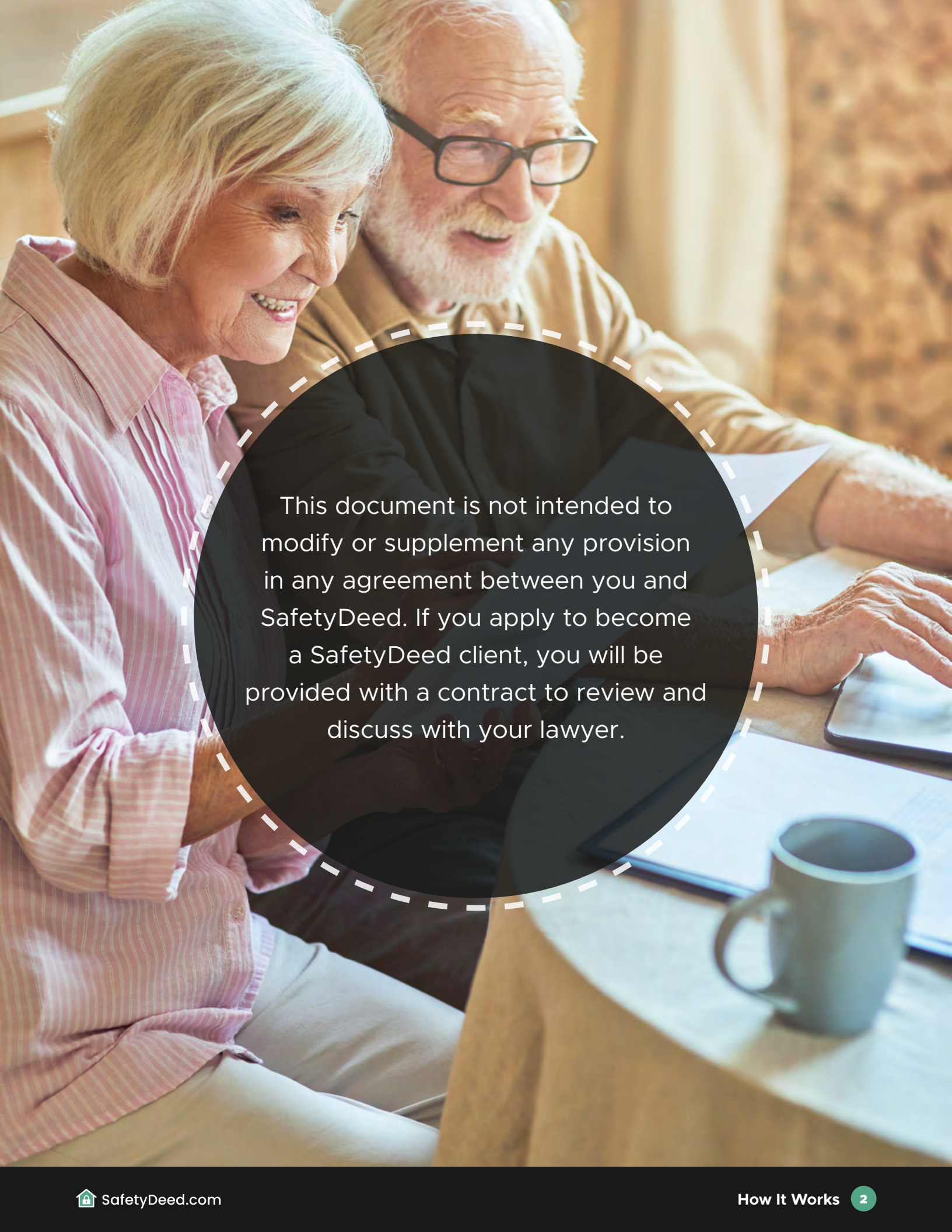




SafetyDeed.com

How It **Works**





This document is not intended to modify or supplement any provision in any agreement between you and SafetyDeed. If you apply to become a SafetyDeed client, you will be provided with a contract to review and discuss with your lawyer.

# What We Do

SafetyDeed provides older homeowners with strong protection against forgery, fraud, undue influence, and bad decision-making caused by inexperience or cognitive decline. We also protect our clients against fraudulent wills, marriage scams, adult adoption scams, guardian and trustee abuse, and dishonest attorneys.

## How It Works

SafetyDeed is a title protection system that allows you to freeze the title to your home, similar to how you can freeze your credit. While your title is frozen, any new sales contracts, mortgages, gift deeds, or other agreements affecting your property will be extremely difficult for bad actors to enforce even if they have been signed, notarized, and recorded.

We will unfreeze your title only after all the protective procedures you have paid us to enforce have been followed. Those procedures are designed to ensure that you are aware of all the facts, exercising judgment, and acting independently when you go to change your title. If we believe you are at risk, we will require you to retain a lawyer to represent you in the transaction.





# Your SHERPA Agreement

A SHERPA Agreement – short for Senior Homeowner Equity & Realty Protection Advisor Agreement – spells out the conditions you set for unfreezing your title:

You can nominate up to three trusted relatives, friends, or advisors (“Reviewers”) who have to be notified about contracts that will affect your title before they become binding.

You can make it mandatory that your lawyer always looks over the paperwork for all future transactions. (For risky transactions, such as giving away your home by signing a gift deed, you must always be represented by an attorney.)

You can make it compulsory that buyers, lenders, agents, and other parties verify their identities and make written disclosures similar to those large financial institutions must make under the Truth in Lending Act (Regulation Z). Unfortunately, small private lenders are often exempt from disclosure laws. We close that loophole through the legal power of our certificate of compliance.

The SHERPA Agreement includes a limited power of attorney that allows us to examine your lawyer’s legal documentation. This helps to protect against attorney fraud.

# How We “Freeze” Your Title

After you sign up with SafetyDeed, we will record a notice on your title informing prospective buyers, lenders, and the courts that future agreements, such as sales contracts and mortgages, are not valid and might be fraudulent unless they are accompanied by a Certificate of Compliance cryptographically signed by us. Anyone who intends to purchase your home, give you a loan, or be added to your title must first come to us for a Certificate stating that all your conditions have been met.

## Types of Protection

SafetyDeed offers two types of protection: Reviewers (optional) and Counsel (mandatory). The fee is the same no matter what you choose.





# Reviewers

You can nominate up to three trusted relatives, friends, or advisors (“Reviewers”) for us to notify about proposed contracts involving your home before they take effect.

Your Reviewers may be relatives, friends, attorneys, or financial advisors — anyone you trust and who knows you well enough to tell us whether they think you are acting independently, exercising judgment, and fully aware when you go to sell, mortgage, or give away your home.

If any of your Reviewers raises a red flag — “Kathy would never in a million years sign her house over to her nephew” — you will have to have a lawyer represent you in the transaction to ensure your interests are protected.

## Counsel Requirement

If any of your Reviewers raises concerns about a transaction or believes it would be in your best interest to have someone look over the paperwork, you will have to have a lawyer represent you in the transaction.

If you don't name any Reviewers, or if fewer than two are available to discuss a transaction with you, you will also have to get your attorney involved. For certain types of transactions that we believe are inherently risky, such as reverse mortgages, adopting an adult, and gift deeds, counsel representation is compulsory.

Alternatively, you can choose to always be represented by an attorney in all future transactions.

**IMPORTANT:** You can choose to have Reviewers and also be represented by a lawyer.



## Choice of Timing

You can require that your Reviewers and/or your lawyer be notified about transactions:

1. Beginning immediately
2. When you or your spouse reach a certain age
3. If the spouse who typically handles financial matters is deceased.
4. For one year following the death of either spouse

## Fees

We charge an up-front fee (currently \$800) that covers set-up costs and the fee for processing the first sale, mortgage, or other transaction if it occurs before the five-year anniversary of the SHERPA Agreement and if a lawyer does not have to get involved. Transactions that are not covered by the initial fee are charged a \$150 processing fee. Transactions in which a lawyer is involved incur an additional \$150 fee so that we can review their work.

This means that a transaction undertaken more than five years after the SHERPA Agreement is signed and that requires a lawyer – a quitclaim deed, for example – would incur a total fee of \$300.

If you cannot afford the later fees, you can defer payment until you sell your home or obtain a mortgage. We will charge you reasonable and lawful interest on the deferred payment.

We don't charge Reviewers or attorneys any fees, but we will charge you a fee (currently \$50) for nominating a Reviewer more than 90 days after you sign your agreement. You are responsible for notary and recording fees. Additional fees, if requested, are charged at a reasonable hourly rate.

There are no monthly or annual maintenance fees because, as your fiduciary, we would not want to terminate our contract with you due to unpaid bills because those past due bills might be a sign of financial difficulty. This financial distress may result from abuse or any form of vulnerability. We are able to avoid such an eventuality because we receive all of our compensation upfront, and there is less conflict of interest. Also, not having to send you a bill every month saves you and us a lot of money.

## Talk to Your Lawyer

A SafetyDeed contract is a powerful legal instrument that will affect your property rights. Once you sign it, you will no longer be able to sell, mortgage, or give away your home without going through the process you asked us to enforce.

You should carefully review your contract and discuss the terms with your lawyer. We are available to answer any questions your lawyer may have.