with approval of the LFUCG). The LFUCG may require the borrower to pay this fee. Informal forbearances (usually less than 6 months in duration) to allow a delinquent borrower to catch up and bring their loan current are performed at no charge to the borrower or the LFUCG.

**Loan Modification Analysis (if requested by the LFUCG):**

AmeriNat will charge the following fees for a Loan Modification Analysis:

- |   |           |
|---|-----------|
| 1. Preliminary Screening and Initial Analysis to the LFUCG<br>Due within 30 days of Analysis to the LFUCG   | \$ 165.00 |
| 2. Final Analysis and Recommendation, plus outside costs *.<br>Due within 30 days of completion of final recommendation   | \$160.00  |
| 3. Loan Document Preparation, plus outside costs *.<br>Cancellation Fee: The fee due will be the sum of all fees for tasks (1-3 above) completed, plus one-half of the fee for the task in process at the time of cancellation. | Varies    |

\* Outside costs include, but are not limited to, title, credit, and appraisal / valuation. These costs are passed through from outside vendors and are subject to marketplace increases.

**Loan Foreclosure (if requested by the LFUCG):**

AmeriNat will charge the following fees for Loan Foreclosure services:

1. **Document Preparation:** A one-time charge of \$430.00 to prepare documents to commence foreclosure proceedings and to manage the foreclosure process on behalf of the LFUCG. In addition to the above foreclosure service fee, AmeriNat will deduct and pay from remittance or bill the LFUCG for other costs incurred in the foreclosure process such as, but not limited to, conventional legal fees, sheriffs' deposits, bankruptcy closing costs, fees set by law, etc. These fees will be accurately quoted on a case-by-case basis upon request by the LFUCG and within all applicable statutory limits. Reinstatement figures provided more frequent than monthly may be subject to an additional charge of \$15.00 per occurrence.



2. **Reinstatement Terms:** The LFUCG reimbursement for foreclosure services rendered, and its costs and other charges, will be made by the borrower upon reinstatement or full payment of any Deed of Trust or Mortgage under foreclosure.

**Bankruptcy Services (if requested by the LFUCG):**

AmeriNat will charge the following fees for Bankruptcy services:

1. Filing of Proof of Claims Fee: \$100.00 per occurrence
2. Filing of Reaffirmation Agreements Fee: \$75.00 for each occurrence
3. Monitoring and Repayments Fee: \$12.00 per loan per month for the duration of an active Chapter 7/13 case for monitoring Chapter 7/13 plans and Discharges or Debtors (Chapter 13), and the receipt of post and pre-petition payments.
4. Filing of Lift Stays Fee: \$175.00 per occurrence plus out-of-pocket fees and costs. Such fees and costs include, but are not limited to, obtaining local council in the bankruptcy jurisdiction and as approved by the LFUCG. The LFUCG will be responsible for the payment of any fees for filing suit or related outside costs due AmeriNat that cannot be reimbursed from the borrower.

**Subordination Processing (if requested by LFUCG):**

A fee of \$380.00 per analysis per loan.

**Income Re-verifications:**

A \$265.00 per file charge will be made for a level one income verification. A level two verification, including income, debt and program requirements, will be conducted at a fee of \$405.00 per file.

Additional fees upon occurrence include:

- a. Ordering of any income verification documents, e.g. verification of employment, verification of deposit: \$50.00 per document
- b. When a re-verification package, reminder letter, and report is issued by AmeriNat for non-responsive borrower, a cancellation fee of \$75.00 per non-responsive file.
- c. To reopen a file that has been assessed a cancellation fee, the file will be the full fee less any previously assessed cancellation fee.
- d. On a file for which a recommendation has been provided but is thereafter resubmitted with changed or additional information, a re-evaluation fee of \$35.00 per resubmission.

**Per-Event Fees:**

Tickler Notifications:	\$12.50 per notification
Loan Transfer Fee:	\$50.00 per loan one-time fee if transferred from AmeriNat
Property Conditions Profile:	\$50.00 per occurrence
Affidavit of Owner:	\$13.00 per loan (entire portfolio done at onetime) with a \$500 minimum fee.

**Extraordinary Account Research and/or Loan Reconstruction**

AmeriNat will conduct ongoing routine maintenance and general customer service activities on borrower information and balances as part of its servicing duties at no additional cost.

Should the LFUCG request additional research to be conducted, or if the LFUCG engages AmeriNat to conduct a Loan Reconstruction Service on its portfolio, an extraordinary research fee of \$150.00 per hour will be charged, with a minimum of one hour per occurrence. Any such fee will be approved by the LFUCG before the research is conducted.

When research is conducted at the request of the LFUCG because of a discrepancy between the LFUCG's records and AmeriNat's records relating to the principal balance or other loan information, and the result of the research determines that the discrepancy was the result of activity being posted at the LFUCG and not forwarded to AmeriNat for updating of its records, the extraordinary research fee will be charged for the time spent on the research.

In the event the LFUCG requests additional services to be performed by AmeriNat not specifically set forth in the Scope of Services and AmeriNat agrees to perform the requested additional service(s), AmeriNat shall undertake such services(s) after receiving written authorization from the LFUCG. Additional compensation for such service(s) shall be allowed as agreed upon in writing by both the LFUCG and AmeriNat.

# Addendum

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MALDEN CENTER, MN



LEXINGTON

ADDENDUM #1  
RFP #11-2018  
CENTRAL PURCHASING

## ADDENDUM #1

RFP Number: #11-2018

Date: April 16, 2018

Subject: Loan Servicing for Division of Grants and Special Programs

Address inquiries to:  
Sondra Stone  
(859) 258-3320

**TO ALL PROSPECTIVE SUBMITTERS:**

**Please be advised of the following clarifications to the above referenced RFP:**

Respondents shall have in place a blanket fidelity bond in the amount of \$1M, affording coverage with respect to employees in all capacities, in the performance of obligations provided under this contract.

Todd Slatin, Director  
Division of Central Purchasing

All other terms and conditions of the RFP and specifications are unchanged. This letter should be signed, attached to and become a part of your submittal.

COMPANY NAME: AmeriNat

ADDRESS: 217 S. Newton Ave., Albert Lea, MN 56007

SIGNATURE OF BIDDER:



2018 E. Franklin Street, Suite 100, Albert Lea, MN 56007 Phone: (859) 258-3320 Fax: (859) 258-3320

# MWDBE Participation Documentation

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AmeriNat recognizes the importance of providing employment and other economic opportunities to Minority-Owned (MBE), Woman-Owned (WBE), Disadvantaged (DBE) Business Enterprises and Veteran-Owned Small Businesses (VOSB). This is a professional services contract for loan servicing. To achieve the participation goals stated in the RFP, AmeriNat would need to subcontract out the primary and delinquent loan servicing deliverables. Doing so can reasonably be expected to result in an inferior service delivery and is not in compliance with servicing regulations and licensing requirements. Therefore, we feel the only feasible ancillary component to the loan servicing activities for which subcontracting can be implemented is for legal services.

AmeriNat has made good faith efforts to engage with MWDBE/Veteran-Owned law firms that provide bankruptcy and foreclosure services. As a result of these efforts, we've identified the Veteran-owned firm George Mason Law Firm, PSC as a potential subcontractor. Upon LFUCG's request for these particular services, AmeriNat will proceed with negotiating a subcontracting agreement accordingly.

Attached is the following MWDBE/Veteran-Owned participation documentation:

- ▶ LFUCG MWDBE Participation Form
- ▶ MWDBE Quote Summary Form
- ▶ LFUCG Statement of Good Faith Efforts and documentation



**LFUCG MWDBE PARTICIPATION FORM**

Bid/RFP/Quote Reference # 11-2018 Loan Servicing for Division of Grants and Special Programs

The MWDBE and/or veteran subcontractors listed have agreed to participate on this Bid/RFP/Quote. If any substitution is made or the total value of the work is changed prior to or after the job is in progress, it is understood that those substitutions must be submitted to Central Purchasing for approval immediately. **Failure to submit a completed form may cause rejection of the bid.**

MWDBE Company, Name, Address, Phone, Email	MBE WBE or DBE	Work to be Performed	Total Dollar Value of the Work	% Value of Total Contract
1. George Mason Law Firm 3070 Lakecrest Circle Suite 400, PMB 278 Lexington, KY 40513 (859) 224-8277 george@georgemasonlf.com	Veteran-Owned SDVOB	Legal Services for Bankruptcies and Foreclosures	TBD	TBD
2.				
3.				
4.				

The undersigned company representative submits the above list of MWDBE firms to be used in accomplishing the work contained in this Bid/RFP/Quote. Any misrepresentation may result in the termination of the contract and/or be subject to applicable Federal and State laws concerning false statements and false claims.

AmeriNat \_\_\_\_\_

Company

4-30-18

Date

Adrienne Thorson

Company Representative

Chairwoman and CEO

Title



**MWDDBE QUOTE SUMMARY FORM**

Bid/RFP/Quote Reference # RFP #11-2018 - Loan Servicing for Division of Grants and Special Programs

The undersigned acknowledges that the minority and/or veteran subcontractors listed on this form did submit a quote to participate on this project. Failure to submit this form may cause rejection of the bid.

<b>Company Name</b> AmeriNat	<b>Contact Person</b> Adrienne Thorson, Chairwoman and CEO
<b>Address/Phone/Email</b> 217 South Newton Ave., Albert Lea, MN 56007 Phone: (866) 779-5545 Email: athorson@amerinatls.com	<b>Bid Package / Bid Date</b> RFP #11-2018 Loan Servicing for Division of Grants and Special Programs Bid Date: May 3, 2018

MWDDBE Company Address	Contact Person	Contact Information (work phone, Email, cell)	Date Contacted	Services to be performed	Method of Communication (email, phone meeting, ad, event etc)	Total dollars \$\$ Do Not Leave Blank (Attach Documentation)	MBE * AA HA AS NA Female	Veteran
George Mason Law Firm, PSC	George Mason	(859) 224-8277 george@georgemasonlf.com C: (859) 327-4740	4/17/2018	Bankruptcy and Foreclosure Services	Email	Attorney: \$350/hour Paralegal: \$150/hour Total TBD		X (SDVOSB)

(MBE designation / AA=African American / HA= Hispanic American/AS = Asian American/Pacific Islander/ NA= Native American)

The undersigned acknowledges that all information is accurate. Any misrepresentation may result in termination of the contract and/or be subject to applicable Federal and State laws concerning false statements and claims.

AmeriNat

Company

Date

*4-30-18*

Adrienne Thorson

Company Representative

Chairwoman and CEO

Title

## LFUCG STATEMENT OF GOOD FAITH EFFORTS

Bid/RFP/Quote # 11-2018 Loan Servicing for Division of Grants and Special Programs

By the signature below of an authorized company representative, we certify that we have utilized the following Good Faith Efforts to obtain the maximum participation by MWDBE and Veteran-Owned business enterprises on the project and can supply the appropriate documentation.

       Advertised opportunities to participate in the contract in at least two (2) publications of general circulation media; trade and professional association publications; small and minority business or trade publications; and publications or trades targeting minority, women and disadvantaged businesses not less than fifteen (15) days prior to the deadline for submission of bids to allow MWDBE firms and Veteran-Owned businesses to participate.

       Included documentation of advertising in the above publications with the bidders good faith efforts package

       Attended LFUCG Central Purchasing Economic Inclusion Outreach event

       Attended pre-bid meetings that were scheduled by LFUCG to inform MWDBEs and/or Veteran-Owned Businesses of subcontracting opportunities

       Sponsored Economic Inclusion event to provide networking opportunities for prime contractors and MWDBE firms and Veteran-Owned businesses

  X   Requested a list of MWDBE and/or Veteran subcontractors or suppliers from LFUCG and showed evidence of contacting the companies on the list(s).

  X   Contacted organizations that work with MWDBE companies for assistance in finding certified MWDBE firms and Veteran-Owned businesses to work on this project. Those contacted and their responses should be a part of the bidder's good faith efforts documentation.

  X   Sent written notices, by certified mail, email or facsimile, to qualified, certified MWDBEs soliciting their participation in the contract not less than seven (7) days prior to the deadline for submission of bids to allow them to participate effectively.

  X   Followed up initial solicitations by contacting MWDBEs and Veteran-Owned businesses to determine their level of interest.

  X   Provided the interested MWDBE firm and/or Veteran-Owned business with adequate and timely information about the plans, specifications, and requirements of the contract.

  X   Selected portions of the work to be performed by MWDBE firms and/or Veteran-Owned businesses in order to increase the likelihood of meeting the contract goals. This includes, where appropriate, breaking out contract work

items into economically feasible units to facilitate MWDBE and Veteran participation, even when the prime contractor may otherwise perform these work items with its own workforce

X  Negotiated in good faith with interested MWDBE firms and Veteran-Owned businesses not rejecting them as unqualified without sound reasons based on a thorough investigation of their capabilities. Any rejection should be so noted in writing with a description as to why an agreement could not be reached.

X  Included documentation of quotations received from interested MWDBE firms and Veteran-Owned businesses which were not used due to uncompetitive pricing or were rejected as unacceptable and/or copies of responses from firms indicating that they would not be submitting a bid.

Bidder has to submit sound reasons why the quotations were considered unacceptable. The fact that the bidder has the ability and/or desire to perform the contract work with its own forces will not be considered a sound reason for rejecting a MWDBE and/or Veteran-Owned business's quote. Nothing in this provision shall be construed to require the bidder to accept unreasonable quotes in order to satisfy MWDBE and Veteran goals.

Made an effort to offer assistance to or refer interested MWDBE firms and Veteran-Owned businesses to obtain the necessary equipment, supplies, materials, insurance and/or bonding to satisfy the work requirements of the bid proposal

Made efforts to expand the search for MWBE firms and Veteran-Owned businesses beyond the usual geographic boundaries.

Other--any other evidence that the bidder submits which may show that the bidder has made reasonable good faith efforts to include MWDBE and Veteran participation.

**NOTE:** Failure to submit any of the documentation requested in this section may be cause for rejection of bid. Bidders may include any other documentation deemed relevant to this requirement which is subject to approval by the MBE Liaison. Documentation of Good Faith Efforts must be submitted with the Bid, if the participation Goal is not met.

The undersigned acknowledges that all information is accurate. Any misrepresentations may result in termination of the contract and/or be subject to applicable Federal and State laws concerning false statements and claims.

AmeriNat

Company

4-30-18

Date



Adrienne Thorson

Company Representative

Chairwoman and CEO

Title



## **Lexington –Fayette Urban County Government MWDBE Participation Goals Good Faith Effort Documentation**

The following emails were sent requesting a list of MWDBE and Veteran subcontractors or suppliers from LFUCG as well as emails sent to the applicable companies on the list (copies of emails attached):

- April 17, 2018 – Micki Gylten, Regional Sales Manager at AmeriNat emailed Sherita Miller, Minority Business Enterprise Liaison at LFUCG requesting a list of MWDBE and Veteran subcontractors or suppliers.
- April 17, 2018 – Sherita Miller emailed Micki Gylten a copy of LFUCG’s certified list of MBE/WBE/DBE and Veteran owned businesses.
- April 17, 2018 – Micki emailed the only law firm on this list, George Mason Law Firm, PSC regarding their fees for bankruptcy services or foreclosure services.

## Amber Loverink

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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 3:08 PM  
**To:** Amber Loverink  
**Subject:** Fw: MBE/SBE/DBE/VBE- Attorney  
**Attachments:** LFUCG Certified List\_March 2018.xlsx

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



This email is confidential and is restricted by AmeriNat's email policy, which can be found at <http://www.amerinatls.com/emailpolicy.aspx>.

**From:** Sherita Miller <[smiller@lexingtonky.gov](mailto:smiller@lexingtonky.gov)>  
**Sent:** Tuesday, April 17, 2018 2:26 PM  
**To:** Micki Gylten  
**Subject:** RE: MBE/SBE/DBE/VBE- Attorney

Good afternoon Micki,

I received your voicemail message.

Attached is a copy of LFUCG's certified list of MBE/WBE/DBE and Veteran owned businesses. This is an overall list of businesses with various specialties.

There is one law firm on this list. George Mason Law Firm, PSC, Allie George Mason, Jr., [George@Georgemasonlf.com](mailto:George@Georgemasonlf.com) or 859-224-8277. This firm is a Service-Disabled Veteran Owned Small Business (SDVOSB). If you need additional lists or have any questions, please feel free to contact me.

Thanks, Sherita

**Sherita Miller**  
*Minority Business Enterprise Liaison*  
Central Purchasing

859.258.3323 office  
[lexingtonky.gov](http://lexingtonky.gov)



**From:** Micki Gylten <[MGylten@amerinatls.com](mailto:MGylten@amerinatls.com)>  
**Sent:** Tuesday, April 17, 2018 2:34 PM  
**To:** Sherita Miller <[smiller@lexingtonky.gov](mailto:smiller@lexingtonky.gov)>  
**Subject:** MBE/SBE/DBE/VBE- Attorney

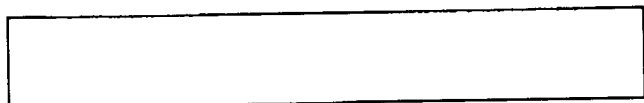
[EXTERNAL] Use caution before clicking links and/or opening attachments  
Sherita,

Good afternoon. I wanted to check in with you and see if you know of any certified MBE/WBE/DBE or Veteran owned business that are attorneys? We are responding to an RFP where there are goals in this regard.

Thank you.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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## Amber Loverink

---

**From:** Micki Gylten  
**Sent:** Friday, April 20, 2018 12:23 PM  
**To:** Amber Loverink  
**Subject:** Fwd: Lexington Fayette-Service-Disabled Veteran Owned Law Firm

See the email below.

**Micki Gylten | Regional Sales Manager**  
P 319.569.1876 C 319.541.3689  
[mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



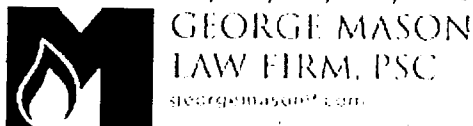
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Begin forwarded message:

**From:** George <[george@georgemasonlf.com](mailto:george@georgemasonlf.com)>  
**Date:** April 20, 2018 at 12:18:20 PM CDT  
**To:** Micki Gylten <[MGylten@amerinatls.com](mailto:MGylten@amerinatls.com)>  
**Cc:** John <[John@georgemasonlf.com](mailto:John@georgemasonlf.com)>, Debbie McKinney <[debbiem@georgemasonlf.com](mailto:debbiem@georgemasonlf.com)>  
**Subject:** Service-Disabled Veteran Owned Law Firm

Micki – Sorry for the late reply, but our legal billing rate is as follows: Attorney - \$350.00/hour, plus expenses and Paralegal - \$150.00/hour, plus expenses. Please see my revised signature block and 3 Logos. Thanks, George

George Mason  
*Attorney*  
**George Mason Law Firm, PSC**  
Email: [george@georgemasonlf.com](mailto:george@georgemasonlf.com)  
Office: (859) 224-8277  
Mobile: (859) 327-4740  
[www.georgemasonlf.com](http://www.georgemasonlf.com)  
Licensed in KY, TN, VA, WV, PA & OH



George Mason Law Firm, PSC has been designated by the U.S. Department of Veterans Affairs as a Service Disabled Veteran Owned Small Business (SDVOSB). Furthermore, Kentucky has also certified George Mason Law Firm, PSC as a KY SDVOSB.



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**From:** Micki Gylten <[MGylten@amerinatls.com](mailto:MGylten@amerinatls.com)>  
**Sent:** Tuesday, April 17, 2018 3:13 PM  
**To:** George <[george@georgemasonlf.com](mailto:george@georgemasonlf.com)>  
**Subject:** Fw: Service-Disabled Veteran Owned Law Firm

George,

Good afternoon. We are currently working with Lexington Fayette Urban County Government and they are out to RFP with a goal of 3% for Veteran- Owned participation. The City has not required in the past that an outside attorney firm provides bankruptcy services or foreclosure services, but in light of the RFP, the City may choose to do so. Can you please provide your fee sheet, in case we would need to use your services for bankruptcies or foreclosures?

I look forward to hearing from you. Thank you.

**Micki Gylten | Regional Sales Manager**  
P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Watson, Dawn (Finance) <[dawn.watson@ky.gov](mailto:dawn.watson@ky.gov)>  
**Sent:** Tuesday, April 17, 2018 1:54 PM

**To:** Micki Gylten  
**Cc:** Smith, Yvette (Finance EEOCC)  
**Subject:** Service-Disabled Veteran Owned Law Firm

Hello Micki,

Below is the contact information for a certified veteran owned business:

George Mason Law Firm, PSC  
Allie George Mason, Jr.  
(859)224-8277  
[george@georgemasonlf.com](mailto:george@georgemasonlf.com)

Let us know if you have any questions.

*Dawn Watson*

Office of EEO & Contract Compliance  
Finance and Administration Cabinet  
Room 395, Capitol Annex Bldg.  
Frankfort, KY 40601  
Ph: 502.564.2874  
Fax: 502.564.1055  
[dawn.watson@ky.gov](mailto:dawn.watson@ky.gov)  
[vctbiz.ky.gov](http://vctbiz.ky.gov)

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The following emails were sent to organizations that work with MWDBE companies for assistance in finding certified MWDBE firms and Veteran-Owned businesses to work on this project, as well as the emails sent to those applicable firms.

On April 17, 2018, Micki Gylden, Regional Sales Manager at AmeriNat emailed the following organizations requesting a list of MWDBE firms and Veteran-Owned businesses to work on this project (copies of emails are attached):

<b>Business</b>	<b>Contact</b>	<b>Response Received</b>
Commerce Lexington – Minority Business Development	Tyrone Tyra <a href="mailto:ttyra@commercelexington.com">ttyra@commercelexington.com</a>	No
Tri-State Minority Supplier Diversity Council	Susan Marston <a href="mailto:smarston@tsmsdc.com">smarston@tsmsdc.com</a>	No
Small Business Development Council	Shawn Rogers <a href="mailto:shawn.rogers@uky.edu">shawn.rogers@uky.edu</a>	No
Ohio River Valley Woman’s Business Council (WBENC)	Sheila Mixon <a href="mailto:smixon@orvwbc.org">smixon@orvwbc.org</a>	No
Kentucky MWBE Certification Program	Yvette Smith <a href="mailto:Yvette.Smith@ky.gov">Yvette.Smith@ky.gov</a>	Yes
National Women Business Owner’s Council (NWBOC)	Janet Harris-Lange <a href="mailto:janet@nwbooc.org">janet@nwbooc.org</a>	No
Small Business Administration	Robert Coffey <a href="mailto:robertcoffey@sba.gov">robertcoffey@sba.gov</a>	No
LaVoz de Kentucky	Andres Cruz <a href="mailto:lavozdeky@yahoo.com">lavozdeky@yahoo.com</a>	No

## Amber Loverink

---

**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 2:22 PM  
**To:** Amber Loverink  
**Subject:** Fw: MBE/SBE/DBE/VBE- Attorney

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 1:35 PM  
**To:** [ttyra@commercelexington.com](mailto:ttyra@commercelexington.com)  
**Subject:** MBE/SBE/DBE/VBE- Attorney

Tyrone,

Good afternoon. I wanted to check in with you and see if you know of any certified MBE/WBE/DBE or Veteran owned business that are attorneys? We are responding to an RFP where there are goals in this regard.

Thank you.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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## Amber Loverink

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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 2:21 PM  
**To:** Amber Loverink  
**Subject:** Fw: MBE/SBE/DBE/VBE- Attorney

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 1:36 PM  
**To:** [smarston@tsmsdc.com](mailto:smarston@tsmsdc.com)  
**Subject:** MBE/SBE/DBE/VBE- Attorney

Susan,

Good afternoon. I wanted to check in with you and see if you know of any certified MBE/WBE/DBE or Veteran owned business that are attorneys? We are responding to an RFP where there are goals in this regard.

Thank you.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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## Amber Loverink

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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 2:20 PM  
**To:** Amber Loverink  
**Subject:** Fw: MBE/SBE/DBE/VBE- Attorney

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 1:37 PM  
**To:** shawn.rogers@uky.edu  
**Subject:** MBE/SBE/DBE/VBE- Attorney

Shawn,

Good afternoon. I wanted to check in with you and see if you know of any certified MBE/WBE/DBE or Veteran owned business that are attorneys? We are responding to an RFP where there are goals in this regard.

Thank you.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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## Amber Loverink

---

**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 2:20 PM  
**To:** Amber Loverink  
**Subject:** Fw: MBE/SBE/DBE/VBE- Attorney

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylden@amerinatls.com](mailto:mgylden@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 1:38 PM  
**To:** [smixon@orvwbc.org](mailto:smixon@orvwbc.org)  
**Subject:** MBE/SBE/DBE/VBE- Attorney

Shelia,

Good afternoon. I wanted to check in with you and see if you know of any certified MBE/WBE/DBE or Veteran owned business that are attorneys? We are responding to an RFP where there are goals in this regard.

Thank you.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylden@amerinatls.com](mailto:mgylden@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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## Amber Loverink

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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 2:15 PM  
**To:** Amber Loverink  
**Subject:** Fw: MBE/SBE/DBE/VBE- Attorney

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Smith, Yvette (Finance EEOCC) <Yvette.Smith@ky.gov>  
**Sent:** Tuesday, April 17, 2018 1:51 PM  
**To:** Micki Gylten  
**Subject:** RE: MBE/SBE/DBE/VBE- Attorney

Good afternoon Micki,

I forwarded your request to Dawn Watson and Paula Weglarz. They handle our Service-Disabled Veteran-Owned Small Business (Dawn) and Minority and Women Business Enterprise (Paula) programs. Thank you for using our programs as a resource.

**From:** Micki Gylten <MGylten@amerinatls.com>  
**Sent:** Tuesday, April 17, 2018 2:39 PM  
**To:** Smith, Yvette (Finance EEOCC) <Yvette.Smith@ky.gov>  
**Subject:** MBE/SBE/DBE/VBE- Attorney

Yvette,

Good afternoon. I wanted to check in with you and see if you know of any certified MBE/WBE/DBE or Veteran owned business that are attorneys? We are responding to an RFP where there are goals in this regard.

Thank you.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



## Amber Loverink

---

**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 2:17 PM  
**To:** Amber Loverink  
**Subject:** Fw: Service-Disabled Veteran Owned Law Firm

**Micki Gylten | Regional Sales Manager**  
P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 2:08 PM  
**To:** Watson, Dawn (Finance)  
**Cc:** Smith, Yvette (Finance EEOCC)  
**Subject:** Re: Service-Disabled Veteran Owned Law Firm

Thank you so much!

**Micki Gylten | Regional Sales Manager**  
P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Watson, Dawn (Finance) <dawn.watson@ky.gov>  
**Sent:** Tuesday, April 17, 2018 1:54 PM  
**To:** Micki Gylten  
**Cc:** Smith, Yvette (Finance EEOCC)  
**Subject:** Service-Disabled Veteran Owned Law Firm

Hello Micki,

Below is the contact information for a certified veteran owned business:

George Mason Law Firm, PSC  
Allie George Mason, Jr.  
(859)224-8277  
[george@georgemasonlf.com](mailto:george@georgemasonlf.com)

Let us know if you have any questions.

*Dawn Watson*

Office of EEO & Contract Compliance  
Finance and Administration Cabinet  
Room 395, Capitol Annex Bldg.  
Frankfort, KY 40601  
Ph: 502.564.2874  
Fax: 502.564.1055  
[dawn.watson@ky.gov](mailto:dawn.watson@ky.gov)  
[vetbiz.ky.gov](http://vetbiz.ky.gov)

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## Amber Loverink

---

**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 2:20 PM  
**To:** Amber Loverink  
**Subject:** Fw: MBE/SBE/DBE/VBE- Attorney

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 1:40 PM  
**To:** [janet@nwvoc.org](mailto:janet@nwvoc.org)  
**Subject:** MBE/SBE/DBE/VBE- Attorney

Janet,

Good afternoon. I wanted to check in with you and see if you know of any certified MBE/WBE/DBE or Veteran owned business that are attorneys? We are responding to an RFP where there are goals in this regard.

Thank you.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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## Amber Loverink

---

**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 2:18 PM  
**To:** Amber Loverink  
**Subject:** Fw: MBE/SBE/DBE/VBE- Attorney

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 1:41 PM  
**To:** robertcoffey@sba.gov  
**Subject:** MBE/SBE/DBE/VBE- Attorney

Robert,

Good afternoon. I wanted to check in with you and see if you know of any certified MBE/WBE/DBE or Veteran owned business that are attorneys? We are responding to an RFP where there are goals in this regard.

Thank you.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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## Amber Loverink

---

**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 2:19 PM  
**To:** Amber Loverink  
**Subject:** Fw: MBE/SBE/DBE/VBE- Attorney

**Micki Gylten | Regional Sales Manager**  
P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Micki Gylten  
**Sent:** Tuesday, April 17, 2018 1:42 PM  
**To:** [lavozdeky@yahoo.com](mailto:lavozdeky@yahoo.com)  
**Subject:** MBE/SBE/DBE/VBE- Attorney

Andres,

Good afternoon. I wanted to check in with you and see if you know of any certified MBE/WBE/DBE or Veteran owned business that are attorneys? We are responding to an RFP where there are goals in this regard.

Thank you.

**Micki Gylten | Regional Sales Manager**  
P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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On April 17, 2018, Micki Gylten, Regional Sales Manager at AmeriNat called the following organizations requesting a list of MWDBE firms and Veteran-Owned businesses to work on this project:

<b>Business</b>	<b>Contact</b>	<b>Notes:</b>
Commerce Lexington – Minority Business Development	Ben (last name not provided) Phone: (502) 365-9762	Spoke to Ben. He was in a meeting and will be calling me back. I called him back at 4:04 pm and left him a message.
Community Ventures Corporation	Phyllis Alcorn Phone: (859) 231-0054	They do not have or know of DBE/MBE/Veteran Owned attorneys.
KY Transportation Cabinet (KYTC)	Jamie Clifton Phone: (502) 564-3601	They do not have or know of DBE/MBE/Veteran Owned attorneys.
KYTC Pre-Qualification	Shella Eagle Phone: (502) 782-4815	They do not have or know of DBE/MBE/Veteran Owned attorneys.

On April 17, 2018, Micki Gylten, Regional Sales Manager at AmeriNat sent emails to qualified MWDBE firms and Veteran-Owned businesses to solicit their participation with this project:

Business	Contact	Notes:
George Mason Law Firm, PSC	George Mason Email: <a href="mailto:george@georgemasonlf.com">george@georgemasonlf.com</a> Phone: (859) 224-8277	Emailed Mr. Mason regarding bankruptcy and foreclosure services. Mr. Mason provided the firm's fee schedule for these services. Micki provided Mr. Mason information pertaining to this RFP and discussed the process of negotiating a potential contract. Documentation is attached.
DelCotto Law Group, PLLC	Laura Day DelCotto Email: <a href="mailto:ldelcotto@dlgfir.com">ldelcotto@dlgfir.com</a> Phone: (859) 231-8500	Emailed Ms. DelCotto regarding bankruptcy and foreclosure services. No response was received; therefore, a follow-up email was sent on 4/23/18. Ms. DelCotto responded that due to conflict of interest, their firm will not be able to participate. Documentation is attached.

## Amber Loverink

---

**From:** Micki Gylten  
**Sent:** Monday, April 23, 2018 8:57 AM  
**To:** George  
**Cc:** John; Debbie McKinney; Amber Loverink  
**Subject:** Re: Service-Disabled Veteran Owned Law Firm  
**Attachments:** Lexington-Fayette RFP for Loan Servicing (04-2018).pdf

Thank you George. The City has not requested the foreclosure, bankruptcy etc. services that you can perform, but those would be services that we would outsource if requested. I will let you know if we win this RFP, and the City requests the services that you can perform. At that time, we will engage in a contract with you. I have attached the RFP for your reference.

Thank you for your interest. Have a great day.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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---

**From:** George <[george@georgemasonlf.com](mailto:george@georgemasonlf.com)>  
**Sent:** Sunday, April 22, 2018 8:08 PM  
**To:** Micki Gylten  
**Cc:** John; Debbie McKinney  
**Subject:** RE: Service-Disabled Veteran Owned Law Firm

Micki – We have been performing foreclosures for the past 1 ½ years for the US Department of Agriculture before the US District Court for the Eastern District of Kentucky. We have not yet represented the USDA in any bankruptcies. Regards, George

---

**From:** Micki Gylten <[MGylten@amerinatls.com](mailto:MGylten@amerinatls.com)>  
**Sent:** Friday, April 20, 2018 2:02 PM  
**To:** George <[george@georgemasonlf.com](mailto:george@georgemasonlf.com)>  
**Subject:** Re: Service-Disabled Veteran Owned Law Firm

Do you perform bankruptcy and foreclosure services?

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689

[mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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On Apr 20, 2018, at 12:18 PM, George <[george@georgemasonlf.com](mailto:george@georgemasonlf.com)> wrote:

Micki – Sorry for the late reply, but our legal billing rate is as follows: Attorney - \$350.00/hour, plus expenses and Paralegal - \$150.00/hour, plus expenses. Please see my revised signature block and 3 Logos. Thanks, George

George Mason  
Attorney  
**George Mason Law Firm, PSC**  
Email: [george@georgemasonlf.com](mailto:george@georgemasonlf.com)  
Office: (859) 224-8277  
Mobile: (859) 327-4740  
[www.georgemasonlf.com](http://www.georgemasonlf.com)  
Licensed in KY, TN, VA, WV, PA & OH  
<image007.jpg>

George Mason Law Firm, PSC has been designated by the U.S. Department of Veterans Affairs as a Service Disabled Veteran Owned Small Business (SDVOSB). Furthermore, Kentucky has also certified George Mason Law Firm, PSC as a KY SDVOSB.

<image008.png><image009.png>

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**From:** Micki Gylten <[MGylten@amerinatls.com](mailto:MGylten@amerinatls.com)>  
**Sent:** Tuesday, April 17, 2018 3:13 PM  
**To:** George <[george@georgemasonlf.com](mailto:george@georgemasonlf.com)>  
**Subject:** Fw: Service-Disabled Veteran Owned Law Firm

George,

Good afternoon. We are currently working with Lexington Fayette Urban County Government and they are out to RFP with a goal of 3% for Veteran- Owned participation. The City has not required in the past that an outside attorney firm provides bankruptcy services or foreclosure services, but in light of the RFP, the City may choose to do so. Can you please provide your fee sheet, in case we would need to use your services for bankruptcies or foreclosures?

I look forward to hearing from you. Thank you.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Watson, Dawn (Finance) <[dawn.watson@ky.gov](mailto:dawn.watson@ky.gov)>

**Sent:** Tuesday, April 17, 2018 1:54 PM

**To:** Micki Gylten

**Cc:** Smith, Yvette (Finance EEOCC)

**Subject:** Service-Disabled Veteran Owned Law Firm

Hello Micki,

Below is the contact information for a certified veteran owned business:

George Mason Law Firm, PSC  
Allie George Mason, Jr.  
(859)224-8277  
[george@georgemasonlf.com](mailto:george@georgemasonlf.com)

Let us know if you have any questions.

*Dawn Watson*

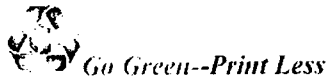
Office of EEO & Contract Compliance  
Finance and Administration Cabinet  
Room 395, Capitol Annex Bldg.  
Frankfort, KY 40601  
Ph: 502.564.2874  
Fax: 502.564.1055  
[dawn.watson@ky.gov](mailto:dawn.watson@ky.gov)  
[vctbiz.ky.gov](http://vctbiz.ky.gov)

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**From:** Laura Day DelCotto  
**To:** [Micki Gylden](mailto:Micki.Gylden@amerinatls.com)  
**Cc:** [Amber Loverink](mailto:aloverink@amerinatls.com)  
**Subject:** RE: MBE- Services Request- LFUCG  
**Date:** Monday, April 23, 2018 2:23:50 PM  
**Attachments:** [image003.png](#)

Hi Micki- I did receive and appreciate the follow up.  
However, we mostly do "debtor" work and have too many clients who owe money to LFUCG so doing this would be a conflict- normally we would be very interested but I think this is too prevalent of a creditor in our cases overall to be considered. Thanks.

Laura Day DelCotto, Esq.  
DelCotto Law Group PLLC  
200 North Upper Street  
Lexington, Kentucky 40507  
T: (859) 231-5800 | F: (859) 281-1179  
**Lexington ♦ Danville ♦ Louisville**  
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**From:** Micki Gylden [mailto:[MGylden@amerinatls.com](mailto:MGylden@amerinatls.com)]  
**Sent:** Monday, April 23, 2018 3:18 PM  
**To:** Laura Day DelCotto <[ldelcotto@dlgfirm.com](mailto:ldelcotto@dlgfirm.com)>  
**Cc:** Amber Loverink <[aloverink@amerinatls.com](mailto:aloverink@amerinatls.com)>  
**Subject:** Re: MBE- Services Request- LFUCG

Laura,

Good afternoon. I wanted to check in with you to see if you received my earlier email? We are currently doing business with LFUCG and they are out to RFP and currently have MBE/WBE requirement. Although the RFP isn't asking for legal services, this would be an area we would outsource if requested. The legal services could be foreclosures or bankruptcies as an example. I have attached the RFP for your reference. If you are interested, please email me your fee sheet. If we are selected and if the services are requested, I would get in touch with

you to engage in a contract for your services. Feel free to give me a call to discuss if you have any questions. Please email me as soon as possible with your interest and fee sheet. Thank you.

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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**From:** Micki Gylten

**Sent:** Tuesday, April 17, 2018 3:35 PM

**To:** [ldelcotto@dlgfirm.com](mailto:ldelcotto@dlgfirm.com)

**Subject:** MBE- Fee Sheet Request- LFUCG

Laura,

Good afternoon. We are currently working with Lexington Fayette Urban County Government and they are out to RFP with a goal of 10% for MBE/WBE participation. The City has not required in the past that an outside attorney firm provides bankruptcy services or foreclosure services, but in light of the RFP, the City may choose to do so. Can you please provide your fee sheet, in case we would need to use your services for bankruptcies or foreclosures or related services?

I look forward to hearing from you. Thank you

**Micki Gylten | Regional Sales Manager**

P 319.569.1876 C 319.541.3689 | [mgylten@amerinatls.com](mailto:mgylten@amerinatls.com) | [www.amerinatls.com](http://www.amerinatls.com)



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# Fee Schedule

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## Loan Portfolio Management

**New Loan Set-Up Fee:** \$45.00 per loan

The set-up fees above are based on the LFUCG's performance of certain portfolio transfer activities, as established in the portfolio transfer timeline. Should additional boarding time, effort, and/or resources, be required to accomplish the portfolio transfer, the Extraordinary Services fee will apply, and the boarding date may be delayed.

**Monthly Service Fee for Amortized Loans:** \$16.00 per loan per month

The above fees include delinquency monitoring and collections activities on past due accounts and all other servicing activities unless separate service fees are identified below. Escrowing and/or monitoring of taxes and insurance are included with the service at no additional cost except for a one-time tax service vendor fee if acceptable transferable tax contracts are not already in place.

### **Deferred Loans:**

- i. Set-Up Fee: \$45.00 per loan
- ii. Warehouse: \$2.20 per loan per month
- iii. Warehouse and monitor of taxes and/or insurance: \$3.80 per loan per month plus a one-time tax service vendor fee.
- iv. Warehouse and escrow of taxes and/or insurance: \$16.00 per loan per month plus a one-time tax service vendor fee.
- iv. Flat fee for receiving occasional payments on deferred loans: \$16.00 per payment

### Loans serviced by AmeriNat prior to June 7, 2012:

- i. Warehouse: One-time charge of \$80.00 per loan
- ii. Warehouse and monitor of taxes and/or insurance: one-time charge of \$125.00 per loan plus a one-time tax service vendor fee.
- iii. Warehouse and escrow of taxes and/or insurance: one-time charge of \$60.00 per loan PLUS \$6.50 per month PLUS a one-time tax service vendor fee.
- v. Flat fee for receiving occasional payments on deferred loans: \$9.00 per payment

**Loss Mitigation:** Included in monthly service fee.

**Tax Service:** If it is determined that Tax Service is needed, then a one-time fee of \$69.00 per loan upfront at time of servicing commencement will be charged (may be assessable to borrower) for all loan amounts up to \$500,000. For loan amounts over \$500,000, there is an additional charge of \$10.00 per \$100,000. Future charges may vary based on outside vendor pricing.

Please note: Any additional or supplemental charges that may be imposed by the respective taxing authority for procurement of duplicate tax bills will be directly passed through to the LFUCG.

**Forbearance Plans (if requested by the LFUCG):**

AmeriNat will charge a flat fee of \$375.00 per loan per occurrence to institute a formal forbearance plan (usually in excess of 6 months in duration and with approval of the LFUCG). The LFUCG may require the borrower to pay this fee. Informal forbearances (usually less than 6 months in duration) to allow a delinquent borrower to catch up and bring their loan current are performed at no charge to the borrower or the LFUCG.

**Loan Modification Analysis (if requested by the LFUCG):**

AmeriNat will charge the following fees for a Loan Modification Analysis:

- |  |           |
|--|-----------|
| 1. Preliminary Screening and Initial Analysis to the LFUCG<br>Due within 30 days of Analysis to the LFUCG  | \$ 165.00 |
| 2. Final Analysis and Recommendation, plus outside costs *.<br>Due within 30 days of completion of final recommendation  | \$160.00  |
| 3. Loan Document Preparation, plus outside costs *.<br>Cancellation Fee: The fee due will be the sum of all fees for tasks (1-3 above) completed,<br>plus one-half of the fee for the task in process at the time of cancellation. | Varies    |

\* Outside costs include, but are not limited to, title, credit, and appraisal / valuation. These costs are passed through from outside vendors and are subject to marketplace increases.

**Loan Foreclosure (if requested by the LFUCG):**

AmeriNat will charge the following fees for Loan Foreclosure services:

1. **Document Preparation:** A one-time charge of \$430.00 to prepare documents to commence foreclosure proceedings and to manage the foreclosure process on behalf of the LFUCG. In addition to the above foreclosure service fee, AmeriNat will deduct and pay from remittance or bill the LFUCG for other costs incurred in the foreclosure process such as, but not limited to, conventional legal fees, sheriffs' deposits, bankruptcy closing costs, fees set by law, etc. These fees will be accurately quoted on a case-by-case basis upon request by the LFUCG and within all applicable statutory limits. Reinstatement figures provided more frequent than monthly may be subject to an additional charge of \$15.00 per occurrence.

2. **Reinstatement Terms:** The LFUCG reimbursement for foreclosure services rendered, and its costs and other charges, will be made by the borrower upon reinstatement or full payment of any Deed of Trust or Mortgage under foreclosure.

**Bankruptcy Services (if requested by the LFUCG):**

AmeriNat will charge the following fees for Bankruptcy services:

1. Filing of Proof of Claims Fee: \$100.00 per occurrence
2. Filing of Reaffirmation Agreements Fee: \$75.00 for each occurrence
3. Monitoring and Repayments Fee: \$12.00 per loan per month for the duration of an active Chapter 7/13 case for monitoring Chapter 7/13 plans and Discharges or Debtors (Chapter 13), and the receipt of post and pre-petition payments.
4. Filing of Lift Stays Fee: \$175.00 per occurrence plus out-of-pocket fees and costs. Such fees and costs include, but are not limited to, obtaining local council in the bankruptcy jurisdiction and as approved by the LFUCG. The LFUCG will be responsible for the payment of any fees for filing suit or related outside costs due AmeriNat that cannot be reimbursed from the borrower.

**Subordination Processing (if requested by LFUCG):**

A fee of \$380.00 per analysis per loan.

**Income Re-verifications:**

A \$265.00 per file charge will be made for a level one income verification. A level two verification, including income, debt and program requirements, will be conducted at a fee of \$405.00 per file.

Additional fees upon occurrence include:

- a. Ordering of any income verification documents, e.g. verification of employment, verification of deposit: \$50.00 per document
- b. When a re-verification package, reminder letter, and report is issued by AmeriNat for non-responsive borrower, a cancellation fee of \$75.00 per non-responsive file.
- c. To reopen a file that has been assessed a cancellation fee, the file will be the full fee less any previously assessed cancellation fee.
- d. On a file for which a recommendation has been provided but is thereafter resubmitted with changed or additional information, a re-evaluation fee of \$35.00 per resubmission.

**Per-Event Fees:**

Tickler Notifications:	\$12.50 per notification
Loan Transfer Fee:	\$50.00 per loan one-time fee if transferred from AmeriNat
Property Conditions Profile:	\$50.00 per occurrence
Affidavit of Owner:	\$13.00 per loan (entire portfolio done at onetime) with a \$500 minimum fee.

**Extraordinary Account Research and/or Loan Reconstruction**

AmeriNat will conduct ongoing routine maintenance and general customer service activities on borrower information and balances as part of its servicing duties at no additional cost.

Should the LFUCG request additional research to be conducted, or if the LFUCG engages AmeriNat to conduct a Loan Reconstruction Service on its portfolio, an extraordinary research fee of \$150.00 per hour will be charged, with a minimum of one hour per occurrence. Any such fee will be approved by the LFUCG before the research is conducted.

When research is conducted at the request of the LFUCG because of a discrepancy between the LFUCG's records and AmeriNat's records relating to the principal balance or other loan information, and the result of the research determines that the discrepancy was the result of activity being posted at the LFUCG and not forwarded to AmeriNat for updating of its records, the extraordinary research fee will be charged for the time spent on the research.

In the event the LFUCG requests additional services to be performed by AmeriNat not specifically set forth in the Scope of Services and AmeriNat agrees to perform the requested additional service(s), AmeriNat shall undertake such services(s) after receiving written authorization from the LFUCG. Additional compensation for such service(s) shall be allowed as agreed upon in writing by both the LFUCG and AmeriNat.