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Co-Marketing in the Age of Fintech

SPECIAL REPORT

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EDITOR'S NOTE

A new world of co-marketing

Many mortgage and title offices remain closed (or with reduced face-to-face contact with would-be clients).

In-person sales events with brokers aren't really happening.

Neither are sit-down lunches to talk business.

The COVID-19 pandemic has made a lot of the traditional way settlement service providers used to co-market difficult. And in certain situations, it might be necessary to adjust or cancel current advertising agreements because of an increased RESPA risk. After all, Section 8(c)2 mandates that you should be paying only for services that are performed.

However, technology that industry stakeholders have been forced to embrace more quickly has opened up more co-marketing opportunities that offer the added bonus of a better way to track performance.

One particularly bustling area in digital advertising is lead generation agreements, lead purchase and data purchase. There are co-marketing opportunities with virtual home tours, social media, webinar meetings and website banners, among others.

However, the problem with digital advertising — particularly with social media — is the value often is lower.

That's where the old standbys come in.

Industry experts report that marketing service agreements (MSAs) remain popular, even if the trend is to call them an advertising agreement now.

And although brokers no longer might advertise homes in the Sunday newspaper or send out postcards, radio advertising is still holding its own. Requests for new affiliated business arrangements — perhaps the most lucrative co-marketing tool — are exploding all over the country.

But no matter what type of marketing you're considering, remember to get a third-party valuation and consult with qualified RESPA counsel.

We hope you enjoy this special report, Co-marketing in the Age of Fintech. Our thanks go to Qualia for sponsoring this report so all of our audience is able to benefit from the insight and expertise it will bring.

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Co-marketing and the pandemic

There's no such thing as a free lunch — even in a pandemic.

Especially when it comes to RESPA compliance in marketing deals.

Mayer Brown LLC Partners **Holly Spencer Bunting** and **Phil Schulman** discussed the impact COVID-19 has made on co-marketing at a recent virtual RESPRO session.

"Given that the world has changed, that offices are closed, that in-person events aren't really happening anymore, no doubt there's been some impact on advertising services agreements," Bunting told attendees. "Now is the time to think about how the change in the world as a result of the pandemic may actually be creating some RESPA risk for you if you have not made modifications where needed to your advertising services agreements."

Virtual RESPA risks

Bunting said it's important to remember from an 8(c)2 perspective that you should be paying only for the services that are performed. For instance, advertising payments might need to be adjusted for in-person events canceled over the last few months if advertising services were not performed.

"We've also had questions from clients who said, 'Our advertising agreements are not that extensive, maybe now is the time to just pull the plug and cancel them.' My reaction to that is, consider why you're wanting to terminate," she said. "If you're wanting to terminate because your capture rate has gone down because the purchase market has slowed, we know from enforcement that any decisions based on capture rate are likely to create risk for you."

For office rentals, there might be lease provisions to cover the pandemic situation if you are being prevented from using the space you are leasing.

"On the other hand, if you are not being restricted from your space, and you are able to go in and use it as you would in the normal course of business, then it may be business as usual for you in terms of making payments under your lease agreements," Bunting said.

But can you still incur expenses for marketing if the way you're marketing yourself has changed?

"We know from RESPA's regulations that normal promotional and educational opportunities and expenses are OK, as long as those expenses are not conditioned on the referral of business," Bunting said, "and they're not used to defray the costs of the person who is in the position to refer business.

"For example, prior to March 2020, it might have been common for you to attend a real estate broker's sales meeting on a quarterly basis to present updates on your business. Attend for breakfast, bring a tray of bagels and a box of coffee, and make a presentation to those agents about your services. Now those meetings aren't happening. And your thought is, 'I'll still just drop by and leave the bagels and the coffee.' Is that an expense that you can incur? The concern there is that you are not able to market yourself if you merely drop off bagels and coffee. The key to these kinds of expenses is that you have the opportunity to market your business."

Another example she cited was meetings during sit-down meals.

"Hopefully they weren't happening on an extravagant basis or super frequently in your business before, but now that we are not meeting in person and sitting down for meals, what do you do with that expense? We have some clients ask us, 'Can I just send a gift card and say let's meet for a virtual lunch? Treat yourself!' The concern there is you have no control over when that gift card may be used," Bunting said. "Generally, I think sending gift cards to replace those in-person opportunities is going to be risky. Other people say, 'What if we schedule a virtual lunch, and we both get on the Zoom call together to eat lunch, can I send a gift card in that situation?' If we want to get technical, perhaps you could order food at that exact moment, have it delivered to the real estate agent that you are having lunch with, watch them physically eat lunch while you are on the Zoom call to discuss business, and justify that in the same way you could an in-person lunch.

"But I question how well can you monitor that? Is it really possible to get your arms around how that expense is being used across your organization?"

Now is also the time to consider whether you should be paying for sponsorship opportunities — which typically occurred with in-person events pre-pandemic.

"If in-person events have been converted to virtual events or some other platform that still allows you to market yourself, those expenses make sense as long as you are careful to tie them to exactly the kind of sponsorship that you are getting and what the value of that sponsorship is," Bunting said.

AfBAs, MSAs here to stay?

Schulman predicts a resurgence in marketing and advertising activities and other strategic alliances, saying settlement service providers, real estate brokers, title companies and vendors will attempt to make up for lost time and lost income from the pandemic.

"Of course, the favorite and most lucrative strategic alliance is the affiliated business arrangement (AfBA)," he said. "It is, of course, the most expensive and time-consuming and has the most requirements to adhere to, but again, the benefit is it's the most lucrative."

> MSAs were suspect for a while. The CFPB didn't like them. They came out with a bulletin back in 2015, but I think the *PHH* case resolved that.
>
> **Phil Schulman**, Partner, Mayer Brown LLC

One pandemic AfBA trend is that a lot of real estate brokers want to cut in their top real estate agents as owners.

"That's perfectly fine," Schulman said. "You want to make sure they are accredited investors. If they're unaccredited, you'll have to go through a securities registration format, and that can be expensive and time — consuming. But yes, you can invite top salesmen to own a piece of that agency, provided of course they put in sufficient capital to cover their ownership."

Meanwhile, Schulman said he has seen no signs of marketing services agreements (MSAs) – also known as advertising services agreements (ASAs) – slowing down.

"MSAs were suspect for a while," he said. "The CFPB didn't like them. They came out with a bulletin back in 2015, but I think the *PHH* case resolved that. The *PHH* case made clear you can pay an individual or a company if that individual or company is referring you business so long as you pass a required safe harbor test that the services are actual and necessary, and the amount you pay has to be reasonable market value."

Schulman then detailed the type of services a real estate broker can pay a lender or title company to do for them (assuming a post-pandemic world).

"You can pay for a website banner, to put your signage up in their offices, you can have a rack with your brochures in their offices, you can put rider signs on their for sale signs, and a kiosk in their sales offices to prequalify borrowers or to take a title application or video commercials if they have a video screen up," he said.

Post-pandemic predictions

Bunting predicts desk and office rentals eventually will increase post-pandemic.

"There are a few compliance points to keep in mind as those pick back up," she said. "First is paying fair market rent. The key from an 8(c)2 perspective is to make sure your rent is fair market value. Consider the square footage of the space you're leasing. Are you sharing a receptionist with other businesses? Do you have access to copy equipment? Are you leasing furniture and other equipment in space you're leasing? Obtain a third-party valuation on fair market value to document the scope of goods and services provided.

"Second, there should be a written agreement. The document should look like a typical lease or sublease. It should cover any furniture and other equipment or services, identify the rental rate to be paid, be clear on the term of the rental agreement, and identify what happens if there is a default and any available remedies."

Third, ensure that the space actually is being used.

"If you are leasing an office that is never staffed, any regulator that looks at that arrangement is going to assume you leased that space to put payment in the hands of that party that brings business to you – not because you actually needed office space," she said.

Is COVID-19 a fair excuse for not using space?

"Certainly, work-from-home is a real situation these days and people are not using the space they've leased," Bunting said. "State mortgage regulators have issued their own guidance to make clear that's OK, and lenders can continue to originate loans in a work-from-home environment. We're talking about when we do go back to normal."

But whether in a pandemic or not, co-advertising is an important way for companies to join forces and market their services.

"From a RESPA perspective, we don't have a ton of guidance on what you need to do," Bunting said. "Generally, the rule to follow is, if you are advertising yourself along with others, you need to pay your portion of that advertisement commensurate with your prominence in the ad.

"For example, it would be a 50-50 split if you each take up a half-page newspaper ad. But compliance can be a tricky with joint Internet advertisements, mostly because you're trying to define prominence in an Internet ad with no real guidance from regulators. Nevertheless, you need to do your best with a reasoned approach to measure prominence."

That also goes for iBuyers who use technology to generate an instant offer to purchase consumer homes and then re-sell to new buyers.

"The RESPA principles apply regardless of whether it's a fintech company or not," Bunting said. "If a transaction involves settlement services and a federally related mortgage loan, RESPA's going to apply."

Technology creating new co-marketing opportunities

The day you start losing a client in the advertising industry is the day you sign them.

Chuck Cain, senior vice president of FNF's National Agency Division, used the above quote from the TV series "Mad Men" to illustrate the need to evolve your marketing processes as times change.

"It's a very volatile business and you certainly have to stay cutting edge with creativity and delivery processes," Cain said. "Title agents around the country are much more attuned to social media. They're much more their own internal marketing people, whether they're in a traditional role or if they are the pure marketing person. They are attuned to having very 21st Century sort or marketing, vs. 20th Century marketing that's just been slapped around on a website."

Cain added that title agents are increasingly communicating via video platforms such as Zoom and BombBomb since the COVID-19 pandemic began.

"The new touch communication has become the way things are going," he said, "because for quite a while in most jurisdictions, you weren't allowed to go see anybody. So there's been an acceleration in that regard. We've also seen title and settlement agents with their own websites that are far better, a lot more interactive, and have a lot more content in them than probably a year ago. Because that's the way we communicate with the world at this point. Otherwise, nobody's gonna know we're here."

Franzen & Salzano Partner **Loretta Salzano** said the pandemic has led to loads of customary marketing and advertising services and promotional opportunities vanishing.

"The diminution of in-office and listing traffic and the cancellation of events reduce marketing opportunities and value," she said. "Marketing must shift to virtual as business shifts to virtual, and that impacts exposure and value. The pandemic has thwarted the ability of parties to deliver many services and value that are customarily part of an advertising or marketing agreement because people are not out and about and meeting face-to-face. For instance, a broker still might have a lender's marketing materials displayed in their office or at listings, but fewer folks visit. Event sponsorships have also taken a hit.

"Those in existing MSAs and advertising agreements must consider when and if it is appropriate to pay full value, according to the agreement, if some services are not provided or if provided services no longer reach the same audience used in a valuation. On the flip side, more people are online more often, so opportunities to reach the general public virtually exist. Unfortunately, based on valuations we have seen, marketing through social media and other electronic means often is valued lower than other media and channels."

"Those in existing MSAs and advertising agreements must consider when and if it is appropriate to pay full value, according to the agreement, if some services are not provided or if provided services no longer reach the same audience used in a valuation."

Loretta Salzano, Partner, Franzen & Salzano

Still, Salzano acknowledged that technology is creating new co-marketing opportunities, such as fostering sophisticated templates that can be populated virtually instantaneously to create pieces that would have required marketing and creative professionals.

"CRMs do more than I could ever imagine to generate infinite possibilities for co-marketing in new and creative ways — and they often include data integration, compliance interfaces and recordkeeping functions that make them relatively effortless to employ," she said. "Technology is constantly shaping social media platforms which also spawn co-marketing opportunities."

Sterbcow Law Group Partner **Marx Sterbcow** agreed.

"You see things like a CRM system, or some of the platforms like Zillow or Realtor.com: Behind the Scenes, or BoomTown. There's just thousands of marketing programs or tech companies out there across the country. There are truly thousands of these companies, so it's very difficult to try and figure out. Some of these may be a CRM system with lead generations. Some may be buying leads. You've got Facebook, so how do you value that?

"From the technology standpoint, you've got companies like TotalExpert.com that try to do a fairly good job of breaking down the actual cost."

Sterbcow said technology has led to one unfortunate trend.

"There are some of these programs out there that have these legal opinion letters by people who don't really know RESPA at all," he said.

"You'd be stunned. When you have people that don't know the intricacies that are opining on it, it's kind of embarrassing for us to go, 'Yeah, that guy didn't know what he was talking about.' And some of these things come from pretty big firms! You have associates writing this and it makes their partners look bad who do know the law.

"It's a quick dollar for them."

Digital advertising trends in third-party valuations

A large-scale digitization of processes that already had been brewing in the financial services industry no longer is an option but a necessity because of the COVID-19 pandemic.

Meanwhile, digital advertising — whether on its own or as part of a marketing service agreement (MSA) — via the Internet, social media, Intranet, third-party platforms or co-marketing, is an increasingly common way for settlement service providers to market another provider's services in exchange for payment.

"We've offered social media and digital valuations for our clients for a number of years now and they are becoming more prevalent," said **Charles Irsch**, a partner at MLinc Solutions, an independent provider of RESPA sensitive valuations. "They're becoming a dominant form of outreach to consumers. I think the pandemic may have accelerated some of the transition for people, but this has been a tsunami that's been coming for years."

RESPA Section 8(a) prohibits providing a Thing of value for referrals. However, Section 8(c) expressly permits the payment for certain services rendered as long as they're actual, necessary and distinct and not based on the referral of business.

Putting a value on digital advertising and social media is different than with traditional advertising methods, but not necessarily more difficult.

"In fact, I would actually make an argument that it's a lot more difficult to value a desk rental than it is a web banner because it's a lot more complicated to get an apples-to-apples comparison and get the comparables right," Irsch said.

"The bottom line is there are so many sources of data for digital advertising in terms of what people are charging for services in trying to reach consumers, so from our standpoint, what we're looking at is the fair market value of those services to reach those consumers and using that information basically to ascribe a fair market value to the advertising that's going on that the marketing partner may be doing."

Irsch added that valuing a website banner is fairly straightforward – using metrics such as where is the ad located, how often does it appear, as well as the number of page views and impressions. Irsch emphasized that in determining reasonable value for RESPA sensitive marketing, you are prohibited from taking into account the value of any referrals that might be generated and instead must focus on other measures of value.

Now might be a good time to enter into such an agreement.

"In general, the fair market value of advertising is actually coming down as a result of the pandemic," Irsch said. "The pricing for advertising is a function of supply and demand. And there's been less demand for digital advertising. Companies have pulled in their reins and decided not to spend as much money on marketing, so what's happened is digital advertising rates have actually come down in the last six months. As the economy stabilizes and things start to go back to normal, we would expect those rates to go back up."

> "I've seen people get concerned about values that are fractions of pennies. RESPA doesn't have a de-minimus level in assessing a 'thing of value,' but if it isn't a major service or activity that one is providing for another with significant value, spending actual money to place a value on it makes little sense. Too many people get caught up on valuing 'likes' and that sort of thing."
>
> **Mark Meyer**, Founder and CEO, MLinc Solutions

MLinc founder and CEO **Mark Meyer** said one of the things he's seeing is there are more virtual tours of homes.

"So there isn't as much traffic from visiting an open house for a listing per se. But you still have the ability to reach potential homebuyers and others through a virtual tour," Meyer said. "And we're seeing people wanting to co-sponsor a virtual tour as a part of that. So, for example, there could be a banner ad or something up front in the virtual tour that describes what the settlement service provider does, or at the end. It could even be in the background while the virtual tour is happening. Those kinds of things are becoming more prevalent, but I don't think they're going to replace people going through homes altogether.

"The other thing we're seeing is that, many times, settlement service providers sponsor a sales meeting, let's say, for a real estate brokerage with all their agents. That's a pretty common sponsorship opportunity for marketing, but with fewer face-to-face meetings of agents, there's more webinar-type meetings. Regardless of whether the meeting is in person or virtual, a settlement provider can sponsor the meeting and have something to say as a part of it or some advertising — perhaps signage — using these opportunities to gain exposure and promote their brand as well."

Social media is another hot-button topic right now in the digital advertising world — particularly with agents and loan officers who are posting to each other's websites or using social media as a vehicle for doing some co-marketing.

"Social media relationships can create compliance questions because it is often unclear who is providing value to who and how much the value is, etc. I think there is some sensitivity to getting that right or being reasonable," Meyer said. "From the valuation perspective, however, in most cases, you're talking about fractions of pennies back and forth if someone is posting about or 'liking' somebody else. Depending on how many followers they have, you can determine some value, but it's pretty minor.

"Let's say a loan officer 'likes' something a real estate agent said on social media. Somebody could say that's providing value to the real estate agent. Well, yeah, maybe a little. But it also may be a way for the loan officer to get some exposure, too. If there's some benefit to both, it may be a wash in the nature of a co-marketing relationship and it doesn't even require any agreement between the parties.

"I've seen people get concerned about values that are fractions of pennies. RESPA doesn't have a de-minimus level in assessing a 'thing of value,' but if it isn't a major service or activity that one is providing for another with significant value spending actual money to place a value on it makes very little sense. Too many people get caught up on 'likes' and that sort of thing."

Before third-party valuation businesses came on the scene, companies were forced to do the best they could to estimate what a value might be so they could pay appropriately.

"We look at ourselves as a provider of information services consulting that helps our clients to comply with RESPA primarily," Meyer said. "That's our whole raison d'etre as they say in France. And that's because there's a high level of sensitivity as to how much is being paid for a settlement service that is being provided by a referral source like a real estate broker or builder to a mortgage company or a title company."

Regulators tend to look at people doing internal valuations as having a conflict of interest – unless a company is working with a third-party media source for co-marketing in a newspaper, radio or television ad.

"I think it's very important people work with qualified RESPA counsel when it comes to co-marketing and social media," Meyer added. "The law seems to have been clarified recently with respect to the importance of RESPA sensitive valuations of services to bolster compliance in service relationships among referral sources and settlement providers. Still, this area is under a high level of scrutiny on the federal and state level, so it is important to seek qualified legal counsel on how to approach and manage these relationships in a way that won't get you into trouble."

Are advertising agreements here to stay?

Many lenders remain hesitant to do them.

Some title companies still view them as a disguised kickback for referrals.

And there is increasing momentum to do away with the Consumer Financial Protection Bureau's (CFPB) controversial marketing service agreements (MSAs) guidance from 2015 that many took as a warning not to enter into such contracts.

So are MSAs — also called advertising service agreements (ASAs) — no longer in style?

Not according to industry experts.

"MSAs are like cockroaches! They will never die! They might have a different name, such as advertisement agreements, but they are still around and often are a way for parties to put their toe in the water before venturing into an affiliated business arrangement (AfBA)," Franzen & Salzano Partner **Loretta Salzano** told *RESPA News*. "The change is that the types of services and relative values continue to evolve in response to technology and the regulatory climate. Service providers have sprung up to provide compliance management systems (CMS) for those in MSAs which probably bolsters their viability.

"But despite MSAs' longevity and continued prevalence, we are seeing and being asked more and more about various types of lead generation, lead purchase and data purchase arrangements, and I believe technology is driving the shift."

Sterbcow Law Group Partner **Marx Sterbcow** said he still does several advertising agreements a month.

"They're still popular, but 'marketing service agreement' is a passe term," he added. "Regulators don’t like to hear that and consequently, all of us should now use the term ‘advertising agreement’ or ‘advertising service agreement.’ ”

Meanwhile, right now Sterbcow is inundated with affiliated businesses — and new requests for AfBAs.

“Talking with others, they’re buried, too,” he said. “The affiliated business, whether it be mortgage, brokerage, the lender JVs, property casualty JVs, title JVs, they have exploded. I mean, exploded! I have never been busier in my life than the numbers that have been coming across my phone. Utah, which traditionally made it very difficult, I’ve seen a lot there. Just all over. From Alaska to Hawaii, it doesn’t matter. We’re seeing them all across the country.

“We’re also seeing more unique models of affiliates people hadn’t really explored before. They’re all over. It is such a lucrative area right now and with this hot, frenzied market — which I don’t see slowing down, unless there is a change in administration — we’re only going to continue to see these business models proliferate.”

Chuck Cain, senior vice president of FNF’s National Agency Division, said he still sees advertising agreements in certain marketplaces.

However, Cain said the entire scope of marketing has changed dramatically over the past four or five years because so much of it is online.

The popular print ads featuring title or settlement agents’ names in the Sunday newspaper, homes for sale or head shots of the leading Realtors at a given brokerage?

“That pretty much has gone the way of the dinosaur,” he said. “But an area where we still see strong revitalization is radio. If your local real estate brokerage has a radio show or local cable show, if you advertise on that, ideally you’re paying a third party for the advertising. You’re not paying the brokerage or the referrer of business, you’re paying the actual provider. That’s always a good thing, because a provider is going to set a market cost.”

In today’s tech-heavy climate, the way marketing deals are constructed has changed.

“It requires a lot more thought and a lot more detail,” Sterbcow said. “There was a lot of detail before in advertising and co-advertising agreements, but with tech, it’s a lot more difficult because now you have a component of maybe you have ad space on a platform, how big is that ad space, is it on every page, is it on one page, what’s the web site traffic of that page, how much of that web traffic is internal vs. external?

“The CRM (customer relationship management software) is another great one. A customer management tool that a lot of lenders and real estate agents are utilizing across the industry. How many functions to the detail are the agents getting? How many functions are the lenders getting? Are they the same? Are they different?

Trying to figure out all the different facets is very involved. And I blame it on the government, because the government should have helped on that a while back. This is a true abdication of the CFPB’s role in providing good, clear guidance by providing no guidance at all. That’s one of the reasons why we have this mess that we’re in right now is because of them.”

Salzano said one must be very careful constructing marketing deals these days.

“Technology provides more ways for parties to market and more ways to track performance which is terrific,” she said. “The challenge is that it makes valuations tougher — or at least higher valuations! For instance, instead of demonstrating how long it would take to deliver a particular service, technology can accomplish the same service with an instantaneous ‘click’ — necessitating different valuation methods to get to the same ‘nut.’ The theories are the same, but it often takes more creativity to formulate and demonstrate value calculations.”

Cain said the first question a title settlement service agent looking to co-market or market on a provider’s site should ask themselves is: Will this help me grow my business?

“Not all websites deliver the same content or have the same viewership,” Cain said. “If it’s something where you are marketing to people, that’s one thing, but if it’s just going to go out into dead air space, that’s sort of a lost cause. Third-party valuation is really the critical thing. If you're going to enter into some kind of co-marketing on a website or something, say with a real estate brokerage, you really should get some third party to come in and give you a valuation as to what that marketing is worth so you're not overpaying.

"Underpaying is usually not a problem. But you don't want to be overpaying because if you run into an issue with the bureau or a state regulator looking to enforce RESPA, you need to justify whatever that number is that you're paying. And you need to monitor it probably on a monthly basis as to what is the penetration, what are the open click rates. Although the bureau is a different place than it was under Director **(Richard) Cordray**, there's still a lot of active enforcement at the bureau."

> "The affiliated business, whether it be mortgage, brokerage, the lender JVs, property casualty JVs, title JVs, they have exploded. I mean, exploded! I have never been busier in my life than the numbers that have been coming across my phone."
>
> **Marx Sterbcow,** Partner, Sterbcow Law Group

Cain added that when you're co-marketing with someone, you have to be concerned about content from the standpoint of compliance.

For instance, you don't want to be co-marketing with someone and find out that they're making inflammatory remarks on their backup Facebook page.

"Whatever the marketing is, you have to be aware of what the content is going to be," Cain said. "Otherwise, you might get a phone call even from a customer who says, 'Are you advertising on this site? Do you know the kinds of things they're saying on it?' Especially if it's a blog post or something like that. You have to be mindful of that content as far as best practices compliance as well.

"It's not like just advertising on postcards anymore. It does involve some thought. It does involve consideration. You have to monitor it. You have to stay on top of it. You can't just sign a deal and then three years later, still be paying the same amount of money without being able to demonstrate to a regulator yes, we monitor this and we are paying fair market value for what we are getting."

Salzano said technology platforms have made it easier to reach more people to help boost impressions and fair market value of marketing initiatives.

"Technology enables quick and slick marketing materials for pennies — or less — per piece," she added.

"New opportunities for lead generation have sprung out of improved technology, which has been an especially lively area," she added.

Still, Saul Ewing Arnstein & Lehr Partner **Francis X. Riley III** cautioned that the increased benefits of technology can lead to increased compliance risks.

"Although technology has allowed settlement services companies – brokerages, title agencies and underwriters, mortgage lenders and brokerages and P&C insurers and brokers, to name the most prominent — to be more efficient, provide customers better transparency into their transaction, regulatorily compliant, and identify business opportunities, this has not changed the fundamentals of complying with RESPA prohibitions and the elements of permitted exceptions to those restrictions," Riley said.

"At most, it has resulted in these new players in this combined industry to become ensnared in RESPA violations because they either do not know anything about RESPA's restrictions or simply do not think it and its regulations apply to them and their relationship with the traditional settlement services companies. For example, technology companies that provide new, innovative, and 'better' leads or actual referrals must still have their compensation structure comply with the restrictions and/or exemptions provided for in RESPA Section 8."