



Correspondent Application Package

Thank you for your interest in R.H. Lending, Inc. ("RHL"). We are confident submitting loans to RHL will result in a beneficial association for all parties. For your convenience, this package includes forms you can complete on our website, print, sign, and submit with other required documentation to become an approved Correspondent with RHL.

This package contains the following items for you to complete:

1. **Application** – *All pages should be completed. If a particular section does not apply, enter N/A in the section.*
2. **Schedule of Branch Offices** – *Complete this form if your company has more than one office location. Please add additional lines or pages as needed.*
3. **W-9 Form**
4. **Authorization to Release Information.**
5. **MIDEX Authorization.**
6. **Corporate Resolution (if Correspondent is a Corporation).**
7. **Certification of Authority (if Correspondent is not a Corporation).**
8. **Fair Lending Statement.**
9. **Best Practices Guidelines Residential Real Estate.**
10. **Zero Tolerance for Loan Fraud.**
11. **In addition to the foregoing, please provide the items requested in Seller Eligibility.**

Please submit the above documents to R.H. Lending, Inc. at the following address:

R.H. Lending, Inc.
Attn: Correspondent Lending
6209 Colleyville Blvd.
Colleyville, TX 76034

RHL's management will review all submitted information promptly and will follow-up with you within 24 hours. Please call us at 1-800-251-2818 and ask to speak to Crystal Hill at extension 1172 if you have any questions regarding the application.

Thank you for your interest in RHL. We look forward to reviewing your completed application and working with you in the future.



APPLICATION

Business Company Name: _____

Main Office Address: _____
 (See Schedule for listing additional branch offices)

DBA (if applicable): _____

Phone Number: _____ Fax Number: _____

Email Address: _____ Tax ID Number: _____

Years in Business: _____ Date Company Formed: _____

Service Areas: _____

Entity (Please circle): Corporation Partnership Sole Proprietorship LLC

Agency	Approval#	Date Approved	Delegated	Automatic
Fannie Mae				
Freddie Mac				
HUD Approval				
VA Approval				
MERS				

Principal Officer/Correspondent of Record

Name	Home Address	Title	% Ownership	Social Security #	DOB

BUSINESS REFERENCES (where you currently submit loans)

Name	Address	Contact	Phone Number

Production Data	Total # of Loans	Total Amount
Prior Year Volume:		
This Year's Projections:		
YTD _____		

Third Party Originations (Note: Your total production is limited to 25% of total volume sold to RHL):

Does your company accept applications from Mortgage Brokers? _____ YES _____ NO

If yes, please supply us with you company's approval and renewal process

Primary Business Target Area	State	%

BANK REFERENCES

Name	Address	Contact	Phone Number

TRADE REFERENCES (where you purchase on credit)

Name	Address	Phone Number	Account Number

Is your company a wholly owned subsidiary; or does your company or any of its' owners have an ownership interest in another institution, such as an escrow company, abstract and/or title company, settlement copy, an appraisal company, a credit bureau, a real estate or a builder; or have any other affiliation (same parent)? Please circle

No Yes If yes, please provide the name(s) and the nature of the company:

Describe or attach your company's quality control plan which ensures that information and documentation is accurate and complete, prior to submission to RHL.

Has your company ever been terminated or suspended from selling by an investor or a government agency? Please circle

No Yes If yes, please explain:

Has any principal or employee been disbarred or excluded from selling or servicing mortgage by an investor or government agency? Please circle No Yes If yes, please explain:

Please provide three funding references:

Firm	Contact Person	Phone Number

Do you have Investor Delegated Underwriting Approval: _____

If yes with whom and what are the loan limits:

Personnel Contacts

Department	Name	Phone Number	Email
Secondary			
Processing			
Underwriting			
Closing			
Funding			
Shipping			
Pipeline			

FHA DE Underwriters

Do you have FHA DE Underwriting Approval? ____ YES ____ NO

If yes, please furnish the following along with a resume for each: (submit a separate list if more room is needed)

DE Underwriter Name	CHUMS Number	How Many Years Underwriting FHA

Wiring Instructions

Bank Name: _____

Bank Address: _____

City: _____ State: _____ Zip: _____

ABA Number: _____

Account Number: _____

Contact: _____ Telephone Number: _____

WAREHOUSE LINES

Company Name	Address	Contact	Phone Number	Size of Line	Restrictions to use of funds, if any

Has your company, or any of the principals of your company, ever entered into any type of business arrangement with RHL? If yes, please explain:

RHL is hereby authorized to fax and/or email updated rate sheets and/or solicitation:

To	Phone or Email

RHL is authorized to verify the information, including but not limited to telephone contact and such information as is on file with a credit-reporting agency. Applicant hereby certifies, to the best of their knowledge, the information presented in this application is true and accurate. By signing this application, the Correspondent certifies that it is in full compliance with the regulatory requirements of the Bank Secrecy Act (BAS), Anti Money Laundering (AML) and Office of Foreign Assets Control (OFAC).

By signing this application, the Correspondent certifies that the Correspondent maintains a written policy governing the appraisal ordering process and preparation of appraisal reports maintained on the Correspondent's behalf. This policy maintains that all appraisal reports must, at a minimum:

- Be prepared by a state licensed or certified appraiser;
- Be prepared by appraisers independent of the loan production process;
- Not be prepared by appraisers with which the Correspondent has an ownership or affiliate relationship;
- Comply with the Uniform Standards of Professional Appraisal Practice;
- Be written and contain sufficient information and analysis to support the final value;
- Be prepared by appraisers who practice (USPAP), promulgated by the Appraisal Standards Board of the Appraisal Foundation, and located at 1155 15th St. NW, Suite 1111, Washington, DC 20005; and
- Be based upon the definition of market value as set forth in the USPAP.

By signing this application, the Correspondent certifies that the proper controls are implemented with regard to quality control, audit and review procedures to insure the appraisal policy requirements and ordering procedures are followed.

By signing this application, the Correspondent certifies that by providing fax numbers to RHL, consent is given to receive faxes sent by or on behalf of RHL and its subsidiaries and affiliates until such consent is withdrawn in writing.

The information listed below will be used for the purpose of verifying information on the application with outside sources. By signing next to each officer's name, such officer gives permission to RHL to verify this information (if more space is necessary please attach list).

I affirm that all answers and information submitted in this application are true and correct. I hereby authorize R.H. Lending, Inc. at its discretion, to verify the information with any other sources and I hereby waive any cause of action or claim I may have against such source with respect to any information they may provide

_____ Principal Officer	_____ Signature	_____ Title
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_____ Social Security#	_____ Residential Address	_____ Home Phone Number
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_____ Principal Officer	_____ Signature	_____ Title
----------------------------	--------------------	----------------

_____ Social Security#	_____ Residential Address	_____ Home Phone Number
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_____ Principal Officer	_____ Signature	_____ Title
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_____ Social Security#	_____ Residential Address	_____ Home Phone Number
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_____ Principal Officer	_____ Signature	_____ Title
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_____ Social Security#	_____ Residential Address	_____ Home Phone Number
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SCHEDULE OF BRANCH OFFICES
As of _____, 20____

This schedule identifies the branch(es) authorized by Correspondent to submit loans to RHL. This schedule may be amended from time to time to add or delete offices, or to indicate relocation of offices. Until amendments are accepted by RHL, RHL will only accept loan submissions from these listed offices. Any submissions from any of the listed offices are the responsibility of the Correspondent.

Branch	Address, Phone, Fax, and Email	NMLS ID	Branch Manager	List of Loan Originators and NMLS IDs

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 (as shown on your income tax return)	
	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"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
	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. The TIN provided must match the name given on Line 1 to avoid backup withholding. 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. citizen or other U.S. person (defined below).

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 ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

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.

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. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 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 payee 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 to Form W-9 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.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the “Name” line. You may enter your business, trade, or “doing business as (DBA)” name on the “Business name” line.

Limited liability company (LLC). Check the “Limited liability company” box only and enter the appropriate code for the tax classification (“D” for disregarded entity, “C” for corporation, “P” for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner’s name on the “Name” line. Enter the LLC’s name on the “Business name” line.

For an LLC classified as a partnership or a corporation, enter the LLC’s name on the “Name” line and any business, trade, or DBA name on the “Business name” line.

Other entities. Enter your business name as shown on required federal tax documents on the “Name” line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the “Business name” line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the “Exempt payee” box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt payees, see *Exempt Payee* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.consumer.gov/idtheft or 1-877-IDTHEFT(438-4338).

Visit the IRS website at www.irs.gov to learn more about identity theft and how to reduce your risk.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

AUTHORIZATION TO RELEASE INFORMATION

By signing below, the Correspondent and each of the undersigned persons hereby authorize R.H. Lending, Inc. and its assigns, and their authorized agents, at their discretion, to obtain positive identification of information the Correspondent provided in the Wholesale Correspondent Application, and to obtain credit report, business references, reports and other information that is of concern to us. We acknowledge that such reports and information will be obtained and used only in connection with RHL's approval of the Correspondent and evaluation of the Correspondent's continued eligibility to do business with RHL, and not for any other consumer credit or other purposes.

Please provide the information requested below for all principals, officers, and any responsible Correspondent(s) and have them execute where indicated.

Correspondent Name: _____

By: _____

Printed Name: _____

Title: _____

Date: _____

R.H. LENDING, INC.
6209 Colleyville Blvd.
Colleyville, TX 76034
Tel: 817-756-1200
www.rhlending.com

MIDEX AUTHORIZATION / RELEASE FOR BUSINESSES OR INDIVIDUALS

_____(name), _____ (city),
_____(state) _____(Zip Code) ("Applicant") acknowledges that it is in the best interest of both Applicant and R.H. Lending, Inc. of Colleyville, TX ("Mortgage Lender") for Mortgage Lender to perform due diligence concerning Applicant's background and experience. Applicant further acknowledges that Applicant benefits from the efficiencies in the due diligence process that are possible when Mortgage Lender and other similarly situated entities in the mortgage industry exchange information about their experiences in doing business with individuals and companies such as Applicant. Therefore, Applicant hereby consents and gives Mortgage Lender permission to submit the name of Applicant's company and any and all employees of that company for screening through any and all mortgage industry background databases, including, without limitation, databases operated by Mortgage Asset Research Institute, Inc., such as the Mortgage Industry Data Exchange ("MIDEX"). Applicant understands that Mortgage Lender performs quality control reviews of the loans that Applicant submits to Mortgage Lender for registration, review, underwriting, and/or purchase. Applicant understands and hereby consents to the release of information about any loan application that is believed to contain misrepresentations and/or irregularities. Applicant agrees and gives its consent that it and its employees may be named as the originating entity or loan officers on such loans, whether or not Applicant or its employees are implicated in the misrepresentations and/or irregularities. Applicant hereby releases and agrees to hold harmless Mortgage Lender, Mortgage Asset Research Institute, Inc., all MIDEX subscribers, and any trade associations that endorse the MIDEX system from any and all liability for damages, losses, costs, and expenses that may arise from the reporting or use of any information submitted by Mortgage Lender or any other MIDEX subscriber to Mortgage Asset Research Institute, Inc., recorded in the MIDEX system, and used in any way by Mortgage Lender or any other MIDEX subscriber.

Applicant: _____

By: _____

Printed Name: _____

Title: _____

SS#: _____

Date of Birth: _____

Company: _____

Address: _____

Date: _____

Lender: R.H. Lending, Inc.

By: 

Lonnie Brantley, CEO

R.H. Lending, Inc.

6209 Colleyville Blvd.

Colleyville, TX 76034

CERTIFIED COPY OF RESOLUTION

of _____
A _____ CORPORATION

RESOLVED, that _____ (the "Correspondent") hereby approves, ratifies, confirms and adopts the terms and conditions of the Wholesale Correspondent Agreement (the "Agreement") by and between, R.H. Lending, Inc., (the "Lender") and this Correspondent and any of the following officers are hereby authorized and empowered in the name of and on behalf of this Corporation and under its Corporate Seal, to execute any and all agreements, contracts, assignments, and endorsements, and issuance of checks or drafts, reports, mortgage documents and other papers in connection with documents and information required or deemed necessary by Lender.

FURTHER RESOLVED, that this Correspondent authorizes, ratifies, and confirms the performance of the obligations, covenants and agreements of this Correspondent as set forth in or contemplated by the Agreement.

FURTHER RESOLVED, that the President or any Vice-President, together with the Secretary or any Assistant Secretary, of the Correspondent, and each of them hereby is, authorized to execute and deliver on its behalf the Agreement.

FURTHER RESOLVED, that the proper officers of the Correspondent be, and each of them hereby is, authorizes, jointly and severally, to take any and all steps, do any and all things and execute and deliver any and all documents in the name of and on behalf of the Correspondent as may be necessary or appropriate to carry out the purposes of the foregoing resolutions and perform obligations of the Correspondent under the Agreement.

FURTHER RESOLVED, that the Secretary be and hereby is authorized, empowered and directed to certify, under the seal of Corporation, or otherwise, to Lender.

- (a) A true copy of these resolutions;
- (b) A certificate that the Corporation is duly organized and existing, that its charter empowers it to transact business by these resolutions defined, and that no limitation has been imposed upon such by the by-laws or otherwise.

FURTHER RESOLVED, that Lender may rely upon any certification given in accordance with these resolutions, as continuing fully effective unless and until Lender shall receive due written notice of a change in or the rescission of the Authority so evidenced and dispatched.

I, _____, hereby declare the foregoing is a true and accurate copy of a resolution adopted by the Board of Directors of _____, at its meeting regularly held on _____, 20_____.

Executed this _____ day of _____, 20____ at _____.

Secretary

CERTIFICATION OF AUTHORITY

WHEREAS, Pursuant to a Resolution duly adopted on _____ by the Board of
Directors of _____ (Association), a _____
(Correspondent) (Type of Organization)
Chartered under the laws of the state of _____,

_____, _____
(Name) (Title)

Is authorized to execute certain contracts to facilitate the business of the Association.

THEREFORE, I, _____, as Secretary for the Association, do
hereby certify that _____ as _____ and

(Title)

as _____ (Authorized Officer) is/are empowered to execute Contracts and
(Title)

otherwise act on behalf of the Association to affect the sale of loans by the Association
or the commitment of the Association to sell loans, to R.H. Lending, Inc., and that the
following is the authentic specimen signature of the Authorized Officer:

(Signature)

(Signature)

Witness my hand and seal of office this _____ day of _____, 20_____

(Secretary Signature)

FAIR LENDING STATEMENT

It is the policy of **R.H. Lending, Inc.** to fully and completely comply with the letter and spirit of all applicable federal and state consumer protection, civil rights, fair housing laws and regulations. RHL is fully committed to the principal that all lending policies, procedures and practices will not in any way discriminate against any person on the basis of race, color, religion, national origin, sex, marital status, age (providing the applicant has the capacity to enter into a contract) or other prohibited basis. This policy of nondiscrimination covers all aspects, of our credit operations, including in particular, the application for, consideration of, granting, servicing, and collection of extensions of credit, and also includes marketing practices, advertising and product design.

RHL has established procedures designed to ensure that our operations reflect our commitment to Fair Lending and ensure that all employees of RHL are fully informed of our commitment. Each employee is required to be knowledgeable of the requirements of all such laws and regulations affecting his or her job responsibilities, and it is the affirmative duty of each employee to carry out all responsibilities at all times in a manner that complies with the requirements of all applicable laws and regulations.

RHL assesses its operations and achievements on a regular basis to ensure that the procedures are followed and that our objectives are being met. We will continue to make changes in our operations as we identify ways to more effectively meet our commitment to Fair Lending.

CONSEQUENCES TO BORROWER

1. Acceleration of the Borrower's debt. Paragraph 6 of the uniform FNMA/FHLMC Deed of Trust states: "Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to lender (or failed to provide lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. NOTE: foreclosure under this section of the Deed of Trust does not require Borrower to be in 'payment default'. As such, the Borrower will not have the benefit of reinstatement. In order to cure the default, The Borrower must pay off the loan in full prior to the sale of the property.
2. Criminal prosecution by legal authorities.
3. Civil action against Borrower by **R.H. Lending, Inc.**
4. Civil action against Borrower by parties to the loan transaction, such as the seller and/or real estate agent/broker
5. Employment termination
6. Loss or suspension of professional license.
7. Adverse effects on credit history.

Loans submitted to RHL that are subject to any and all services provided by the Internal Revenue Service under IRS Code s4506 with regard to income verification may be subject to the following regulatory actions:

- An IRS audit to reconcile the difference between the income on the loan application and the income on the tax return,
- Penalties and interest on any portion deemed by the IRS to be an underpayment of taxes as determined by said audit.

- Criminal penalties to having provided misinformation on either the tax return or the loan application.

It is RHL's goal to provide applicants with equal access to credit. In conducting its business, RHL takes applications, reviews and processes loan applications with written guidelines legislated by the Federal Fair Housing Act and Equal Credit Opportunity Act and similar laws. Our policy prohibits differential treatment of applicants on the basis of their race, color, national origin, religion or creed, marital status, familial status, handicap, disability or age (provided the applicant has the capacity to enter into contract), or the fact that all or part of the applicants income is derived from a public assistance program; or the fact that the applicant has in good faith exercised any right under the Consumer Credit Protection Act. RHL requires its Correspondents to conform to all Agency and Government regulatory requirements; policies and procedures as well as industry accepted lending practices.

TREATMENT OF APPLICANTS – PROHIBITED CONDUCT

It is the policy of RHL to adhere to the Fair Lending Equal Opportunity Requirements, and to offer mortgage loans evaluating each applicant's credit profile without discriminating on any basis prohibited by law. RHL employees may not engage in the following types of discriminatory behavior, based on prohibited basis:

A **prohibited basis** includes discrimination based on any of the following: race or color, national origin, religion or creed, sex, marital status, familial status, age, handicap or disability, or the fact that all or any part of the applicants income is derived from any public assistance program, or the fact that the applicant has in good faith exercised any right under the federal Consumer Credit Protection Act (or for any similar state law for which the Federal Reserve Board has granted an exemption. Persons who have one or more of the factors listed above often are referred to as members of a protected class. Examples of prohibited from:

- Refusing to deal with individuals who inquire about credit.
- Discouraging inquires by delays, discourtesy or other means, or selectively encouraging applicants.
- Providing different, incomplete or misleading information to applicants.
- Failing to provide information or services regarding any aspect of the lending process (including credit availability, types of loan products, application procedures, or lending standards).
- Discussing or considering only certain types of the loan products (such as only FHA loans).
- Encouraging or providing more assistance to only certain inquiries or applicants.

Fair Lending Correspondents

- Referring certain customers to other lenders.
- Waving or granting certain exceptions to procedures or credit standards for certain applicants and not others.
- Using different procedures or standards to evaluate applications.
- Using different procedures or standards to obtain or evaluate appraisals.
- Providing certain applicants and not others, the opportunity to explain and/or correct adverse information or to provide additional information.
- Requiring co-signers for certain applicants and not others.
- Varying the terms of credit offered, including the amount, interest rate, term or type of loan.

- Offering less favorable credit terms to certain applicants.
- Stating the willingness to negotiate.

LOAN PRODUCTS OFFERED

RHL makes first lien residential mortgage loans. Loans may be for the purpose of home purchase, refinance (including cash-out refinance), home improvement or debt consolidation. RHL participates in the affordable housing programs. It does not originate unsecured consumer loans, or loans secured by personal property. RHL does not require a minimum loan amount, provided it is properly licensed to make the loan requested by the applicant and provided applicable state laws permit RHL to make a loan amount in the amount requested that is secured by real property.

FHA-INSURED MORTGAGE LOANS

RHL is an FHA - approved, non-supervised mortgagee, with direct endorsement authority, approved to make mortgage loans to be insured under Title II of the National Housing Act.

CONVENTIONAL (CONFORMING)

RHL is approved by Fannie Mae and Freddie Mac as a seller / servicer. The Corporation originates first and subordinate lien loans for sale to both investors, as well as a number of other large investors.

CONVENTIONAL (NON-CONFORMING)

RHL originates conventional and non-conforming loans for sale to various investors. These products include Jumbo loans, certain Adjustable Rate Mortgage (ARM) loans, Niche products and Sub-prime loans.

STEERING OF CONSUMERS TO PRODUCT LINES

Consumers are free to select the type of loan they wish to obtain, provided they meet with the applicable requirements. Loan officers assist mortgagors in making decisions about the type of loan that is appropriate for them, based upon their income, debts, assets, credit standing and financial needs. In particular, in typical cases, loan officers must: (a) provide sufficient information to applicants to enable them to make an informed decision as to the type of loan they would like to receive, and/or qualify for (b) explain to customers the requirements of the various types of loans and explain why an applicant may qualify for a certain type of loan, and not another, and Fair Lending Correspondents (c) attempt to determine the customers' needs, both short-term and long term, and explain how different products may affect their goals, or be suitable or unsuitable for their ultimate finance and mortgage needs.

REDLINING

It is RHL policy to provide equal access to credit to all applicants, without regard to the area in which the applicant resides or in which area the mortgage property will be located, provided the company is appropriately licensed to make a loan in the geographic area where the property is located, and offers the type of loan the applicant is seeking. All applications will be accepted. RHL employees are prohibited from discouraging applications or refusing to take a loan application based upon the location of the mortgaged property or the applicant's current residence.

CORRESPONDENTS

In addition to retail originations RHL also acquires loans from its approved correspondents. In written agreements with brokers and correspondents, RHL requires that brokers and correspondents represent and warrant to RHL that they originate loans in compliance with the requirements of the Federal Equal Housing Opportunity Act, Fair Housing Act, FHA's Tiered Pricing rule, and similar State and Federal laws.

I have read the foregoing and understand and agree to RHL's position on "Fair Lending"

Correspondent's Name

By: Printed Name

Signature

Dated

BEST PRACTICES GUIDELINES RESIDENTIAL REAL ESTATE

We agree to conduct our business in an ethical manner that reflects the highest standards of professionalism, integrity, competence, courtesy and diligence. Accordingly, we subscribe to the following Best Practices Guidelines:

- **Laws and Regulations:** Comply with all applicable state and federal laws and regulations, including the Equal Credit Opportunity Act, the Fair Housing Act, and the Fair Credit Reporting Act, the Truth-in-Lending Act, and the Real Estate Statement Procedures Act.
- **Equal Treatment:** Treat all consumers fairly with regard to loan pricing, underwriting and servicing, regardless of race, color, age, gender, marital status, religion, disability or national origin.
- **Non-Discriminatory Pricing Guidelines:** Adopt and apply consistent risk based and competitive loan pricing to consumers in a non-discriminatory manner with respect to rates, fees and terms.
- **Licensing:** Exercise due diligence to confirm that lenders, correspondents and brokers are properly licensed and continue to remain in good standing.
- **Brokers:** Develop and maintain relationships with brokers that demonstrate integrity and skill in originating real estate loans. Require all brokers to subscribe to these Best Practices Guidelines.

Loan Origination

- **Underwriting Policies:** Develop and implement prudent underwriting policies and procedures that are consistent with our Best Practices Guidelines.
- **Ability to Repay:** Consider the financial ability and credit worthiness of the borrower to repay the loan – not just the equity in the home – in order to avoid default and foreclosure. Determine creditworthiness and ability to pay through the use of objective, empirically derived, statistically significant credit bureau scoring and proprietary factors, among other factors.
- **Refinances:** Maintain standards and procedures to ensure that loan refinances provide a material benefit to the borrower. Determine a material benefit by measuring the refinance closing costs against the refinance benefits to the borrower, such as lower payments, additional cash and default relief, among other benefits
- **Disclosures:** Provide consumers with accurate and timely disclosure of terms, costs, and fees in accordance with law. Provide complete disclosures to borrowers at both the application and closing stages of the loan process

- **Prepayment penalties:** Offer the consumer a choice between a loan with prepayment penalty and a lower interest rate, or alternatively, a loan without a prepayment penalty and a comparatively higher interest rate. Limit the prepayment penalty period to no more than five years.
- **Maximum Fees:** Comply with all local, state, and federal High Coast Loan restrictions. Limit prepaid fiancé charges, including lender and broker fees paid by the borrower, to a maximum of 7.36% of the principal loan amount for all other loans.
- **Credit Insurance Products:** Prohibit the financing of credit insurance products in connection with mortgage loans.
- **Balloon Loans:** Refinance a balloon loan at maturity, upon request of the borrower, at the then-available rate, fees and terms, provided that (a) we still own the loan (b) we have products that are available to the borrower, and (c) the borrower meets the then current underwriting standards.
- **Call Provisions:** Prohibit the use of call provisions in any mortgage loan contract.

Loan Servicing

- **Customer Service:** Promptly follow up with all borrower complaints and inquiries in a good faith attempt to obtain customer satisfaction.
- **Collection Practices:** Establish reasonable and ethical debt collection practices in accordance with the law. Comply with all applicable federal and state debt collection practice laws.
- **Loss Mitigation:** Endeavor to assist borrower in default and/or foreclosure by working with them, utilizing forbearance, reformation and other loss mitigation tools, when appropriate.
- **Credit Bureau Reporting:** Voluntarily report all borrower repayment histories, including payments and defaults, monthly to the credit bureaus.

Internal Review

- **Training:** Provide training to employees on fair lending laws, underwriting, loan origination and servicing on annual basis and as needed. Require that all sales, loan organization, underwriting and loan servicing personnel maintain minimum standards of job proficiency and knowledge of our policies, procedures and best practices.
- **Audit:** Conduct annual reviews of sales, loan origination, underwriting and servicing operations to ensure compliance with policies, procedures and applicable laws. Report the results of the reviews to senior management. Implement and monitor quality control measures, including training and additional reviews, as needed.

The undersigned hereby acknowledges that he/she has read the above, understands and agrees to comply with the provisions of this policy.

Correspondent Name: _____

By: _____ Date _____

Printed Name: _____ Title: _____

Zero Tolerance for Loan Fraud Policy

THE SUBMISSION OF A LOAN APPLICATION CONTAINING FALSE INFORMATION IS A CRIME. R.H. Lending, Inc. (RHL) has a zero tolerance policy for fraud. Anyone found to have violated this policy shall be subject to immediate termination of employment or immediate sanction.

Types of Loan Fraud

1. Submissions of inaccurate information ,including false statements on loan application 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 of predominantly accurate information or signing of an applicant's name to any document.
3. Incorrect statements regarding current occupancy or intent to maintain minimum continuing occupancy as stated in the security instrument.
4. Lack of responsible inquiry by account executive or processor, including failure to obtain all information required by the application and failure to request further information as dictated by applicant's response to other questions .
5. Unquestioned acceptance of information or documentation which 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 an applicant or interested third party to "assist" with the processing of the loan.
6. Correspondent non-disclosure of relevant information.

Consequences of Loan Fraud

The effect of "loan fraud" is costly to all parties involved. RHL stands behind the quality of its application origination process; fraudulent loans damage our reputation. The price paid for by those who participate in "Loan Fraud" is even more costly.

The following is a list of a few of the potential consequences:

Consequences to Correspondent:

1. Criminal prosecution.
2. Loss of state licensing to Correspondent mortgage loans.
3. Civil actions by applicant borrower or other parties to the transaction.
4. Civil action by the company.
5. Civil actions by other parties to a transaction, such as borrower, seller, or real estate agent broker.
6. Termination.
7. Loss of professional license, if any.
8. Adverse effect on credit history.

The undersigned hereby acknowledges that he/ she has read the above, understands and agrees to comply with the provisions of this policy.

Correspondent Name: _____

By: _____

Printed Name: _____ Title _____

Date _____



SELLER ELIGIBILITY

For the following, R.H. Lending, Inc. shall be abbreviated as "RHL."

Required Documentation

Correspondents who wish to participate in RHL's Correspondent Lending Program must first complete a Correspondent Application and submit the Application to RHL together with the following required documentation:

1. Professional resumes of the following personnel:

- President
- Chief Executive Officer
- Chief Financial Officer
- Person who oversees:
 - Production
 - Underwriting Manager and all underwriters
 - Secondary Marketing
 - Investor Delivery
 - Quality Control
 - Mortgage Loan Accounting
 - Mortgage Loan Servicing

2. Copy of recorded Articles of Incorporation or similar organizational document – *For corporations only*

3. Copy of recorded Articles of Organization or similar organizational document– *For LLCs only*

4. Copy of appropriate state regulatory license – *Provide licenses for all states.*

5. The Correspondent's audited financial statements for the previous two years and the most current (dated within 30 days of the application date) interim financial statements (YTD Profit and Loss Statement along with a current Balance Sheet, both signed by the President of the organization). NOTE: The HUD adjusted net worth must be at least \$1,000,000.00 to be considered for the program.

6. If the Correspondent has a parent corporation, the parent corporation's audited financial statements for the previous two years, and the most current, interim financial statements (P&L and Balance Sheets dated within 30 days of the application date).

7. If applicable to the approval type, evidence that the Correspondent is currently approved and in good standing with one or more of the following, Fannie Mae, Freddie Mac, VA or HUD.

8. A copy of the Correspondent's quality control procedures. Correspondent's quality control procedures must meet FNMA guidelines as to conventional loans, and HUD/FHA quality control guidelines as to FHA loans. The Correspondent must have a quality control program that enables the Correspondent and RHL to determine whether the Correspondent's mortgage loan origination, underwriting, closing and delivery procedures meet all requirements. Such procedures must include a process for monitoring the performance of appraisers. Upon receipt of written request, the Correspondent must provide evidence sufficient to demonstrate the Correspondent has acceptable appraisal requirements.

The Correspondent must conduct random audits of at least 10% of the mortgage loans closed by Correspondent each month. Such audits must include re-verification of employment deposits, credit reports and a review of the appraisals and underwriting decisions.

Review appraisals must be performed on at least 10% of the mortgage loans sampled. Upon discovery of any discrepancies or defects, the Correspondent must immediately notify RHL in writing of such discrepancies or defects.

9. The last six (6) months of all of your Quality Control reports.

10. A certificate of insurance for the Correspondent's fidelity bond with coverage of at least \$1,000,000.00 and Errors and Omissions insurance policy with coverage of at least \$1,000,000.00. R. H. Lending, Inc. must be named as Loss Payee.

11. The Correspondent's current appraisal processes/procedures and HVCC Plan.

12. Three (3) business references (one of the references must be from a Warehouse facility currently being used) and one reference from mortgage insurance companies currently engaged in business with the Correspondent.

13. A copy of Correspondent's most recent investor score cards showing volumes, delinquencies, etc. from each investor.

14. A copy of the Fictitious Name Certificate, Regulator Notice and/or Approval or Registration Statement issued by the applicable state or local regulatory agency authorizing the Correspondent to transact business under the fictitious name.

15. Copy of procedures in place to comply with the USA Patriot Act and OFAC List Policy.

16. Corporate organizational chart.

17. A copy of business credit report and personal credit reports on all principals owning more than 10% of Correspondent. All credit reports should be less than 30 days old.

18. Proof of Warehouse Line of Credit of at least \$1,000,000.00 with a current Good Standing letter.

Maintaining Eligibility:

Any Correspondent approved for participation in the Program must continue to meet the eligibility requirements herein to maintain its eligibility and approval to participate.

Notification of Significant Changes:

The Correspondent must send RHL written notice of any contemplated major changes in its organization, including copies of any filings with, or approvals from, its regulators. RHL requires notice of, among other things, the following significant changes relating to the Correspondent:

- Any mergers, consolidations or reorganizations;
- Any direct or indirect material change in ownership. An “indirect change in ownership” includes any change in the ownership of the Correspondent’s parent, any owner of the parent, or any beneficial owner of the Correspondent that does not own a direct interest in the Correspondent;
- Any change in corporate name;
- Any change from a federal charter to a state charter (or vice versa) if the Correspondent is a savings and loan association or a bank; and
- Material adverse change in financial condition.

Changes to Corporate Authority and Banking Relationships

In the event there is any change in the authority evidenced by the Corporate Resolution or in the banking relationships including warehouse facilities, the Correspondent must immediately deliver to RHL a replacement Corporate Resolution or Certificate of Authority, which accurately reflects the corporate or other organization’s authorizations, or a Funding Instructions Notification which accurately describes the banking relationships in effect, as applicable.

RHL will not recognize any changes in the Correspondent’s corporate authorizations or funding instructions until the replacement Corporate Resolution, Certificate of Authority or Funding Instructions Notification, as applicable, is received by RHL. Replacement Corporate Resolutions, Certificates of Authority and Funding Instructions Notifications must be sent to R.H. Lending, Inc., 6209 Colleyville Blvd., Colleyville, TX 76034.

Each year on or before March 1, the Correspondent must deliver the following to RHL:

- The Correspondent’s audited financial statements for the preceding fiscal year; and,
- If the Correspondent has a parent corporation, the most recent audited financial statements for the parent corporation.

If requested by RHL, the Correspondent must provide such other documentation as may be necessary to satisfy RHL that the Correspondent meets and will continue to meet, the applicable eligibility requirements.

Compliance Reporting Requirements

If the Correspondent is subject to the jurisdiction of any governmental agency or quasi-governmental agency such as Fannie Mae, Freddie Mac, HUD, FDIC and/or state banking regulators, RHL may request copies of any audit reports issued by such agencies. If any disciplinary action is taken by any such agency, including suspension or termination of the Correspondent's selling or servicing rights, the Correspondent must notify RHL within three business days of the receipt by Correspondent of the initiation of such action.

Audits

RHL may audit the Correspondent's mortgage loan origination operations and examine the books and records relating to any mortgage loan sold by the Correspondent to RHL. The Correspondent will facilitate such audits and provide RHL and its agent's access to the Correspondent's offices, books and records at reasonable times during the Correspondent's normal business hours.

I have reviewed the information contained in this Seller Eligibility and our company agrees to furnish the information requested and abide by this section's contents.

Company Name

By:_____

Name

Title



CORRESPONDENT AGREEMENT

This Correspondent Agreement (hereinafter "Agreement") is entered into this ____ day of _____, 20____, between _____ Correspondent lender, _____, ("Correspondent") and R.H. Lending, Inc. ("RHL").

Correspondent is in the business of originating, processing, funding, and closing loans secured by residential real estate. Correspondent is a mortgage lender and desires to sell loans to RHL from time to time for consideration by RHL for purchase. Correspondent and RHL ("Party" or "Parties") wish to establish a nonexclusive relationship whereby Correspondent submits loan packages ("Loan" or "Loans") to RHL for possible purchase. In consideration of the mutual covenants, representations and warranties and conditions contained herein and for other good and valuable consideration, the Parties agree as follows:

DEFINITIONS: Please refer to Exhibit A attached to this Correspondent Agreement.

REPRESENTATIONS AND WARRANTIES OF CORRESPONDENT

Each of the following representations and warranties shall be deemed made by Correspondent as of the applicable Purchase Date of each Loan.

A. Correspondent is duly organized, validly existing, and in good standing under the laws of the United States or under the state of its organization, as applicable, and has all Local, State and Federal approvals, qualifications, registrations, licenses, and permits (to the extent not exempt or preempted, as determined by Correspondent) necessary to carry on its business in each state in which Correspondent originates or purchase mortgage loans or in which 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 Correspondent, and in any event the Correspondent 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 the RHL Correspondent Agreement. Correspondent will remain in good standing in each state where required in order to perform its obligations. Correspondent agrees to provide RHL with copies of all applicable licenses, permits, etc. evidencing compliance upon request.

B. None of the execution and delivery of the Correspondent Agreement, the origination of the Loans by Correspondent, the sale of the Loans to RHL, the consummation of the transactions contemplated hereby, or the fulfillment of or compliance with the terms and conditions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of Correspondent's charter or by-laws or materially conflict with or result in a material breach of any of the terms, conditions or provisions of any legal restriction or any agreement or instrument to which Correspondent is now a party or by which it is bound, or constitutes a default or result in an acceleration under any of the foregoing, or result in the material violation of any law, rule, regulation, order, judgment or decree to which Correspondent or its properties are subject, or

result in the creation or imposition of any lien, charge or encumbrance that would have an adverse effect upon any of its properties pursuant to the terms of any Mortgage, contract, or impair the ability of RHL to realize on the Mortgage Loans, impair the value of the Mortgage Loans or impair the ability of RHL to realize the full amount of any insurance benefits accruing.

C. There is no litigation, suit, proceeding or investigation pending or threatened before any court, administrative agency or other tribunal (i) asserting the validity of invalidity of the Correspondent Agreement, (ii) seeking to prevent the consummation of any of the transactions contemplated by the Correspondent and RHL Correspondent Agreement, (iii) which, either in any one instance or in the aggregate, is likely to result in any material adverse change in the business, operations, financial condition, properties or assets of the Correspondent, or in any material impairment of the right or ability of the Correspondent to carry on its business substantially as now conducted, or in any material liability on the part of the Correspondent, or which would draw into question the validity of the Correspondent Agreement or the Mortgage Loans or of any action taken or to be taken in connection with the obligations of the Correspondent contemplated herein, or which would be likely to impair materially the ability of the Correspondent to perform under the terms of RHL Correspondent Agreement (iv) relating to fraud, or (v) relating to predatory lending, or the Correspondent's origination, servicing or closing practices, or any order or decree outstanding, with respect to Correspondent which, either in any one instance or in the aggregate, is reasonably likely to have a material adverse effect on the sale of the Mortgage Loans, the execution, delivery, performance or enforceability of the , Correspondent Agreement or which is reasonably likely to have a material adverse effect on the value of the Mortgage Loans or the financial condition, properties or assets of Correspondent. No licenses or approvals obtained by the Correspondent have been suspended or revoked by a court, administrative agency, arbitrator or governmental body and no proceedings are pending which might result in such suspension or revocation.

D. With respect to any FHA Loan submitted by Correspondent, Correspondent is approved by FHA to participate in its "direct endorsement" mortgage insurance program; with respect to any VA Loan submitted by Correspondent, Correspondent is approved to originate and submit mortgage loans to VA for VA approval and to underwrite mortgage loans with "automatic authority". Correspondent is not currently, nor within the two (2) year period preceding the date of the Correspondent Agreement has it been, subject to any administrative sanctions imposed by FHA and/or VA.

E. The Correspondent does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant contained herein.

F. The Correspondent's sale of the Mortgage Notes and the Mortgages pursuant to the Correspondent Agreement are not subject to the bulk transfer or any similar statutory provisions.

G. The Correspondent is solvent and will not be rendered insolvent by the consummation of the transactions contemplated hereby. The Correspondent is not transferring any Mortgage Loan with any intent to hinder, delay or defraud any of its creditors.

H. If applicable, the Correspondent is in good standing, 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.

I. Correspondent has the full power and authority and legal right to hold, transfer and convey each Mortgage Loan, to sell each Mortgage Loan, to execute, deliver and perform, and to enter into and consummate all transactions contemplated by the Correspondent, and to conduct its business as presently conducted, has duly authorized the execution, delivery and performance of RHL Correspondent Agreement, and any agreements between the parties contemplated hereby and has duly executed and delivered the Correspondent Agreement, and any agreements between the parties contemplated hereby, and the Correspondent and each Assignment of Mortgage to RHL and any agreements between the parties, contemplated hereby, constitutes a legal, valid and binding obligation of Correspondent, enforceable against it in accordance with its terms, and all requisite corporate action has been taken by Correspondent to make the Correspondent Agreement and all agreements contemplated between the parties, hereby valid and binding upon Correspondent in accordance with their terms.

J. No statement, tape, diskette, form, report or other document prepared by, or on behalf of, Correspondent in connection with the transactions contemplated hereby, contains or will contain any statement that is or will be inaccurate or misleading in any material respect.

K. The consideration received by the Correspondent upon the sale of the Mortgage Loans under the Agreement constitutes fair consideration and reasonably equivalent value for the Mortgage Loans.

L. The Correspondent's decision to purchase or originate any Mortgage Loan or to deny any Mortgage Loan application is an independent decision and is in no way made as a result of RHL's decision to purchase, or not to purchase, or the price RHL may offer to pay for, any such Mortgage Loan, if originated.

M. As of the Purchase Date, there are no accrued liabilities of Correspondent with respect to the Mortgage Loans and/or the Servicing Rights or circumstances under which such accrued liabilities will arise against RHL as successor to the Mortgage Loans, with respect to occurrences prior to the Purchase Date.

N. Correspondent has complied with all material obligations under all applicable insurance contracts, including the insurance contracts with the FHA and guaranty contract with the VA, hazard, flood and PMI policies, with respect to, and which affect any of the Mortgage Loans or Servicing Rights. Correspondent has not taken any action or failed to take any action that might cause the cancellation of or otherwise affect any of the FHA MIC, the VA LGC or any other applicable insurance or guaranty contracts.

O. The balance sheets of Correspondent provided or made available to RHL in connection with RHL's counterparty approval review of Correspondent and subsequently provided to or made available to Correspondent thereafter, and the related statements of income, changes in stockholders' equity, and cash flows and other similar financial documents (each such document, a "Document of Financial Condition"), present the financial condition and the results of operations of Correspondent as of the Purchase Date next following the date such Document of Financial Condition was provided to or made available to RHL. Correspondent further represents and warrants that Correspondent has no known material liabilities, direct or indirect, fixed or contingent, matured or un-matured, or liabilities for taxes, long-term leases or unusual forward or long-term commitments not disclosed by, or reserved against on, said Documents of Financial Condition provided or made available to RHL prior to a related Purchase Date, and as of such Purchase Date, there are no material unrealized or anticipated losses from any loans,

advances or other commitments of Correspondent except as disclosed to RHL in writing prior to such Purchase Date. Said Documents of Financial Condition were prepared in accordance with Generally Accepted Accounting Principles applied on a consistent basis throughout the periods involved. Since the dates of such Documents of Financial Condition, there have been no material adverse changes to Correspondent or its financial condition, nor is Correspondent aware of any state of facts particular to Correspondent which (with or without notice or lapse of time or both) would or could result in any such material adverse change.

P. The Correspondent 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 RHL.

REPRESENTATIONS AND WARRANTIES AS TO THE LOANS

Each of the representations and warranties contained in this section is incorporated into and shall be considered a part of the Agreement and shall be made by Correspondent as of the applicable Purchase Date.

(a). Valid First Lien. Each Mortgage is properly recorded and is a valid, existing and enforceable First Lien and first priority security interest with respect to each Mortgage Loan which is indicated by the Correspondent to be a First Lien Mortgage Loan, on the Mortgaged Property, including all improvements on the Mortgaged Property, free and clear of all adverse claims, liens and encumbrances having priority over the lien of the Mortgage, subject only to (i) the lien of current real property taxes and assessments not yet due and payable, (ii) covenants, conditions and restrictions, rights of way, easements and other matters of the public record as of the date of recording being acceptable to mortgage lending institutions generally and specifically referred to in the lender's title insurance policy which do not adversely affect the Value of the Mortgaged Property, and (iii) other matters to which like properties are commonly subject which do not individually or in the aggregate 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, existing and enforceable First Lien and first priority security interest with respect to each Mortgage Loan which is indicated by the Correspondent to be a First Lien Mortgage Loan on the property described therein and the Correspondent has full right to sell and assign the same to RHL. 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.

(b). Validity of Mortgage Documents. All Loan Files, Credit Files, and miscellaneous items required to be delivered pursuant to RHL Correspondent Agreement shall be delivered to RHL immediately. If a file is delivered in imaged format, such images are of sufficient quality to be readable and able to be copied and satisfy all requirements of imaged documents required by the Agency Guides and RHL Correspondent Agreement. The Mortgage Note and the related Mortgage are original and genuine and each is the legal, valid and binding obligation of the maker thereof, enforceable in all respects in accordance with its terms except as enforceability may be limited by (i) bankruptcy, insolvency, liquidation, receivership, moratorium, reorganization or other similar laws affecting the enforcement of the rights of creditors and (ii) general principles of equity, whether enforcement is sought in a proceeding in equity or at law and the Correspondent has taken all action necessary to transfer such rights of enforceability to RHL. Neither the operation of any of the terms of any Mortgage or Mortgage Note, nor the exercise of any right there under, will render the Mortgage or Mortgage Note unenforceable, in

whole or in part, or subject to any right of rescission, setoff, counterclaim or defense, and no such right of rescission, setoff, counterclaim or defense has been asserted with respect thereto. All parties to the Mortgage Note and the Mortgage had the legal capacity to enter into the Mortgage Loan and to execute and deliver the Mortgage Note and the Mortgage, and the Mortgage Note and the Mortgage have been duly and properly executed by such parties.

(c). Customary Provisions. The Mortgage and related Mortgage Note contain 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 or non-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 or right available to the Mortgagor or any other Person or restriction on the Correspondent or any other Person, including without limitation, any federal, state or local, law, ordinance, decree, regulation, guidance, attorney general action, or other pronouncement, whether temporary or permanent in nature, which would interfere with, restrict or delay, the ability of the Correspondent, RHL or any servicer or any successor either (y) the right to sell the Mortgaged Property at a trustee's sale or otherwise, or (z) the right to foreclose on the related Mortgage. The Mortgage Note and Mortgage are on forms that are conforming to the applicable Agency or RHL Correspondent Agreement as applicable.

(d). Original Terms Unmodified. The terms of the Mortgage Note and the Mortgage have not been impaired, waived, altered or modified in any respect.

(e). No Defenses. The Mortgage Note and the Mortgage are not subject to any right of rescission, set-off, counterclaim or defense, including, without limitation, the defense of usury, nor will the operation of any of the terms of the Mortgage Note and the Mortgage, or the exercise of any right there under, render either the Mortgage Note or the Mortgage unenforceable, in whole or in part, or subject to any right of rescission, set-off, counterclaim or defense, including, without limitation, the defense of usury, and no such right of rescission, set-off, counterclaim or defense has been asserted with respect thereto; and the Mortgagor was not a debtor in any state or federal bankruptcy or insolvency proceeding at the time the Mortgage Loan was originated nor are any such proceedings pending. The Mortgaged Property is not subject to any bankruptcy proceeding or foreclosure proceeding and the Mortgagor has not filed for protection under, or has been a debtor under, applicable bankruptcy laws as of the Purchase Date.

(f). No Outstanding Charges. There are no defaults by the Correspondent in complying with the terms of the Mortgage, and (1) all taxes, ground rents, special assessments, governmental assessments, insurance premiums, leasehold payments, water, sewer and municipal charges which previously became due and owing have been paid, or escrow funds have been established in an amount sufficient to pay for every such escrowed item which remains unpaid and which has been assessed but is not yet due and payable prior to any "economic loss" dates or discount dates (or if payments were made after any "economic loss" date or discount date, then Correspondent has paid any penalty or reimbursed any discount out of Correspondent's funds) and (2) all flood and hazard insurance premiums and mortgage insurance premiums which are due, have been paid without loss or penalty to the Mortgagor. As of the Purchase Date, 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 under a

Mortgage Loan has occurred, including but not limited to a violation of applicable law, local ordinances or city codes resulting from a deterioration or defect existing in any Mortgaged Property, and neither Correspondent nor its predecessors have waived any default, breach, violation or event of acceleration. Correspondent has received no notice of, and has no knowledge of, any event, including but not limited to the bankruptcy filing or death of a Mortgagor, which may or could give rise to a Mortgagor default under the Note or Mortgage. The Correspondent has not advanced funds, or induced, solicited or knowingly received any advance from any party other than the Mortgagor, directly or indirectly, for the payment of any amount due under the Mortgage Loan, unless otherwise permitted in RHL Correspondent Agreement.

(g). 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 affect any such satisfaction, cancellation, subordination, rescission or release. The Correspondent 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, and the Correspondent has not waived any default.

(h). No Default. 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 permitting acceleration, and the Correspondent has not waived any default, breach, violation or event permitting acceleration. With respect to each Mortgage Loan (i) the First Lien is in full force and effect, (ii) there is no default, breach, violation or event of acceleration existing under such First Lien Mortgage or the related Mortgage Note, (iii) 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 there under, and either (A) the First Lien Mortgage contains a provision which allows or (B) applicable law requires, the mortgagee to receive notice of, and affords such mortgagee an opportunity to cure any default by payment in full or otherwise under the First Lien Mortgage.

(i). Full Disbursement of Proceeds. The Mortgage Loan has been closed and the proceeds of the Mortgage Loan have been fully disbursed to or for the account of the Mortgagor and there is no obligation for the mortgagee to advance additional funds there under and any and all requirements as to completion of any on site or off site improvement and as to disbursements of any escrow funds therefore have been complied with. All costs, fees, and expenses incurred in making or closing the Mortgage Loan and the recording of the Mortgage have been paid, and the Mortgagor is not entitled to any refund of any amounts paid or due to the mortgagee pursuant to the Mortgage Note or Mortgage with exception to escrow holdbacks.

(j). Future Advances. No future advances have been made at the time of the Purchase Date. As of the Closing Date, the full original principal amount of each Mortgage Loan has been fully dispersed as provided for in the Mortgage Loan documents, and there is no requirement for any future advances.

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

(l). No Additional Collateral. The Mortgage Note is not and has not been secured by any collateral except the lien of the corresponding Mortgage on the Mortgaged Property and the security interest of any applicable security agreement or chattel mortgage.

(m). Origination; Payment Terms. The Mortgage Loan was originated by the Correspondent who is a mortgagee approved by the Secretary of Housing and Urban Development pursuant to Sections 203 and 211 of the National Housing Act, a savings and loan association, a savings bank, a commercial bank, credit union, mortgage lender or other similar institution which is supervised and examined by a federal or state authority or duly licensed by state licensing authority, if applicable. The Correspondent is (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 Federally Chartered Credit Unions. Principal payments on the Mortgage Loan commenced no more than sixty (60) days after the proceeds of the Mortgage Loan were disbursed. The Mortgage Loan requires interest payable in arrears on the first day of the month. Each Mortgage Note requires a Monthly Payment which is sufficient (i) during the period prior to the first adjustment to the Mortgage Interest Rate, to amortize the original principal balance fully over the original term thereof (unless otherwise provided in RHL's Correspondent Agreement) and to pay interest at the related Mortgage Interest Rate, and (ii) during the period following each Adjustment Date in the case of each ARM Mortgage Loan (or following each interest-only adjustment date in the case of each interest-only Mortgage Loan), to amortize the unpaid principal balance fully as of the first day of such period over the then remaining term of such Mortgage Note and to pay interest at the related Mortgage Interest Rate. The Mortgage Note does not permit negative amortization. With respect to each Mortgage Loan the related First Lien does not permit negative amortization. None of the Mortgage Loans are simple interest Mortgage Loans.

(n). Ownership. Immediately prior to the payment of the Purchase Price, the Correspondent was the sole owner and holder of the Mortgage Loans and the indebtedness evidenced by the Mortgage Note. The Mortgage Loans, including the Mortgage Note and the Mortgage, were not assigned or pledged by the Correspondent and the Correspondent had good and marketable title thereto, and the Correspondent had full right to transfer and sell the Mortgage Loans to RHL free and clear of any encumbrance, participation interest, lien, equity, pledge, claim or security interest and had full right and authority subject to no interest or participation in, or agreement with any other party to sell or otherwise transfer the Mortgage Loans. Following the sale of the Mortgage Loan, RHL will own such Mortgage Loan free and clear of any encumbrance, equity, participation interest, lien, pledge, charge, and claim or security interest. After the related Purchase Date, the Correspondent will not have any right to modify or alter the terms of the sale of the Mortgage Loan.

(o). 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 (except with respect to each MERS Designated Mortgage Loan). Each original Mortgage was recorded and, except for those Mortgage Loans subject to the MERS identification system, all subsequent assignments of the original Mortgage (other than the assignment to RHL) have been recorded in the appropriate jurisdictions wherein such recordation is necessary to perfect the lien thereof as against creditors of the Correspondent, or is in the process of being recorded. With respect to each MERS Designated Mortgage Loan, the Correspondent has designated RHL as the MERS Investor and no Person is listed as interim funder on the MERS® System.

(p). Flood and Hazard Insurance. All buildings or other customarily insured improvements upon the Mortgaged Property are insured by a Qualified Insurer generally acceptable under RHL Correspondent Agreement and to prudent mortgage lending institutions against loss by fire, hazards of extended coverage and such other hazards as are required in the Agency Guides as well as all additional requirements set forth herein, pursuant to an insurance policy conforming to the requirements of customary servicing procedures and providing coverage in an amount equal to the lesser of (i) the full insurable value of the Mortgaged Property or (ii) the unpaid principal balance owing on the Mortgage Loan. All such insurance policies are in full force and effect and contain a standard mortgagee clause naming the Correspondent of the Mortgage Loan, its successors and assigns as mortgagee and all premiums thereon have been paid. If the Mortgaged Property is in an area identified on a flood hazard map or flood insurance rate map issued by the Federal Emergency Management Agency as having special flood hazards (and such flood insurance has been made available), a flood insurance policy meeting the requirements of the current guidelines of the National Flood Insurance Program and the requirements of RHL Correspondent Agreement. The Mortgage obligates the Mortgagor there under to maintain all such insurance at the Mortgagor's cost and expense, and on the Mortgagor's failure to do so, authorizes the holder of the Mortgage to maintain such insurance at the Mortgagor's cost and expense and to seek reimbursement therefore 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 and/or flood 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 RHL upon the consummation of the transactions contemplated by the Agreement. The Correspondent has not engaged in, and has no knowledge of the Mortgagor having engaged 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 or entity, and no such unlawful items have been received, retained or realized by the Correspondent.

(q). Title Insurance. The Mortgage Loan is covered by an ALTA or CLTA lender's title insurance policy, acceptable to Fannie Mae or Freddie Mac, HUD, RHL, or state law, issued by a title insurer acceptable to Fannie Mae or Freddie Mac, HUD, RHL, or state law and qualified to do business in the jurisdiction where the Mortgaged Property is located, insuring the Correspondent, its successors and assigns as to the first priority lien of the Mortgage in the original principal amount of the Mortgage Loan and, with respect to ARM Mortgage Loans, against any loss by reason of the invalidity or unenforceability of the lien resulting from the provisions of the Mortgage providing for adjustment in the Mortgage Interest Rate or Monthly Payment. 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. The Correspondent and its successors and assigns are 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 full force and effect upon the consummation of the transactions contemplated by the Agreement and will insure to the benefit of RHL and its assigns without any further act. No claims have been made under such lender's title insurance policy, and no prior holder of the related Mortgage, including the Correspondent has done, by act or omission, anything which would impair the coverage of such lender's title insurance policy.

(r). MIC 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 either (A) 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 there under have been paid, or (B) within fifteen (15) Business Days from the time all premiums due on the FHA mortgage insurance have been paid and the case binder has been submitted to HUD, Seller has remitted to Purchaser evidence that a mortgage insurance certificate has been properly and timely obtained with respect to each Mortgage Loan. 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;

(s). LTV, PMI Policy. In the event that the Mortgage Loan has a Loan to Value“(LTV”) ratio, that is in excess of what is provided in RHL Correspondent Agreement for the respective product type and as a result a Private Mortgage Insurance (“PMI”) policy is required by RHL, the Mortgage Loan has a valid and transferable PMI policy, except where such policy was impermissible at origination under applicable law, such Mortgage Loan was originated in compliance with applicable law. Unless the PMI policy for a Mortgage Loan was cancelled at the request of the Mortgagor or automatically terminated, in either case in accordance with applicable law, all premiums have been paid and all provisions of such PMI policy have been and are being complied with. With respect to a purchase money Mortgage Loan, both the original Value and the purchase price are accurately depicted as such on Correspondent’s servicing system. Where a Mortgage Loan was closed as a streamlined refinance and a new appraisal was not required, the prior Value that was relied on in making the credit decision for the Mortgage Loan is accurately depicted on Correspondent’s servicing system. There are no Mortgage Loans for which Correspondent funds the PMI policy premium except for those Lender Paid Mortgage Insurance (“LPMI”) policy loans for which LPMI provisions would apply. The Mortgage Interest Rate for the Mortgage Loan is net of any such insurance premium.

(t). Optional Insurance. All Mortgage Loans for which mortgage/credit life, accidental death, disability, unemployment, or any similar insurance is collected as part of the Mortgagor’s Monthly Payment are identified in the Loan File and fully comply with applicable law. None of the Mortgage Loans has a single payment credit life insurance or other optional insurance product that has been considered “predatory” by any Agency or RHL. Any Mortgage Loan involved with any type of optional insurance has been properly serviced including, without limitation, the proper application and collection of premiums, the maintenance of complete and accurate records, processing and payment of claims and the handling of correspondence. None of the Mortgage Loans has an optional insurance product that, as of the Purchase Date, is being provided free of charge to a Mortgagor.

(u). Insurance. All required insurance policies, of whatever type, remain in full force and effect. Correspondent has not engaged in, and has no knowledge of the Mortgagors having engaged in, any act or omission which would impair the coverage validity or binding effect of any such policies. No action, inaction, or event has occurred and no state of facts exists or has existed that has resulted or will result in the exclusion from, denial of, or defense to coverage under any applicable flood and/or hazard insurance policy, PMI policy, LPMI policy, 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 the Correspondent, or any designee of the Correspondent, or any corporation in which the Correspondent, or any

officer, director, or employee of the Correspondent had a financial interest at the time of placement of such insurance.

(v). Mortgaged Property Undamaged; No Condemnation Proceedings. As of the related Purchase Date, there is no damage to the Mortgaged Property from waste, fire, windstorm, flood, tornado, earthquake or earth movement, hazardous or toxic substances, other casualty, or any other property related circumstances or conditions that would adversely affect the value or marketability of any Mortgage Loan or Mortgaged Property, and adequate insurance is in place to cover all such events. As of the related Purchase Date, there is no proceeding pending or, to the best of Correspondent's knowledge, threatened for the partial or total condemnation of the Mortgaged Property that would adversely affect the Mortgage Loan.

(w). Location of Improvements; No Encroachments. All improvements subject to the Mortgage which were considered in determining the Value of the Mortgaged Property lie wholly within the boundaries and building restriction lines of the Mortgaged Property (and wholly within the project with respect to a condominium unit) and no improvements on adjoining properties encroach upon the Mortgaged Property except those which are insured against by the title insurance policy referred to in subsection (q) above and all improvements on the Mortgaged Property comply with all applicable zoning and subdivision laws and ordinances.

(x). Appraisal. The Loan File contains an appraisal or property valuation relating to the Mortgaged Property, in a form acceptable to Fannie Mae or Freddie Mac, HUD and RHL Correspondent Agreement. Any appraisal or property valuation prepared in connection with a Mortgaged Property (i) complies with the requirements of FIRREA, provides an accurate estimate of the bona fide market value of such Mortgaged Property at the time of origination, and was prepared by an appraiser, acceptable to the applicable Agency, with no direct or indirect interest in the Mortgaged Property, and (ii) complies in all respects with the requirements, restrictions and guidelines contained in the Home Valuation Code of Conduct as adopted by Fannie Mae or Freddie Mac, and (iii) complies with the applicable requirements, restrictions, and guidelines contained in RHL Correspondent Agreement.

(y). Construction Defects. Any home or other improvement included within the Mortgaged Property was constructed in a workmanlike manner, and was accepted by the original homeowner or Mortgagor in good and habitable condition and working order, and conforms with all warranties, express or implied, representations, legal obligations, and local, state and federal requirements and codes concerning the condition, construction, and placement of the home or improvement.

(z). 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 the Seller nor its predecessors have waived any default, breach, violation or event of acceleration.

(aa). Occupancy of the Mortgaged Property. 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, have been made or obtained from the appropriate authorities and no improvement located on or part of the Mortgaged Property is in violation of any zoning law or regulation.

(bb). Type of Mortgaged Property. The Mortgaged Property consists of a parcel of real property with a detached single family residence erected thereon, or a two-to four-family dwelling, or an individual condominium unit, or an individual unit in a planned unit development or Co-Op; provided, however, that any condominium project or planned unit development conforms with RHL's underwriting guidelines, and Agency Guides (as further outlined in, RHL Correspondent Agreement) regarding such dwellings. As of the date of origination, no portion of the Mortgaged Property was used for commercial purposes, and since the date of origination, no portion of the Mortgaged Property has been used for commercial purposes; provided, that mortgaged properties which contain a home office shall not be considered as being used for commercial purposes as long as the Mortgaged Property has not been altered for commercial purposes and is not storing any chemicals or raw materials other than those commonly used for homeowner repair, maintenance and/or household purposes. If the Mortgaged Property is a condominium unit or a planned unit development (other than a de minimis planned unit development) such condominium or planned unit development project is acceptable to RHL and Agency Guides as provided in RHL Correspondent Agreement.

(cc). Environmental Matters. There is no pending action or proceeding directly involving any Mortgaged Property of which the Correspondent 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 constituting a prerequisite to use and enjoyment of said property. 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.

(dd). Unacceptable Investment. The Correspondent has no knowledge of any circumstances or condition with respect to the Mortgage, the Mortgaged Property, the Mortgagor or the Mortgagor's credit standing that could reasonably be expected to cause investors to regard the Mortgage Loan as an unacceptable investment, cause the Mortgage Loan to become delinquent or materially adversely affect the value or the marketability of the Mortgage.

(ee). No Fraud. No fraud, error, omission, misrepresentation, negligence or similar occurrence with respect to the Mortgage Loan has taken place on the part of the Correspondent, or any other party (including without limitation the Mortgagor, any appraiser, any builder/developer, any settlement agent or loan officer) involved in the origination, or sale of the Mortgage Loan or in the application of any insurance in relation to such Mortgage Loan. The documents, instruments and agreements submitted for loan underwriting were not falsified and contain no untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the information and statements therein not misleading. The Correspondent has reviewed all of the documents constituting the Loan File and Credit File and has made such inquiries as it deems necessary to make and confirm the accuracy of the representations set forth herein. If a mortgage insurer fails to pay a claim submitted with respect to the related Mortgage Loan as a result of the mortgage insurer successfully asserting a defense based on fraud, then such failure to pay shall constitute a breach of this representation and of the representation which materially and adversely affects the interests of the value of the Mortgage Loans and shall require a repurchase of the affected Mortgage Loan. Any breach of this representation shall be deemed to materially and adversely affect the value of the Mortgage Loan and shall require an immediate repurchase of the affected Mortgage Loan.

(ff). Delinquency. All payments required to be made prior to the related Purchase Date for such Mortgage Loan under the terms of the Mortgage Note have been made, the Mortgage Loan has

not been dishonored, and no Mortgage Loan has been more than thirty (30) days delinquent since the related origination date.

(gg). Compliance with Agency Requirements and Applicable Laws. Requirements, directions or guidance of the Agencies applicable to the Loans or to the origination, sale, or sourcing of the loans, and any and all requirements of any applicable federal, state or local law including, without limitation, usury, truth in lending, real estate settlement procedures, consumer credit protection, predatory and abusive lending laws, equal credit opportunity, fair housing, HVCC and disclosure laws or unfair and deceptive practices laws applicable to the origination, sale and servicing of the Mortgage Loan including, without limitation, any provisions relating to prepayment penalties, have been complied with and the consummation of the transactions contemplated hereby will not involve the violation of any such requirements, laws or regulations. The Correspondent maintains, and shall maintain, evidence of such compliance as required by applicable law, regulation or Agency requirements, and shall make such evidence available for inspection at the Correspondent's office during normal business hours upon reasonable advance notice. Each Mortgage Loan at the time it was made complied with all applicable Agency requirements, directions and guidance and with all applicable local, state, and federal laws, including, but not limited to, all applicable predatory and abusive lending laws.

(hh). Disclosure and Rescission Materials. The Mortgagor has received all disclosure materials required by applicable law with respect to the making of Mortgage Loans of the same type as the Mortgage Loan, has received in writing all rescission materials required by applicable law and has acknowledged receipt of such materials and such acknowledgement will remain in the Loan File.

(ii). Texas Refinance Loans. Each Mortgage Loan originated in the State of Texas pursuant to Article XVI, Section 50(a)(6) of the Texas Constitution (a "Texas Refinance Loan") has been originated in compliance with the provisions of Article XVI, Section 50(a)(6) of the Texas Constitution, Texas Civil Statutes and the Texas Finance Code. With respect to a Texas Refinance Loan that is a Cash-Out Refinance, the related Mortgage Loan documents state that the Mortgagor may prepay such Texas Refinance Loan in whole or in part without incurring a prepayment penalty. The Correspondent does not collect any such prepayment penalties in connection with any such Texas Refinance Loan.

(jj). Anti-Money Laundering Laws. The Correspondent and its agents have at all times complied with all applicable federal, state and local anti-money laundering laws, orders and regulations to the extent applicable to Correspondent or its agent, including without limitation the USA PATRIOT Act of 2001, the Bank Secrecy Act and the regulations of the Office of Foreign Asset Control (collectively, the "Anti-Money Laundering Laws"), in respect of the origination and servicing of each Mortgage Loan; the Correspondent has established an anti-money laundering compliance program as and to the extent required by the Anti-Money Laundering Laws, has conducted the requisite due diligence in connection with the origination and servicing of each Mortgage Loan for purposes of the Anti-Money Laundering Laws to the extent applicable to Correspondent, and, to the extent required by applicable law, maintains, and will maintain, either directly or through third parties, sufficient information to identify the applicable Mortgagor for purposes of the Anti-Money Laundering Laws. No Mortgage Loan is subject to nullification pursuant to Executive Order 13224 (the "Executive Order") or the regulations promulgated by the Office of Foreign Assets Control of the United States Department of the Treasury ("OFAC Regulations") or in violation of the Executive Order or the OFAC Regulations, and no Mortgagor is subject to the provisions of such Executive Order or the OFAC Regulations nor listed as a "blocked person" for purposes of the OFAC Regulations.

(kk). Predatory Lending Regulations. None of the Mortgage Loans are classified as (a) “high cost” loans under the Home Ownership and Equity Protection Act of 1994 (“HOEPA”) or (b) “high cost,” “threshold,” “covered,” “predatory” or “abusive” loans under any other applicable state, federal or local law, regulation relating to such loans (as such terms are defined therein) (or similarly classified loan using different terminology under a law, regulation or ordinance imposing heightened regulatory scrutiny or additional legal liability for residential mortgage loans having high interest rates, points and/or fees). No Mortgage Loan has an “annual percentage rate” or total “points and fees” payable by the related Mortgagor (as each such term is calculated under HOEPA) that equal or exceed the thresholds set forth by HOEPA and its implementing regulations, including 12 C.F.R. § 226.32(a)(1)(i). 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. No Mortgage Loan is a High Cost Loan or Covered Loan, as applicable (as such terms are defined in the then current Standard & Poor’s LEVELS® Glossary). Any breach of this representation shall be deemed to materially and adversely affect the value of the Mortgage Loan and shall require an immediate repurchase of the affected Mortgage Loan. Each Mortgage Loan is in compliance with the anti-predatory lending eligibility for purchase requirements of Fannie Mae’s Selling Guide.

(ll). Arbitration. No Mortgagor agreed to submit to arbitration to resolve any dispute arising out of or relating in any way to the Mortgage Loan transaction; any breach of this representation shall be deemed to materially and adversely affect the value of the Mortgage Loan and shall require a repurchase of the affected Mortgage Loan.

(mm) Higher Cost Products. With respect to delegated underwritten loans, the Mortgagor was not encouraged or required to select a Mortgage Loan product offered by the Correspondent which is a higher cost product designed for less creditworthy Mortgagors, unless at the time of the Mortgage Loan’s origination, such Mortgagor did not qualify for a lower-cost credit product then offered by Correspondent taking into account such facts as, without limitation, the Mortgage Loan’s requirements and the Mortgagor’s credit history, income, assets and liabilities and debt-to-income ratios. Any breach of this representation shall be deemed to materially and adversely affect the value of the Mortgage Loan and shall require an immediate repurchase of the affected Mortgage Loan.

(nn). Points and Fees. No Mortgagor was charged “points and fees” (whether or not financed) in an amount greater than (i) \$1,000, or (ii) 5% of the principal amount of such Mortgage Loan, whichever is greater. For purposes of this representation, such 5% limitation is calculated in accordance with Fannie Mae’s anti-predatory lending requirements as set forth in the Fannie Mae Guides and “points and fees” (i) include origination and underwriting and charges that the Correspondent imposed as a condition of making the Mortgage Loan, and (ii) exclude bona fide discount points, fees paid for actual services rendered in connection with the origination of the Mortgage Loan (such as attorneys’ fees, notaries fees and fees paid for property appraisals, credit reports, surveys, title examinations and extracts, flood and tax certifications, and home inspections), the cost of mortgage insurance or credit-risk price adjustments, the costs of title, hazard, and flood insurance policies, state and local transfer taxes or fees, escrow deposits for the future payment of taxes and insurance premiums, and other miscellaneous fees and charges which miscellaneous fee and charges, in total, do not exceed 0.25% of the principal amount of such Mortgage Loan. All fees and charges (including finance charges) and whether or not financed, assessed, collected or to be collected in connection with the origination and servicing of each Mortgage Loan has been disclosed in writing to the Mortgagor in accordance

with applicable state and federal law and regulation. Any breach of this representation shall be deemed to materially and adversely affect the value of the Mortgage Loan and shall require an immediate repurchase of the affected Mortgage Loan.

(pp). Prepayment Penalties. With respect to any Mortgage Loan that contains a provision permitting imposition of a penalty or fee upon a prepayment, in whole or in part, prior to maturity: (i) the Mortgage Loan provides some benefit to the Mortgagor (e.g., a rate or fee reduction) in exchange for accepting such prepayment penalty, (ii) the Correspondent has a written policy of offering the Mortgagor the option of obtaining a Mortgage Loan that did not require payment of such a penalty, (iii) the prepayment penalty was adequately disclosed to the Mortgagor in the Mortgage Loan documents pursuant to applicable state, local and federal law, and (iv) the Mortgage Loan documents with respect to such Mortgage Loan specifically authorize such prepayment premium to be collected and such prepayment premium is permissible and enforceable in accordance with the terms of the related Mortgage Loan documents and applicable law. Any breach of this representation shall be deemed to materially and adversely affect the value of the Mortgage Loan and shall require an immediate repurchase of the affected Mortgage Loan.

(qq). Single Premium Credit Insurance Policies. No Mortgagor was required to purchase any single premium credit insurance policy (e.g., life, mortgage, disability, accident, unemployment, or health insurance product) or debt cancellation agreement as a condition of obtaining the extension of credit. Any breach of this representation shall be deemed to materially and adversely affect the value of the Mortgage Loan and shall require an immediate repurchase of the affected Mortgage Loan.

(rr). Origination Practices. The origination practices used by the Correspondent used with respect to each Mortgage Loan have been in all respects legal, proper, and prudent in the mortgage origination industry and have been consistent with customary procedures.

(ss). Escrow Payments All escrow payments have been collected in full compliance with state and federal law and the provisions of the related Mortgage Note and Mortgage. As to any Mortgage Loan that is the subject of an escrow, escrow of funds is not prohibited by applicable law and has been established in an amount sufficient to pay for every escrowed item that remains unpaid and has been assessed but is not yet due and payable. No escrow deposits or other charges or payments due under the Mortgage Note have been capitalized under any Mortgage or the related Mortgage Note.

(tt). Escrow Holdbacks. There are no Mortgage Loans subject to outstanding escrow holdbacks except those specifically identified by Correspondent as defined in RHL Correspondent Agreement.

(uu). Regarding the Mortgagor. The Mortgagor is one or more natural persons and/or trustees for an Illinois land trust or a trustee under a "living trust" and such "living trust" is in compliance with Agency requirements and RHL's Correspondent Agreement for such trusts. Either the Mortgagor is a natural person or the related co borrower or guarantor is a natural person. The Mortgagor is not in violation of any laws regarding identity theft.

(vv). Tax Identification. All tax identifications for individual Mortgagors have been certified as required by law. Correspondent has complied with all IRS requirements regarding the obtainment and solicitation of taxpayer identification numbers and the taxpayer identification numbers submitted to RHL are correct.

(ww). Deeds of Trust. If 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 RHL to the trustee under the deed of trust, except in connection with a trustee's sale after default by the Mortgagor.

(xx). No Graduated Payment or Contingent Interests. No Mortgage Loan (i) contains provisions pursuant to which Monthly Payments are (a) paid or partially paid with funds deposited in any separate account established by the Correspondent, the Mortgagor, or anyone on behalf of the Mortgagor, or (b) paid by any source other than the Mortgagor. 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.

(yy). Eligible Dwelling. Each Mortgage Loan is secured by a residential dwelling. If such residential dwelling is a condominium unit or a unit in a planned unit development, such condominium or planned unit development project meets the eligibility requirements of Fannie Mae, Freddie Mac, HUD and/or RHL, as applicable.

(zz). Verification of Down Payment. The source of the down payment with respect to each Mortgage Loan has been fully verified by the Correspondent.

(aaa). Adverse Selection. No selection procedures were used by the Correspondent that identified the Mortgage Loans as being less desirable or valuable than other comparable Mortgage Loans in the Correspondent's portfolio.

(bbb). Due on Sale Clause. Each Mortgage contains a provision for the acceleration of the payment of the unpaid principal balance of the related Mortgage Loan in the event the related Mortgage Property is sold without the prior consent of the mortgagee thereunder.

(ccc). Nontraditional Mortgage Loan. Each Mortgage Loan that is a "nontraditional mortgage loan" within the meaning of the Interagency Guidance on Nontraditional Mortgage Product Risk, 71 FR 58609, and complies in all respects with such guidance, including any interpretations, applications or implementation plans with respect thereto that have been communicated and/or agreed to by a regulator of the Correspondent, as originator of the Mortgage Loan. Any breach of this representation shall be deemed to materially and adversely affect the value of the Mortgage Loan and shall require an immediate repurchase of the affected Mortgage Loan.

(ddd). Short-term Adjustable Rate Mortgage Loan. No Mortgage Loan is a short-term adjustable rate subprime mortgage loan with an initial term of 36 months or less as referenced in the Interagency Statement on Subprime Mortgage Lending, 72 FR 37569, and complies in all respects with such statement, including any interpretations, applications or implementation plans with respect thereto, that have been communicated and/or agreed to by a regulator of the Correspondent, as originator of the Mortgage Loan. Any breach of this representation shall be deemed to materially and adversely affect the value of the Mortgage Loan and shall require an immediate repurchase of the affected Mortgage Loan.

(eee). FHA Mortgage Insurance Certificate; VA Loan Guaranty. With respect to each FHA Loan, Correspondent has taken all steps required by FHA Regulations (including, without limitation, (i) the underwriting and closing of such FHA Loan in accordance with FHA Regulations and any conditions imposed by the FHA in its "firm commitment" which relates to such FHA Loan and (ii)

the timely remittance of the related mortgage insurance premium to the FHA in accordance with FHA Regulations) which are a prerequisite to the issuance of the FHA MIC and the issuance of such MIC is subject only to the completion of standard FHA clerical procedures. With respect to each VA Loan, Correspondent has taken all steps required by VA Regulations (including, without limitation, (i) the underwriting and closing of such VA Loan in accordance with VA Regulations and any conditions imposed by the VA in its "firm commitment" which relates to such VA loan and (ii) timely remittance of the related funding fee to the VA in accordance with VA Regulations) which are a prerequisite to the issuance of the LGC and the issuance of such certificate is subject only to the completion of standard VA clerical procedures. The evidence of insurance or loan guaranty must be delivered to RHL within sixty (60) days of the Closing Date.

(fff). Servicing Issues. To the extent any Mortgage Loan is serviced in any manner prior to the purchase and transfer of such Mortgage Loan to RHL, the servicing of such Mortgage Loan and the transfer of the servicing for such Mortgage Loan to RHL complies with any and all federal, state or local laws, rules or regulations applicable to such servicing activities as well as any and all applicable Agency guidelines or requirements, whether such servicing was performed by Correspondent or by any other person. Without in any way limiting the foregoing, such servicing shall include but shall not be limited to, the provision of any notices or disclosures to Mortgagor, maintenance of the payment, any escrow amounts required in connection with such servicing, and any actions or inactions involved with respect to the transfer of servicing to RHL.

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

(hhh). 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

(iii). 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 the 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 "buydown" 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;

(jjj). Servicemembers' Civil Relief Act. The Mortgagor has not notified the Seller, and the 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;

(kkk). Minimum Loan Amount. No Mortgage Loan had an original principal balance of less than \$75,000;

Notices.

All notices required hereunder shall be in writing and are deemed given, made, and received only (a) upon delivery, if personally delivered to a party; (b) one business day after the date of dispatch, if by facsimile transmission; (c) one business day after deposit, if delivered by a nationally recognized courier service offering guaranteed overnight delivery; or (d) three (3) business days after deposit in the United States first class mail, certified mail, postage prepaid, return requested, at the address appearing below.

R.H. Lending, Inc.
6209 Colleyville Blvd.
Colleyville, TX 76034

As to Correspondent

Company Name: _____

Address _____

City, State and Zip _____

Covenants and Obligations of the Correspondent

The following covenants and obligations of Correspondent shall be in addition to any and all other covenants and obligations of Correspondent contained in the agreement.

A. Correspondent has all requisite corporate power, authority and consent to execute, deliver and perform under the Agreement and the FNMA Guide. All requisite action has been taken by Correspondent to make the Agreement valid and binding upon Correspondent.

B. Correspondent shall notify RHL immediately of any of the following events:

- (i) Any material changes in its ownership, financial condition, or principal management;
- (ii) Any administrative sanctions imposed upon Correspondent, any investigations, audits, examinations, or reviews by any agency or regulator of Correspondent not in the ordinary course of business or any audit. Correspondent shall also notify RHL, upon RHL's request of any examinations or reviews by any agency or regulator of Correspondent.
- (iii) Entry of any court judgment or regulatory order in which Correspondent is or may be required to pay a claim or claims which, in Correspondent's opinion, could have a material adverse effect on Correspondent's financial condition, on Correspondent's ability to perform its obligations under RHL Correspondent Agreement, or on Correspondent's ability to continue its operations in a manner similar to its current operations;
- (iv) Correspondent admits to committing, or is found to have committed, a material violation of any law, regulation, or order relating to its mortgage operation that could have a material adverse effect on Correspondent's performance under RHL Correspondent Agreement, on Correspondent's ability to perform its obligations under RHL Correspondent Agreement, or on Correspondent's ability to continue its operations in a manner similar to its current operations;

- (v) As applicable, if any debt, deposit, financial strength or any other financial, operational or performance rating for Correspondent is downgraded one or more levels below the level in effect as of the date of the agreement by one or more of Rating Agencies;
- (vi) Any disqualification or suspension of Correspondent by an agency, including any notification or knowledge, from any source, of any disqualification or suspension, or any warning of any such disqualification or suspension or impending or threatened disqualification or suspension;
- (vii) The occurrence of any actions, inactions or events upon which an agency may, in accordance with agency guides, disqualify or suspend Correspondent as a seller/servicer;
- (viii) In the event Correspondent's regulator monitors or reviews Correspondent's capitalization, any adverse change in Correspondent's capitalization to a level which is below, or is reasonably likely to be considered by Correspondent's regulator to be below, a status of "well capitalized", as defined by Correspondent's regulator, or such similar status as required and defined by Correspondent's regulator;
- (ix) If following the sale of any Mortgage Loan to RHL, Correspondent becomes aware of any fact or circumstance regarding (a) any Mortgage Loan which would have caused the Mortgage Loan to be ineligible for sale to RHL if known prior to such sale; or (b) Correspondent which is reasonably likely to materially adversely affect Correspondent's ability to perform hereunder or is reasonably likely to materially adversely affect RHL's continued approval of Correspondent as an approved correspondent seller.
- (x) Any merger, consolidation or reorganization of Correspondent, or any changes in Correspondent's ownership by direct or indirect means. Indirect means includes any change in ownership of Correspondent's direct or indirect corporate parent;
- (xi) any change in Correspondent's name, principal business address and/or its main telephone phone number;
- (xii) any material change in Correspondent's financial or operational conditions which is reasonably likely to adversely impact its ability to perform its obligations under RHL Correspondent Agreement.

C. If applicable, prior to the Purchase, all payments received by Correspondent on each Mortgage Loan shall be properly applied by Correspondent to the account of the particular mortgagor. The Correspondent shall forward to RHL the amount of any Monthly Payments and correspondence relating to the Mortgage Loans received by the Correspondent for sixty (60) days after the Purchase Date by next day mail or by next day courier service. After sixty (60) days from the Purchase Date, the Correspondent may forward the amount of any monthly payments and correspondence relating to the Mortgage Loans by regular U.S. mail on a weekly basis. The Correspondent shall notify RHL of the particulars of the Monthly Payment, which notification requirement shall be satisfied if the Correspondent forwards with its payment sufficient information to permit appropriate processing of the payment by RHL. The Correspondent shall endorse the Monthly Payment to RHL with the particulars of the payment

such as Correspondent's loan number, RHL's loan number, dollar amount, date received and any special Mortgagor application instructions. In the case of Monthly Payments which were scheduled to be (but were not) made prior to the Purchase Date and which were reflected (as if they had been made) in the projected unpaid principal balance, the Correspondent shall be entitled to keep such Monthly Payments and such payments shall be applied to Mortgagor's account in accordance with all applicable requirements.

D. Misapplied payments shall be processed as follows:

- (i) The parties shall cooperate in correcting misapplication errors;
- (ii) The party receiving notice of a misapplied payment occurring prior to the Purchase Date and discovered after the Purchase Date shall immediately notify the other party;
- (iii) If a misapplied payment which occurred prior to the Purchase Date cannot be identified and such misapplied payment has resulted in a shortage in an escrow (or other) account, the balances of which are being transferred to RHL, the Correspondent shall be liable for the amount of such shortage. The Correspondent shall reimburse RHL for the amount of such shortage pursuant to the procedures outlined in RHL Correspondent Agreement.
- (iv) If a misapplied payment which occurred prior to the Purchase Date has created an improper Purchase Price as the result of an inaccurate outstanding principal balance, a check shall be issued to the party adversely affected by the improper payment application pursuant to the procedures outlined in RHL Correspondent Agreement. Whichever party discovers the misapplied payment will notify the other and the parties will then comply promptly with this paragraph.

Defaults and Remedies, Early Pay Off

Defaults

Any one or more of the following events constitute an Event of Default:

- A. Correspondent has not complied with one or more of the requirements, terms or conditions, or has breached a representation, warranty or covenant, contained in this Correspondent Agreement or in the Program Documents.
- B. An Event of Default or a default (by whatever name) has occurred under the Program Documents or any other agreement between Correspondent or Guarantor and RHL or between Correspondent or Guarantor and one of RHL's Affiliates.
- C. Correspondent or any Guarantor changes its name or its DBA without prior written notice to RHL.
- D. Correspondent or any Guarantor consolidates, merges or enters into any analogous reorganization or transaction with any person without RHL's prior written consent.
- E. Any change in Correspondent's charter from federal to state or vice versa, if Correspondent is a bank, thrift, or savings and loan association, without RHL's prior written consent.

F. Any conversion from one entity type to another (e.g. corporation to LLC) without RHL's prior written consent.

G. Any Guarantor revokes, purports to disavow or contests the validity or enforceability of its guaranty, or dies or becomes incapacitated.

H. Any Correspondent or Guarantor undergoes a sale outside the ordinary course of business without RHL's prior written consent.

I. Any changes in Correspondent's ownership whether by direct means, or indirect means, without prior written notice to RHL. Indirect means include any change in ownership of 50% or more of Correspondent's direct or indirect parent.

J. The actual or impending insolvency of Correspondent or any Guarantor.

K. The filing of a voluntary petition by Correspondent or any Guarantor, or an involuntary petition or other insolvency proceedings against Correspondent or any Guarantor under the federal bankruptcy laws or under any state bankruptcy or insolvency laws.

L. Any assumption of control of Correspondent by the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS) or other similar governmental entity.

M. Correspondent or any Guarantor admits in writing its insolvency or inability to pay debts.

N. The appointment of trustee or receiver for Correspondent or any Guarantor or their respective property.

O. The execution by Correspondent or any Guarantor of an assignment for the benefit of creditors.

P. Any other change in the financial or organization status of Correspondent or any Guarantor that RHL in its discretion believes could adversely affect RHL or any Loans sold to RHL.

Q. Correspondent or any Guarantor liquidates winds up or dissolves.

R. Correspondent ceases to engage in the business of originating, purchasing or servicing Loans (as applicable).

S. Correspondent or any Guarantor sells, assigns, or transfers all or substantially all of Correspondent's business or assets.

T. The placement of Correspondent on probation or restriction of its activities in any manner by a (a) federal or state government Agency, including Freddie Mac, Fannie Mae, or HUD, or (b) MERS.

U. RHL determines in its discretion that Correspondent's or any Guarantor's actual and contingent obligations to RHL are disproportionate to its capital and assets.

V. Correspondent's or any Guarantor's failure to deliver any documents required by RHL.

W. Correspondent's or any Guarantor's misstatement or omission of any material fact on any application, certification or other document delivered to RHL.

X. Correspondent's failure to repurchase any Loan within the required timeframe.

Y. Correspondent's inability to meet the approval standards of any insurer or other entity that provides insurance or credit enhancements in connection with the efforts of RHL to sell the Loans based on the collateral value of the Loans.

Z. Correspondent's failure to maintain a qualified Loan origination, servicing and quality control staff, and acceptable ongoing quality control program adequate facilities and written policies and procedures to ensure the investment quality of Loans sold to RHL or the adequacy of the servicing of servicing retained Loans purchased by RHL.

AA. Correspondent's failure to meet any prescribed eligibility test.

BB. Correspondent fails to obtain private mortgage insurance or a Mortgage Insurance Certificate issued by the Federal Housing Administration (FHA) as required in this Correspondent Agreement, or a VA Loan Guaranty Certificate issued by the Department of Veterans Affairs (VA) on VA loans, or the private mortgage insurance, Mortgage Insurance Certificate or Loan Guaranty Certificate is subsequently deemed invalid or rescinded by the private mortgage insurance company, FHA or VA.

CC RHL is required by Fannie Mae, Freddie Mac, Ginnie Mae or any investor to whom RHL has sold a Loan to repurchase such Loan for any reason.

Remedies

A. Non-Exclusive, Cumulative Remedies

RHL's remedies are cumulative and not exclusive. RHL may exercise any remedy described in this Correspondent Agreement, contained in any other contract between RHL and Correspondent, or available at equity or at law. RHL's exercise of one or more remedies in connection with a particular Event of Default will not prevent it from exercising any other remedies in connection with that same Event of Default or another Event of Default.

B. Waiver of Defaults

RHL may waive any default by Correspondent in the performance of Correspondent's obligations hereunder and its consequences, but only by a written waiver specifying the nature and the terms of such waiver. No such waiver shall extend to any subsequent or other default, nor shall any delay by RHL in exercising, or RHL's failure to exercise, any right arising from such default affect or impair RHL's rights.

C. Survival of Remedies

RHL's remedies will continue in full force and effect, notwithstanding any termination of the Correspondent Contract, this Correspondent Agreement or the Program Documents, and shall inure to the benefit of RHL and its assigns, notwithstanding any restrictive or qualified endorsement on any Note or assignment of mortgage, or RHL's examination of or failure to examine any Loan Documents or Loan files.

Repurchase

A. Repurchase Obligations

RHL has the right to demand that Correspondent repurchase a Loan (and its servicing, if the Loan was sold on a servicing-released basis) if an Event of Default has occurred with respect to a specific Loan or, on certain Loans if an Early Payment Default has occurred with respect to a specific Loan. If Correspondent discovers an Event of Default with respect to a Loan, it must give RHL prompt written notice describing the breach. Upon receipt of this notice, RHL will review the materials and any additional information or documentation that Correspondent believes may influence RHL's decision to require Correspondent to repurchase the Loan. If RHL demands that Correspondent repurchase a Loan, Correspondent agrees to repurchase the Loan (and its servicing if the Loan was sold servicing released) for the repurchase price within 30 days of receiving RHL's written demand. If RHL determines in its discretion that repurchase of a Loan and its servicing is not appropriate, Correspondent must pay RHL all losses, costs and expenses (including reasonable attorney's fees and enforcement costs) incurred by RHL and the Loan's servicer as a result of the Event of Default. RHL is not required to demand repurchase within any particular time, and may elect not to require immediate repurchase. However, any delay in making a repurchase demand does not constitute a waiver by RHL of any of its rights or remedies. Upon Correspondent's satisfaction of its repurchase obligations, RHL will endorse the Note in blank and will deliver the Note and other pertinent Loan Documents that are in RHL's possession to Correspondent. If RHL has acquired title to any of the real property securing the Loan pursuant to a foreclosure sale and has not disposed of such property, it will transfer such property to Correspondent on a "quit claim" basis, or if required by state law, a "warranty deed" basis.

B. Repurchase Price

The Repurchase Price is the sum of the following amounts:

1. The actual principal balance of the Loan at the time of repurchase. If RHL purchased the Loan at a discount, the repurchase price will be adjusted by subtracting from the actual principal balance the amount obtained by multiplying the discount percentage by the actual principal balance at the time of repurchase. If RHL purchased the Loan at a Premium, the repurchase price will be adjusted by adding to the actual principal balance the amount obtained by multiplying the Premium percentage by the actual principal balance at the time of repurchase; plus
2. All accrued and unpaid interest on the Loan through the last day of the month of the date of repurchase; plus
3. All interest, principal and other advances made to investors and all out of pocket costs and expenses of any kind incurred by RHL and the primary Servicer in connection with the Loan, including, but not limited to, advances for taxes or insurance, and repair, foreclosure and insurance costs and reasonable attorneys' fees; plus
4. Cost of any transfer fees such as documentary stamp taxes, recording taxes, and transfer taxes; plus
5. Any unpaid Early Payment Default fee due; plus

6. Any additional amount that RHL or any Affiliate is required to pay to repurchase the Loan from any subsequent assignee; minus
7. The net amount of any proceeds realized by the owner of the Loan upon the final liquidation of the Loan or the Mortgaged Premises to an unrelated third party.

Indemnification

Correspondent shall indemnify RHL from all liabilities, obligations, losses, damages, penalties, fines, forfeitures, court costs and reasonable attorneys' fees, judgments, suits and any other costs, fees and expenses, directly or indirectly resulting from or arising out of (a) an Event of Default, (b) any litigation or governmental proceeding that alleges any violation of local, state or federal law or an event which, if true, would be an Event of Default, by Correspondent or any other party in connection with the origination of a Loan or the servicing of a Loan prior to the sale of servicing to RHL, (c) any breach of a representation, warranty, or covenant made by RHL in reliance upon any representation, warranty, or covenant made by Correspondent, or (d) RHL's enforcement of the Correspondent Contract, including this Correspondent Agreement. Correspondent must reimburse RHL within 10 days of receiving RHL's demand for indemnification. Except for notices of demand for indemnification, RHL is not required to give Correspondent notice of any events that may trigger Correspondent's indemnification obligations. Correspondent and its counsel must cooperate with RHL in connection with the defense of any litigation or governmental proceeding involving a Loan. RHL has the right to control any litigation or governmental proceeding related to a Loan, including choosing defense counsel and making settlement decisions.

Set Off

Upon any Event of Default RHL may, without prior notice to Correspondent, set-off and apply all or any amounts owed by RHL to Correspondent (including the Purchase Price for any Loan) against any repurchase, indemnification or other obligations owed by Correspondent to RHL. RHL will notify Correspondent within a reasonable time after any set off, provided, however that the failure of RHL to give such notification shall not affect the validity of the set-off.

Suspension, Inactivation, and Termination

Either party may terminate the Correspondent Contract and the Program Documents by giving the other party five days written notice. Provided that no Event of Default has occurred, the suspension, inactivation, or termination will not apply to any Loans that have been registered with RHL before the effective date of the suspension, inactivation, or termination. RHL may suspend, inactivate, or terminate the Correspondent Contract and the Program Documents and Correspondent's ability to sell Loans to RHL or refer loans to RHL for underwriting and closing in the name of RHL immediately if RHL has cause to believe an Event of Default has occurred. RHL may refuse to register or fund any or all Loans after the effective date of the suspension, inactivation, or termination. Inactivation, suspension, and termination does not affect Correspondent's obligations with respect to Loans already sold or referred for underwriting and closing to RHL.

CLOSING. Each closing for the purchase and sale of the Mortgage Loans shall take place on the related Closing Date. At RHL's option, each Closing shall be confirmed by telephone, letter, email or wire. Each closing shall be subject to each of the following conditions:

- a. all of the representations and warranties of the Correspondent under this Agreement shall be true and correct as of the related Closing Date and no event shall have occurred which, with notice or the passage of time, would constitute a default under this Agreement;
- b. the Correspondent represents and warrants that as of the related Closing Date it has not experienced any Material Adverse Change; and
- c. all other terms and conditions of this Agreement shall have been complied with.

For the purposes of this Section, Material Adverse Change shall mean (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, condition (financial or otherwise) or prospects of the Correspondent; (b) a material impairment of the ability of Correspondent to perform under the Agreement or any related agreements (the "Operative Agreements"); or (c) a material adverse effect upon the legality, validity, binding effect or enforceability of any Operative Agreement against Seller.

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 the Correspondent's attorney's fees, shall be paid by the Correspondent. In addition, the Correspondent shall pay any fees related to the set up of all tax contracts or flood insurance contracts for the Mortgage Loans and Correspondent 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. Correspondent shall indemnify the Purchaser for any losses or liabilities incurred during the period from the Closing Date of the Mortgage Loans until the set up of the tax service contracts or flood insurance contracts resulting from nonexistence of the tax service contracts or flood insurance contracts during this interim period.

PROTECTION OF CONFIDENTIAL INFORMATION. The Correspondent shall keep confidential and shall not divulge to any party, without RHL's prior written consent, the Purchase Price paid by RHL for the Mortgage Loans, except to the extent that it is appropriate for the Correspondent to do so in working with legal counsel, auditors, taxing authorities or other governmental agencies

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 on the signature page hereof, 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).

SEVERABILITY CLAUSE. Any part, provision, representation or warranty of this Agreement that is prohibited or that is held to be void or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. Any part, provision, representation or warranty of this Agreement that is prohibited or unenforceable or is held to be void or unenforceable in any jurisdiction shall be ineffective, as to such jurisdiction, to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction as to any Mortgage Loan shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, the parties hereto waive any provision of law that prohibits or

renders void or unenforceable any provision hereof. If the invalidity of any part, provision, representation or warranty 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.

PLACE OF DELIVERY AND GOVERNING LAW. This Agreement shall be deemed in effect when a fully executed counterpart thereof is received by RHL in the State of Texas and shall be deemed to have been made in the State of Texas. The Agreement shall be construed in accordance with the laws of the State of Texas and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with the laws of the State of Texas, except to the extent preempted by Federal law.

FURTHER AGREEMENTS. RHL and the Correspondent 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, the Correspondent shall cooperate with RHL in connection with the securitization of the Mortgage Loans by RHL. In that connection, the Correspondent shall provide to RHL any and all information and appropriate verification of information, whether through letters of its auditors and counsel or otherwise, as the RHL shall reasonably request. Prior to incurring any out-of-pocket expenses pursuant to this paragraph, the Correspondent shall notify RHL in writing of the estimated amount of such expense. RHL shall reimburse the Correspondent for any such expense following its receipt of appropriate details thereof.

SUCCESSORS AND ASSIGNS; ASSIGNMENT OF PURCHASE AGREEMENT. This Agreement shall bind and inure to the benefit of and be enforceable by the Correspondent and RHL and the respective successors and assigns of the Correspondent and RHL. This Agreement shall not be assigned, pledged or hypothecated by Correspondent to a third party without the prior written consent of RHL.

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.

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

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;
- e. the words "herein", "hereof", "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular provision; and
- f. the term "include" or "including" shall mean without limitation by reason of enumeration.

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.

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 the Correspondent's expense in the event recordation is either necessary under applicable law or requested by the Purchaser at its sole option.

NO PERSONAL SOLICITATION. From and after each Closing Date, the Purchaser hereby agrees that it will not take any action or permit or cause any action to be taken by any of its agents or affiliates, or by any independent contractors on the Correspondent's behalf, to personally, by telephone or mail, solicit the borrower or obligor under any related Mortgage Loan for any purpose whatsoever, including to refinance a Mortgage Loan, in whole or in part, without the prior written consent of RHL. 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 RHL pursuant hereto on the related Closing Date and the Correspondent shall take no action to undermine these rights and benefits. Notwithstanding the foregoing, it is understood and agreed that promotions undertaken by the Correspondent or any affiliate of the Correspondent 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.

RECONSTITUTION. RHL may sell the Mortgage Loans either 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 that RHL sells certain Mortgage Loans into Pass-Through Transfers or Agency Transfers, the Correspondent agrees to cooperate with RHL in reviewing and adhering to the terms of any agreements which might be required as part of Agency Transfers or Pass-Through Transfers (the "Reconstitution Agreement").

Early Pay Off

A. Premium Recapture for Early Pay Off (EPO)

In the event of prepayment of the outstanding balance in full within **90 days of the purchase of the loan**, Correspondent must reimburse RHL:

Commitment Type	Reimbursed Amount
Fannie Mae	Base SRP, Excess Servicing, and Escrow and Loan Size Adjustments
Assignment of Trade (AOT)	Base additional purchase premium (APP), excess servicing, and escrow and loan size adjustments. Any loan prepaid prior to RHL delivering it into assigned trade will be subject to recapture of Premium Pricing of the trade.
All other Flow or Bulk Commitment Types	The higher of the original Premium (above par pricing) paid to the Correspondent Correspondent or the base SRP plus Escrow and Loan Size Adjustments or a minimum SRP of 2.00% (3.00% for Government loans). If the loan was resold to another investor prior to the date the loan paid off, the minimum SRP will be charged.

B. EPO Incentive on Refinances:

RHL will offer Correspondents a 75% reduction of the 90 day premium recapture as long as RHL purchases the refinanced loan.

C. Prepayment Penalties Offset Against Premium Repayment

If the Note evidencing the Loan carries a lawful prepayment penalty and RHL collects that prepayment penalty, then RHL will offset the prepayment penalty against Correspondent's premium repayment obligation. However, RHL has no obligation to collect a prepayment penalty from the Borrower, and RHL, in its sole discretion, will determine whether to collect the prepayment penalty.

D. Timing of Payment

Correspondent must repay the Premium or other recaptured amount within 30 days of written notice from RHL.

E. Wire Instructions

Upon notice from RHL, Correspondent must wire the funds for Premium repayment to the address set out in this Agreement or if a different address is specified on the notice, to that address.

Early Payment Default

A. Early Payment Default Defined

On Loans closed in Correspondent's name and sold to RHL, an Early Payment Default (EPD) occurs when any of the first 24 payments due after purchase of the loan by RHL becomes ninety (90) or more days delinquent and such delinquency is not attributable to an error in servicing or other material error of RHL or its affiliates for purposes of this policy, a loan is considered 30 days delinquent if the payment has not been received and applied by the end of the day immediately preceding the loan's next due date. Receipt of payments originally due prior to the date on which RHL purchases the loan will not satisfy the EPD requirement.

B. Remedies for an Early Payment Default

The following remedies apply to an EPD. Loan Type	Underwritten by Correspondent under Delegated Authority	Underwritten by RHL and Subsequently Approved
Conventional Agency Loans	EPD Fee/Repurchase	None *
Government Loans	EPD Fee/Repurchase	None *
Jumbo Loans	EPD Fee/Repurchase	None *

*Unless fraud or misrepresentation found within submitted documents

Loans approved through an automated underwriting system, including, but not limited to, Desktop Underwriter and Loan Prospector, **are not exempt**.

C. Early Payment Default Fee

Correspondent must pay the Early Payment Default fee within 30 days of written notice from RHL. Upon notice from RHL, Correspondent must wire the funds for the Early Payment Default to the account as instructed.

Early Payment Default. In the event an FHA, VA, RHS Mortgage Loan (a "Government" loan) or a conventional Mortgage Loan (defined as all loan types other than Government loans, and including "jumbo" loans) is paid off in full within 90 days of purchase, the Seller will be required to reimburse RHL as follows:

Loan Type	Pooled		Not Pooled	
	SRP	Above Par Pricing	SRP	Above Par Pricing
Government	YES	YES	YES	YES
Conventional Conforming	YES	YES	YES	YES
Conventional Non-Conforming	NO	YES	NO	YES

1) SRP is included in the price at the time of funding. Unless otherwise noted on the Funding Transmittal or Trade Ticket, SRP value is 3% of the Purchase UPB on all FHA insured loans and 2% on all Conforming and High Balance Conforming loans.

2) Seller will be required to reimburse RHL for any amount in excess of par plus the SRP included in the purchase price plus an administration fee of \$1000.00 on all conventional loans and \$2500.00 on all Government.

IN WITNESS WHEREOF, the Correspondent and RHL have caused their names to be signed hereto by their respective officers thereunto duly authorized as of the date first above written.

X _____
Signed for Correspondent:

X _____
Signed for R.H. Lending, Inc.

Print or Type Name

Print or Type Name

Title

Title

Company: _____

R.H. Lending, Inc.
6209 Colleyville Blvd.
Colleyville, TX 76034

Address: _____

Date: _____

Date: _____

EXHIBIT A DEFINITIONS

The following terms are defined as set forth below:

Accepted Servicing Practices: With respect to any Mortgage Loan, those mortgage servicing practices of prudent mortgage lending institutions which service mortgage loans of the same type as such 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 in connection with the origination of the related Mortgage Loan as the value of the Mortgaged Property.

Approved Flood Policy Insurer: A nationally recognized flood insurer, or other insurer as may be approved by Purchaser from time to time.

Approved Tax Service Contract Provider: A nationally recognized tax service contract vendor, or other similar vendor as may be approved by Purchaser from time to time.

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 the 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 New York are authorized or obligated by law or executive order to be closed.

Closing Date: The relevant date on which the Purchaser from time to time shall purchase and the Seller from time to time 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.

Deleted Mortgage Loan: A Mortgage Loan which is repurchased or substituted with a Qualified Substitute Mortgage Loan by the Seller in accordance with the terms of this Agreement.

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.

Fannie Mae: Fannie Mae, or any successor thereto.

FICO Score: Statistical credit scores obtained by mortgage lenders in connection with the loan application to help assess a borrower's credit worthiness. The FICO Score shall be the lower of two, or the middle of three, credit scores.

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 in satisfaction of the Mortgage Loan.

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

MERS Mortgage Loan: Any Mortgage Loan registered with MERS on the MERS System.

MERS System: The system of recording transfers of mortgages electronically maintained by MERS.

Monthly Payment: The scheduled monthly payment of principal and interest on a Mortgage Loan.

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 referred to in Exhibit B annexed hereto, 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, each Mortgage Loan originally sold and subject to this Agreement being identified on the related Mortgage Loan Schedule, which Mortgage Loan includes without limitation the Mortgage File, the Monthly Payments, Liquidation Proceeds, Condemnation Proceeds, Insurance Proceeds, REO Disposition Proceeds, 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 pertaining to each Mortgage Loan.

Mortgage Loan Package: One or more Mortgage Loans sold to the Purchaser by the 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

requirements of Title XI of the Federal Institutions Reform, Recovery and Enforcement Act of 1989 and the regulations promulgated thereunder, all as in effect on the date the Mortgage Loan was originated.

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

Repurchase Price: With respect to any Mortgage Loan, a price equal to (i) the Stated Principal Balance of the Mortgage Loan plus (ii) interest on such Stated Principal Balance at the Mortgage Interest Rate from the date on which interest has last been paid and distributed to the Purchaser to the date of repurchase, less amounts received, if any, plus amounts advanced, if any, by any servicer, in respect of such repurchased Mortgage Loan plus (iii) any costs and damages incurred by the trust with respect to any securitization of the Mortgage Loan in connection with any violation by such Mortgage Loan of any predatory- or abusive-lending law.

Securitization Date: The date on which Purchaser has completed its securitization of a pool of Mortgage Loans that includes the applicable Mortgage Loan.

Servicing File: With respect to each Mortgage Loan the file retained by the Seller until the applicable Transfer Date consisting of originals of all documents in the Mortgage File, which are not delivered to the Purchaser or the Purchaser's designee, and copies of the Mortgage Loan Documents listed on Exhibit B hereto.

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 the 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 the Seller thereunder; (e) Escrow Payments or other similar payments with respect to the Mortgage Loans and any amounts actually collected by the 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 the Purchaser or Purchaser's designee with respect to the related Mortgage Loan representing payments or recoveries of principal or advances in lieu thereof.

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

EXHIBIT B
CONTENTS OF EACH MORTGAGE FILE

With respect to each Mortgage Loan, the Mortgage File shall include each of the following items, which shall be available for inspection by the Purchaser and any prospective Purchaser, and which shall be delivered to the Purchaser pursuant to Section 2 of the Purchase Agreement to which this Exhibit is attached (the "Agreement"):

An allonge to the original Mortgage Note.

The original of any guarantee executed in connection with the Mortgage Note.

The original Mortgage, with evidence of recording thereon. If in connection with any Mortgage Loan, the Seller cannot deliver or cause to be delivered the original Mortgage with evidence of recording thereon on or prior to the related Closing Date because of a delay caused by the public recording office where such Mortgage has been delivered for recordation or because such Mortgage has been lost or because such public recording office retains the original recorded Mortgage, the Seller shall deliver or cause to be delivered to the Purchaser, a photocopy of such Mortgage, together with

(i) in the case of a delay caused by the public recording office, an Officer's Certificate of the Seller stating that such Mortgage has been dispatched to the appropriate public recording office for recordation and that the original recorded Mortgage or a copy of such Mortgage certified by such public recording office to be a true and complete copy of the original recorded Mortgage will be promptly delivered to the Purchaser upon receipt thereof by the Seller; or (ii) in the case of a Mortgage where a public recording office retains the original recorded Mortgage or in the case where a Mortgage is lost after recordation in a public recording office, a copy of such Mortgage certified by such public recording office to be a true and complete copy of the original recorded Mortgage. In any event, the Seller shall deliver to the Purchaser the original recorded Mortgage (in the case of clause (i) above) or a certified copy (in the case of clause (ii) above) within 120 days after the related Closing Date.

The originals of all assumption, modification, consolidation or extension agreements, with evidence of recording thereon.

The original mortgagee policy of title insurance, or, if the original policy has not yet been released by the insurer, the related binders. In any event, the Seller shall deliver to the Purchaser the original policy of title insurance within 120 days after the related Closing Date. The policy must be properly endorsed, any necessary notices of transfer must be forwarded and any other action required to be taken must be taken in order to fully protect, under the terms of the policy and applicable law, Purchaser's interest as first mortgagee.

Original HUD Mortgage Insurance Certificate (MIC) or evidence of private mortgage insurance, as applicable and as required.

Any security agreement, chattel mortgage or equivalent executed in connection with the Mortgage.

The original hazard insurance policy and, if required by law, flood insurance policy, in accordance with Section 7(f) of the Agreement.

Residential loan application.

Mortgage Loan closing statement.

Verification of employment and income except for Mortgage Loans originated under a Limited Documentation Program.

Verification of acceptable evidence of source and amount of downpayment.

Credit report on the Mortgagor.

Residential appraisal report, including interior, exterior and street view pictures of the subject property along with pictures of all comparables.

Survey of the Mortgaged Property, if any.

Copy of each instrument necessary to complete identification of any exception set forth in the exception schedule in the title policy, i.e., map or plat, restrictions, easements, sewer agreements, home association declarations, etc.

All required disclosure statements.

If available, termite report, structural engineer's report, water potability and septic certification.

Sales contract.

Tax receipts, insurance premium receipts, ledger sheets, payment history from date of origination, insurance claim files, correspondence, current and historical computerized data files, and all other processing, underwriting and closing papers and records which are customarily contained in a mortgage loan file and which are required to document the Mortgage Loan or to service the Mortgage Loan.

Amortization schedule.