



IMPAC MORTGAGE CORRESPONDENT LENDING APPROVAL POLICY

POLICY OVERVIEW

The Correspondent Approval Policy and Procedures streamlines the process of approving Correspondents and retains only the strongest and most reputable Correspondents to deliver loans. Correspondent relationships are defined as mortgage loan bankers who originate process, close and submit for purchase loans that meet Impac's program parameters and underwriting requirements. A complete application and approval of the Correspondent is required prior to doing business with Impac.

CORRESPONDENT CRITERIA

The Correspondent must meet criteria as follows.

- ❖ Be properly licensed and authorized to originate and sell loans meeting Impac's product line and underwriting requirements.
- ❖ Have been in business for at least two years. In cases of newer firms, principals should have a minimum of seven years' experience in mortgage lending.
- ❖ Have a good reputation in the industry with proven references, and a high level of professionalism and strong ethical standards.
- ❖ Have a minimum tangible and verifiable net worth of \$1,000,000 derived from financial statements audited by a Certified Public Accountant.
- ❖ Maintain a current Errors and Omissions Insurance Policy and Fidelity Bond with a minimum coverage of \$300 thousand per occurrence
- ❖ Have a "good standing" rating with all governmental licensing and revenue collection agencies, including a public record clear of any civil or criminal judgments. A Correspondent whose firm has been suspended, is currently under investigation by any governmental agencies or has an open judgment in excess of \$10,000 will not be approved and will not be renewed to do business with Impac.
- ❖ All principal officers, owners and /or partners must have an acceptable personal credit profile. In the case of corporations, the entity must have a satisfactory corporate report. Past credit difficulties will be reviewed on a case-by-case basis. A letter from the Correspondent explaining the derogatory item(s) is required. Financial institutions subject to oversight by the FDIC, NCUA, OTS, Federal Reserve or Comptroller of the Currency may have this requirement waived.



IMPAC MORTGAGE CORRESPONDENT LENDING SELLER APPLICATION

Complete Seller Name: _____ Tax I.D. #: _____

Primary Address: _____ City: _____ State: _____ Zip: _____

Primary Contact: _____ Primary Phone No: () _____ Primary e-mail address: _____

Date Organized/Incorporated: _____ Form of Organization: Corporation Sole Owner Limited Liability Company
(check one) Bank Charter Partnership Limited Liability Partnership

NMLS ID No.: _____ Company Website: _____ Lending State(s): _____

Parent Company Name (if applicable): _____

Parent Address: _____ City: _____ State: _____ Zip: _____

If closely held, list owners showing relative ownership and position:

Name:	Position:	Percentage:
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %
_____	_____	_____ %

Number of Full-Time Employees: _____ Number of Branches: _____ Provide a List of Branch Addresses, Phone Numbers and Managers separately.

If your company lends under other names, please provide a list of those names and the legal documentation supporting those aliases.

Is Lender Approved by any of the following organizations?

- FHA/HUD # _____ Fannie Mae Seller/Service # _____
- VA Approved # _____ Freddie Mac Seller/Service # _____

LIST NAME, TITLE AND PHONE NO. OF ALL COMPANY OFFICERS

_____	_____	() _____
Name	Title	Phone
_____	_____	() _____
Name	Title	Phone
_____	_____	() _____
Name	Title	Phone
_____	_____	() _____
Name	Title	Phone
_____	_____	() _____
Name	Title	Phone
_____	_____	() _____
Name	Title	Phone

PLEASE PROVIDE THE FOLLOWING INFORMATION FOR THE BELOW-NAMED

Secondary Marketing Supervisor:

Name: _____ Telephone No.: () _____
 e-mail: _____

Underwriting Supervisor

Name: _____ Telephone No.: () _____
 e-mail: _____

Finance/Accounting Officer:

Name: _____ Telephone No.: () _____
 e-mail: _____

Legal/Contract & Repurchase Issues:

Name: _____ Telephone No.: () _____
 e-mail: _____

Shipping Supervisor:

Name: _____ Telephone No.: () _____
 e-mail: _____

Servicing Supervisor:

Name: _____ Telephone No.: () _____
 e-mail: _____

PLEASE INCLUDE THE FOLLOWING WITH THIS APPLICATION

Your application MAY NOT be considered until we are in receipt of the following:

- Completed Application – signed & dated
- Credit Consent – completed & signed*
- Two (2) executed Seller Agreements
- Corporation Resolution authorizing company to enter into an agreement with Impac and indicating the officers authorized to sign on behalf of corporation
- Completed Loan Fraud Zero Tolerance form
- Original completed W-9 form
- Two years audited financials and the most recent interim financial statement (within past 5 months)
- Resumes of Principal Officers
- MERS No. _____
- Investor Scorecards
- Quality Control Procedures
- Latest internal Quality Control audit report including management response to significant findings
- Agency Approval Letters (i.e., FHA/HUD, Fannie Mae, Freddie Mac)
- Evidence of Mortgagee E & O (or Mortgage Impairment) Insurance and Fidelity Bond or Bankers Bond

* Financial institutions subject to oversight by the FDIC, NCUA, OTS, Federal Reserve or Comptroller of the Currency may have this requirement waived.

PRODUCTION FOR PREVIOUS TWELVE MONTHS

Product Type	Loan Volume	Dollar Volume	Volume Serviced
Fannie Mae/Freddie Mac	# _____	\$ _____	\$ _____
Jumbo	# _____	\$ _____	\$ _____
FHA/VA	# _____	\$ _____	\$ _____
Source of Loan Production	_____ % Retail	_____ % Wholesale	Brokers

INVESTOR REFERENCES

List three (3) investors to whom you have sold loans in the last 12 months:

- | | | |
|---------------------|------------------------|--------------------|
| 1) _____
Company | _____
Contact/Title | () _____
Phone |
| 2) _____
Company | _____
Contact/Title | () _____
Phone |
| 3) _____
Company | _____
Contact/Title | () _____
Phone |

WAREHOUSE REFERENCES

Company Name: _____

Address: _____ City: _____ State: _____ Zip: _____

\$ _____ () _____
Credit Line Contact Person Title Phone

Company Name: _____

Address: _____ City: _____ State: _____ Zip: _____

\$ _____ () _____
Credit Line Contact Person Title Phone

PLEASE RESPOND TO THE FOLLOWING

- 1) Within the last three (3) years, has the Applicant, its owners, its broker(s) of record or any of its employees (i) had any formal complaints filed against them with a federal or state mortgage banking/broker regulatory authority, (ii) been found in violation of any mortgage banking/broker federal or state regulatory authority's statutes or regulations, (iii) had an order entered against them by a federal or state mortgage banking/broker regulatory authority or (iv) been denied, suspended or had a registration or license revoked by a federal or state mortgage banking/broker regulatory authority?
 Yes No
- 2) Has your company ever had unfavorable findings with regard to mortgage operations or servicing activities included in any audit, examination or report by FHA, VA, Fannie Mae, Freddie Mac or any regulatory, supervisory or investigative agency?
 Yes No
- 3) Has any owner, partner, officer, director, employee or loan officer been affiliated with any company/business that was suspended by FHA, VA, Fannie Mae, or Freddie Mac?
 Yes No
- 4) Has any owner, partner, officer, director, employee or loan officer of your company ever been found guilty of a criminal offense?
 Yes No
- 5) Has your company ever been denied, suspended or disqualified by any MI companies?
 Yes No

If you answered "Yes" to any of the above questions 1-5, please explain (attach to Application):

- 6) Have you been required to repurchase a loan(s) from investors in the last twenty-four (24) months?
 Yes No

If you answered "Yes" to question 6, please state number of loan(s): _____ Aggregate dollar amount: \$ _____

- 7) Is the company or any of the officers of the company currently involved in any lawsuit or litigation which could affect the company's capacity to perform under this agreement?
 Yes No

If you answered "Yes" to question 7, give details and provide estimate of potential liability through an adverse ruling (attach to Application).

- 8) Does Applicant have a due diligence process in place to ensure compliance with "high-cost" and "predatory lending" statutes for all applicable federal, state and, if necessary, local laws?
 Yes No

If you answered "Yes" to question 8, please provide documentation of due diligence process. If you answered "No", please provide explanation for lack of process and/or steps taken to remediate.

AUTHORIZATION

By executing this application, Seller and each of the above named officers hereby authorize Excel Mortgage Servicing, Inc. dba Impac Mortgage and AmeriHome Mortgage Corporation (collectively, "Impac") to obtain positive verification of information the Seller provided in this application and to obtain business credit and reference reports and other information that is of concern to Impac. Seller acknowledges that such reports and information will be obtained and used only in connection with Impac's approval of Seller and evaluation of Seller's eligibility to do business with Impac and not for any consumer credit or other purpose.

Seller certifies to its best belief and knowledge that the information provided herein is true and correct.

Impac and its affiliates agree that any financial information provided by the applicant will be treated as confidential and will not be released to any third party.

Signature

Title

Date



CREDIT CONSENT

We hereby give our consent to have Excel Mortgage Servicing, Inc. dba Impac Mortgage and AmeriHome Mortgage Corporation and/or their designated credit reporting bureau obtain any and all information concerning our employment, checking and/or savings accounts, obligations and all other credit matters which they may require in connection with our application to broker or sell loans.

This form may be reproduced or photocopied. A copy of the original signed form shall be considered effective consent.

_____/_____
Broker of Record (Name/Signature) SS# Date

_____/_____
Owner or Partner (Name/Signature) SS# Date

_____/_____
Owner or Partner (Name/Signature) SS# Date

_____/_____
Owner or Partner (Name/Signature) SS# Date

PLEASE NOTE: Financial institutions subject to oversight by the FDIC, NCUA, OTS, Federal Reserve or Comptroller of the Currency may have this requirement waived.

Mortgage Loan Purchase and Sale Agreement

This Mortgage Loan Purchase and Sale Agreement (the "Agreement") is dated as of this ____ day of _____ 20__, by and between Excel Mortgage Servicing, Inc., a California corporation, Amerihome Mortgage Corporation, a Michigan corporation and _____ a _____.

WHEREAS _____ ("Seller") desires to sell the mortgage loans identified on Exhibit A hereto, including all servicing rights relating thereto upon such terms as are set forth below and either Amerihome Mortgage Corporation ("Amerihome") or Excel Mortgage Servicing, Inc., ("Excel") desires to purchase from Seller those mortgage loans under this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Amerihome, Excel, and Seller agree as follows:

SECTION 1. DEFINITIONS.

Capitalized terms in this Agreement shall have the meanings below or as otherwise defined herein.

Accepted Servicing Practices: Those mortgage servicing practices of prudent mortgage lending institutions which service mortgage loans of the same type as the Mortgage Loan in the jurisdiction where the related Mortgaged Property is located.

ALTA: The American Land Title Association or any successor thereto.

Appraised Value: The value set forth in an appraisal made by a Qualified Appraiser in connection with the origination of the related Mortgage Loan as the value of the Mortgaged Property.

Assignment of Mortgage: An assignment of the Mortgage, notice of transfer or equivalent instrument in recordable form, sufficient under the laws of the jurisdiction wherein the related Mortgaged Property is located to reflect the sale of the Mortgage to Purchaser.

Business Day: Any day other than (i) a Saturday or Sunday, or (ii) a day on which banking and savings and loan institutions in the State of California are authorized or obligated by law or executive order to be closed.

Closing Date: The relevant date from time to time on which Purchaser shall purchase and Seller shall sell the Mortgage Loans listed on the related Mortgage Loan Schedule.

Condemnation Proceeds: All awards or settlements in respect of a Mortgaged Property, whether permanent or temporary, partial or entire, by exercise of the power of eminent domain or condemnation, to the extent not required to be released to a Mortgagor in accordance with the terms of the related Mortgage Loan Documents or applicable law.

Cut-off Date: The first day of the month in which the Closing Date occurs or as otherwise set forth in the Trade Confirmation.

Escrow Payments: With respect to any Mortgage Loan, the amounts constituting ground rents, taxes, assessments, water rates, sewer rents, municipal charges, mortgage insurance premiums, fire and hazard insurance premiums, condominium charges, and any other payments required to be escrowed by the Mortgagor with the mortgagee pursuant to the Mortgage or any other document.

Ginnie Mae: The Government National Mortgage Association.

HUD: The U.S. Department of Housing and Urban Development.

Insurance Proceeds: With respect to each Mortgage Loan, proceeds of insurance policies insuring the Mortgage Loan or the related Mortgaged Property.

Liquidation Proceeds: Cash received in connection with the liquidation of a defaulted Mortgage Loan, whether through the sale or assignment of such Mortgage Loan, trustee's sale, foreclosure sale, or otherwise or the sale of the related Mortgaged Property if the Mortgaged Property is acquired or foreclosed upon in satisfaction of the Mortgage Loan.

LPMI Fee: The portion of the Mortgage Interest Rate relating to any LPMI Loan, which is set forth on the Mortgage Loan Schedule, to be retained by Seller to pay the premium due on the Primary Insurance Policy with respect to such LPMI Loan.

LPMI Loan: Any Mortgage Loan with respect to which Seller is responsible for paying the premium due on the related Primary Insurance Policy with the proceeds generated by the LPMI Fee relating to such Mortgage Loan, as set forth on the Mortgage Loan Schedule.

Material Adverse Change: Any of the following: (a) A material adverse change in or a material adverse effect upon the operations, business, properties, condition (financial or otherwise), or prospects of Seller; (b) a material impairment of Seller's ability to perform under this Agreement or any related agreement; or (c) a material adverse effect upon the legality, validity, binding effect, or enforceability of this Agreement or any related agreement against Seller.

MERS: Mortgage Electronic Registration Systems, Inc. or any successor thereto.

MERS Mortgage Loan: Any Mortgage Loan registered with MERS and on MERS' system of recording transfers of mortgages.

MI Fee: Any LPMI Fee or any monthly fee payable to HUD with respect to mortgage insurance.

Mortgage: The mortgage, deed of trust or other instrument securing a Mortgage Note, which creates a first or second lien, as applicable, on an unsubordinated estate in fee simple in real property securing the Mortgage Note.

Mortgage File: The items pertaining to a particular Mortgage Loan identified on the website at www.ImpacCorrespondent.com and any additional documents required to be added to the Mortgage File pursuant to this Agreement.

Mortgage Interest Rate: The annual rate of interest borne on a Mortgage Note.

Mortgage Loan: An individual Mortgage Loan which is the subject of this Agreement, identified on the related Mortgage Loan Schedule, which Mortgage Loan includes without limitation the Mortgage, Mortgage Note, Mortgage File, the Monthly Payments, Liquidation Proceeds, Condemnation Proceeds, Insurance Proceeds, REO Disposition Proceeds, all Servicing Rights and all other rights, benefits, proceeds and obligations arising from or in connection with such Mortgage Loan.

Mortgage Loan Documents: The documents contained in the Mortgage File for each Mortgage Loan.

Mortgage Loan Package: One or more Mortgage Loans sold to Purchaser by Seller on a Closing Date.

Mortgage Loan Schedule: With respect to each Mortgage Loan Package, a schedule of Mortgage Loans delivered by Seller to Purchaser at least two (2) Business Days prior to the applicable Closing Date, such schedule setting forth the specific information requested by Purchaser with respect to each Mortgage Loan, the Mortgaged Property and the Mortgagor.

Mortgage Note: The note or other evidence of the indebtedness of a Mortgagor secured by a Mortgage.

Mortgaged Property: The real property securing repayment of the debt evidenced by a Mortgage Note.

Mortgagor: The obligor on a Mortgage Note.

Net Mortgage Interest Rate: With respect to any Mortgage Loan, as of any date of determination, a per annum rate of interest equal to the then applicable Mortgage Interest Rate for such Mortgage Loan minus the MI Fee, if applicable.

Person: Any individual, corporation, limited liability company, limited liability partnership, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof.

Premium: The amount paid by Purchaser to Seller to purchase a particular Mortgage Loan on the applicable Closing Date that exceeds the principal balance of such Mortgage Loan.

Primary Insurance Policy: A policy of primary mortgage guaranty insurance issued by a primary mortgage insurer acceptable to Fannie Mae.

Purchaser: Amerihome for those Mortgage Loans purchased by Amerihome under this Agreement and Excel for those Mortgage Loans purchased by Excel under this Agreement. Neither Amerihome nor Excel shall be liable for the other's obligations or duties under this Agreement. At no time shall the term Purchaser mean or be interpreted to include both Amerihome and Excel in any instance in this Agreement.

Qualified Appraiser: An appraiser, duly appointed by Seller, who had no interest, direct or indirect, in the Mortgaged Property or in any loan made on the security thereof, and whose compensation is not affected by the approval or disapproval of the Mortgage Loan, and such appraiser and the appraisal made by such appraiser both satisfy the requirements of Title XI of the Federal Institutions Reform, Recovery and Enforcement Act of 1989 and the regulations promulgated there under, all as in effect on the date the Mortgage Loan was originated.

REO Disposition Proceeds: All amounts received with respect to an REO disposition or liquidation.

Seller's Guide: The eligibility requirements established by Purchaser that must be satisfied by a Mortgage Loan originator to sell Mortgage Loans to Purchaser and the specifications that a Mortgage Loan must meet, and the requirements that it must satisfy, to qualify for Purchaser's program of Mortgage Loan purchases, as such requirements and specifications may be revised, supplemented or replaced from time to time in Purchaser's sole discretion by notice to Seller, which are available on the following website: www.ImpacCorrespondent.com.

Servicing File: With respect to each Mortgage Loan the file retained by Seller until the applicable Transfer Date, consisting of originals of all documents in the Mortgage File that are not delivered to Purchaser or Purchaser's designee on or before the Closing Date, and copies of any other documents in the Mortgage File.

Servicing Rights: Any and all of the following: (a) any and all rights to service the Mortgage Loans; (b) any payments to or monies received by Seller for servicing the Mortgage Loans; (c) any late fees, penalties or similar payments with respect to the Mortgage Loans; (d) all agreements or documents creating, defining or evidencing any such servicing rights to the extent they relate to such servicing rights and all rights of Seller there under; (e) Escrow Payments or other similar payments with respect to the Mortgage Loans and any amounts actually collected by Seller with respect thereto; (f) all accounts and other rights to payment related to any of the property described in this paragraph; and (g) any and all documents, files, records, servicing files, servicing documents, servicing records, data tapes, computer records, or other information pertaining to the Mortgage Loans or pertaining to the past, present or prospective servicing of the Mortgage Loans.

Stated Principal Balance: As to each Mortgage Loan, (i) the principal balance of the Mortgage Loan at the related Closing Date after giving effect to payments of principal received on or before such date, minus (ii) all amounts previously distributed to Purchaser or Purchaser's designee with respect to the related Mortgage Loan representing payments or recoveries of principal or advances in lieu thereof.

Trade Confirmation: With respect to the Mortgage Loans purchased and sold on the Closing Date, the letter agreement between Purchaser and Seller, the form of which shall be mutually agreed upon by Seller and Purchaser (including any exhibits, schedules and attachments thereto), setting forth the terms and conditions of such transaction and describing the Mortgage Loans to be purchased by Purchaser on the Closing Date.

Transfer Date: The date on which Purchaser, or its designee, shall receive the transfer of servicing responsibilities and begin to perform the servicing of the related Mortgage Loans, and Seller shall cease all servicing responsibilities. Such date shall be the date specified by Purchaser in its sole and absolute discretion.

SECTION 2. AGREEMENT TO PURCHASE; DELIVERY AND EXAMINATION; CONVEYANCE FROM SELLER TO PURCHASER.

(a) Agreement to Purchase. Seller agrees to sell and Purchaser agrees to purchase the Mortgage Loans, on a servicing released basis, having an aggregate principal balance on the Cut-off Date in an amount as set forth in the Trade Confirmation, or in such other amount as agreed upon by Purchaser and Seller as evidenced by the actual aggregate principal balance of the Mortgage Loans accepted by Purchaser on the Closing Date.

(b) Delivery and Examination of Mortgage Loan Documents. On or prior to the date that is 3 Business Days prior to the Closing Date, Seller shall deliver to Purchaser or Purchaser's designee, for examination with respect to each Mortgage Loan to be purchased on the Closing Date, the related Mortgage File, including the Assignment of Mortgage, pertaining to each Mortgage Loan. If Purchaser makes such examination prior to the Closing Date and identifies any Mortgage Loans that do not conform to the terms of the Trade Confirmation, Seller's Guide or Purchaser's approved underwriting standards, such Mortgage Loans may, in the sole discretion of Purchaser, be rejected for purchase by Purchaser. If not purchased by Purchaser, such Mortgage Loans shall be deleted from the Mortgage Loan Schedule. Purchaser may, at its option and without notice to Seller, purchase all or part of the Mortgage Loans without conducting any partial or complete examination. The fact Purchaser has conducted or has determined not to conduct any partial or complete examination of the Mortgage Files shall not affect Purchaser's (or any of its successors') rights to demand repurchase or other relief or remedy provided for in this Agreement.

(c) Conveyance of Loans. On each Closing Date, Seller, simultaneously with the payment of the Purchase Price, does hereby sell, transfer, assign, set over and convey to Purchaser without recourse, but subject to the terms of this Agreement, all right, title and interest of Seller in and to the Mortgage Loans listed on the Mortgage Loan Schedule, including, but not limited to, all Servicing Rights associated therewith and all funds received by Seller after the Cut-off Date on or in connection with a Mortgage Loan. All such funds received on or in connection with a Mortgage Loan shall be received and held by Seller in trust for the benefit of Purchaser or Purchaser's assigns, as the case may be, as the owner of the Mortgage Loans.

In addition, in connection with the assignment of any MERS Loan, Seller agrees that no later than three (3) Business Days after the Closing Date it will cause, at its own expense, the MERS® System to indicate that interests in the related Mortgage Loans have been transferred by Seller to Purchaser. Seller acknowledges and agrees that it is in good standing with MERS, and will comply in all material respects with the rules and procedures of MERS in connection with the servicing of the MERS Loans for as long as such Mortgage Loans are registered with MERS. With respect to the Mortgage and intervening Assignments of Mortgage related to any MERS Loan, Seller shall provide Purchaser with the original Mortgage with evidence of registration with MERS and, as applicable, the originals of all intervening Assignments of Mortgage with evidence of recording thereon prior to the registration of the Mortgage Loan with the MERS® System.

(d) Books and Records. It is the express intention of the parties that the transactions contemplated by this Agreement be, and be construed as, a sale of the Mortgage Loans by Seller and not a pledge of the Mortgage Loans by Seller to Purchaser to secure a debt or other obligation of Seller. Consequently, the sale of each Mortgage Loan shall be reflected as a sale on Seller's business records, tax returns and financial statements. Seller shall be responsible for maintaining and shall maintain a complete set of books and records for the Mortgage Loans. Such books and records, together with the Servicing File retained by Seller with respect to each Mortgage Loan, shall be appropriately identified in Seller's computer system to reflect clearly the sale of such related Mortgage Loan to Purchaser.

SECTION 3. PRICING.

(a) Purchase Price. The purchase price for each Mortgage Loan listed on the Mortgage Loan Schedule ("Purchase Price") shall equal: (1) the product of (i) the percentage of par as stated in the Trade Confirmation (subject to adjustment as provided therein) and (ii) the Stated Principal Balance of such Mortgage Loan as of the Cut-off Date; plus (2) accrued interest on the Stated Principal Balance of each Mortgage Loan as of the Cut-off Date at the Net Mortgage Interest Rate from the Cut-off Date through the day prior to the related Closing Date, both inclusive. If so provided in the Trade Confirmation, portions of the Mortgage Loans shall be priced separately.

Purchaser shall own and be entitled to receive with respect to each Mortgage Loan purchased, (1) all scheduled principal due after the Cut-off Date, (2) all other recoveries of principal collected after the Cut-off Date (provided, however, that all scheduled payments of principal due on or before the Cut-off Date and collected by Seller after the Cut-off Date shall belong to Seller), and (3) all payments of interest on the Mortgage Loans and any MI Fee (minus that portion of any such interest payment that is allocable to the period prior to the Cut-off Date). The Stated Principal Balance of each Mortgage Loan as of the Cut-off Date is determined after application to the reduction of principal of payments of principal due on or before the Cut-off Date whether or not collected. Therefore, for the purposes of this Agreement, payments of scheduled principal and interest prepaid for a Due Date beyond the Cut-off Date shall not be applied to the principal balance as of the Cut-off Date. Such prepaid amounts (minus the applicable Servicing Fee) shall be the property of Purchaser and shall be paid over to Purchaser. All payments of principal and interest due on a Due Date following the Cut-off Date shall belong to Purchaser.

Any compensation that Purchaser is to pay Seller hereunder, and any deductions therefrom, shall be determined in accordance with, and are subject to, this Agreement, the Transaction Confirmation and the Seller's Guide. All applicable terms and conditions set forth in, or established pursuant to, this Agreement, the Transaction Confirmation and the Seller's Guide must be satisfied and complied with before Purchaser will remit any compensation to Seller. Purchaser may offset against any such compensation any outstanding fees or other amounts owing from Seller to Purchaser.

(b) Rate Sheets. Purchaser may provide Seller from time to time with a rate sheet setting forth interest rates, discount points, lock-in periods, and such other pricing terms as Purchaser in its sole discretion shall determine. All such pricing terms shall be based on and take into account the delivery obligations of Seller (mandatory delivery, best efforts delivery, etc.) with regard to each particular transaction hereunder, which form of delivery obligation shall be communicated to Seller by Purchaser in a manner prescribed by Purchaser. Purchaser reserves the right to change the terms of any rate sheet at any time and without notice. The pricing and lock-in period applicable to any Mortgage Loan shall be as set forth in the rate sheet in effect at that time. Purchaser anticipates that it will provide rate sheets to Seller in such manner and at such times as Purchaser considers appropriate in its sole discretion. Seller also shall pay to Purchaser a purchase fee for each Mortgage Loan sold by Seller to Purchaser hereunder, which purchase fee shall be established by Purchaser and communicated to Seller in the applicable rate sheet or purchase advice or in such other manner as designated by Purchaser from time to time.

(c) Adjustment. The parties agree that the Purchase Price may be adjusted by Purchaser from time to time upon delivery of written notice to Seller in order to reflect any material changes in the pricing of mortgage loans in the market place.

SECTION 4. SERVICING OF THE MORTGAGE LOANS.

The Mortgage Loans in each Mortgage Loan Package shall be sold by Seller to Purchaser on a servicing released basis. Subject to, and upon the terms and conditions of this Agreement, with respect to the Mortgage Loans in each Mortgage Loan Package, Seller hereby sells, transfers, assigns and delivers to Purchaser, on the related Closing Date, the Servicing Rights. Purchaser shall retain Seller as the contract servicer of the Mortgage Loans for an interim period concluding on the applicable Transfer Date for no additional consideration. Seller shall conduct such servicing in accordance with Accepted Servicing Practices and applicable law. The contents of each Servicing File required to be retained by Seller to service the Mortgage Loans prior to the Transfer Date and thus not delivered to Purchaser on the Closing Date are and shall be held in trust by Seller for the benefit of Purchaser as the owner thereof. Seller's possession of any portion of the Servicing File is at the will of Purchaser for the sole purpose of facilitating servicing of the related Mortgage Loan prior to the Transfer Date, and such retention and possession by Seller shall be in a custodial capacity only. The ownership of each Mortgage Note, Mortgage, Mortgage File and Servicing File related to any Mortgage Loan listed on a Mortgage Loan Schedule is vested in Purchaser and the ownership of all records and documents with respect to the related Mortgage Loan prepared by or which come into the possession of Seller shall immediately vest in Purchaser and shall be retained and maintained, in trust, by Seller at the will of Purchaser in such custodial capacity only. The Servicing File retained by Seller prior to the Transfer Date shall be segregated from the other books and records of Seller and shall be appropriately marked to clearly reflect the sale of the related Mortgage Loan to Purchaser.

SECTION 5. TRANSFER OF SERVICING.

With respect to each Mortgage Loan, on the related Transfer Date, Purchaser, or its designee, shall assume and Seller shall cease all servicing responsibilities related to such Mortgage Loans. The related Transfer Date shall

be the date specified by Purchaser by notice to Seller. On or prior to the related Transfer Date, Seller shall, at its sole cost and expense, take such steps as may be necessary or appropriate to effectuate and evidence the transfer of the servicing of the Mortgage Loans to Purchaser, or its designee, including but not limited to the following:

(a) Notice to Mortgagors. Seller shall mail to the Mortgagor of each Mortgage a letter (commonly referred to as a “goodbye letter”) advising the Mortgagor of the transfer of the servicing of the related Mortgage Loan to Purchaser, or its designee, in accordance with all applicable laws; provided, however, the content and format of the letter shall have the prior approval of Purchaser. Seller shall provide Purchaser with copies of all such notices no later than the related Transfer Date. Seller shall also cooperate with Purchaser with respect to the notice of transfer of mortgage loan required by the Helping Families Save Their Home Act of 2009, as implemented in Section 131(g) of the Truth in Lending Act.

(b) Notice to Taxing Authorities and Insurance Companies. Seller shall transmit to the applicable tax services, taxing authorities, and insurance companies (including primary mortgage insurance policy insurers and flood insurance insurers, if applicable) and/or agents notification of the transfer of the servicing to Purchaser, or its designee, and instructions to deliver all notices, tax bills, and insurance statements to Purchaser or its designee from and after the related Transfer Date. Seller shall provide Purchaser with copies of all such notices no later than the related Transfer Date.

(c) Delivery of Servicing Records. Seller shall forward to Purchaser or its designee, at Seller’s cost, all servicing records and the Servicing File relating to each Mortgage Loan.

(d) Escrow Payments. Seller shall provide Purchaser with an accounting statement of Escrow Payments and suspense balances and loss draft balances sufficient to enable Purchaser to reconcile the amount of such payment with the accounts of the Mortgage Loans. The Purchase Price paid by Purchaser to Seller for each Mortgage Loan shall be net of the amount of the Escrow Payments and suspense balances and loss draft balances associated with each such Mortgage Loan. Additionally, Seller shall wire transfer to Purchaser all other amounts received or held by Seller in connection with the Mortgage Loans.

(e) Payoffs and Assumptions. Seller shall provide to Purchaser, or its designee, copies of all assumption and payoff statements generated by Seller on the Mortgage Loans prior to the related Transfer Date.

(f) Mortgage Payments Received Prior to related Transfer Date. Prior to the related Transfer Date, all payments received by Seller on each Mortgage Loan shall be properly applied by Seller to the account of the particular Mortgagor.

(g) Mortgage Payments Received After related Transfer Date. The amount of any Monthly Payments received by Seller during the first sixty (60) days after the related Transfer Date shall be forwarded to Purchaser within one (1) Business Day following the date of receipt by either wire transfer or overnight mail to the address specified for notices in this Agreement. Seller shall notify Purchaser of the particulars of the payment, which notification requirement shall be satisfied if Seller forwards with its payment sufficient information to permit appropriate processing of the payment by Purchaser. Seller shall assume full responsibility for the necessary and appropriate legal application of Monthly Payments received by Seller after the related Transfer Date with respect to Mortgage Loans then in foreclosure or bankruptcy; provided, for purposes of this Agreement, necessary and appropriate legal application of such Monthly Payments shall include, but not be limited to, endorsement of a Monthly Payment to Purchaser with the particulars of the payment such as the account number, dollar amount, date received and any special Mortgagor application instructions.

(h) Misapplied Payments. Misapplied payments shall be processed as follows:

(i) All parties shall cooperate in correcting misapplication errors;

(ii) The party discovering a misapplied payment occurring prior to the related Transfer Date shall immediately notify the other party;

(iii) If a misapplied payment that occurred prior to the related Transfer Date cannot be identified and resulted in a shortage in a custodial account or escrow account, Seller shall be liable for the amount of such shortage. Seller shall reimburse Purchaser for the amount of such shortage within thirty (30) days after receipt of a written demand from Purchaser;

(iv) If a misapplied payment that occurred prior to the related Transfer Date has created an improper Purchase Price as the result of an inaccurate outstanding principal balance, payment shall be made to the party shorted by the improper payment application within five (5) Business Days after notice thereof by the other party; and

(v) Any payment issued under this Section 5(h) shall be accompanied by a statement indicating the corresponding Seller and/or Purchaser Mortgage Loan identification number and an explanation of the allocation of any such payments.

(i) Books and Records. On the related Transfer Date, Seller's books, records, and accounts with respect to the Mortgage Loans shall comply with all applicable laws and Accepted Servicing Practices.

(j) Reconciliation. Seller shall, on or before the related Transfer Date, reconcile principal balances and make any appropriate monetary adjustments as may be reasonably required by Purchaser. Any such monetary adjustments will be transferred between Seller and Purchaser as appropriate.

(k) IRS Forms. Seller shall prepare and file all IRS forms 1098, 1099 and other applicable forms and reports which are required to be filed with respect to the period prior to the related Transfer Date in relation to the servicing and ownership of the Mortgage Loans. Seller shall provide copies of such forms to Purchaser upon request and shall reimburse Purchaser for any costs or penalties incurred by Purchaser due to Seller's failure to comply with this paragraph. Purchaser or Purchaser's designee shall prepare and file all such reports with respect to any period commencing on or after the related Transfer Date.

SECTION 6. REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF PARTIES.

A. Seller, as a condition to the consummation of the transactions contemplated hereby, hereby makes the following representations and warranties to Purchaser as of each Closing Date:

(a) Due Organization and Authority. Seller is duly organized, validly existing, and in good standing under the laws of the state of its formation and has all licenses necessary to carry on its business as now being conducted and is licensed, qualified, and in good standing in each state where a Mortgaged Property is located if the laws of such state require licensing or qualification in order to conduct business of the type conducted by Seller, and, in any event, Seller is in compliance with the laws of any such state to the extent necessary to ensure the enforceability of the related Mortgage Loan in accordance with the terms of this Agreement. Seller has the full corporate power and authority to execute and deliver this Agreement and to perform in accordance herewith. The execution, delivery and performance of this Agreement (including all instruments of transfer to be delivered pursuant to this Agreement) by Seller and the consummation of the transactions contemplated hereby have been duly and validly authorized. This Agreement evidences the valid, binding, and enforceable obligation of Seller. All requisite corporate action has been taken by Seller to make this Agreement valid and binding upon Seller in accordance with its terms. Seller is and has been at all material times in compliance with the Seller's Guide;

(b) Ordinary Course of Business. The consummation of the transactions contemplated by this Agreement are in the ordinary course of business of Seller and the transfer, assignment, and conveyance of the Mortgage Notes and the Mortgages by Seller pursuant to this Agreement are not subject to the bulk transfer or any similar statutory provisions in effect in any applicable jurisdiction;

(c) No Conflicts. Neither the execution and delivery of this Agreement, the origination of the Mortgage Loans by Seller, the sale of the Mortgage Loans to Purchaser, the other transactions contemplated hereby, or the fulfillment of or compliance with the terms and conditions of this Agreement by Seller will (i) conflict with or result in a breach of any of the terms, conditions, or provisions of Seller's charter or by-laws, any legal restriction, agreement, or instrument to which Seller is now a party or by which it is bound, or constitute a default or result in an acceleration under any of the foregoing, or (ii) result in the violation of any law, rule, regulation, order, judgment, or decree to which Seller or its property is subject, or (iii) impair the ability of Purchaser to realize on the Mortgage Loans or impair the value of the Mortgage Loans;

(d) Ability to Perform. Seller does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant required of Seller under this Agreement. Seller is solvent and the sale of the Mortgage Loans will not cause Seller to become insolvent. The sale of the Mortgage Loans is not undertaken

with the intent to hinder, delay or defraud any of Seller's creditors. Seller has not experienced a Material Adverse Change;

(e) No Litigation Pending. There is no action, suit, proceeding or investigation pending or, to Seller's knowledge, threatened against Seller that, either in any one instance or in the aggregate, is likely to (i) result in any material adverse change in the business, operations, financial condition, properties, or assets of Seller, (ii) result in any material impairment of the right or ability of Seller to carry on its business substantially as now conducted, (iii) result in any material liability on the part of Seller, (vi) draw into question the validity of this Agreement or the Mortgage Loans or of any action taken or to be taken in connection with the obligations of Seller contemplated herein, or (v) materially impair the ability of Seller to perform under the terms of this Agreement;

(f) No Consent Required. No consent, approval, authorization, or order of any court or governmental agency or body is required for (i) the execution, delivery, and performance by Seller of or compliance by Seller with this Agreement or the Mortgage Loans, (ii) the delivery of any portion of the Mortgage Files to Purchaser or Purchaser's designee or (iii) the sale of the Mortgage Loans to Purchaser or the consummation of the transactions contemplated by this Agreement, or if required, such approval has been obtained prior to the initial Closing Date;

(g) Selection Process. The Mortgage Loans were not intentionally selected in a manner so as to adversely affect Purchaser's interests;

(h) No Untrue Information. Neither this Agreement nor any information, statement, report, or other document furnished or to be furnished pursuant to this Agreement or in connection with the transactions contemplated hereby contains any untrue statement of material fact or omits to state a fact necessary to make the statements contained herein or therein not materially misleading;

(i) Sale Treatment. Seller has determined that the disposition of the Mortgage Loans pursuant to this Agreement will be afforded sale treatment for accounting and tax purposes;

(j) No Commissions to Third Parties. Seller has not dealt with any broker or agent or anyone else who might be entitled to a fee or commission in connection with this transaction other than Purchaser;

(k) Financial Statements. All financial statements delivered to Purchaser fairly present the results of operations and changes in financial position at the end of each such period of Seller and its subsidiaries and have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved, except as set forth in the notes thereto. There has been no change in the business, operations, financial condition, properties, or assets of Seller since the last financial statement was delivered to Purchaser that would have a material adverse effect on Seller's ability to perform its obligations under this Agreement. Seller has fully and truthfully completed any forms requested by Purchaser in a timely manner and in accordance with the provided instructions;

(l) Fair Consideration. The consideration received by Seller upon the sale of the Mortgage Loans under this Agreement constitutes fair consideration and reasonably equivalent value for the Mortgage Loans;

(m) MERS. Seller is a member of MERS in good standing, and will comply in all material respects with the rules and procedures of MERS in connection with the origination, transfer and servicing of any MERS Mortgage Loans for as long as such Mortgage Loans are registered with MERS;

(n) Seller's Origination. Seller's decision to originate any mortgage loan or deny any mortgage loan application was an independent decision by Seller and was in no way made as a result of Purchaser's decision whether or not to purchase any Mortgage Loan or the price Purchaser may offer to pay for any Mortgage Loan, if originated;

B. Purchaser, as a condition to the consummation of the transactions contemplated hereby, hereby makes the following representations and warranties to Seller as of each Closing Date:

(a) Due Organization and Authority. Purchaser is duly organized, validly existing and in good standing under applicable law and has all licenses necessary to carry on its business as now being conducted; Purchaser has the full corporate power and authority to execute and deliver this Agreement and to perform in accordance herewith; the execution, delivery and performance of this Agreement by Purchaser and the

consummation of the transactions contemplated hereby have been duly and validly authorized; this Agreement evidences the valid, binding and enforceable obligation of Purchaser; and all requisite corporate action has been taken by Purchaser to make this Agreement valid and binding upon Purchaser in accordance with its terms;

(b) No Conflicts. Neither the execution and delivery of this Agreement, the acquisition of the Mortgage Loans by Purchaser or the transactions contemplated hereby, nor the fulfillment of or compliance with the other terms and conditions of this Agreement by Purchaser, will will (i) conflict with or result in a breach of any of the terms, conditions, or provisions of Purchaser's charter or by-laws, any legal restriction, agreement, or instrument to which Seller is now a party or by which it is bound, or constitute a default or result in an acceleration under any of the foregoing, or (ii) result in the violation of any law, rule, regulation, order, judgment, or decree to which Seller or its property is subject;

(c) Ability to Perform. Purchaser does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant required of Purchaser under this Agreement;

(d) No Litigation Pending. There is no action, suit, proceeding or investigation pending or, to Purchaser's knowledge, threatened against Purchaser that, either in any one instance or in the aggregate, is likely to (i) result in any material adverse change in the business, operations, financial condition, properties, or assets of Purchaser, (ii) result in any material impairment of the right or ability of Purchaser to carry on its business substantially as now conducted, (iii) result in any material liability on the part of Purchaser, (vi) draw into question the validity of this Agreement or the Mortgage Loans or of any action taken or to be taken in connection with the obligations of Purchaser contemplated herein, or (v) materially impair the ability of Purchaser to perform under the terms of this Agreement;

(e) No Consent Required. No consent, approval, authorization or order of any court or governmental agency or body is required for the execution, delivery and performance by Purchaser of or compliance by Purchaser with this Agreement or the consummation of the transactions contemplated by this Agreement, or if required, such approval has been obtained prior to the initial Closing Date.

SECTION 7. REPRESENTATIONS AND WARRANTIES REGARDING INDIVIDUAL LOANS.

As to each Mortgage Loan, Seller hereby represents and warrants to Purchaser that as of each Mortgage Loan's respective Closing Date:

(a) Mortgage Loans as Described. The information set forth in the related Mortgage Loan Schedule is complete, true, and correct. All of the Mortgage Loans are one-to-four family residential mortgage loans and comply with the Seller's Guide as of the closing date for each Mortgage Loan;

(b) Payments Current. All payments required to be made up to the related Closing Date for the Mortgage Loan under the terms of the Mortgage Note have been made and credited. No payment required under the Mortgage Loan is delinquent nor has any payment under the Mortgage Loan been delinquent for more than 30 days in the 12 months preceding the related Closing Date;

(c) No Outstanding Charges. There are no defaults in complying with the terms of the Mortgage, and all taxes, governmental assessments, insurance premiums, water, sewer and municipal charges, leasehold payments or ground rents which previously became due and owing have been paid, or an escrow of funds has been established in an amount sufficient to pay for every such item which remains unpaid and which has been assessed but is not yet due and payable. Seller has not advanced funds, or induced, solicited or knowingly received any advance of funds by a party other than the Mortgagor, directly or indirectly, for the payment of any amount required under the Mortgage Loan;

(d) Original Terms Unmodified. The terms of the Mortgage Note and Mortgage have not been impaired, waived, altered, or modified in any respect, except by a written instrument which has been recorded, if necessary to protect the interests of Purchaser and which has been delivered to Purchaser. The substance of any such waiver, alteration, or modification has been approved by all applicable Persons, to the extent required, and its terms are reflected on the related Mortgage Loan Schedule. No Mortgagor has been released, in whole or in part, except in connection with an assumption agreement approved by all applicable Persons, to the extent required, and

which assumption agreement is part of the Mortgage Loan File delivered to Purchaser and the terms of which are reflected in the related Mortgage Loan Schedule;

(e) No Defenses. The Mortgage Loan is not subject to any right of rescission, set-off, counterclaim, or defense, nor will the operation of any of the terms of the Mortgage Note or the Mortgage or the exercise of any right thereunder render either the Mortgage Note or the Mortgage unenforceable, in whole or in part, or subject to any right of rescission, setoff, counterclaim, or defense, and no such right of rescission, set-off, counterclaim, or defense has been asserted with respect thereto, and no Mortgagor was a debtor in any state or federal bankruptcy or insolvency proceeding from the time the Mortgage Loan was originated through the Closing Date;

(f) Hazard Insurance. Pursuant to the terms of the Mortgage, all buildings or other improvements upon the Mortgaged Property are insured by a generally acceptable insurer against loss by fire, hazards of extended coverage, and such other hazards as are customary in the area where the Mortgaged Property is located pursuant to insurance policies conforming to all applicable requirements. If upon origination of the Mortgage Loan, the Mortgaged Property was in an area identified in the Federal Register by the Federal Emergency Management Agency as having special flood hazards, a life-of-loan flood insurance policy meeting the requirements of the current guidelines of the Federal Flood Insurance Administration is in effect that conforms to all applicable requirements. Such flood insurance shall be with a nationally recognized flood insurer approved by Fannie Mae, Ginnie Mae, and HUD or other insurer as may be approved by Purchaser from time to time. All individual insurance policies contain a standard mortgagee clause naming Seller and its successors and assigns as mortgagee, and all premiums thereon have been paid. The Mortgage obligates the Mortgagor there under to maintain the hazard insurance policy at the Mortgagor's cost and expense and, on the Mortgagor's failure to do so, authorizes the holder of the Mortgage to obtain and maintain such insurance at such Mortgagor's cost and expense and to seek reimbursement therefor from the Mortgagor. Where required by state law or regulation, the Mortgagor has been given an opportunity to choose the carrier of the required hazard insurance, provided the policy is not a "master" or "blanket" hazard insurance policy covering the common facilities of a planned unit development. The hazard insurance policy is the valid and binding obligation of the insurer, is in full force and effect, and will be in full force and effect and inure to the benefit of Purchaser upon the consummation of the transactions contemplated by this Agreement. Seller has not engaged in and has no knowledge of the Mortgagor or any subservicer engaging in, any act or omission which would impair the coverage of any such policy, the benefits of the endorsement provided for herein, or the validity and binding effect of either, including, without limitation, no unlawful fee, commission, kickback or other unlawful compensation or value of any kind has been or will be received, retained or realized by any attorney, firm, or other Person, and no such unlawful items have been received, retained, or realized by Seller;

(g) Compliance with Applicable Laws. Each Mortgage Loan complies with (i) all applicable local, state, and federal laws, (ii) the regulations, rules, requirements, and guidelines of any governmental agency, board, commission, instrumentality or other governmental or quasi-governmental body or office, and Fannie Mae, Ginnie Mae and HUD, as applicable, and (iii) all judicial and administrative judgments, orders, stipulations, and injunctions applicable to Seller or the Mortgage Loans.

(h) No Satisfaction of Mortgage. The Mortgage has not been satisfied, canceled, subordinated or rescinded, in whole or in part, and the Mortgaged Property has not been released from the lien of the Mortgage, in whole or in part, nor has any instrument been executed that would effect any such release, cancellation, subordination or rescission. Seller has not waived the performance by the Mortgagor of any action, if the Mortgagor's failure to perform such action would cause the Mortgage Loan to be in default, nor has Seller waived any default resulting from any action or inaction by the Mortgagor;

(i) Location and Type of Mortgaged Property. The Mortgaged Property is a fee simple property located in the state identified in the related Mortgage Loan Schedule and consists of a single parcel of real property with a detached single family residence erected thereon, or a two- to four-family dwelling, or an individual condominium unit in a low-rise condominium project, or an individual unit in a planned unit development, provided, however, that any condominium unit or planned unit development shall conform with the applicable Fannie Mae, Ginnie Mae, and HUD requirements regarding such dwellings and that no residence or dwelling is a rural property, mobile home or a manufactured dwelling. No portion of the Mortgaged Property is used for commercial purposes;

(j) Valid First Lien. The Mortgage is a valid, subsisting enforceable and perfected first lien and first priority security interest on the Mortgaged Property, including all buildings on the Mortgaged Property and all installations and mechanical, electrical, plumbing, heating and air conditioning systems located in or annexed to such buildings, and all additions, alterations and replacements made at any time with respect to the foregoing. The

lien of the Mortgage is subject only to: (1) the lien of current real property taxes and assessments not yet due and payable; (2) covenants, conditions, and restrictions, rights of way, easements, and other matters of public record as of the date of recording acceptable to mortgage lending institutions generally and specifically referred to in the lender's title insurance policy delivered to the originator of the Mortgage Loan and (i) referred to or to otherwise considered in the appraisal made for the originator of the Mortgage Loan or (ii) which do not adversely affect the Appraised Value of the Mortgaged Property; and (3) other matters to which like properties are commonly subject which do not materially interfere with the benefits of the security intended to be provided by the Mortgage or the use, enjoyment, value or marketability of the related Mortgaged Property. Any security agreement, chattel mortgage or equivalent document related to and delivered in connection with the Mortgage Loan establishes and creates a valid, subsisting and enforceable first lien and first priority security interest on the property described therein and Seller has full right to sell and assign the same to Purchaser. The Mortgaged Property was not, as of the date of origination of the Mortgage Loan, subject to a mortgage, deed of trust, deed to secure debt or other security instrument creating a lien subordinate to the lien of the Mortgage unless specified in the Mortgage File and the Mortgage Loan Schedule;

(k) Validity of Mortgage Documents. The Mortgage Note and the Mortgage are genuine, and each is the legal, valid, and binding obligation of the maker thereof enforceable in accordance with its terms. All parties to the Mortgage Note and the Mortgage and any other related agreement had legal capacity to enter into the Mortgage Loan and to execute and deliver the Mortgage Note and the Mortgage and any other related agreement, and the Mortgage Note and the Mortgage and any other related agreement have been duly and properly executed by such parties. None of the documents, instruments, and agreements submitted, reviewed, or used in connection with the origination of the Mortgage Loan were falsified or contain any untrue statements of material fact and do not omit to state a material fact required to be stated therein or necessary to make the information and statements therein not misleading. No fraud was committed in connection with the origination of the Mortgage Loan. Seller has reviewed all of the documents constituting the Mortgage File and the Servicing File for each Mortgage Loan and has made such inquiries as it deems necessary or as may be required by applicable law to make and confirm the accuracy of the representations set forth herein;

(l) Full Disbursement of Proceeds. The Mortgage Loan has been closed and the proceeds of the Mortgage Loan have been fully disbursed and there is no requirement for future advances thereunder, and any and all requirements as to completion of any on-site or off-site improvement and as to disbursements of any escrow funds there for have been complied with. All costs, fees and expenses incurred in making or closing the Mortgage Loan and the recording of the Mortgage were paid, and the Mortgagor is not entitled to any refund of any amounts paid or due under the Mortgage Note or Mortgage;

(m) Ownership. Seller is the sole owner of record and holder of the Mortgage Loan. The Mortgage Loan is not assigned or pledged, and Seller has good and marketable title thereto, and has full right to transfer and sell the Mortgage Loan therein to Purchaser free and clear of any encumbrance, equity, participation interest, lien, pledge, charge, claim, or security interest and has full right and authority subject to no interest or participation of or agreement with any other party to sell and assign each Mortgage Loan pursuant to this Agreement;

(n) Doing Business. All parties that have had any interest in the Mortgage Loan, whether as mortgagee, assignee, pledgee or otherwise, are (or, during the period in which they held and disposed of such interest, were) (1) in compliance with any and all applicable licensing requirements of the laws of the state wherein the Mortgaged Property is located, and (2) organized under the laws of such state, or (3) qualified to do business in such state, or (4) federal savings and loan associations or national banks having principal offices in such state, or (5) not doing business in such state;

(o) MIC.

(i) With regard to all Mortgage Loans that are, or are intended to be, FHA insured: All HUD requirements have been and are being complied with, and a mortgage insurance certificate has been properly and timely obtained with respect to each Mortgage Loan and is in full force and effect, and all premiums due thereunder have been paid. No action, inaction, or event has occurred and no state of facts exists that has, or will result in the exclusion from, denial of, or defense to coverage. The Mortgage Interest Rate for the Mortgage Loan as set forth on the Mortgage Loan Schedule is net of any such insurance premium;

(ii) With regard to all conventional Mortgage Loans, if the loan to value ratio at the time of origination exceeds a certain amount, or if the loan otherwise is required to have private mortgage insurance, then a

private mortgage insurance policy has been obtained from a private mortgage insurance company that is acceptable to Fannie Mae, and the form of the policy is acceptable under all applicable laws and other guidelines and requirements, and nothing has been done or omitted that would invalidate the private mortgage insurance.

(p) Title Insurance. The Mortgage Loan is covered by an ALTA lender's title insurance policy or other generally acceptable form of policy of insurance acceptable to Fannie Mae, Ginnie Mae and HUD, issued by a title insurer acceptable to Fannie Mae, Ginnie Mae and HUD and qualified to do business in the jurisdiction where the Mortgaged Property is located, insuring Seller, its successors and assigns, as to the first priority lien, as applicable, of the Mortgage in the original principal amount of the Mortgage Loan subject only to the exceptions contained in clauses (1) and (2) of paragraph (j) of this Section 7. With respect to all refinance transactions, Seller shall use the title insurance agents and settlement and closing agents approved or otherwise designated by Purchaser. Where required by state law or regulation, the Mortgagor has been given the opportunity to choose the carrier of the required mortgage title insurance. Additionally, such lender's title insurance policy affirmatively insures ingress and egress, and against encroachments by or upon the Mortgaged Property or any interest therein. Seller is the sole insured of such lender's title insurance policy and such lender's title insurance policy is in full force and effect and will be in force and effect upon the consummation of the transactions contemplated by this Agreement. No claims have been made under such lender's title insurance policy and no prior holder of the Mortgage, including Seller, has done, by act or omission, anything that would impair the coverage of such lender's title insurance policy including, without limitation, no unlawful fee, commission, kickback or other unlawful compensation or value of any kind has been or will be received, retained or realized by any attorney, firm, or other Person and no such unlawful items have been received, retained or realized by Seller;

(q) No Defaults. There is no default, breach, violation, or event of acceleration existing under the Mortgage or the Mortgage Note and no event which, with the passage of time or with notice and the expiration of any grace or cure period, would constitute a default, breach, violation, or event of acceleration and neither Seller nor its predecessors have waived any default, breach, violation, or event of acceleration;

(r) No Mechanics' Liens. There are no mechanics' or similar liens or claims which have been filed for work, labor, or material (and no rights are outstanding that under the law could give rise to such liens) affecting the related Mortgaged Property that are or may be liens prior to, equal with, or coordinate with the lien of the related Mortgage;

(s) Location of Improvements; No Encroachments. All improvements that were considered in determining the Appraised Value of the Mortgaged Property lay wholly within the boundaries and building restriction lines of the Mortgaged Property and no improvements on adjoining properties encroach upon the Mortgaged Property. No improvement located on or being part of the Mortgaged Property is in violation of any applicable zoning law or regulation;

(t) Origination; Payment Terms. Principal payments on the Mortgage Loan commenced no more than sixty (60) days after the funds were disbursed in connection with the Mortgage Loans. At the time the Mortgage Loan was originated, the originator was (i) licensed to originate Mortgage Loans in the state in which the Mortgaged Property is located and (ii) a mortgagee approved by the Secretary of Housing and Urban Development pursuant to Sections 203 and 211 of the National Housing Act or a savings and loan association, a savings bank, a commercial bank or similar banking institution which is supervised and examined by a Federal or State authority. The Mortgage Interest Rate is the fixed interest rate set forth in the Mortgage Note. The Mortgage Note is payable in equal monthly installments of principal and interest, with interest calculated and payable in arrears, sufficient to amortize the Mortgage Loan fully by the stated maturity date, over an original term of not more than thirty years from commencement of amortization. No Mortgage Loan provides for negative amortization. No Mortgage Loan is a balloon mortgage loan;

(u) Customary Provisions. The Mortgage contains customary and enforceable provisions such as to render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security provided thereby, including, (i) in the case of a Mortgage designated as a deed of trust, by trustee's sale, and (ii) otherwise by judicial foreclosure. Upon default by a Mortgagor on a Mortgage Loan and foreclosure on or trustee's sale of the Mortgaged Property, pursuant to the proper procedures, the holder of the Mortgage Loan will be able to deliver good and merchantable title to the Mortgaged Property. There is no homestead or other exemption available to the Mortgagor which would interfere with the right to sell the Mortgaged Property at a trustee's sale or the right to foreclose the Mortgage subject to applicable federal and state laws and judicial precedent with respect to bankruptcy and right of redemption;

(v) Conformance with Agency Guidelines. The Mortgage Loan conforms to Purchaser's underwriting guidelines and, in all cases, are consistent with Fannie Mae, Ginnie Mae and HUD guidelines (as applicable) and all applicable law. The Mortgage Loan conforms with the standards of Fannie Mae, Ginnie Mae and HUD (as applicable), and the Mortgage Note and Mortgage are on forms acceptable to Fannie Mae, Ginnie Mae, and HUD, as applicable. The Mortgage Loan conforms to the requirements of the Seller's Guide, including any additional representations and warranties contained therein;

(w) Occupancy of the Mortgaged Property. As of the Closing Date, the Mortgaged Property is lawfully occupied under applicable law. All inspections, licenses, and certificates required to be made or issued with respect to all occupied portions of the Mortgaged Property and, with respect to the use and occupancy of the same, including but not limited to certificates of occupancy and fire underwriting certificates, have been made or obtained from the appropriate authorities;

(x) No Additional Collateral. The Mortgage Note is not and has not been secured by any collateral except the lien of the corresponding Mortgage and the security interest of any applicable security agreement or chattel mortgage referred to in (j) above;

(y) Deeds of Trust. In the event the Mortgage constitutes a deed of trust, a trustee, duly qualified under applicable law to serve as such, has been properly designated and currently so serves and is named in the Mortgage, and no fees or expenses are or will become payable by Purchaser to the trustee under the deed of trust, except in connection with a trustee's sale after default by the Mortgagor;

(z) Acceptable Investment. Seller has no knowledge of any circumstances or conditions with respect to the Mortgage, the Mortgaged Property, the Mortgagor, or the Mortgagor's credit standing that can reasonably be expected to cause private institutional investors to regard the Mortgage Loan as an unacceptable investment, cause the Mortgage Loan to become delinquent, or adversely affect the value or marketability of the Mortgage Loan. Each Mortgage Loan is of investment quality and able to be included in a securitized pool of mortgage loans;

(aa) Delivery of Mortgage Documents. The Mortgage Note, the Mortgage, the Assignment of Mortgage, and any other documents required to be delivered by Seller to Purchaser under this Agreement have been delivered to Purchaser or its designee. Seller is in possession of a complete, true, and accurate Mortgage File, except for such documents the originals of which have been delivered to Purchaser;

(bb) Condominiums/Planned Unit Developments. If the Mortgaged Property is a condominium unit or a planned unit development (other than a de minimus planned unit development) such condominium or planned unit development project meets all applicable Fannie Mae and HUD eligibility requirements for sale to Fannie Mae and/or insurance from the FHA, or is located in a condominium or planned unit development project which has received all applicable Fannie Mae and HUD project approvals, and the representations and warranties required by Fannie Mae and HUD, as applicable, with respect to such condominium or planned unit development have been made and remain true and correct in all respects;

(cc) Due on Sale. The Mortgage contains an enforceable provision for the acceleration of the payment of the unpaid principal balance of the Mortgage Loan in the event that the Mortgaged Property is sold or transferred without the prior written consent of the Mortgagee thereunder;

(dd) Transfer of Mortgage Loans. The Assignment of Mortgage is in recordable form and is acceptable for recording under the laws of the jurisdiction in which the Mortgaged Property is located;

(ee) No Buydown Provisions; No Graduated Payments or Contingent Interests. The Mortgage Loan does not contain provisions pursuant to which Monthly Payments are paid or partially paid with funds deposited in any separate account established by Seller, the Mortgagor, or anyone on behalf of the Mortgagor or paid by any source other than the Mortgagor, nor does it contain any other similar provisions currently in effect which may constitute a "buy down" provision. The Mortgage Loan is not a graduated payment mortgage loan and the Mortgage Loan does not have a shared appreciation or other contingent interest feature;

(ff) Consolidation of Future Advances. Any future advances made prior to the related Closing Date have been consolidated with the outstanding principal amount secured by the Mortgage, and the secured principal amount, as consolidated, bears a single interest rate and single repayment term. The lien of the Mortgage securing

the consolidated principal amount is expressly insured as having first lien priority by a title insurance policy, an endorsement to the policy insuring the mortgagee's consolidated interest or by other title evidence acceptable to Fannie Mae, Ginnie Mae and HUD, as applicable. The consolidated principal amount does not exceed the original principal amount of the Mortgage Loan;

(gg) Mortgaged Property Undamaged. There is no proceeding pending or to Seller's knowledge threatened for the total or partial condemnation of the Mortgaged Property. The Mortgaged Property is undamaged by waste, fire, earthquake, or earth movement, windstorm, flood, tornado, or other casualty so as to affect adversely the Mortgaged Property's value as security for the Mortgage Loan or the use for which the premises were intended;

(hh) Collection Practices; Escrow Deposits. The origination and collection practices used with respect to the Mortgage Loan have been in accordance with Accepted Servicing Practices, in all respects in compliance with all applicable laws and regulations and in all material respects proper and prudent in the mortgage origination and servicing business. With respect to escrow deposits and Escrow Payments, all such payments are in the possession of Seller and there exist no deficiencies in connection therewith for which customary arrangements for repayment thereof have not been made. All Escrow Payments have been collected in full compliance with state and federal law. An escrow of funds is not prohibited by applicable law and has been established in an amount sufficient to pay for every item which remains unpaid and which has been assessed but is not yet due and payable. No escrow deposits or Escrow Payments or other charges or payments due Seller have been capitalized under the Mortgage or the Mortgage Note. All Mortgage Interest Rate adjustments have been made in strict compliance with state and federal law and the terms of the related Mortgage Note. Any interest required to be paid pursuant to state and local law has been properly paid and credited;

(ii) Appraisal. The Mortgage File contains an appraisal of the related Mortgage Property signed prior to the approval of the Mortgage Loan application by a Qualified Appraiser. The appraisal was performed in accordance with all applicable requirements, and conforms to Fannie Mae's appraisal guidelines and requirements.

(jj) Servicemembers' Civil Relief Act. The Mortgagor has not notified Seller and Seller has no knowledge of any relief requested or allowed to the Mortgagor under the Servicemembers' Civil Relief Act of 2003, as amended, or any successor legislation thereto;

(kk) Environmental Matters. The Mortgaged Property is free from any and all toxic or hazardous substances and there exists no violation of any local, state or federal environmental law, rule or regulation. There is no pending action or proceeding directly involving any Mortgaged Property of which Seller is aware in which compliance with any environmental law, rule or regulation is an issue; and nothing further remains to be done to satisfy in full all requirements of each such law, rule or regulation consisting a prerequisite to use and enjoyment of said property;

(ll) No Construction Loans. No Mortgage Loan was made in connection with (i) the construction or rehabilitation of a Mortgaged Property or (ii) facilitating the trade-in or exchange of a Mortgaged Property;

(mm) No Denial of Insurance. Seller has caused or will cause to be performed any and all acts required to preserve the rights and remedies of Purchaser in any insurance policies applicable to the Mortgage Loans including, without limitation, any necessary notifications of insurers, assignments of policies or interests therein, and establishments of coinsured, joint loss payee and mortgagee rights in favor of Purchaser. No action, inaction, or event has occurred and no state of fact exists or has existed that has resulted or will result in the exclusion from, denial of, or defense to coverage under any applicable pool insurance policy, special hazard insurance policy, mortgage insurance certificate or bankruptcy bond, irrespective of the cause of such failure of coverage. In connection with the placement of any such insurance, no commission, fee, or other compensation has been or will be received by Seller or any designee of Seller or any corporation in which Seller or any officer, director, or employee had a financial interest at the time of placement of such insurance;

(nn) Points and Fees; Mortgagor Acknowledgment. All points, fees, and charges (including finance charges), whether or not financed, assessed, collected, or to be collected in connection with the origination and servicing of each Mortgage Loan have been disclosed in writing to the Mortgagor in accordance with applicable state and federal law and regulation. No Mortgagor was charged "points and fees" (whether or not financed) in an amount that violated any applicable law, rule, or regulation. The Mortgagor has executed a statement to the effect

that the Mortgagor has received all disclosure materials required by applicable law with respect to the making of adjustable rate mortgage loan and such statement is in the Mortgage File.

(oo) Simple Interest Mortgage Loans. None of the Mortgage Loans are simple interest mortgage loans.

(pp) Single Premium Credit Life Insurance. No Mortgagor was required to purchase any single premium credit insurance policy (e.g., life, disability, accident, unemployment, or health insurance product) or debt cancellation agreement as a condition of obtaining the extension of credit. No Mortgagor obtained a prepaid single premium credit insurance policy (e.g., life, disability, accident, unemployment, mortgage, or health insurance in connection with the origination of the Mortgage Loan. No proceeds from any Mortgage Loan were used to purchase single premium credit insurance policies or debt cancellation agreements as part of the origination of, or as a condition to closing, such Mortgage Loan. No Mortgagor has a debt cancellation agreement with respect to the related Mortgage Loan.

(qq) Recordation. Seller is MERS approved and all Mortgage Loans are and shall be registered with MERS and subject to the MERS identification system;

(rr) Minimum Loan Amount. No Mortgage Loan had an original principal balance less than \$50,000;

(ss) Predatory Lending Regulations; High Cost Loans. None of the Mortgage Loans are classified as (a) “high cost” loans under the Home Ownership and Equity Protection Act of 1994 or (b) “high cost,” “threshold,” “predatory,” “covered” loans under any other applicable state, federal or local law (or a similarly classified loan using different terminology under a law imposing heightened regulatory scrutiny or additional legal liability for residential mortgage loans having high interest rates, points and/or fees). No Mortgage Loan is a High Cost Loan or Covered Loan, as applicable (as such terms are defined in the current Standard & Poor’s LEVELS® Glossary);

(tt) Origination. No error, omission, misrepresentation, negligence, fraud, or similar occurrence with respect to a Mortgage Loan has taken place on the part of any Person including, without limitation, the Mortgagor, appraiser, builder, developer, or any other party involved in the origination of the Mortgage Loan or in the application of any insurance in relation to such Mortgage Loan; no predatory or deceptive lending practices, including, without limitation, the extension of credit without regard to the ability of the Mortgagor to repay and the extension of credit which has no apparent benefit to the Mortgagor, were employed in the origination of the Mortgage Loan.

(uu) Compliance with Anti-Money Laundering Laws. Seller has complied with all applicable anti-money laundering laws and regulations, including without limitation the USA Patriot Act of 2001 (collectively, the “Anti-Money Laundering Laws”); Seller has established an anti-money laundering compliance program as required by the Anti-Money Laundering Laws and the regulations promulgated by the Office of Foreign Assets Control (“OFAC”) of the United States Department of Treasury, has conducted the requisite due diligence in connection with the origination of each Mortgage Loan for purposes of the Anti-Money Laundering Laws that also requires regular checks of the Specially Designated Nationals (“SDN”) list issued by OFAC, including with respect to the legitimacy of the applicable Mortgagor and the origin of the assets used by the said Mortgagor to purchase the property in question, and maintains, and will maintain, sufficient information to identify the applicable Mortgagor for purposes of the Anti-Money Laundering Laws.

(vv) Credit Reporting. Seller has fully furnished in accordance with the Fair Credit Reporting Act and its implementing regulations, accurate and complete information on the Mortgagor credit files to Equifax, Experian and Trans Union Credit Information Company on a monthly basis. Prior to the Transfer Date, Seller shall have transmitted full-file credit reporting data for each Mortgage Loan pursuant to applicable legal requirements, and, for each Mortgage Loan, prior to the Transfer Date, Seller shall have reported one of the following statuses each month as follows: new origination, current, delinquent (30-, 60-, 90-days, etc.), foreclosed, or charged-off.

(ww) Qualified Mortgage. The Mortgage Loan is a “qualified mortgage” within the meaning of Section 860G(a)(3) of the Internal Revenue Code;

(xx) Underwriting Methodology. The methodology used in underwriting the extension of credit for each Mortgage Loan employs objective mathematical principles which relate the Mortgagor’s income, assets and liabilities to the proposed payment and such underwriting methodology does not rely on the extent of the Mortgagor’s equity in the collateral as the principal determining factor in approving such credit extension. Such

underwriting methodology confirmed that at the time of origination (application/approval) the Mortgagor had a reasonable ability to make timely payments on the Mortgage Loan;

(yy) Higher Cost Products. No Mortgagor was encouraged or required to select a Mortgage Loan product offered by the Mortgage Loan's originator which is a higher cost product designed for less creditworthy borrowers, unless at the time of the Mortgage Loan's origination, such Mortgagor did not qualify taking into account credit history and debt to income ratios for a lower cost credit product then offered by the Mortgage Loan's originator or any affiliate of the Mortgage Loan's originator. If, at the time of loan application, the Mortgagor may have qualified for a lower cost credit product then offered by any mortgage lending affiliate of the Mortgage Loan's originator, the Mortgage Loan's originator referred the Mortgagor's application to such affiliate for underwriting consideration; and

(zz) Arbitration. No Mortgage Loan contains any term mandating arbitration.

SECTION 8. REMEDIES FOR BREACH OF REPRESENTATIONS AND WARRANTIES; ADDITIONAL REPURCHASE OBLIGATIONS; RECAPTURE.

(a) Seller and Purchaser understand and agree that the representations and warranties set forth in this Agreement shall survive the sale of the Mortgage Loans and the delivery of the Mortgage Loan Documents to Purchaser and shall inure to the benefit of Purchaser, notwithstanding any restrictive or qualified endorsement on any Mortgage Note or Assignment of Mortgage or the examination or failure to examine any Mortgage File. Upon discovery by either Seller or Purchaser of any breach of a representation or warranty, the party discovering such breach shall give prompt written notice to the other. Absent clear and convincing evidence of actual and material prejudice to Seller, Purchaser's failure to provide timely notice to Seller under this Section 8 shall not relieve Seller of any of its duties or obligations.

(b) Within 20 days after the earlier of either discovery by or notice to Seller of any breach of a representation or warranty, Seller shall cure such breach or, if such breach cannot be cured, Seller shall, at Purchaser's option, and in addition to the indemnification obligations of Seller under this Agreement, repurchase such Mortgage Loan at the Repurchase Price. With respect to those representations and warranties that are made to the best of Seller's knowledge, if it is discovered by Seller or Purchaser that the substance of such representation and warranty is inaccurate, notwithstanding Seller's lack of knowledge with respect to the substance of such representation and warranty, such inaccuracy shall be deemed a breach of the applicable representation and warranty. In the event a breach involves any representation or warranty set forth in Section 6(a) and such breach cannot be cured within 20 days after the earlier of either discovery by or notice to Seller of such breach, all of the Mortgage Loans shall, at Purchaser's option, and in addition to the indemnification obligations of Seller under this Agreement, be repurchased by Seller at the Repurchase Price.

(c) In addition to the foregoing and other repurchase events detailed within this Agreement, Seller shall repurchase a Mortgage Loan at the Repurchase Price within five (5) Business Days following receipt of notice from Purchaser of the occurrence of any of the following events with respect to such Mortgage Loan:

1. The Mortgagor fails to make the first scheduled payment due Purchaser under the related Mortgage Note for any Mortgage Loan within the calendar month such payment is due; or

2. Any of the first six (6) scheduled monthly payments due Purchaser on a Mortgage Loan becomes ninety (90) days delinquent; or

3. Within the first six (6) months following Purchaser's purchase of a Mortgage Loan, the applicable mortgagor becomes a debtor in a bankruptcy proceeding or commences any other proceeding under any reorganization, adjustment of debt, relief of debtors, dissolution, insolvency, liquidation, or similar type laws.

A Mortgagor shall be considered delinquent with respect to a monthly payment if that payment is not received by Purchaser or its assigns on or before its due date. Each delinquent monthly payment shall accrue another day of delinquency for each consecutive day that passes without Purchaser or its assigns receiving that monthly payment. Furthermore, for each full calendar month that passes without Purchaser or its assigns receiving the delinquent monthly payment, the monthly payment shall be considered thirty (30) days delinquent regardless of the number of days in that month. For example:

- If the Mortgagor has not made his or her January payment by the first day of February, the Mortgagor shall be considered thirty (30) days delinquent with respect to the January payment.
- If the Mortgagor has not made their January payment by the fifteenth day of February, the Mortgagor shall be considered forty-five (45) days delinquent with respect to the January payment.
- If the Mortgagor has not made their January payment by the first day of March, the Mortgagor shall be considered sixty (60) days delinquent with respect to the January payment.
- If the Mortgagor has not made their January payment by the first day of April, the Mortgagor shall be considered ninety (90) days delinquent with respect to the January payment.

Seller shall not advance funds for or on behalf of a Mortgagor for any payment or to otherwise make funds available to any Mortgagor to avoid or cure a default by the Mortgagor. A payment for which Purchaser deducted funds at the time it purchased the Mortgage Loan from Seller shall not be considered the first payment due after the date the Mortgage Loan is sold.

Seller's repurchase obligation with respect to a Mortgage Loan shall not be obviated by the fact the property securing the Mortgage Loan has been foreclosed upon and said property has been acquired by Purchaser, its assigns, or a third party; it being understood that Seller's repurchase obligations hereunder encompass the repurchase of the property from Purchaser at the Repurchase Price (if Purchaser has acquired the property), or, if a third party has acquired the property, paying Purchaser the Repurchase Price.

Upon Purchaser's demand to Seller for repurchase of a Mortgage Loan or for any other payment required hereunder, Purchaser shall have the absolute right to withhold or offset any monies otherwise due Seller, including but not limited to monies that may be due Seller associated with other Mortgage Loans purchased or subject to purchase by Purchaser.

(d) Any repurchase of a Mortgage Loan or Loans pursuant to the foregoing provisions of this Section 8 shall be accomplished by direct remittance of the Repurchase Price to Purchaser or in accordance with Purchaser's instructions. At the time of repurchase, Purchaser and Seller shall arrange for the reassignment of the repurchased Mortgage Loan to Seller and the delivery to Seller of any documents that were delivered by Seller to Purchaser or held by Purchaser relating to the repurchased Mortgage Loan at Seller's cost, in each case without representation or warranty from, or recourse to, Purchaser. In the event of a repurchase, Seller shall, simultaneously with such reassignment, give written notice to Purchaser and any servicer of the Mortgage Loans that such repurchase has taken place and amend the Mortgage Loan Schedule to reflect the withdrawal of the repurchased Mortgage Loan from this Agreement.

(e) In addition to the other obligations of Seller and the other remedies available to Purchaser under this Agreement, if a Premium is paid by Purchaser to Seller on a Mortgage Loan and such Mortgage Loan is prepaid in full, other than by a refinancing by Purchaser, within four (4) months after the applicable Closing Date, Seller shall refund to Purchaser the Premium paid by Purchaser to Seller.

(f) The repurchase price (the "Repurchase Price") for any Mortgage Loan shall be as follows:

(1) In general:

- (a) The unpaid principal balance of such Mortgage Loan; plus
- (b) Any Premium; plus
- (c) All costs and expenses actually incurred through the repurchase date, including but not limited to reasonable fees and expenses of counsel associated with enforcing Seller's repurchase obligation's hereunder; plus
- (d) All interest associated with the Mortgage Loan that has accrued but been unpaid from the "paid-to-date" of the Mortgage Loan through and including the last day of the month in which the repurchase is made; plus
- (e) Any advances made by Purchaser or any successor holder of the Mortgage Loan; less
- (f) Any proceeds of mortgage insurance with respect to the Mortgage Loan actually collected by Purchaser or any successor holder of the Mortgage Loan.

(2) If the real property securing a Loan has been foreclosed upon (or otherwise subject to similar process) and obtained by Purchaser or any successor holder and/or purchased by a third party, then Seller shall be obligated to pay Purchaser as provided for in the preceding section, plus:

(a) All accrued but unpaid interest on the unpaid principal balance of the Mortgage Loan from the paid-to-date of the Loan through and including the last day of the month in which the foreclosure occurs; plus

(b) All costs and expenses, including but not limited to reasonable fees and expenses of counsel, incurred by Purchaser or any successor holder in connection with the foreclosure and management/care of the property; plus interest on said costs and expenses at an annual rate of ten percent (10%) from the date incurred; less

(c) The net proceeds actually received by Purchaser associated with the sale or the property to a third-party purchaser.

SECTION 9. INDEMNIFICATION.

Seller shall indemnify Purchaser and hold it harmless from and against any and all claims, losses, damages, penalties, fines, forfeitures, attorney's fees and related costs, judgments, and any other costs, fees, and expenses (collectively "Damages") arising from any claim, demand, defense, or assertion of any actual or alleged (i) act or omission on the part of Seller or any other Person in the origination, receiving, processing, funding or servicing of any Mortgage Loan prior to the related Transfer Date or otherwise arising from the transfer of servicing of the Mortgage Loans provided for in this Agreement, (ii) breach of this Agreement by Seller, including, but not limited to any representation, warranty, or covenant herein, and (iii) failure to perform by Seller in any way its duties, and service the Mortgage Loans, in strict compliance with the terms of this Agreement.

Seller shall immediately notify Purchaser if a claim is made by a third party with respect to this Agreement or the Mortgage Loans, Purchaser shall control the defense of any such claim, and Seller shall pay all expenses in connection therewith, including counsel fees, costs, and expenses, and promptly pay, discharge, and satisfy any judgment or decree which may be entered against it or Purchaser in respect of such claim. In addition to the obligations of Seller set forth in this Section, Purchaser may pursue any and all remedies otherwise available under this Agreement, at law, or in equity including, but not limited to, the right to seek damages and the right to demand repurchase under this Agreement. The indemnification obligation of Seller set forth herein shall survive the termination of this Agreement notwithstanding any applicable statute of limitations, which Seller hereby expressly waives.

SECTION 10. COSTS.

All costs and expenses incurred in connection with the transfer and delivery of the Mortgage Loans, including servicing transfer fees, any fees due MERS, fees for title policy endorsements and continuations and Seller's attorney's fees, shall be paid by Seller. In addition, Seller shall pay any fees related to the set up of all tax contracts or flood insurance contracts for the Mortgage Loans and Seller shall be responsible for the payment of any costs associated with the transfer of the tax insurance contracts or flood insurance contracts to the ultimate servicer.

SECTION 11. PROTECTION OF CONFIDENTIAL INFORMATION.

Seller shall keep confidential and shall not divulge to any party, without Purchaser's prior written consent, the Purchase Price paid by Purchaser for the Mortgage Loans, except to the extent it is appropriate in working with legal counsel, auditors, taxing authorities or other governmental agencies.

SECTION 12. NOTICES.

All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if mailed, by registered or certified mail, return receipt requested, or, if by other means, when received by the other party at the address shown below or such other address as may hereafter be furnished to the other party by like notice. Any such demand, notice or communication hereunder shall be deemed to have been received on the date delivered to or received at the premises of the addressee (as evidenced, in the case of registered or certified mail, by the date noted on the return receipt as the accepted or refused date).

Excel Mortgage Servicing, Inc.
Attn: General Counsel
19500 Jamboree Road
Irvine, CA 92612

Amerihome Mortgage Corporation
Attn: General Counsel
19500 Jamboree Road
Irvine, CA 92612

[SELLER]

SECTION 13. SEVERABILITY CLAUSE.

If anything in this Agreement is prohibited or held to be void or unenforceable, it shall be ineffective only to the extent of such prohibition or unenforceability in that specific jurisdiction, without invalidating or rendering unenforceable anything else in this Agreement. To the extent permitted by applicable law, the parties waive any provision of law that prohibits or renders void or unenforceable any provision hereof. If the invalidity of any part, provision or section of this Agreement shall deprive any party of the economic benefit intended to be conferred by this Agreement, the parties shall negotiate, in good faith, to develop a structure, the economic effect of which is as close as possible to the economic effect of this Agreement, without regard to such invalidity.

SECTION 14. COUNTERPARTS.

This Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed an original, and all such counterparts shall constitute one and the same instrument.

SECTION 15. PLACE OF DELIVERY AND GOVERNING LAW.

This Agreement shall be deemed entered into in Orange County, California, and construed in accordance with the laws of the State of California, without regard to any conflicts of law provisions, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with the laws of the State of California, except to the extent preempted by Federal law.

SECTION 16. FURTHER AGREEMENTS.

Purchaser and Seller each agree to execute and deliver to the other such additional documents, instruments, or agreements as may be necessary or appropriate to effectuate the purposes of this Agreement. Without limiting the generality of the foregoing, Seller shall cooperate with Purchaser in connection with the securitization of the Mortgage Loans by Purchaser. Accordingly, Seller shall provide to Purchaser any and all information and appropriate verification of information, whether through letters of its auditors and counsel or otherwise, as Purchaser shall reasonably request, including but not limited to, all information required for compliance with 17 C.F.R. §§229.1100-229.1123 (Regulation AB), as such may be amended and supplemented from time to time.

SECTION 17. INTENTION OF THE PARTIES.

The parties intend that Purchaser is purchasing and Seller is selling 100% ownership interest in the Mortgage Loans in each Mortgage Loan Package and not a debt instrument of Seller or another security. Accordingly, the parties each intend to treat each transaction for accounting and Federal income tax purposes as a sale by Seller and a purchase by Purchaser of the Mortgage Loans in each Mortgage Loan Package. Moreover, the arrangement under which the Mortgage Loans are held shall be consistent with classification of such arrangement as a grantor trust in the event it is not found to represent direct ownership of the Mortgage Loans. Purchaser shall have the right to review the Mortgage Loans and the related Mortgage Loan Files to determine the characteristics of the Mortgage Loans which shall affect the Federal income tax consequences of owning the Mortgage Loans and the Seller shall cooperate with all reasonable requests made by Purchaser in the course of such review.

SECTION 18. SUCCESSORS AND ASSIGNS; ASSIGNMENT OF PURCHASE AGREEMENT.

This Agreement shall bind and inure to the benefit of and be enforceable by Seller and Purchaser and the respective successors and assigns of Seller and Purchaser. This Agreement shall not be assigned, pledged or

hypothecated by Seller to a third party without the prior written consent of Purchaser. This Agreement may be assigned, pledged or hypothecated by Purchaser to a third party without the prior written consent of Seller.

SECTION 19. WAIVERS; OTHER AGREEMENTS.

No term or provision of this Agreement may be waived or modified unless such waiver or modification is in writing and signed by the party against whom such waiver or modification is sought to be enforced.

SECTION 20. EXHIBITS.

The exhibits to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

SECTION 21. GENERAL INTERPRETIVE PRINCIPLES.

For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms defined in this Agreement have the meanings assigned to them in this Agreement and include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other gender;

(b) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles;

(c) references herein to "Articles", "Sections", "Subsections", "Paragraphs", and other subdivisions without reference to a document are to designated Articles, Sections, Subsections, Paragraphs and other subdivisions of this Agreement;

(d) a reference to a Subsection without further reference to a Section is a reference to such Subsection as contained in the same Section in which the reference appears, and this rule shall also apply to Paragraphs and other subdivisions;

SECTION 22. REPRODUCTION OF DOCUMENTS.

This Agreement and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications which may hereafter be executed, (b) documents received by any party at the closing, and (c) financial statements, certificates and other information previously or hereafter furnished, may be reproduced by any photographic, photostatic, microfilm, micro-card, miniature photographic or other similar process. The parties agree that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding, whether or not the original is in existence and whether or not such reproduction was made by a party in the regular course of business, and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

SECTION 23. RECORDATION OF ASSIGNMENTS OF MORTGAGE.

To the extent permitted by applicable law, each of the Assignments of Mortgage is subject to recordation in all appropriate public offices for real property records in all the counties or their comparable jurisdictions in which any or all of the Mortgaged Properties are situated, and in any other appropriate public recording office or elsewhere, such recordation to be effected at Seller's expense in the event recordation is either necessary under applicable law or requested by Purchaser at its sole option.

SECTION 24. NO PERSONAL SOLICITATION.

From and after each Closing Date, Seller shall not take any action or permit or cause any action to be taken by any of its agents, affiliates, or any independent contractors on Seller's behalf, to personally, by telephone, or mail solicit the borrower or obligor under any Mortgage Loan for any purpose whatsoever, without the prior written consent of Purchaser. It is understood and agreed that all rights and benefits relating to the solicitation of any Mortgagors and the attendant rights, title and interest in and to the list of such Mortgagors and data relating to their Mortgages (including insurance renewal dates) shall be transferred to Purchaser on the related Closing Date and

Seller shall take no action to undermine these rights and benefits. Notwithstanding the foregoing, it is understood and agreed that promotions undertaken by Seller or any affiliate of Seller, which are directed to the general public at large, including, without limitation, mass mailing based on commercially acquired mailing lists, newspaper, radio, internet, e-mail and television advertisements shall not constitute solicitation under this Section.

SECTION 25. RECONSTITUTION.

Purchaser may sell the Mortgage Loans to whole loan purchasers (“Whole Loan Transfers”), exchange the Mortgage Loans for agency securities (“Agency Transfers”) or convey the Mortgage Loans to securitized trust structures (“Pass-Through Transfers”). In the event Purchaser conveys certain Mortgage Loans into Pass-Through Transfers or Agency Transfers, Seller agrees to cooperate with Purchaser in reviewing, and adhering to the terms of, and executing any agreements which might be required as part of all Agency Transfers or Pass-Through Transfers (the “Reconstitution Agreement”), including, without limitation, agreeing to make Seller’s representations and warranties representations, warranties and covenants contained in Sections 6 regarding Seller and Section 7 regarding the Mortgage Loans as the date of the Agency Transfer or Pass-Through Transfer, modified to the extent necessary to accurately reflect any events or circumstances existing subsequent to the related Closing Date(s). Seller further acknowledges, agrees, and understands that regulatory authorities and government agencies are presently engaged in constant review of the regulatory environment affecting Seller’s and Purchaser’s respective businesses and that such reviews may require a change in the terms and conditions of this Agreement, which changes may be implemented through a change in the Seller’s Guide.

SECTION 26. DOCUMENTS MUTUALLY DRAFTED.

This Agreement and each document prepared in connection with the transactions set forth herein have been mutually drafted and negotiated by each party and consequently such documents shall not be construed against either party as the drafter thereof.

IN WITNESS WHEREOF, Purchaser and Seller have caused this Mortgage Loan Purchase and Sale Agreement to be executed as of the day and year first written above.

Excel Mortgage Servicing, Inc.

Amerihome Mortgage Corporation

By: _____
Name:
Title:

By: _____
Name:
Title:

[Seller]

By: _____
Name:
Title:

EXHIBIT A
MORTGAGE LOAN SCHEDULE

CORPORATE RESOLUTION

I hereby certify that I am the Secretary of _____, a corporation of the State of _____, and that as such Secretary, I have custody of the records of this Corporation, and by virtue of such action, the Board of Directors passed the following resolution at a meeting dated _____, _____, which is now in force and is not in conflict with the Charter or Bylaws of the Corporation.

RESOLVED, that the officers and agents of this Corporation appointed and named below are hereby authorized in the name of and on behalf of the Corporation to enter into an agreement with Excel Mortgage Servicing, Inc. dba Impac Mortgage and AmeriHome Mortgage Corporation and their operating subsidiaries (collectively, "Impac") to sell and/or broker mortgage loans, and that these individuals are each and severally authorized to sign on said agreement and on behalf of the Corporation and to effect any changes with respect thereto.

FURTHER RESOLVED, that these individuals are each and severally authorized to enter into commitments with Impac and to execute any and all other documents on behalf of this Corporation.

FURTHER RESOLVED, this Corporation is authorized to sign an agreement as required by Impac.

FURTHER RESOLVED, that this authorization shall remain in force until Impac receives, at its office, a certified copy of a resolution of this Corporation to the contrary, revoking all previous authorizations heretofore given. The revocation of previous authorizations, with respect to said account, shall not affect the validity of any item signed by the person or persons, at the time authorized to act.

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

IN WITNESS WHEREOF, I have executed this resolution in my capacity as Secretary of this Corporation this _____ day of _____, in the year _____.

Secretary



THE IMPAC COMPANIES FAIR LENDING POLICY

Excel Mortgage Servicing, Inc. dba Impac Mortgage and Amerihome Mortgage Corporation (collectively, "Impac") are committed to treating all customers fairly and equally. We strive to ensure Impac does not discriminate in any part of lending transactions based on the following:

- Race,
- Color,
- Religion,
- National Origin,
- Sex,
- Marital Status,
- Familial Status,
- Military Status,
- Sexual Orientation,
- Age, provided the applicant has the capacity and is of an age meeting the underwriting requirements for age,
- Disability,
- Receipt of public assistance income, whether a person has exercised any right under the Consumer Protection Act (this includes the Truth in Lending Act), or
- Any other basis prohibited by law

Impac's management and employees are committed to the practices of fair lending. It is Impac's policy to make credit products available to all applicants who meet our business focus in a fair and consistent manner within the confines of a safe and sound business practices.

The following is Impac's Fair Lending Policy.

- Impac is fully committed to the principle all credit decisions should be made without regard to the items listed above and will fulfill this commitment while maintaining prudent credit discipline and sound business practices.
- Impac recognizes affirmative steps must be taken to ensure that this principle is applied consistently and continuously throughout all aspects of our credit operation, including product design, sales and marketing, underwriting, training, performance evaluation, and servicing practices.
- Everyone at Impac involved in the credit process must strictly comply with fair lending requirements.
- Impac monitors the operation and achievements on a regular basis to ensure procedures are followed and Impac's objectives are met. Impac will continue to make changes in our operation as we identify ways to more effectively meet our commitment to fair lending.
- Impac requires loan terms, rates and fees to be consistent with applicant qualification, the applicant has the ability to repay the obligation and the applicant receives a tangible benefit from the loan transaction.



**THE IMPAC COMPANIES
LOAN FRAUD ZERO TOLERANCE**

All approved Wholesale Loan Brokers and Correspondents must be aware that the licensed real estate broker, mortgage lender, mortgage banker or loan broker (collectively, the "Broker") bears the responsibility for all actions of the Broker's employees or licensees. The Broker is responsible for the content and quality of each application taken and each loan submitted to Impac.

**THE SUBMISSION OF A LOAN APPLICATION CONTAINING FALSE
INFORMATION IS A CRIME!**

Types of Loan Fraud

1. Submission of inaccurate information, including false statements on loan application(s) and falsification of documents purporting to substantiate credit, employment, deposit and asset information, personal information including identity, ownership/non-ownership of real property etc.
2. Forgery of partially or predominantly accurate information.
3. Incorrect statements regarding current occupancy or intent to maintain minimum continuing occupancy as stated in the security instrument.
4. Lack of due diligence by Broker/loan officer/interviewer/processor, including failure to obtain all information required by the application and failure to request further information as dictated by Borrower's response to other questions.
5. Unquestioned acceptance of information or documentation that is known, should be known, or should be suspected to be inaccurate.
 - A. Simultaneous or consecutive processing of multiple owner-occupied loans from one applicant supplying different information on each application.
 - B. Allowing applicant or interested third party to "assist with the processing of the loan."
6. Broker's non-disclosure of relevant information.

Impact of Loan Fraud

The effects of "Loan Fraud" are costly to all parties involved. Impac stands behind the quality of its loan production. Fraudulent loans cannot be sold into the secondary market and, if sold, will require repurchase by Impac. Fraudulent loans damage our reputation with our investors and mortgage insurance providers.

The price paid by those who participate in "Loan Fraud" is even more costly. The following is a list of a few of the potential consequences that may be incurred:

Consequences to Broker

1. Criminal prosecution.
2. Loss of Broker's license.
3. Loss of lender access due to exchange of information between lenders, mortgage insurance companies including submission of information to investors (Freddie Mac/Fannie Mae), police agencies, and the State Licensing Agencies.
4. Civil action by Impac.
5. Civil action by applicant/borrower or other parties to the transaction.
6. Loss of approval status with Impac.

I have read the foregoing and understand Impac's position on "Loan Fraud".

COMPANY NAME

SIGNATURE OF "BROKER OF RECORD"

SIGNATURE OF PRINCIPAL OFFICER

NMLS ID NUMBER

Request for Taxpayer Identification Number and Certification

**Give form to the
requester. Do not
send to the IRS.**

Print or type
See Specific Instructions on page 2.

Name	
Business name, if different from above	
Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
<input type="checkbox"/> Exempt from backup withholding	
Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). **However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 3.

Social security number								

or

Employer identification number								

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here

Signature of U.S. person ▶

Date ▶

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you should use the requester's form. However, this form must meet the acceptable specifications described in **Pub. 1167, General Rules and Specifications for Substitute Tax Forms and Schedules.**

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see **Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities**).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.