

MEMORANDUM OF AGREEMENT REGARDING ELECTRONIC RECORDING

THIS MEMORANDUM OF AGREEMENT REGARDING ELECTRONIC RECORDING (“MOA”) is between the State of Alaska, Department of Natural Resources, Recorder’s Office (“Recorder’s Office”) and _____ (“Company”), with offices _____, Alaska.

The Recorder’s Office desires to offer recording of documents by receiving and transmitting documents electronically in substitution for conventional paper documents. For purposes of this MOA, *electronic recording* is defined based on the level of automation and structure of the transaction.

- Level 1: Submitting entities electronically transmit scanned images of ink signed documents along with electronic indexing information to the appropriate recording office. The recording office performs an electronic examination of the imaged documents and indexing data, and then completes the recording process using the electronic documents. The electronic version of the recorded document and electronic recording data may be returned electronically to the submitting entity.
- Level 2: Submitting entities electronically transmit documents that have been created, signed, and notarized electronically along with the electronic indexing information. Electronic signatures must be valid under the Alaska Uniform Electronic Transactions Act (AS 09.80) and E-SIGN (15 U.S.C. §7001 *et seq.*). The recording office performs an electronic examination of the electronic documents and indexing information, and then completes the recording process using the electronic documents. The electronic version of the recorded document and electronic recording data may be returned electronically to the submitting entity. (Specific prior approval must be obtained from the Recorder’s Office prior to using Level 2.)
- Level 3: Submitting entities transmit “Smart” documents which are a single object containing the electronic version of the document in such a way that enables the electronic extraction of data from the object. Smart documents are required to be signed and notarized electronically. The Smart document is endorsed electronically by the Recorder’s Office and returned in Smart document format to the submitting organization. (Specific prior approval must be obtained from the Recorder’s Office prior to using Level 3.)

Background

Only entities listed in 11 AAC 06.040(g) that have executed this MOA may directly submit documents for electronic recording. Electronic recording mandates a close working relationship with and mutual trust between the Recorder's Office and the submitting entity. All parties to electronic recording transactions desire to operate and maintain a secure recording system that safeguards parties to recordation from deceit, fraud, and forgery. This MOA outlines the procedures and rules governing the trusted relationship between the Recorder's Office and Company in order to best facilitate a safe and secure electronic recording relationship.

Participation in the electronic recording program is voluntary and the decision to do so is a business decision of Company.

All documents submitted electronically for recording are subject to normal recording fees. While at this time there are no additional fees or costs charged by the Recorder's Office for electronic recording, fees for recording are governed generally by 11 AAC 05.010 and are subject to change.

Recorder's Office Requirements

The electronic recording program of the Recorder's Office is defined by statute, regulation, this MOA, and the requirements attached to this MOA.

Attachment A defines the technical specifications required by the Recorder's Office, including format, levels of recording supported, transmission protocols, and security requirements of submitted electronic documents. Company agrees to transmit documents to the Recorder's Office following the specifications outlined. Company understands that the specifications may change from time to time. In the event changes to the specifications are required, the Recorder's Office will provide a written notice to the Company within a reasonable timeframe. Submitting documents electronically after receiving notice of a change in specifications will constitute acceptance of the changes.

Attachment B contains the document and indexing specifications for the electronic recording program. For each document, the Recorder's Office specific document index code must be provided along with the required indexing information.

Attachment C contains the processing schedules and hours of operation for the electronic recording program. The Recorder's Office will not be liable for any failure to perform processing of the transactions and documents submitted electronically where such failure results from an act of Nature or other cause beyond its reasonable control (including, without limitation, any mechanical, electronic, or communications failure which prevents the parties from transmitting, receiving, or retrieving the electronic recording transactions). Alaska Statute 40.17.130 governs if the recorder fails to record and index a document properly. If the Recorder's Office system causes delays or a power failure interferes with the normal course of business, the Recorder's Office will attempt to notify any affected Company.

Attachment D provides the payment options supported for the Electronic Recording program.

Once a document is recorded in the Recorder's Office, the electronic version on file with the Recorder's Office is the official version and resides in the Recorder's Office records electronically. The Recorder's Office will provide a hard copy of the document upon payment of the required fee.

Company Responsibilities

Company acknowledges that the electronic recording program permits them to electronically prepare, sign, and transmit documents and records, and these electronic documents or records shall be a substitution for and have the same intended effect as paper documents.

The Company attests to the accuracy and completeness of the electronic records submitted and acknowledges responsibility for the content of the documents submitted through the electronic recording program.

Company is responsible for all of its own costs that may be necessary to meet the electronic recording program requirements or participate in the electronic recording program.

Indemnity and Termination

The Recorder's Office may not be held liable for any claim arising out of or related to the accuracy or completeness of any information electronically transmitted by the Company, or for any breach of security, fraud, or deceit arising out of, related to, or as a result of any electronic recording transaction submitted by Company. Company agrees, as a condition of participating in electronic recording, to defend and hold harmless the Recorder's Office from any damages or any claim for damages relating to or arising out of an electronic recording transaction submitted by or through Company, whether for special, incidental, exemplary, consequential, or any other kind of damages, unless such claim or damages are the result of the sole negligence of the Recorder's Office.

The Recorder's Office and Company will attempt in good faith to resolve any controversy or claim arising out of or relating to Electronic Recording prior to initiating litigation.

Either party may terminate this MOA for any reason by providing 30 days written notice of termination. All rights and obligations of the parties under this Agreement shall cease on the effective date of such termination, except for any liabilities which the Company may have incurred or be subject to for any transactions conducted pursuant to this agreement.

General

The Recorder's Office and Company acknowledge that the electronic recording process is an emerging technology and that state and national standards will continue to evolve. To further the technology and the electronic recording process, the Recorder's Office and Company will meet as needed to discuss changes and additions to this Memorandum of Agreement.

Agreed and Accepted:

By: _____ (Company)

Signature: _____

Print Name: _____

Date: _____

By: Alaska Department of Natural Resources, Recorder's Office

Signature: _____

Print Name: _____

Date: _____

Attachment A Technical Specifications

Format of the transmitted File

Images must be in multi page Group IV TIFF format.

Communications Protocol and Options

TCP/IP

Security Framework

Encryption must be 256-bit file and image encryption. SSL and user login/password must be employed.

Levels of Electronic Recording Supported

Level ____, ____

Electronic Signatures and Use of Digital Certificates

The use of electronic signatures and digital certificates may not be used at this time. However, the Recorder's Office reserves the right to revisit this at a later date with the Company. The Company acknowledges that electronic signatures and digital certificates may be used in the future and will work with the Recorder's Office to accommodate their use.

Imaging Standards

Documents must be scanned at a minimum of 200dpi.

Documents must be scanned in portrait mode.

Document images must be captured as multi page Group IV TIFF images.

Scanned documents must be legible. Legible in this instance means a clear, readable image – including signatures and notary seals – and in which all portions of each page are captured.

Document font size must meet Recorder's Office minimum standards.

Margins must consist of a minimum of a 2" top margin front page, and 1" side and bottom margins. Second and subsequent pages must have a 1" top margin.

NO DOCUMENTS WILL BE ACCEPTED THAT FAIL TO MEET THIS STANDARD. (Nonstandard document fee does not apply to electronic documents.)

Attachment B Documents and Indexing Specifications

Eligible Document Types

Only document types sized 8 ½” by 14” or smaller will be acceptable. All paper documents from which an electronic document is generated and all electronic documents must meet the minimum recording criteria as described in AS 40.17 and 11 AAC 06.

Indexing Fields for each Document

All documents submitted will require at least the following index fields unless otherwise agreed upon between the Recorder’s Office and the Company:

Grantor(s)

Grantee(s)

Document Title reflecting its overall intent

Number of Pages

Recording Fee

Related original document number or book and page reference, in the case of any document that amends, corrects, extends, modifies, assigns, or releases a previously recorded document.

Legal Description must include a section, township, range and meridian designation or, in the case of subdivided property, the lot, block, subdivision name, or plat number of the parcel.

Specific Indexing Requirements for all Documents

Names of individuals must be entered last name first, then first name and middle name or initial if presented.

All words in a business name should be spelled out as far as possible.

No abbreviations are to be made, except that in all cases, names and all other required information must be input as presented on the document.

Document Imaging Quality Control Standards

Scanned documents must be legible. Legible in this instance means a clear, readable image of appropriate size – including signatures and notary seals – and in which all portions of each page are captured.

Submitters will be responsible for the clarity and brightness of the image.

Notary Requirements per Document

It is the responsibility of the Company to confirm that notary signatures and seals are present on all documents that require them.

Inked notary seals are strongly recommended in place of embossed notary seals which require “darkening” by the Company prior to submittal.

Attachment C Service Offering

Hours of Operation

Documents may be submitted at any time during the week. Documents will be processed only on those days that the Recorder's Office is open to the public for business. Documents will not be processed on state holidays, weekends, "snow days", etc., or in the event of network or equipment failure. Recorder's Office will attempt to notify Company of any disruption in service.

Processing Schedules

Document batches will be checked for and processed (accepted or rejected) between the hours of 8:00 a.m. to 3:30 p.m.

Documents received during normal business hours when the Recorder's Office is open to the public for business will be processed (accepted or rejected) at those times.

Documents received after 3:30 p.m. will be processed (accepted or rejected) at the beginning of the following business day.

Alternative Delivery Options

There are no other electronic delivery options at this time.

"Return to" Options

Submitted documents that are accepted for recording will be returned to the Company in electronic format after acceptance. The returned document will include the document image and the Recorder's Office indexing data. The Recorder's Office reserves the right to make changes to the index at a later date.

Submitted documents that are rejected will be returned to the Company in electronic format after rejection, along with a description of the reason(s) for rejection. Reasons for rejections may be tabulated and discussed on a monthly basis with the Company.

Notwithstanding any other provision herein, the Recorder's Office reserves the right, in its discretion, to return any electronically submitted document as a paper document, regardless of whether the electronically submitted document was accepted or rejected.

**Attachment D
Payment Options**

Credit Card:

Visa
MasterCard