



first community mortgage



BUSINESS PARTNER APPLICATION

Instructions

This checklist is to be used to guide and confirm all items required to submit a complete lending application to First Community Mortgage, Inc. ("FCM"). Email the completed application and the required documents listed below to your Account Executive.

Company Name: _____

Account Executive: _____

Application Type: **Wholesale** **Non-Delegated Correspondent**

Required Documents for All Submitted Applications:

Fully Completed Business Partner Application

Broker Agreement

Compensation Agreement

Company Resolution

IRS Form W-9

Fannie Mae- Desktop Underwriter Redistribution Agreement

Compliance Addendum

AIR Addendum

Anti-Money Laundering Certification

VA Sponsorship Form (If applicable)

Resumes of Principal Officers, Owners, and Underwriters

Quality Control Plan (only if requested by FCM)

Most recent two years Financials (Profit & Loss and Balance Sheet) or most recent two years Corporate Tax Returns. Public Financials or Call Report accepted for Banks and Credit Unions.

Additional Requirements for Non-Delegated Correspondent:

Non-Delegated Correspondent Agreement

Non-Delegated Correspondent Profile

Copy of Appraisal Independence/ AIRS Policy (If ordering appraisals outside the FCM approved appraisal portal)

Quality Control Plan

QC Findings & Management Responses (NDC Tier 2 only, as requested)



BUSINESS PARTNER APPLICATION

GENERAL INFORMATION

Legal Name: _____

DBA (if applicable): _____

Mailing Street Address: _____

City: _____

State: _____

County: _____

Zip Code: _____

Company Phone: _____

Company Fax: _____

Company Email: _____

Company Website: _____

Check if Subsidiary, Name of Parent Company: _____

Parent Company Mailing Street Address (no P.O. Box please): _____

City: _____

State: _____

Zip Code: _____

Company's Tax I.D. #: _____

Company's NMLS Identification Number: _____ OR FDIC/NCUA#: _____

CONTACT INFORMATION AND AUTHORIZED OFFICERS

Non-Banks - List the names of ALL companies or individuals with ownership interest in your Company. The total ownership percentage (%) must equal 100%. Please attach additional sheet if necessary. Banks - Percentage of ownership is not required.					<i>*Required to be listed on the Resolution</i>
Name	Email	Phone	Title	%	Authorized Officer?
*Primary Contact					



BUSINESS PARTNER APPLICATION

USER ACCESS LIST

Please list all staff you would like to have access to our website. If there are more than the space below allows, please provide the User Access List in Excel format.				
NAME	NMLS#	SYSTEM ROLE	PHONE NUMBER	EMAIL ADDRESS

REFERENCES

***NOT REQUIRED FOR BANKS OR CREDIT UNIONS**

Provide 2 References:

1.

Name: _____

Title of Contact Person: _____

Phone: _____

Email Address: _____

2.

Name: _____

Title of Contact Person: _____

Phone: _____

Email Address: _____



BUSINESS PARTNER APPLICATION

GENERAL QUESTIONS

If you answer **YES** to any of the following questions, please provide a detailed explanation or copies of all relevant documents.

Yes No

Has your company ever been named as defendant in a lawsuit, been involved in any criminal proceedings or litigation in the past 7 years? Including any State or IRS liens.

Has any principal or officers ever been named as defendant in a lawsuit, been involved in any criminal proceedings or litigation in the past 7 years? Including any State or IRS liens.

Has any principals or corporate officers ever been convicted of a crime?

Has your company, and/or principals or corporate officers, ever filed for protection from creditors under any provision of the bankruptcy code within the past seven years?

Has your company, and/or any principals or corporate officers, ever had a real estate or other professional license suspended, revoked or received any other disciplinary action from a regulatory agency?

Has any lender enforced, or attempted to enforce, the Hold Harmless or Repurchase clause of their correspondent or broker agreement with your company and/or any principals or officers in the past 12 months?

Has any investor requested the repurchase of mortgages or requested an indemnity in the last twenty four months?

Has your company ever had a Mortgage Insurance Master Policy cancelled or suspended for any reason?

Has your company ever had unfavorable findings with regard to mortgage operations, included in any audit examination or report by FHA, VA, FNMA, FHLMC or any regulatory, supervisory or investigating agency?

Has any owner, partner, officer, director of your company ever been affiliated with any company/business that was suspended by FHA, VA, FNMA, or FHLMC?

Has there been a material change in company ownership, board of directors or senior management in the past 12 months?

Is there any affiliate relationships between your company or individuals in your company with any third parties who are engaged in real estate lending or real-estate service providers, i.e., contract processors, appraisers, closing agents, attorneys, surveyors, property inspectors, insurers, lenders or any other applicable situations?

Does your company currently have any affiliate relationships as defined by the Bank Holding Act of 1956, or any affiliate business arrangements (ABA's)?

Please list all affiliate relationships, and percentage of ownership below:

Name of Affiliate and Nature of Relationship

Percentage of Ownership

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CERTIFICATIONS

Does your company have a process in place to ensure compliance with high cost and anti-predatory lending statutes for all applicable federal, state and if necessary local laws? If no, please provide a detailed explanation under separate cover. Yes No

Has your company implemented and maintained a satisfactory hiring policy/process as required by the Dodd-Frank Act and Fannie Mae, including without limitation the following: obtain background check(s) for principal officers (including but not limited to, a credit report, screening through the mortgage fraud database or investor exclusionary list, and confirmation of business references, etc.). Check all employees against all watch and/or exclusionary list, including but not limited to the U.S. General Services Administration (GSA) Excluded Parties List, SAM.Gov, and the HUD Limited Denial of Participation List (LDP) and the Federal Housing Finance Agency (FHFA) Suspended Counterparty Program list at least twice annually. Business partner will retain and make available any information and/or records regarding any of the above requirements to First Community Mortgage, Inc. upon request. Yes No

Does your company rent or own commercial office space for your main location as well as each branch location?
If no, describe your office space arrangements. Yes No

I, the undersigned Officer, am authorized to provide this information to First Community Mortgage, Inc. on behalf of my company. I attest to the truth and accuracy (to the best of my knowledge and belief) of all the information provided to First Community Mortgage, Inc. located at 262 Robert Rose Drive, Murfreesboro, TN 37129.

I hereby authorize First Community Mortgage, Inc. in connection with its due diligence investigation to process our application, secure Business Reports, check references, and other such financial information that shall be reasonably required.

Signature: _____ Date: _____

Print Name: _____ Title: _____

(Must be Senior Officer of Company)



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BROKER AGREEMENT

This Broker Agreement ("Agreement") is entered into as of the _____ day of _____, 20____, by and between First Community Mortgage, Inc., and _____ ("Mortgage Broker") (collectively, "the Parties"), and is entered into with reference to the following facts:

A. Mortgage Broker is engaged in the business of soliciting residential mortgage loan applications and related documentation from the general public for submission to mortgage banking entities for funding consideration. Among other things, as part of this business, Mortgage Broker negotiates the terms and conditions of residential mortgage loans on behalf of mortgage loan applicants.

B. First Community Mortgage, Inc. accepts residential loan application packages and related documentation submitted by mortgage brokers for funding consideration.

C. The Parties desire to establish a non-exclusive relationship whereby, in accordance with the terms of this Agreement, Mortgage Broker will from time to time, and in its sole discretion and in its agency capacity for its loan applicants ("Borrowers"), submit residential loan application packages and related documentation, in compliance with First Community Mortgage, Inc.'s program requirements and loan origination policies and procedures ("Application Packages"), to First Community Mortgage, Inc. for funding consideration.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

1. Definitions.

"Agreement" means this Mortgage Broker Agreement by and between First Community Mortgage, Inc. and Mortgage Broker. This Agreement may be amended or modified from time to time as set forth below.

"Application Package(s)" shall mean the documentation necessary for First Community Mortgage, Inc. to determine Borrower's eligibility for a residential mortgage loan to be funded by First Community Mortgage, Inc. (each, a "Loan"), which shall include, but not be limited to, a mortgage loan application, verifications of income, liabilities, and net worth, as well as all compliance with the Underwriting Guidelines set forth in the Lender Requirements.

"FCM" shall mean First Community Mortgage, Inc.

"Lender Requirements" means (i) qualification requirements, in place presently or may be required in the future, for Mortgage Broker to become a First Community Mortgage Qualified Broker, including subsequent periodic evaluations thereof; (ii) Guidelines for Loan Origination services to be provided by Mortgage Broker; (iii) Mortgage Broker compensation; (iv) Code of Conduct; and, (v) Underwriting Guidelines.

"Underwriting Guidelines" shall mean, with respect to each Application Package, the underwriting guidelines of First Community Mortgage, Inc., Fannie Mae, Freddie Mac, Federal Housing Administration, Ginnie Mae, and USDA and or any private investor as applicable in effect on the date an Application Package is submitted to First Community Mortgage, Inc. by Mortgage Broker for funding consideration.

2. Loan Submission.

2.1 First Community Mortgage, Inc. hereby authorizes Mortgage Broker to submit Application Packages to FCM based on current Underwriting Guidelines and pricing information then in effect. Mortgage Broker agrees to submit Application Packages to FCM that are taken by Mortgage Broker in compliance with applicable state and federal laws, and in accordance with the Underwriting Guidelines then in effect.

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2.2 First Community Mortgage, Inc. shall make available to Mortgage Broker the current Approval Requirements, which may be withdrawn or modified at any time by Lender in its sole discretion. Mortgage Broker agrees that the most current version of the Approval Requirements as of the date an Application Package is submitted shall be applicable. Mortgage Broker acknowledges and agrees that the Approval Requirements are intended solely to facilitate the receipt and processing of Application Packages for underwriting and loan processing by FCM, and that compliance by Mortgage Broker with the Approval Requirements does not obligate FCM to accept or to underwrite any Application Package submitted by Mortgage Broker.

2.3 Mortgage Broker agrees and covenants that as to each Borrower for whom an Application Package is submitted to First Community Mortgage, Inc., Mortgage Broker, if so required by applicable law: (i) has agreed in writing with the Borrower to act as the Borrower's authorized agent to negotiate a Loan, including the payment of appropriate compensation, if any; and (ii) will provide Lender a copy of the written agreement between Mortgage Broker and Borrower; and (iii) Lender may deem Mortgage Broker to be acting in such agency capacity for the Borrower for all purposes of the transactions contemplated by this Agreement.

2.4 Upon receipt of a completed Application Package from Mortgage Broker, First Community Mortgage, Inc., in its sole discretion, may underwrite and approve/deny such Application Package on the basis of FCM's then current Approval Requirements and secondary market standards. Nothing in this Agreement constitutes a representation or commitment by FCM will extend credit to any Borrower, and the determination as to the creditworthiness of any Borrower, including the terms and conditions of a Loan, shall be final and conclusive. Without limiting the foregoing, FCM shall have the right, in its sole discretion, to approve the terms proposed in an Application Package for a Loan, the creditworthiness of the Borrower and the adequacy of the security for a Loan. Mortgage Broker shall not represent to any person, including Borrower that Lender has approved or will approve an Application Package, or that Lender has issued or will issue a binding commitment to fund a Loan. All information contained in an Application Package shall be subject to FCM's independent verification. FCM's independent verification (or lack thereof) of any Application Package shall not reduce, waive or otherwise modify any of the rights or remedies provided hereunder. All information and documentation to be utilized in connection with such Application Packages and Loans, including loan applications, requests for deposit verifications, state and federal consumer disclosures, promissory notes, security documents, deeds of trust and mortgages, shall be on forms approved by FCM, in conformance with all applicable state and federal laws and regulations, the Approval Requirements, and this Agreement.

2.5 If First Community Mortgage, Inc., in its sole discretion, approves an Application Package; FCM may issue an approval letter setting forth the conditions upon which Lender will fund the subject Loan, along with the expiration date of the approval (the "Approval Letter"). FCM shall have no obligation to fund a loan prior to fulfillment of all funding conditions contained in, or after expiration of, the Approval Letter.

2.6 First Community Mortgage, Inc. shall not be obligated to fund any Loan that does not, in FCM's sole discretion, comply with the current Agreement or any exhibits thereto, the related Approval Letter or FCM's Requirements.

2.7 All Loans shall close in First Community Mortgage, Inc.'s name with funds provided by FCM. At the time of the closing of the Loan, Mortgage Broker agrees to assign to Lender all of Mortgage Broker rights, title and interest in and to the subject loan, the Application Package, and all materials relating to the Loan of whatever nature or kind.

3. Loan Origination Services and Compensation.

3.1 Mortgage Broker will, at Mortgage Broker's sole cost and expense, prepare process and submit Application Packages to First Community Mortgage, Inc. for funding consideration and facilitate the closing of Application Packages approved for funding by Lender. Mortgage Broker services and facilities shall include, but will not be limited to, those services and facilities required by the FCM's Requirements, as amended from time to time, at the sole discretion of FCM. The specified loan origination services and facilities performed by Mortgage Broker pursuant to this Section 3.1 shall be referred to in this Agreement as the "Loan Services." Without limiting the generality of the foregoing, Mortgage Broker shall perform the following Loan Services, or any equivalent or similar service as may be required by FCM from time to time during the term of this Agreement:

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- a) Taking information from the Borrower and completing the loan application
- b) Analyzing the prospective Borrower's income and debt and prequalifying the prospective Borrower to determine the maximum mortgage that the prospective borrower can afford;
- c) Educating the prospective Borrower in the home buying and financing process, advising the prospective Borrower about the different types of loan products available, and demonstrating how closing costs and monthly payments could vary under each product;
- d) Collecting financial information (tax returns, bank statements) and other related documents that are part of the application process;
- e) Initiating/ordering VOEs (verifications of employment) and VODs (verifications of deposit);
- f) Initiating/ordering requests for mortgage and other loan verifications;
- g) Initiating/ordering appraisals;
- h) Initiating/ordering inspections or engineering reports;
- i) Providing disclosures (truth in lending, loan estimate, other disclosures) to the borrower;
- j) Assisting the borrower in understanding and clearing credit problems;
- k) Maintaining regular contact with the borrower, Realtors, lender, throughout the loan process to apprise them of the status of the application and gather any additional information as needed;
- l) Ordering legal documents;
- m) Determining whether the property is located in a flood zone or ordering such service; and
- n) Participating in the loan closing.

3.2 First Community Mortgage, Inc. may pay Mortgage Broker, pursuant to the terms of this Agreement and payable at the time of the closing of a Loan, compensation for the Loan Services performed by Mortgage Broker at the percentage rate periodically agreed to by the Parties, as set forth in the FCM approval requirements, programs and pricing options. All compensation paid by FCM to Mortgage Broker, and all compensation paid by Mortgage Broker to its loan originators, shall comply with the Loan Originator Compensation Rule, as set forth in Regulation Z at 12 CFR 1026.36 and the Official Staff Commentary to Regulation Z, and in all Bulletins, Small Entity Compliance Guides, responses to Frequently Asked Questions, and/or orders that may be published by the Consumer Financial Protection Bureau from time to time during the term of this Agreement. All compensation paid by Lender to Mortgage Broker for its provision of the Loan Services will reflect the fair market value of the Loan Services in the market area in which Mortgage Broker performed the same. Mortgage Broker shall disclose its compensation, and the cost of any bona fide and reasonable third-party charge, if any, charged to Borrower on the Loan Estimate of Closing Costs pursuant to TRID, and in accordance with all other applicable consumer disclosure and other legal requirements. No compensation may be received by Mortgage Broker from Borrower in connection with any Loan for which Mortgage Broker received any compensation from FCM.

3.3 Mortgage Broker may, alternatively, negotiate and receive from Borrower, payable at the time of the closing of a Loan, compensation for its services that is typical and customary in Mortgage Broker's market area for that particular loan type. All compensation paid to Mortgage Broker by a Borrower, and all compensation then paid by Mortgage Broker to its loan originators, shall comply with the Loan Originator Compensation Rule, as set forth in Regulation Z at 12 CFR 1026.36 and the Official Staff Commentary to Regulation Z, and in all Bulletins, Small Entity Compliance Guides, responses to Frequently Asked Questions, and/or orders that may be published by the Consumer Financial Protection Bureau from time to time during the term of this Agreement. Mortgage Broker shall disclose its compensation, and the cost of any bona fide and reasonable third-party charge, if any, charged to the Borrower on the Loan Estimate pursuant to TRID, and in accordance with all other applicable consumer disclosure and other legal requirements. No compensation will be paid by FCM to Mortgage Broker in connection with any Loan for which Mortgage Broker received any compensation from Borrower.

3.4 THE PARTIES AGREE THAT ANY FEE OTHER THAN THE COMPENSATION DESCRIBED IN SECTION 3 OF THIS AGREEMENT IS SUBJECT SOLELY TO THE CONTRACTUAL TERMS AND CONDITIONS AGREED TO BETWEEN A BORROWER AND MORTGAGE BROKER, AND SUCH MORTGAGE BROKER FEE IS NOT A CONDITION OR A REQUIREMENT BY FIRST COMMUNITY MORTGAGE INC. IN ORDER TO ACCEPT OR UNDERWRITE AN APPLICATION PACKAGE.

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4. Mortgage Broker Representations, Warranties and Covenants.

Mortgage Broker represents, warrants and covenants to First Community Mortgage, Inc., on behalf of itself and its officers, directors, employees, representatives and agents, that to the best of Mortgage Broker knowledge, information and belief and after diligent inquiry as of (a) the date and time any Application Package is submitted to Lender, (b) the date and time a Loan is funded and closed, (c) throughout the time such Loan remains outstanding, and (d) any other date and time as indicated or as the context of this Agreement may require, as follows:

4.1 Due Organization, Existence and Good Standing. If a corporation, partnership or other entity other than a natural person, Mortgage Broker: (i) is and shall remain duly organized and a validly existing entity in good standing in the jurisdiction under whose laws Mortgage Broker is formed; and (ii) is and shall be duly qualified to conduct its business in each jurisdiction in which such qualification is required.

4.2 All Licenses and Authorizations. Mortgage Broker, has, and shall maintain, all licenses necessary to carry on its business as now being conducted, including all licenses necessary to conduct the mortgage brokerage/lending business (if applicable) contemplated by this Agreement. Mortgage Broker is, unless otherwise exempt, licensed, registered, qualified and in good standing in each state in which: (i) real property securing repayment of a Loan is located; and/or (ii) the laws of such state require licensing, registration or qualification in order to engage in mortgage loan origination. Mortgage Broker covenants to maintain all licenses, registrations and qualifications current and in good standing, and to keep itself, and those of its employees, agents or representatives engaged in residential mortgage loan origination, licensed, registered and qualified with all applicable regulatory and supervisory agencies during the term of this Agreement. Mortgage Broker covenants to adhere to and comply with any state or federal record retention requirements. Mortgage Broker further covenants to notify FCM immediately upon the suspension, revocation, expiration or other termination of any licenses, registrations or qualifications of it or its loan originators, or of the taking of any formal or informal administrative or judicial action by any regulatory or supervisory agency against Mortgage Broker or its loan originators that could adversely affect Mortgage Broker licenses, registrations and qualifications.

4.3 Authority and Capacity; Consent; Enforceability of Agreement. Mortgage Broker has the full power, authority and capacity to enter into this Agreement; and this Agreement has been duly authorized, executed and delivered by Mortgage Broker and constitutes a valid and binding obligation of Mortgage Broker, including its officers, directors, employees, representatives and agents, enforceable in accordance with its terms. No consent, approval, authorization or order of any court or governmental agency or body is required for the execution, delivery and performance by Mortgage Broker of, or compliance by Mortgage Broker with, this Agreement or the consummation of the transactions contemplated by this Agreement or, if required, such consent approval or authorization has been obtained. Mortgage Broker compliance with the terms and conditions of this Agreement will not violate any provisions of its charter documents, if any, any instrument relating to the conduct of its business, or any other agreement, law or regulation to which it may be a party or under which it may be governed.

4.4 Absence of Claims. Except as previously disclosed by Mortgage Broker to First Community Mortgage, Inc. in a writing to be attached to this Agreement as Exhibit B, there is not pending or, to Mortgage Broker knowledge, threatened any suit, action, arbitration, or legal, administrative, or other proceeding or investigation, including an allegation of fraud by another lender, against Mortgage Broker or its current or former officers, directors, shareholders, employees, representatives and/or agents that would prevent the execution, delivery and performance by Mortgage Broker of its obligations under this Agreement or which could have a material adverse effect upon Mortgage Broker business, assets, financial condition or reputation, or upon any Application Package submitted for funding by FCM.

4.5 Disclosure and Validity or Information. To the best of Mortgage Broker knowledge, information and belief and after diligent inquiry, Mortgage Broker shall make prompt, timely, full, accurate and truthful disclosure to FCM of all facts, information and documentation that Mortgage Broker knows, suspects or has notice of that could affect, or has affected, the eligibility, validity, collectability, collateral value, security, or enforceability of any Application Package submitted by Mortgage Broker for funding consideration by FCM. All information set forth in mortgage application(s) prepared by Mortgage Broker for submission to FCM included in an Application Package, including all written attachments thereto, is and shall be true, correct, currently valid and genuine. Mortgage Broker is not aware of any errors, omission, misrepresentation, negligence, fraud or similar occurrence with respect to an Application Package or a

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Loan has taken place on the part of any person or entity, including, without limitation, Mortgage Broker and its officers, directors, employees, representatives and agents, the Borrower, any appraiser, any builder or developer, or any person involved in the preparation and/or submission of an Application Package to the First Community Mortgage Inc. or the origination of a Loan.

4.6 Control of Documents. Mortgage Broker shall maintain direct and indirect possession and control of all credit, income or deposit verification documentation submitted to Lender with respect to any Application Package or Loan.

4.7 Ownership. Unless advance written consent is given by First Community Mortgage, Inc. to Mortgage Broker to the contrary, Mortgage Broker shall have no direct or indirect interest, including, but not limited to, any ownership interest in any real property, related in any manner with a Loan, in any property pledged as security for a Loan, or an affiliation or relationship with any person or entity having a financial interest in a Loan, an Application Package or a Loan transaction. Other than the compensation described in Section 3 of this Agreement, Mortgage Broker has not received any other form of financial remuneration or benefit, direct or indirect, from any person or entity relating to a Loan transaction.

4.8 Compliance with Laws. In connection with its solicitation, processing, and submission of an Application Package pursuant to this Agreement, Mortgage Broker, for itself and on behalf of every other person or entity involved in the Loan transaction, covenants and agrees that it and they will comply fully and in a timely manner with all applicable state and federal consumer protection and disclosure laws, including, but not necessarily limited to, the following: (i) the Truth-in-Lending Act, and Regulation Z; (ii) the Equal Credit Opportunity Act, and Regulation B; (iii) the Home Mortgage Disclosure Act, and Regulation C; (iv) the Real Estate Settlement Procedures Act, and Regulation X; (v) the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (vi) the Gramm-Leach-Bliley Act, and Regulation P; (vii) the SAFE Mortgage Licensing Act, and Regulation G; (viii) the Mortgage Acts and Practices-Advertising Act, Regulation N; (ix) the federal Fair Housing Act, and similar state and federal nondiscrimination housing laws and regulations; and (x) the TIL-RESPA Integrated Disclosures (TRID) rules and (xi) all other federal and state laws, rules and regulations as they relate to fair lending, consumer credit disclosures and notices, broker related notices and disclosures, privacy rights, and record retention requirements. At all times Mortgage Broker represents and warrants, for it, and every other person or entity involved in the Loan transaction, that it and they shall be in compliance with First Community Mortgage, Inc.'s fair lending policy and any amendments thereto. Mortgage Broker covenants and warrants to provide compliance training pertaining to all aforesaid laws, regulations and rules, and any amendments thereto, on a continuing basis throughout the term of this Agreement, including compliance with the Lender Requirements. Mortgage Broker is in full compliance with all real estate mortgage lending or other regulatory or supervisory agencies having jurisdiction over Mortgage Broker activities to the extent necessary to ensure the enforceability of the Loans.

4.9 Fees. The nature, character, and amount of any fee charged or received by Mortgage Broker and payable by Borrower in connection with an Application Package or a Loan will be determined solely by direct negotiations between Mortgage Broker and the Borrower. The total fees to be received by Mortgage Broker shall be separately itemized, fully disclosed, explained and agreed to in writing by Borrower, reasonably related to the value of the services rendered, and shall represent a reasonable and customary fee in the market area in which those services were performed.

4.10 Compensation Only on Closed Loans. If First Community Mortgage, Inc. does not fund and close, for any reason whatsoever, a Loan submitted by Mortgage Broker, FCM shall have no obligation to pay Mortgage Broker for the performance of the Loan Services or any sum owed to Mortgage Broker by Borrower arising out of a Loan, nor shall Lender have any obligation to pay Mortgage Broker compensation for any sum in connection with the Application Package.

4.11 No Kickbacks. There is no agreement between Mortgage Broker and any other person or entity for the payment of any referral fee, rebate, bonus, kickback or other payment, and no payment of such referral fee, rebate, bonus, kickback or other payment has been or will be made to any person, including, but not limited to, the Borrower and/or Mortgage Broker.

4.12 Services to Borrower. If applicable law so requires, Mortgage Broker is acting as the authorized agent of the Borrower with respect to the submission of an Application Package and the negotiation of a Loan and has entered into a contract with the Borrower authorizing the Mortgage Broker to act in such agency capacity for the Borrower concerning the transactions contemplated by this

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Agreement. Mortgage Broker has observed and shall observe and fully discharge any applicable duties owed by Mortgage Broker to Borrower under law with respect to each Borrower and related Application Package that has been submitted by Mortgage Broker to FCM for funding consideration pursuant to this Agreement. Without limiting the foregoing, whenever obligations are required by such duty, law, or FCM guideline and/or agreement, Mortgage Broker, including its officers, directors, employees, representatives and agents, has provided to Borrower any and all requisite disclosures, including, but not limited to, those pertaining to Mortgage Broker compensation and has obtained any and all requisite agreements and authorizations. All services performed by Mortgage Broker were performed to the full satisfaction of Borrower by Mortgage Broker and in accordance with the legal, prudent, accepted and customary standards in the mortgage lending industry generally. Mortgage Broker is not aware of any dispute or claim by any Borrower that all such services were not fully and satisfactorily performed. No Borrower has any claim or defense against Mortgage Broker, and its officers, directors, employees, representatives and agents, by reason of any act or omission of Mortgage Broker, and its officers, directors, employees, representatives and agents, arising out of or related in any manner to an Application Package, a Loan or a Loan transaction.

4.13 Corrections. Mortgage Broker shall, upon request by First Community Mortgage, Inc., take all actions necessary, in a timely and an accurate manner, to obtain corrections to any and all Loan documents as may be appropriate and to otherwise assist FCM in remedying any matter not in compliance with applicable law, regulations or FCM Requirements, including assisting FCM in obtaining recorded documentation relating to a Loan and title policies from closing agents.

4.14 Use of Approved Vendors. Mortgage Broker has not and shall not utilize any real estate appraiser, credit reporting agency or other settlement service providers or vendors in connection with an Application Package that do not comply in all respects with all applicable state and federal laws and such standards as may be set forth in the Lender Requirements.

4.15 Credit Life Insurance. Mortgage Broker may not sell, or offer to sell, credit life insurance to Borrowers without prior disclosure of such sale, or offer to sale, to FCM and proper disclosure of same to the Borrower.

4.16 Appraisals. Mortgage Broker shall order its appraisals through Lender's approved Appraisal Management Companies per the instructions listed on Lender's website (or other location) and shall comply with all applicable federal and state laws, regulations and rules regarding appraiser and valuation independence.

4.17 Current Version of the Broker Agreement and Lender Requirements. This Agreement is subject to change, from time to time, at FCM's sole discretion. Broker is responsible for reviewing any changes. Mortgage Broker has access to the most recent version of the Agreement and the Lender Requirements as provided by FCM and has strictly complied with all requirements set forth therein. Without limiting the foregoing, Mortgage Broker agrees with, and consents to, all terms and conditions set forth in the current version of the Agreement, and by submitting an Application Package to FCM, Mortgage Broker agrees to comply in all respects with all amendments and modifications set forth in the current version of the Agreement and the Lender Requirements, including any amendments delivered to Mortgage Broker pursuant to the terms of Section 14.4.

4.18 Anti-Money Laundering. Mortgage Broker has established and implemented a written Anti-Money Laundering ("AML") program that is reasonably designed to prevent Mortgage Broker from being used to facilitate money laundering or the financing of terrorism. Mortgage Broker represents and warrants that its AML program, at a minimum: (i) incorporates policies and procedures and internal controls for complying with the Bank Secrecy Act ("BSA"); (ii) designates a qualified compliance officer responsible for ensuring that the AML program is implemented effectively, and includes regular and ongoing monitoring of Mortgage Broker employees and agents to ensure compliance with that program; (iii) provides for ongoing AML training of Mortgage Broker employees and agents; and (iv) provides for independent testing of Mortgage Broker AML program to determine compliance by its employees and agents. (v) implements risk based procedures for conducting ongoing customer due diligence. In addition, Mortgage Broker represents and warrants that it has implemented policies and procedures to ensure that Suspicious Activity Reports ("SAR's") are filed electronically, and in a timely manner, in connection with loan transactions of \$5,000 or more if Broker knows, or has reason to suspect, that the transaction: (a) involves funds derived from illegal activity; (b) is designed to evade the BSA or Broker's AML program; (c) has no apparent business or lawful purpose; or, (d) is intended to facilitate criminal activity;

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4.19 Compliance Management System. Mortgage Broker certifies that it maintains an effective quality control program and Compliance Management System ("CMS") designed to prevent violations of federal consumer financial law, and associated consumer harm. Mortgage Broker shall make available, upon the request of FCM: (a) copies of Mortgage Broker written policies, procedures, internal controls and training materials relative to Mortgage Broker employees and/or agents that have consumer contact and/or any consumer compliance responsibilities in connection with residential mortgage loan origination; and, (b) permit FCM access, during normal business hours, to the offices of Mortgage Broker in order that FCM may make appropriate on-site reviews, as necessary to confirm the propriety and effectiveness of Broker CMS, including an examination of Mortgage Broker internal controls and procedures that are designed to protect against a violation of federal consumer financial law and/or consumer harm. Mortgage Broker agrees to report to FCM within three (3) days: (a) any consumer complaint which in any way involves any of the services contemplated by this Agreement or an Application Package submitted to FCM for funding consideration; (b) any consumer complaint which involves federal consumer financial law, whether or not related to the services contemplated by this Agreement; (c) any legal or regulatory action which alleges a violation of federal consumer financial law; and/or, (d) any changes in senior management. It is expressly understood and agreed that the terms of this section 4.19 are a material condition and inducement to FCM to enter into this Agreement. It is further understood and agreed that any failure of Mortgage Broker to fully perform, in whole or in part, any of the terms of this section shall constitute a material breach of this Agreement and the grounds for its immediate termination.

4.20 Tax Reporting Requirements. Section 6050H of the United States Internal Revenue Code and regulations promulgated thereunder (collectively, the "Reporting Requirements") require an information return using Form 1098 to be made to the United States Internal Revenue Service, and a statement to be furnished to the Payer of Record (as defined in the Reporting Requirements), in connection with the transaction. Correspondent/Broker desires to designate First Community Mortgage Inc. as the "Reporting Person" (as defined in the Reporting Requirements) with respect to the transaction as permitted by the applicable Internal Revenue Code.

5. Mortgage Broker's Indemnification

Mortgage Broker hereby agrees to indemnify and hold First Community Mortgage, Inc., and its officers, directors, employees, shareholders, representatives, successors, assigns, agents and affiliates (collectively, the "Indemnitees"), harmless from and against, and shall reimburse the Indemnitees with respect to, any and all losses, damages, demands, claims, liabilities, costs and expenses, including reasonable attorneys' fees, whether or not a lawsuit is filed (collectively, "Losses"), of any nature or cause whatsoever, incurred by reason of or arising out of or in connection with, (a) any investigation undertaken by Lender with respect to any document included as part of an Application Package; (b) Mortgage Broker breach of any representation, warranty or covenant contained in this Agreement; (c) Mortgage Broker failure to perform any of its obligations under this Agreement; or (d) any claim by a Borrower resulting from FCM's failure or refusal to fund a Loan. Mortgage Broker obligation to fully indemnify the Indemnitees under this Agreement shall not be affected by FCM taking any of the following actions with or without notice to Mortgage Broker: (i) liquidation, repayment retirement, or sale or resale of any Loan; (ii) foreclosure of any Loan; or (iii) sale or resale of any real or personal property securing any Loan. For the purposes of this Agreement, including this Section 6, Mortgage Broker specifically covenants, represents and warrants that the knowledge and actions of Mortgage Broker's officers, directors, employees, representatives and agents shall be imputed to, and be deemed the actions of, Mortgage Broker.

6. Privacy.

Each of the Parties shall comply in all respects with their respective state and federal obligations concerning the privacy of Borrower data in their possession. Without limiting the foregoing, each of the Parties shall comply in all respects with the requirements of Title V of the Gramm-Leach-Bliley Act and the Federal Trade Commission's implementing regulations including, without limitation, the Federal Trade Commission's Safeguards Rule.

7. Non-Solicitation / Early Payoff/Early Payment Default.

7.1 Non-Solicitation. Without the prior written consent of Lender, for a period of six (6) months from the date of funding of any Application Package, Mortgage Broker hereby agrees that it will not take any action or permit or cause any action to be taken by any of its officers, directors, employees, representatives and/or agents, or by any independent contractors or settlement service providers of

BROKER AGREEMENT

any nature or kind, to personally, by telephone, mail or any other medium, solicit the Borrower or any mortgagor under any Loan for any purpose whatsoever, including, among others, to refinance such Loan, in whole or in part.

7.2 Early Payoff. Mortgage Broker shall not be entitled to compensation on a closed Loan until any early payoff period or early payment default period on the Loan expires. In the event that FCM advances compensation to Mortgage Broker prior to the expiration of any early payoff or early payment default period, FCM may demand that Mortgage Broker reimburse FCM for the amount paid by FCM to Mortgage Broker for any Loan submitted by Mortgage Broker that results in an early payoff or early payment default. Within thirty (30) days of receipt of FCM's notice, Mortgage Broker shall pay to FCM the amount set forth in FCM's notice of Mortgage Broker. An early payoff period is defined as a period of 180 days from funding. An early payment default is defined as borrower[s]'s failure to make any of the first four (4) monthly payments subsequent to the loan purchase date, as described in the loan documents at the time of closing.

8. Disclosure of Information; Confidentiality.

All documents, forms, publications, memoranda, correspondence, files, contacts, client lists, financial tables, records, procedures, sales aids, techniques, processes, lending programs, the Lender Requirements and all other material and information directly or indirectly given to or received by Mortgage Broker during the term of this Agreement that relate in any manner to any business or operation that First Community Mortgage Inc. is engaged in, or intends at any time to become engaged in, are and shall remain the proprietary and confidential property of First Community Mortgage Inc. Upon the termination of this Agreement for any reason, Mortgage Broker shall promptly deliver to First Community Mortgage Inc. all such material and information. During and after the term of this Agreement, Mortgage Broker shall not disclose to any person any proprietary and/or confidential information relating to the business of FCM.

9. Cost and Expenses.

Mortgage Broker shall, during and after the term of this Agreement, be responsible for and shall promptly pay in full all costs and expenses directly or indirectly incurred in performing its duties hereunder. Except as specifically set forth in this Agreement, Mortgage Broker shall have no right to reimbursement of any such costs or expenses from FCM.

10. Termination of Agreement.

This Agreement may be terminated by either party, with or without cause, upon ten (10) days written notice to the other. Termination of this Agreement shall not affect the Parties' respective obligations with respect to Application Packages submitted by Mortgage Broker to First Community Mortgage, Inc. and to Loans funded by First Community Mortgage, Inc. prior to the effective date of the termination of this Agreement. Termination of this Agreement shall not extinguish Mortgage Broker obligations to FCM as provided in this Agreement. Upon FCM's termination of this Agreement due to Mortgage Broker's breach of a representation or warranty contained herein, or upon First Community Mortgage Inc.'s discovery of fraud, FCM may, in its sole discretion, elect to fund any other Application Package submitted by Mortgage Broker that has not yet closed, but shall be under no obligation to do so.

11. Mandatory Binding Arbitration. It is the intent of the Parties to this Agreement that any and every dispute by and between them, including, without limitation, any dispute arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, be resolved by mandatory binding arbitration. This includes, but is not limited to the determination of the scope or applicability of this agreement to arbitrate. The arbitration shall be conducted before a sole arbitrator in accordance with the laws of the State of Tennessee for agreements made in and to be performed in Tennessee. The arbitration shall be administered by the American Arbitration Association ("AAA") pursuant to its Commercial Arbitration Rules and Mediation Procedures. Arbitration initiated by Mortgage Broker against Lender shall be conducted in the County of Bedford, Tennessee. Arbitration initiated by Lender against Mortgage Broker shall be conducted in the state and county in which Mortgage Broker's main office is located, or in the nearest state and/or county thereto in which the AAA maintains a permanent office. Judgment on any award may be entered in any court having jurisdiction. The provisions of this Section 12 may be enforced by any court having jurisdiction, and the Party seeking enforcement shall be entitled to an award of all costs, fees and expenses, including attorneys' fees, to be paid by the Party against whom enforcement is ordered.

BROKER AGREEMENT

12. Status of Mortgage Broker as Independent Contractor.

Lender and Mortgage Broker acknowledge and agree, and Mortgage Broker covenants, warrants and represents to First Community Mortgage, Inc., that Mortgage Broker/ is an independent contractor. Nothing in this Agreement is intended, nor shall anything in this Agreement be construed, to make or deem Mortgage Broker a joint venture, partner, representative employee or agent of FCM, and Mortgage Broker is expressly prohibited from holding itself out as such, nor shall Mortgage Broker hold itself out at any time as the representative of FCM in any area, state or jurisdiction in which FCM conducts its business. Mortgage Broker is expressly prohibited from using First Community Mortgage, Inc.'s name in any advertising.

13. Corporate Documents; Licenses; Authorities.

In connection with Mortgage Broker representations and warranties as set forth in Sections 4.1, 4.2, and 4.3, prior to execution of this Agreement, Mortgage Broker shall have delivered to First Community Mortgage, Inc., as applicable:

13.1 a current certificate of its jurisdiction of incorporation to the effect that Mortgage Broker is a corporation or other entity validly existing and in good standing under the law of such jurisdiction;

13.2 a certificate of the duly authorized secretary or assistant secretary of Mortgage Broker attaching: (i) evidence of such corporate action or authorization as is necessary to approve of this Agreement and the authorization of the officers of Mortgage Broker to sign this Agreement; and (ii) specimen signatures of the officers of Mortgage Broker authorized to sign this Agreement;

13.3 a copy, certified as true by the secretary or assistant secretary of Mortgage Broker, of the charter and the by-laws of Mortgage Broker; and

13.4 all other documents, instruments and writings required to be delivered by Mortgage Broker pursuant to this Agreement, including, but not limited to, copies of all licenses issued by any relevant governmental authority and those documents set forth in Sections 4.1 and 4.2 of this Agreement.

If requested by First Community Mortgage, Inc., Mortgage Broker shall annually hereafter, within 120 days of Mortgage Broker's fiscal year-end, also deliver to FCM all corporate documents referenced in Section 4 reflecting all transactions and changes occurring in the prior fiscal year. Mortgage Broker shall further deliver to FCM, upon request, such financial information concerning Mortgage Broker as FCM may require from time to time including, without limitation, the balance sheets of Mortgage Broker, and related statements of income, changes in stockholder equity and cash flows.

14. Miscellaneous.

14.1 Right to Offset. Amounts owed by Mortgage Broker to First Community Mortgage, Inc. under this Agreement may, at FCM's option and at its sole discretion, be offset by FCM against any payments then or thereafter owed by FCM to Mortgage Broker.

14.2 Books and Records. Mortgage Broker shall maintain and retain accurate books and records with respect to all Application Packages for the time period required by applicable law or as may be required by First Community Mortgage, Inc. FCM and its agents or representatives shall have the right to inspect Mortgage Broker books and records during regular business hours and upon reasonable notice in order to confirm the accuracy of information supplied by Mortgage Broker to FCM with respect to any Application Packages and this Agreement and to confirm Mortgage Broker's compliance with this Agreement.

14.3 Notices. All notices required hereunder shall be in writing, delivered to the last known addresses of the parties, as may amended from time to time by written notice, and shall be deemed to have been given, made, and received only: (a) upon personal delivery to a Party; (b) one (1) business day after the date of deposit if delivered by a nationally recognized courier service offering guaranteed overnight delivery; or (c) five (5) business days after deposit in the United States first class mail, certified mail, postage prepaid, return receipt requested.

BROKER AGREEMENT

14.4 Electronic Delivery and Amendment to Agreement and the Lender Requirements. Notwithstanding the requirements of Section 14.3 of this Agreement, the Parties agree that First Community Mortgage, Inc. may deliver the Lender Requirements and/or the Current Agreement, and all amendments thereto, by posting a copy of the current version of the Agreement and Lender Requirements and such amendments at a website identified by Lender or by transmitting an electronic version of the Lender Requirements and/or the current version of the Agreement and such amendments to an e-mail address provided by Mortgage Broker.

14.5 Electronic Consent by Lender. Unless an electronic communication specifically contains a statement that the communication is intended as an electronic signature or consent by First Community Mortgage, Inc., such communication shall not constitute an electronic signature or consent by FCM pursuant to the Electronic Signatures in Global and National Commerce Act or comparable state or federal laws or regulations.

14.6 Attorney's Fees. If any legal action or other proceeding is brought for the enforcement of this Agreement, the repurchase of a Loan or Loans, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and other costs incurred in that action or proceeding, whether or not a lawsuit is filed, in addition to any other relief to which it or they may be entitled.

14.7 Assignment. Mortgage Broker may not assign this Agreement or its duties herein, and any attempted assignment shall be void. Lender may assign this Agreement and its rights and duties hereunder without the consent of Mortgage Broker.

14.8 Entire Agreement; Amendment. This Agreement, together with all exhibits, the Approval Letters and the most current version of the Lender Requirements, constitutes the entire understanding and agreement of the Parties hereto with respect to the subject matter hereof, and any other agreements, express or implied, entered into prior to this Agreement are null and void and of no force or effect. Lender may amend the terms of this Agreement by delivering Mortgage Broker an amended Agreement in accordance with Section 14.3 or Section 14.4 of this Agreement. Such amendment(s) shall constitute the current version of the Agreement and deemed accepted and incorporated into this Agreement if Mortgage Broker submits an Application Package to First Community Mortgage Inc. subsequent to the date that the amended Agreement is delivered to Mortgage Broker. Mortgage Broker may not supplement, modify or amend this Agreement unless such supplement, modification or amendment is agreed to in writing by an authorized representative of First Community Mortgage Inc.

14.9 Waivers or Remedies. First Community Mortgage, Inc.'s failure or delay to audit any Loan prior to funding and closing, or to exercise any right or remedy available under this Agreement or at law or equity, shall not act as a waiver of any other right or remedy, nor shall any single or partial exercise of any right preclude any other or further exercise thereof. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver. All remedies shall be cumulative and nonexclusive.

14.10 Partial Invalidity. If any provision of this Agreement is held invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

14.11 Further Assurances. Each Party shall perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement. In the event Lender receives notice that any Borrower has exercised his or her right of rescission after First Community Mortgage, Inc. has disbursed any loan proceeds, Mortgage Broker shall promptly return to FCM all amounts collected by Mortgage Broker from Borrower in connection with the Loan, regardless of whether such amounts were disbursed by Mortgage Broker to the other parties.

14.12 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee without consideration of choice of law principles.

BROKER AGREEMENT

14.13 Choice of Forum. Any judicial proceeding brought against any of the Parties hereto with respect to this Agreement shall be brought in any court of competent jurisdiction in Bedford County, Tennessee or in the Federal District Court for the District of the State of Tennessee, irrespective of where such Party may be located at the time of such proceeding, and by execution and delivery of this Agreement, each of the Parties hereby consents to the exclusive jurisdiction of any such court and waives any defense or opposition to such jurisdiction.

14.14 Waiver of Jury Trial. EACH PARTY HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

14.15 No Third-Party Beneficiary. This Agreement is intended to facilitate the submission of Application Packages by Mortgage Broker to Lender, and no third-party beneficiary rights are intended or may be implied in any manner or form, including any rights to benefits with respect to a Borrower.

14.16 Mortgage Broker Affiliates. Mortgage Broker shall disclose to First Community Mortgage, Inc., upon request, the identity of all Affiliates involved directly or indirectly in the provision of the Loan Services and/or in the discharge of Mortgage Broker obligations under this Agreement. For purposes of this section 14.16, the term "Affiliates" shall mean and refer to any person directly or indirectly controlling, controlled by, or under common control with Mortgage Broker.

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Agreement as set forth above on this _____ day of _____, 20_____.

(Mortgage Broker Name)

First Community Mortgage, Inc.

Signature Date

Signature Date

Print Name

Print Name

Title

Title



COMPENSATION AGREEMENT

COMPENSATION AGREEMENT

For all loans covered by this Agreement, the amount of compensation Broker/Originator will receive; where First Community Mortgage Inc., is paying all compensation will be:

_____ % of the loan amount. (Please round to nearest 0.25, 1.00% minimum/ 2.75% Maximum)

NOTE: FOR BROKERED TRANSACTIONS, AT A MINIMUM, THE FIRST COMMUNITY MORTGAGE UNDERWRITING FEE MUST ALSO BE INCLUDED IN THE QM POINTS AND FEES LIMIT OF 3.00% UNLESS LOCKED WITH THE "NO-FEE" OPTION AND PRICE ADJUSTMENT) ALONG WITH BROKER COMPENSATION (MAXIMUM 2.75%). THEREFORE, IT IS IMPORTANT FOR EACH BROKER TO CAREFULLY EVALUATE DIFFERENT LOAN SCENARIOS TO ENSURE THAT YOUR SELECTED COMPENSATION PLAN WILL NOT RESULT IN LOANS WHICH WILL BE UNABLE TO MEET THE QM POINTS AND FEES LIMIT.

The percentage amount chosen can be reviewed or changed **once every 90 Days**. Any change in this amount will be applied to new loans locked with First Community Mortgage after the effective date of the change. The Broker/Originator must notify FCM of Change in compensation amount within 14 days of the start of new month.

If no change is requested in writing, then the current Compensation Amount on record will remain in effect for the new quarter and each succeeding quarter that there is no change requested. No change in the compensation amount shall affect the validity of any other term or condition of this Agreement.

Return all completed compensation plans to bpapproval@fcmpartners.com (if not submitted with initial approval package). Copy your AE on your email.

Originator Company Name

First Community Mortgage, Inc.
Creditor

Name/ Title of Authorized Officer

Name/ Title of Authorized Officer

Signature

Date

Signature

Date





first community mortgage



COMPANY RESOLUTION

Resolution of

[Company Name]

Based upon your Company formation, please check one of the boxes below:

Corporation

Limited Liability Partnership

Limited Liability Company

Partnership

Sole Proprietorship

At a Meeting or by unanimous written consent of the Board of Directors of the above named organization held on/dated _____, 20____, the following Resolution was adopted:

BE IT RESOLVED that the people listed below are hereby authorized to act on behalf of

_____ and he/she/they are hereby expressly authorized to apply to First Community Mortgage, Inc. for approval as a Business Partner, to enter into contracts and to execute all documents and instruments necessary to properly effectuate the purpose of obtaining said approval and to transact business with First Community Mortgage, Inc.

Name

Title

Name

Title

Name

Title

ATTEST

ATTEST

Signature

Signature- Officer of Corporation/LLC/LLP

Secretary of Corporation or LLP

Manager of LLC

Sole Proprietor

Partner



NMLS# 629700



first community mortgage



COMPLIANCE ADDENDUM

Any loans submitted by the undersigned Originator must be underwritten to First Community Mortgage's sole satisfaction. All loans must meet or exceed minimum state and federal compliance requirements, as well as quality control guidelines as prescribed by the Federal National Mortgage Association and/or Federal Home Loan Mortgage Corporation, HUD/FHA/VA and other public and private investors doing business with First Community Mortgage. By signing below, Originator agrees to maintain compliance controls and a quality control system as described below.

- A. Credit reports shall be ordered only from vendors that comply with the Fair Credit Reporting Act, and with HUD/FHA, VA, FNMA, and FHLMC regulations, and all applicable federal and state laws. All credit reports must collect and contain information from at least two (2) national credit repositories and public records. No copy of the credit report is to be released to any person other than the Lender or Borrower. Any discussion pertaining to the credit report by the Borrower is to be referred to the credit reporting agency.
- B. Appraisals shall be performed only by certified appraisers who are licensed by the applicable state licensing authority and in good standing therewith. First Community Mortgage will, at its sole option, determine the need for a new appraisal, field review or desk review.
- C. Originator will not collect payment information or otherwise impose any fee, other than reasonable credit report fees, prior to a borrower's receipt of a Loan Estimate and a borrower's indication of an intent to proceed with the transaction.
- D. Originator certifies that it has updated its internal controls, and trained staff to comply with the new TILA-RESPA Integrated Disclosures (TRID) and rules, which became effective October 3, 2015.
- E. All verifications of employment, deposits and other assets shall be mailed directly to the verifying entity. No such verifications shall be hand carried by an employee of Originator.
- F. Telephone verification of employment, banking relationships and asset verifications shall be performed on all alternative and reduced documentation loans. The loan file shall contain the contact name, phone number, contact date and specific data collected in each such telephone verification contact.
- G. All appropriate loan disclosures shall be provided to the Borrower by the Originator within three business days from loan application. This includes, but is not limited to, the Loan Estimate, all Fair Lending notices, and other disclosures as required by state and federal law.
- H. All copies of documentation furnished by the Borrower are to be stamped as a certified copy of the original document.
- I. Upon First Community Mortgage's decision to approve or deny any loan, the applicant(s) will receive written notice of such disposition.
- J. Business Partner is responsible for establishing a Quality Control and Compliance Policy that ensures compliance with the GSE's, secondary market investors' and State requirements. FCM may request a copy of the Policy at any time and Business Partner must provide a copy of the Policy for review.
- K. Business Partner is responsible for establishing a Red Flags / Identity Theft Prevention Program to detect, prevent, and mitigate identity theft in connection with mortgage loans. Any Red Flags discovered with respect to any loan submitted to FCM shall be reported to FCM as soon as reasonably possible.

By signing below, Originator accepts and agrees to the terms, duties, warranties and representations contained in this Addendum.

Signature: _____

Date: _____

Print Name: _____

Title: _____



**Request for Taxpayer
Identification Number and Certification**

Go to www.irs.gov/FormW9 for instructions and the latest information.

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

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See Specific Instructions on page 3.	1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)	
	2 Business name/disregarded entity name, if different from above.	
	3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C corporation <input type="checkbox"/> S corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any) _____ (Applies to accounts maintained outside the United States.)
	3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions <input type="checkbox"/>	
	5 Address (number, street, and apt. or suite no.). See instructions.	Requester's name and address (optional)
	6 City, state, and ZIP code	
	7 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 generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number											
				-				-			
or											
Employer identification number											
					-						

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); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

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 for Part II, later.

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.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

must obtain your correct taxpayer identification number (TIN), which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid).
- Form 1099-DIV (dividends, including those from stocks or mutual funds).
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds).
- Form 1099-NEC (nonemployee compensation).
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers).
- Form 1099-S (proceeds from real estate transactions).
- Form 1099-K (merchant card and third-party network transactions).
- Form 1098 (home mortgage interest), 1098-E (student loan interest), and 1098-T (tuition).
- Form 1099-C (canceled debt).
- Form 1099-A (acquisition or abandonment of secured property).

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

Caution: If you don't return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

By signing the filled-out form, you:

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; and
4. Certify to your non-foreign status for purposes of withholding under chapter 3 or 4 of the Code (if applicable); and
5. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting is correct. See *What Is FATCA Reporting*, later, for further information.

Note: If you are a U.S. person and 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).

Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding. Payments made to foreign persons, including certain distributions, allocations of income, or transfers of sales proceeds, may be subject to withholding under chapter 3 or chapter 4 of the Code (sections 1441–1474). Under those rules, if a Form W-9 or other certification of non-foreign status has not been received, a withholding agent, transferee, or partnership (payor) generally applies presumption rules that may require the payor to withhold applicable tax from the recipient, owner, transferor, or partner (payee). See Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

The following persons must provide Form W-9 to the payor for purposes of establishing its non-foreign status.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the disregarded entity.
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the grantor trust.
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust and not the beneficiaries of the trust.

See Pub. 515 for more information on providing a Form W-9 or a certification of non-foreign status to avoid withholding.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person (under Regulations section 1.1441-1(b)(2)(iv) or other applicable section for chapter 3 or 4 purposes), do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515). If you are a qualified foreign pension fund under Regulations section 1.897(l)-1(d), or a partnership that is wholly owned by qualified foreign pension funds, that is treated as a non-foreign person for purposes of section 1445 withholding, do not use Form W-9. Instead, use Form W-8EXP (or other certification of non-foreign status).

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 their 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 their 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, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include, but are not limited to, interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third-party network transactions, 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 instructions for Part II 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, as described in item 4 under “*By signing the filled-out form*” above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier.

What Is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all U.S. account holders that are specified U.S. persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you are no longer tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

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

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

• **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note for ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040 you filed with your application.

• **Sole proprietor.** Enter your individual name as shown on your Form 1040 on line 1. Enter your business, trade, or “doing business as” (DBA) name on line 2.

• **Partnership, C corporation, S corporation, or LLC, other than a disregarded entity.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

• **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. Enter any business, trade, or DBA name on line 2.

• **Disregarded entity.** In general, a business entity that has a single owner, including an LLC, and is not a corporation, is disregarded as an entity separate from its owner (a disregarded entity). See Regulations section 301.7701-2(c)(2). A disregarded entity should check the appropriate box for the tax classification of its owner. Enter the owner’s name on line 1. The name of the owner entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For

example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, enter it on line 2.

Line 3a

Check the appropriate box on line 3a for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3a.

IF the entity/individual on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation.
• Individual or	Individual/sole proprietor.
• Sole proprietorship	
• LLC classified as a partnership for U.S. federal tax purposes or	Limited liability company and enter the appropriate tax classification:
• LLC that has filed Form 8832 or 2553 electing to be taxed as a corporation	P = Partnership, C = C corporation, or S = S corporation.
• Partnership	Partnership.
• Trust/estate	Trust/estate.

Line 3b

Check this box if you are a partnership (including an LLC classified as a partnership for U.S. federal tax purposes), trust, or estate that has any foreign partners, owners, or beneficiaries, and you are providing this form to a partnership, trust, or estate, in which you have an ownership interest. You must check the box on line 3b if you receive a Form W-8 (or documentary evidence) from any partner, owner, or beneficiary establishing foreign status or if you receive a Form W-9 from any partner, owner, or beneficiary that has checked the box on line 3b.

Note: A partnership that provides a Form W-9 and checks box 3b may be required to complete Schedules K-2 and K-3 (Form 1065). For more information, see the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

If you are required to complete line 3b but fail to do so, you may not receive the information necessary to file a correct information return with the IRS or furnish a correct payee statement to your partners or beneficiaries. See, for example, sections 6698, 6722, and 6724 for penalties that may apply.

Line 4 Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third-party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space on line 4.

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 U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities.
- 5—A corporation.
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or territory.
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission.
- 8—A real estate investment trust.
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940.
- 10—A common trust fund operated by a bank under section 584(a).
- 11—A financial institution as defined under section 581.
- 12—A middleman known in the investment community as a nominee or custodian.
- 13—A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
• Interest and dividend payments	All exempt payees except for 7.
• Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
• Barter exchange transactions and patronage dividends	Exempt payees 1 through 4.
• Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5. ²
• Payments made in settlement of payment card or third-party network transactions	Exempt payees 1 through 4.

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

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

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) entered on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37).

B—The United States or any of its agencies or instrumentalities.

C—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i).

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i).

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state.

G—A real estate investment trust.

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940.

I—A common trust fund as defined in section 584(a).

J—A bank as defined in section 581.

K—A broker.

L—A trust exempt from tax under section 664 or described in section 4947(a)(1).

M—A tax-exempt trust under a section 403(b) plan or section 457(g) plan.

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, enter "NEW" at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

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 ITIN. Enter it in the entry space for the Social security number. 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.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, 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 SSA office or get this form online at www.SSA.gov. You may also get this form by calling 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/EIN. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or Form SS-4 mailed to you within 15 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and enter "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, you will generally 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. See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier, for when you may instead be subject to withholding under chapter 3 or 4 of the Code.

Caution: A disregarded U.S. 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 item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 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 made in settlement of payment card and third-party network transactions, 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), ABLE accounts (under section 529A), 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.

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) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. 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
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))**	The grantor*

For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. 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
15. Grantor trust filing Form 1041 or under the Optional Filing Method 2, requiring Form 1099 (see Regulations section 1.671-4(b)(2)(i)(B))**	The trust

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 on line 1, and enter your business or DBA name, if any, on line 2. 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.)

* **Note:** The grantor must also provide a Form W-9 to the trustee of the trust.

** For more information on optional filing methods for grantor trusts, see the Instructions for Form 1041.

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.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information, such as your name, 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 return preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity, or a questionable credit report, contact the IRS Identity Theft Hotline at 800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic 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 877-777-4778 or TTY/TDD 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 property to the Treasury Inspector General for Tax Administration (TIGTA) at 800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Go to www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their laws. The information may also be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and 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. Under section 3406, payors must generally withhold a percentage of taxable interest, dividends, and certain other payments to a payee who does not give a TIN to the payor. Certain penalties may also apply for providing false or fraudulent information.



first community mortgage



FNMA - DU REDISTRIBUTION AGREEMENT

User Agreement

THIS AGREEMENT ("Agreement") is entered into by and between _____ (User") and First Community Mortgage Inc. ("Licensee"). Any capitalized terms used herein and not otherwise defined shall have the meanings given them in the License Agreement (as hereinafter defined).

WHEREAS, Licensee has entered into Fannie Mae Licensed Application Master Terms and Conditions ("Master Terms") and its Desktop Underwriter® Schedule and associated Redistribution Addendum thereto ("DU Schedule" and "Addendum", respectively, which, together with the Master Terms, constitute the "License Agreement") with Fannie Mae governing the rights and obligations of Licensee and Fannie Mae with respect to Licensee's use of Desktop Underwriter (the "Licensed Application").

WHEREAS, User is an Affiliate or Subsidiary of Licensee and desires to use the Licensed Application in connection with Prequalification Analysis, mortgage loan origination and/or underwriting activities.

NOW THEREFORE, in consideration of the above, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, Licensee and User agree as follows:

1. Definitions. The following terms are used in this Agreement as defined below:

"Affiliate" shall mean a mortgage lending entity or Third Party Originator that performs Prequalification Analyses, origination or underwriting in relation to mortgage loans intended to be closed by Licensee or assigned or sold to Licensee.

"Consumer Credit Data" shall mean any information obtained by User, either directly or indirectly, which bears on a consumer's creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living (the "Seven Factors") and which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in underwriting a Mortgage Loan Application or performing a Prequalification Analysis. Such data may include, but are not limited to, data contained in: (i) residential mortgage credit reports, "in-file" credit reports, or "consumer reports," as defined in the FCRA; (ii) the Uniform Residential Loan Application, including any attachments and/or supplements thereto; and (iii) any correspondence or communication from the consumer or any third party which includes information relating to one of the Seven Factors.

"Mortgage Loan Application" shall mean the submission by a mortgage loan applicant of financial information and identification of the specific property to secure the mortgage loan for the purpose of obtaining an underwriting decision.

"Prequalification Analysis" shall mean the evaluation of Consumer Credit Data with respect to a prospective mortgage loan applicant for the purpose of evaluating such prospective applicant's qualification for mortgage financing, other than in connection with a Mortgage Loan Application.

"Subsidiary" shall mean a mortgage lending entity more than fifty percent (50%) of whose controlling interest or outstanding voting shares or securities are owned or controlled, directly or indirectly, by Licensee



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2. User represents that it is an Affiliate or Subsidiary of Licensee and that it has received and read the License Agreement and understands and agrees that it shall be fully obligated to comply with each and every provision of such License Agreement in connection with its use of the Licensed Application.
3. Licensee agrees that, as and to the extent set forth in the Agreement, its license rights under the License Agreement shall extend to User in connection with the Licensed Application. User agrees that the rights granted to it shall not extend to any third party, including, but not limited to, User's customers, subsidiaries and/or affiliates.
4. User expressly appoints Licensee as its agent, as that term is defined in the FCRA, in connection with any use of the Licensed Application by User with respect to Mortgage Loan Applications or Prequalification Analyses.
5. In connection with the processing and evaluation of Consumer Credit Data by the Licensed Application for purposes of making an underwriting recommendation or performing a Prequalification Analysis (if applicable), User expressly appoints Fannie Mae, as owner of the Licensed Application, as its agent, as that term is defined in the FCRA. As User's agent, Fannie Mae shall, and is hereby expressly authorized by User to, obtain Consumer Credit Data for the sole purpose of performing a Prequalification Analysis and/or making an underwriting recommendation. User also expressly acknowledges, understands and agrees that Fannie Mae's role as User's agent shall not extend beyond the limited purposes set forth in this Paragraph 5, and for all other purposes, there shall be no such principal and agent relationship. Moreover, user shall in no way misrepresent to third parties the limited extent of this principal/agent relationship. User further acknowledge, understands and agrees that any recommendation rendered by the Licensed Application in the evaluation of Consumer Credit Data will not constitute an approval or denial of the Mortgage Loan Application by Fannie Mae or a commitment to purchase the loan by Fannie Mae. User shall disclose any secondary use of Consumer Credit Data that is facilitated by use of the Licensed Application to the issuing consumer reporting agency.
6. If User is an Affiliate, User shall use the Licensed Application for the primary purpose of (i) originating or underwriting mortgage loans intended to be closed by Licensee, or assigned or sold to Licensee, and/or (ii) performing Prequalification Analyses for Licensee (to the extent that the performance of Prequalification Analyses utilizing the Licensed Application is permitted under the License Agreement). If User is an Affiliate, user shall not be permitted to use the Licensed Application's wholesale lending ("DU® wholesale") functionality pursuant to this User Agreement. If User is a Subsidiary, User shall use the Licensed Application only in connection with its own Mortgage Loan Applications and/or Prequalification Analyses and/or those of Licensee (to the extent that the performance of Prequalification Analyses utilizing the Licensed Application is permitted under the License Agreement). First Community Mortgage Inc., "Licensee" reserves the right to assess charges to any Subsidiary or Affiliate who utilizes DU for prequalification purposes, and subsequently does not deliver file to First Community Mortgage Inc. for further processing or approval analysis.
7. Notwithstanding anything to the contrary in that Section of the DU Schedule captioned "Use of Licensed Application," User must first obtain written permission from the mortgage loan applicant to request additional consumer reports before using the Licensed Application as described below:
 - a. With respect to Mortgage Loan Applications previously approved but not yet closed:
 - I. to request and receive additional Consumer Reports through the Credit Retrieval Module, when User is requesting such reports in connection with its own Mortgage Loan Applications and/or Prequalification Analyses, or because other circumstances exist which User believes justifies the request for such additional consumer reports under the FCRA;

FNMA - DU REDISTRIBUTION AGREEMENT

- II. to analyze or evaluate Consumer Credit Data, including Consumer Reports, when User determines that data obtained subsequent to its initial approval may affect its prior underwriting approval decision;
 - III. to request and receive Consumer Reports and/or analyze or evaluate Consumer Credit Data when the loan applicant(s) request different loan terms or a different loan product than that originally requested by the loan applicant(s); and
- b. With respect to Mortgage Loan Applications previously denied by User, which denial decision has been communicated to the applicant(s):
- I. to request and receive Consumer Reports through the Credit Retrieval Module, when User is requesting such reports in connection with its own Mortgage Loan Applications and/or Prequalification Analyses;
 - II. to analyze or evaluate Consumer Credit Data, including Consumer Reports, when (A) User determines that data obtained subsequent to its initial denial decision may affect its prior underwriting decision, and (B) User intends to make and communicate an offer of credit to the applicant(s) if an approval recommendation decision is rendered by the Licensed Application as a result of consideration of the additional data obtained.
8. The parties acknowledge and agree that Fannie Mae is an intended beneficiary of this Agreement.
9. This Agreement shall remain in full force and effect unless terminated pursuant to the provisions of this Section. The parties acknowledge and agree that this Agreement is subject to the License Agreement and that this Agreement shall automatically terminate upon termination of the Desktop Underwriter Schedule and/or the Redistribution Addendum by Fannie Mae and/or Licensee. In the event that User breaches any term or condition of this Agreement, Licensee may terminate this Agreement immediately upon written notice to User. Either party may terminate this Agreement without cause upon thirty (30) days' prior written notice to the other. The parties acknowledge that, pursuant to the terms of that Section of the Redistribution Addendum captioned "Termination of Affiliates and Subsidiaries", Fannie Mae may, in its absolute discretion, immediately terminate access by User to the Licensed Application for any breach of (a) the License Agreement, (b) the User Agreement, or (c) any other agreement between User and any lender (including Licensee) that has access to the Licensed Application.
10. Immediately upon termination of this Agreement, User shall cease using the Licensed Materials, and destroy or return all copies of the Licensed Materials in its possession to Licensee. Promptly upon request from Licensee or Fannie Mae, User shall provide Licensee or Fannie Mae with written certification of its compliance with the foregoing, executed by a duly authorized officer of User.
11. Licensee, and not Fannie Mae, shall be responsible for providing User with (i) first line support with respect to User questions and comments concerning Fannie Mae's automated underwriting guidelines and policies, including, but not limited to, questions concerning the interpretation and applicability of the Licensed Application's findings reports and questions relating to Fannie Mae's Selling Guide and (ii) appropriate training relating to the use of the Licensed Application and such guidelines and policies.
12. In the event of a conflict between the terms of this Agreement and the terms of the License Agreement, the terms of the License Agreement shall govern.

FNMA - DU REDISTRIBUTION AGREEMENT

13. This Agreement may not be assigned by User to any other person(s), firm(s), corporation(s) or other entities without the prior express written consent of Fannie Mae and Licensee.
14. All notices, requests, demands, and other communications (other than routine operational communications)
15. required or permitted hereunder shall be in writing and shall be deemed to have been received by a party (i) when actually received in the case of hand delivery, (ii) one (1) business day after being given to a reputable overnight courier with a reliable system for tracking delivery, (iii) when sent by confirmed facsimile with a copy sent by another means specified in this paragraph, or (iv) seven (7) days after the date of mailing, when mailed by United States mail, registered or certified mail, return receipt requested, postage prepaid, and addressed to the recipient's contact person/address set forth below:

Licensee:
First Community Mortgage Inc.
262 Robert Rose Dr.
Murfreesboro, TN 37129

User:

In the event that the recipient does not so specify a contact person/address, notices shall be addressed to the general counsel at the recipient's corporate headquarters. A party may from time to time change its address or designee for notification purposes by giving the other party prior written notice of the new address or contact person.

16. This Agreement shall be governed by and construed solely and exclusively in accordance with the laws of the District of Columbia, without reference to its conflicts of law principles.
17. In the event that any provision of the Agreement conflicts with the law under which the Agreement is to be construed, or if any such provision is held invalid, void or unenforceable by a court with jurisdiction over the parties to the Agreement, such provision shall be deemed to be restated to reflect as nearly as possible the original intention of the parties in accordance with applicable law, and the remainder of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed as of the date last written below.

First Community Mortgage Inc.

("Licensee")

("User")

By:

By:

Name:

Name:

Title:

Title:

Date:

Date:

ANTI-MONEY LAUNDERING CERTIFICATION

_____(“Company”) hereby certifies to First Community Mortgage, Inc. (“FCM”) that Company has met and will meet on an ongoing basis all of the responsibilities and obligations listed below:

RESPONSIBILITIES & OBLIGATIONS

1. Company has implemented and will maintain a satisfactory Anti-Money Laundering (AML) Program as required by 31 CFR Parts 1010 and 1029, including without limitation the following:
 - a. The development and implementation of effective internal policies, procedures, and controls;
 - b. The designation of qualified compliance officer responsible for managing the AML Program;
 - c. An ongoing AML employee training program;
 - d. An independent audit function to test the AML Program annually; and
 - e. Implementation of risk based procedures for conducting ongoing customer due diligence.
2. Company will perform all obligations under the Anti-Money Laundering laws and regulations, and any amendment thereto, as to (i) verifying and identify of each customer or client of Company, and (ii) monitoring, recordkeeping, reporting and other obligations regarding transactions and other activity with each customer.
3. To the extent not otherwise addressed above, Company and its agents or affiliates will operate in conformity with all applicable federal and state laws, rules and regulations in obtaining and/or processing loans that are ultimately funded or purchased by FCM.
4. Company will ensure that it obtains an independent audit by a duly qualified and unrelated party or employee of Company’s compliance with the requirements of the Anti- Money Laundering laws and regulations, including independent testing of such compliance, at least annually.
5. Company will make any information and records regarding any of the above matters available to FCM upon request.

CERTIFICATION

The above is certified and verified as accurate by Company as of the date set forth below. Company will ensure the above remains accurate for so long as company has any dealings with FCM and will promptly notify FCM in the event that any of the above ceases to be accurate at any time.

Signature: _____

Date: _____

Print Name: _____

Title: _____

APPRAISER INDEPENDENCE REQUIREMENTS ACKNOWLEDGMENT

In accordance with Fannie Mae and Freddie Mac's Appraiser Independence Requirements (the "Requirements"), all loans brokered to First Community Mortgage must comply with the provisions set forth in the Requirements.

_____ ("Third Party Originator") acknowledges that it has adopted Appraiser Independence Requirements (the "Requirements"), and has developed and implemented the structure, policies and procedures required in order to ensure that all conventional (conforming and non-conforming), single-family (1-4 unit) residential mortgage loans are in compliance with the Requirements, and that all appraisals used for mortgages were obtained in a manner consistent with the Requirements. In addition to the above acknowledgment, Third Party Originator specifically acknowledges adherence to all of the following statements:

- Appraisals were prepared, ordered and obtained in full compliance with all aspects of the Requirements.
- Neither any member of Third Party Originator's sales or loan production staff, nor any other member of Third Party Originator's staff who is likewise prohibited under the Requirements, played any role in selecting, retaining, recommending, or influencing the selection of any appraiser(s).
- Neither any member of Third Party Originator's sales or loan production staff, nor any other member of Third Party Originator's staff who is likewise prohibited under the Requirements, had any substantive communications with an appraiser or a designated and authorized appraisal management company ("AMC") of Third Party Originator relating to or having an impact on valuation, including ordering the appraisal, managing the appraisal assignment, or disputing any aspect of an appraisal.
- No mortgage broker, borrower, property seller, or real estate agent has compensated the appraiser or AMC in any manner, outside of the normal payment for services rendered.
- Third Party Originator will immediately report any information regarding appraiser misconduct to First Community Mortgage and to appropriate state licensing authorities. "Appraiser misconduct" is defined as a violation of law or Uniform Standards of Professional Appraisal Practice that materially affects the appraised value of the property.

By signing below, Third Party Originator undertakes and assumes all terms, duties, warranties and representations contained in this Acknowledgment.

Signature: _____

Date: _____

Print Name: _____

Title: _____



first community mortgage

NON-DELEGATED CORRESPONDENT AGREEMENT



This Non-Delegated Correspondent Mortgage Purchase Agreement ("Agreement") is entered into this _____ day of _____, 20____, by and between First Community Mortgage Inc. ("FCM"), and _____ (hereinafter referred to as "Seller"). The physical address of the Seller is _____. The email address of Seller is _____.

From time to time pursuant to this Agreement, Seller shall sell and FCM shall buy mortgage loans on residential real estate (hereinafter collectively called the "Mortgage Loans" and individually a "Mortgage Loan"). This Agreement shall govern the sale and transfer of such Mortgage Loans by Seller to FCM and each such Mortgage Loan shall be subject to the warranties, representations, and agreements set forth herein, subject, however, to the terms and conditions of any separate written offering or commitment letters applying to the Mortgage Loans.

All future purchases of Mortgage Loans by FCM shall be governed by the terms contained herein unless the parties shall agree in writing before or at the time such purchases are made. The purchase price and any servicing release premium paid for each Mortgage Loan shall be established by written agreement between the parties. The terms and conditions of any separate offering or commitment letter signed by the parties hereto and pursuant to which FCM shall agree to buy and Seller shall agree to sell any Mortgage Loan shall survive and be deemed to be a part of this Agreement. In this Agreement, the term "Buyer" shall refer to FCM. This Agreement, and any and all representations, warranties or covenants of Seller hereunder, may be enforced against Seller by FCM and/or its successors and assigns.

1. LOANS ELIGIBLE FOR PURCHASE: Seller may offer for sale to Buyer eligible VA, FHA, USDA, or Conventional Mortgage Loans. All such Mortgage Loans shall be sold with servicing released to Buyer. All such Mortgage Loans shall be originated and closed according to standard agency regulations as established, and amended from time to time, by the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC"), the Government National Mortgage Association ("GNMA"), the Federal Housing Administration ("FHA"), the Veterans Administration (VA), and/or the US Department of Agriculture Rural Housing Service ("RHS"). It is hereby understood and agreed, for purposes of this Agreement, that the aforementioned standard agency regulations are incorporated in and made a part hereof. All Mortgage Loans offered by Seller must be secured by residential first-lien mortgages or deeds of trust. Seller shall be responsible for ensuring the compliance of Mortgage Loans sold hereunder with the applicable agency regulations which may exist at the time of purchase.

Any Loans specifically identified as being non-conforming (Jumbo), shall be originated and closed in accordance with the specifications as outlined in the FCM's Lending Requirements (hereinafter referred to as the "Lender Requirements").

2. PAYMENT FOR LOANS: Payment for Loans will be made following receipt and review of closing documentation, including evidence of compliance with Lender Requirements, including underwriting requirements, FHA, VA and/or RHS requirements, rules and regulations, as well as all Federal and State statutes, rules and regulations, including but not limited to the Federal Truth-In-Lending Act, the Equal Credit Opportunity Act, the Fair Housing Act and the Real Estate Settlement Procedures Act. Payment for Loans will be made via the Federal Reserve Wire Transfer System to the party directed by the Seller. Any amounts collected by Seller for maintenance or improvements to the property, for the escrow of taxes or insurance not yet due, or for other reserves shall be deducted from the wire amount.

3. DELIVERY OF DOCUMENTS: Seller agrees to do all acts necessary to perfect title to the Mortgage Loans to Buyer and shall sell, assign and deliver to Buyer, with respect to the purchase of each such Mortgage Loan, the documents set forth in the Lender Requirements, all subject to the approval of Buyer and its legal counsel as to proper form and execution. No later than sixty (60) days from the date of purchase, Seller shall deliver to Buyer the required final documentation. Should Seller fail to satisfy, within the aforesaid sixty (60) days, the requirements for document delivery with respect to any Mortgage Loan purchased, Buyer reserves the right to withhold service release premiums on subsequent Mortgage Loan purchases if required documentation is not received in a timely manner. Buyer also reserves the right to charge a fee to



NON-DELEGATED CORRESPONDENT AGREEMENT

Seller in the event that Seller fails to meet delivery timelines. Buyer's right to withhold payment of service release premiums shall be in addition to and not in lieu of Buyer's other remedies hereunder including the remedy of repurchase as provided in Paragraph 7 hereof.

4. GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS OF SELLER:

Seller represents warrants and covenants as follows:

- (a) Seller is and shall remain duly organized and a validly existing entity in good standing in the jurisdiction under whose laws Seller's Company is formed. Seller is and shall be duly qualified to conduct its business in each jurisdiction in which such qualification is required.
- (b) Seller has, and shall maintain, all licenses necessary to carry on its business as now being conducted, including all licenses necessary to conduct the mortgage brokerage/lending business (if applicable) contemplated by this Agreement. Seller is, unless otherwise exempt, licensed, registered, qualified and in good standing in each state in which: (i) real property securing repayment of a Loan is located; and/or (ii) the laws of such state require licensing, registration or qualification in order to engage in mortgage loan origination. Seller covenants to maintain all licenses, registrations and qualifications current and in good standing, and to keep itself, and those of its employees, agents or representatives engaged in residential mortgage loan origination, licensed, registered and qualified with all applicable regulatory and supervisory agencies during the term of this Agreement. Seller covenants to adhere to and comply with any state or federal record retention requirements. Seller further covenants to notify First Community Mortgage Inc. immediately upon the suspension, revocation, expiration or other termination of any licenses, registrations or qualifications of it or its loan originators, or of the taking of any formal or informal administrative or judicial action by any regulatory or supervisory agency against Seller or its loan originators that could adversely affect Seller's licenses, registrations and qualifications.
- (c) Seller has the full power, authority and capacity to enter into this Agreement; and this Agreement has been duly authorized, executed and delivered by Seller and constitutes a valid and binding obligation of Seller, including its officers, directors, employees, representatives and agents, enforceable in accordance with its terms. No consent, approval, authorization or order of any court or governmental agency or body is required for the execution, delivery and performance by Seller of, or compliance by Seller with, this Agreement or the consummation of the transactions contemplated by this Agreement or, if required, such consent approval or authorization has been obtained. Seller's compliance with the terms and conditions of this Agreement will not violate any provisions of its charter documents, if any, any instrument relating to the conduct of its business, or any other agreement, law or regulation to which it may be a party or under which it may be governed.
- (d) Except as previously disclosed by Seller to First Community Mortgage Inc. in a writing to be attached to this Agreement as Exhibit B, there is not pending or, to Seller's knowledge threatened any suit, action, arbitration, or legal, administrative, or other proceeding or investigation, including an allegation of fraud by another lender, against Seller or its current or former officers, directors, shareholders, employees, representatives and/or agents that would prevent the execution, delivery and performance by Seller of its obligations under this Agreement or which could have material adverse effect upon Seller's business, assets, financial condition or reputation, or upon any loan submitted for sale to First Community Mortgage Inc.
- (e) Seller shall make prompt, timely, full, accurate and truthful disclosure to FCM of all facts, information and documentation that Seller knows, suspects or has notice of that could affect, or has affected, the eligibility, validity, collectability, collateral value, security, or enforceability of any loan sold to First Community Mortgage Inc. All information set forth in loans prepared by Seller including all written attachments thereto, is and shall be true, correct, currently valid and genuine. Seller is not aware of any errors, omission, misrepresentation, negligence, fraud or similar occurrence with respect to any loan that has taken place on the part of any person or entity, including, without limitation, Seller's loan officers and its

NON-DELEGATED CORRESPONDENT AGREEMENT

officers, directors, employees, representatives and agents, the borrower, any appraiser, any builder or developer, or any person involved in the preparation of loans to the First Community Mortgage Inc. or the origination of a Loan.

- (f) Seller has maintained direct and indirect possession and control of all credit, income or deposit verification documentation submitted to FCM with respect to any loan sold.
- (g) In connection with origination of any loans sold pursuant to this Agreement, Seller, for itself and on behalf of every other person or entity involved in the loan transaction, covenants and agrees that it and they has complied fully and in a timely manner with all applicable state and federal consumer protection and disclosure laws, including, but not necessarily limited to, the following: (i) the Truth-in-Lending Act, and Regulation Z; (ii) the Equal Credit Opportunity Act, and Regulation B; (iii) the Home Mortgage Disclosure Act, and Regulation C; (iv) the Real Estate Settlement Procedures Act (RESPA), and Regulation X; (v) the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (vi) the Gramm-Leach-Bliley Act, and Regulation P; (vii) the SAFE Mortgage Licensing Act, and Regulation G; (viii) the Mortgage Acts and Practices-Advertising Act, Regulation N; (ix) the federal Fair Housing Act, and similar state and federal nondiscrimination housing laws and regulations; and (x) all other federal and state laws, rules and regulations as they relate to fair lending, consumer credit disclosures and notices, broker related notices and disclosures, privacy rights, and record retention requirements. At all times Seller represents and warrants, for itself, and every other person or entity involved in the Loan transaction, that it and they shall be in compliance with First Community Mortgage Inc.'s Fair Lending policy, procedures and any amendments thereto. Seller covenants and warrants to provide compliance training pertaining to all aforesaid laws, regulations and rules, and any amendments thereto, on a continuing basis throughout the term of this Agreement, including compliance with the Lender Requirements. Seller is in full compliance with all residential mortgage lending or other regulatory or supervisory agencies having jurisdiction over Seller's activities to the extent necessary to ensure the enforceability of its loans.
- (h) When applicable pursuant to agency and/or investor guidelines, all financial statements required to be submitted by Seller to Buyer have been prepared in accordance with Generally Accepted Accounting Practices applied on a consistent basis by an independent Certified Public Accountant or other individual acceptable to Buyer; and
- (i) Seller has not and shall not utilize any real estate appraiser, credit reporting agency or other settlement service providers or vendors in connection with any loan that does not comply in all respects with all applicable state and federal laws and such standards as may be set forth in the Lender Requirements.
- (j) Seller shall order its appraisals in accordance with all applicable federal and state laws, regulations and rules regarding appraiser and valuation independence.
- (k) Seller has established and implemented a written Anti-Money Laundering ("AML") program that is reasonably designed to prevent Seller from being used to facilitate money laundering or the financing of terrorism. Seller represents and warrants that its AML program, at a minimum:
 - i. incorporates policies and procedures and internal controls for complying with the Bank Secrecy Act ("BSA");
 - ii. designates a Compliance Officer responsible for ensuring that the AML program is implemented effectively, and includes regular and ongoing monitoring of Seller's employees and agents to ensure compliance with that program;
 - iii. provides for ongoing AML training of Seller's employees and agents;
 - iv. provides for an independent audit of Seller's AML program annually;
 - v. implements risk based procedures for conducting ongoing customer due diligence;
 - vi. In addition, Seller represents and warrants that it has implemented policies and procedures to ensure that Suspicious Activity Reports ("SAR's") are filed electronically, and in a timely manner, in connection with loan transactions of \$5,000 or more if Seller knows, or has reason to suspect, that the transaction:

NON-DELEGATED CORRESPONDENT AGREEMENT

- vi. involves funds derived from illegal activity;
- vii. is designed to evade the BSA or Seller's AML program;
- viii. has no apparent business or lawful purpose; or,
- ix. is intended to facilitate criminal activity.

(l) Seller maintains an effective quality control program and Compliance Management System ("CMS") designed to prevent violations of federal consumer financial law, and associated consumer harm. Seller shall make available, upon the request of Lender:

- i. copies of Seller's written policies, procedures, internal controls and training materials relative to Seller's employees and/or agents that have consumer contact and/or any consumer compliance responsibilities in connection with residential mortgage loan origination; and,
- ii. permit First Community Mortgage Inc. access, during normal business hours, to the offices of Seller in order that First Community Mortgage Inc. may make appropriate on-site reviews, as necessary to confirm the propriety and effectiveness of Seller's CMS, including an examination of Seller's internal controls and procedures that are designed to protect against a violation of federal consumer financial law and/or consumer harm. Seller agrees to report to First Community Mortgage Inc., within three (3) days:
 - i. any consumer complaint which in any way involves any of the services contemplated by this Agreement or an Application Package submitted to First Community Mortgage Inc. for funding consideration;
 - ii. any consumer complaint which involves federal consumer financial law, whether or not related to the services contemplated by this Agreement;
 - iii. any legal or regulatory action which alleges a violation of federal consumer financial law; and/or,
 - iv. any changes in senior management. It is understood and agreed that any failure of Seller to fully perform, in whole or in part, any of the terms of this section shall constitute a material breach of this Agreement and the grounds for its immediate termination.

(m) **Tax Reporting Requirements.** Section 6050H of the United States Internal Revenue Code and regulations promulgated thereunder (collectively, the "Reporting Requirements") require an information return using Form 1098 to be made to the United States Internal Revenue Service, and a statement to be furnished to the Payer of Record (as defined in the Reporting Requirements), in connection with the transaction. Seller desires to designate First Community Mortgage Inc. as the "Reporting Person" (as defined in the Reporting Requirements) with respect to the transaction as permitted by the applicable Internal Revenue Code.

5. SELLER'S REPRESENTATIONS, WARRANTIES, COVENANTS REGARDING MORTGAGE LOANS

With respect to every Mortgage Loan offered by Seller to Buyer hereunder, Seller represents, warrants, and covenants as follows:

- a) The security agreement, mortgage, deed of trust or other document securing the Mortgage Loan (the "Mortgage") has been executed, on the date stated in the Mortgage (the "Closing Date") by any and all person(s) necessary to create and convey a valid and legally enforceable first lien obligation in favor of the Seller with respect to the Mortgage Note that is superior to all other liens or other claims, and the note evidencing the Mortgage Loan (the "Mortgage Note") is payable to Seller as payee and has been duly executed by the person or person(s) (the "Mortgagor", whether one or more) to whom, or for whose benefit, Seller has disbursed the entire proceeds of the Mortgage Note and who is/are the true and actual person(s)

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who submitted an application to Seller and who have been approved by Seller and/or Buyer to receive the Mortgage Loan represented by the Mortgage Note and Mortgage; and

- b) The sale of the Mortgage Loan is in Seller's ordinary course of business and will not result in (i) the breach of any term or provision of Seller's charter or bylaws, (ii) the breach of any term or provision of, or conflict with or constitute a default of or result in the acceleration of any obligation under any agreement, indenture, loan or credit agreement, or other instrument to which Seller or any of its property is subject, or (iii) the violation of any law, rule, regulation, order, judgment, or decree to which Seller or any of its property is subject; and
- c) The entire proceeds of the Mortgage Loan were used by the Mortgagor to finance or refinance the purchase or initial construction of the one to four family residential dwelling permanently affixed to that real property described in the Mortgage (the "Mortgaged Property"), and the Mortgaged Property is or will be used by the Mortgagor as his/her/their principal or secondary residence or for such other purpose as is permitted by investor guidelines or under the Lender Requirements; and
- d) The Mortgage contains enforceable provisions that give the Mortgage holder rights and remedies to realize against the Mortgaged Property as expeditiously as applicable law allows, including, without limitation, the power of sale; and
- e) Seller has good and merchantable title to the Mortgage Loan as of the Closing Date and the assignment of the Mortgage Loan from Seller to Buyer is valid, sufficient, enforceable and conveys good title to such Mortgage Loan to Buyer, free and clear of any liens, claims, or encumbrances upon such Mortgage Loan; and Seller has not affected any assignment, sale or hypothecation of the Mortgage Loan, except in favor of Buyer; and
- f) Seller will execute and deliver to Buyer all instruments necessary to convey to Buyer all rights, titles and interests in and to each Loan and all documents evidencing insuring, guaranteeing or securing each Loan; and
- g) All taxes and governmental assessments that became due and owing prior to the Closing Date in respect to the Mortgaged Property have been paid; and
- h) An escrow of funds in an amount sufficient, in accordance with industry standards or any applicable HUD regulations, to cover a portion of one (1) calendar year's payments of taxes and governmental assessments, hazard insurance and, if applicable, mortgage insurance premiums or guaranty fees on the Mortgaged Property, has been established; and
- i) The unpaid principal balance of the Mortgage Loan is as stated; no part of the Mortgaged Property has been released from the lien securing each Loan; the terms of the Loan have in no way been changed or modified; and the Loan is current and not in default and no condition or circumstance exists that, with the passage of time, would or with notice and the expiration of any grace or cure period, would constitute a default, breach, violation, or event of acceleration, and neither Seller nor its predecessors have waived any default, violation, or event of acceleration.
- j) Seller is the sole owner of each Mortgage Loan to be sold under this Agreement and has the requisite power and authority to sell, transfer, and assign such Mortgage Loan on the terms herein set forth, free and clear of all liens, claims and encumbrances upon such Mortgage Loan; and
- k) Each Mortgage Loan is eligible for sale to the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, or non-conforming (Jumbo) Investor whose Mortgage Loan eligibility specifications are outlined in the Lender Requirements; and
- l) The Mortgage Loan was properly closed in accordance with the requirements of the Lender Requirements, and all applicable agencies rules and regulations. The Mortgage Loan complies with all applicable federal and state laws, rules,

NON-DELEGATED CORRESPONDENT AGREEMENT

and regulations, as from time to time amended, including but not limited to the following: applicable usury limitations, the applicable laws and regulations governing lending, federal, state and local predatory lending laws, Home Ownership Equity and Protection Act, Bank Secrecy Act, Anti Money Laundering regulations, the Real Estate Settlement Procedures Act, the Equal Credit Opportunity Act, the Flood Disaster Protection Act, the Fair Housing Act, the Truth-in-Lending Act of 1968, the Depository Institutions Deregulation and Monetary Control Act of 1980, the Garn-St. Germain Depository Institutions Act of 1982 and all applicable regulations issued pursuant thereto; and that all conditions as to the validity, transferability and continuation of any FHA Insurance Contract, VA Loan Guaranty Certificate, or RHS Loan Note Guaranty if any, as required by the National Housing Act of 1934, the Servicemen's Readjustment Act of 1944, as amended, or the Cranston-Gonzales National Affordable Housing Act of 1990, and the rules and regulations thereunder, or by the FHA, VA or RHS have been properly satisfied, the right to obtain a FHA Insurance Contract, VA Loan Guaranty Certificate, or RHS Loan Note Guaranty, on each Mortgage Loan will be valid and enforceable by Buyer; and

- m) The Seller has complied with all applicable anti-money laundering laws and regulations, including without limitation the USA Patriot Act of 2003, and the laws and regulations administered by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), which prohibits dealings with certain countries, territories, entities, and individuals named in OFAC's Sanction Programs and on Specially Designated Nationals and Blocked Persons lists (collectively, the "Anti-Money Laundering Laws"). The Seller has established an anti-money laundering compliance program to the extent required by the Anti-Money Laundering Laws, has conducted the requisite due diligence in connection with the origination of each Loan for purposes of the Anti-Money Laundering Laws, including with respect to the legitimacy of the applicable Borrower and the origin of the assets used by said Borrower to purchase the property in question, and maintains, and will maintain sufficient information to identify the applicable Borrower for purposes of the Anti-Money Laundering Laws.
- n) The Mortgagor has duly executed and delivered appropriate evidence indicating that the Mortgagor has received any and all disclosure materials as required by applicable law and regulations; and
- o) The full original principal amount of each Mortgage Loan has been advanced to the Mortgagor, either by direct payment, or by payment made on the Mortgagor's request or approval; and all costs, fees, and expenses incurred in making, closing and recording the Mortgage Loan, have been paid; and
- p) There is in force a paid-up Mortgagee Policy of Title Insurance on the Mortgage Loan in an amount not less than the outstanding principal balance of the Loan, affirming that the Mortgagor has fee simple, indefeasible title to the Mortgaged Property and insuring the validity and priority of Seller's first lien securing the Mortgage Loan, and such Mortgagee Policy of Title Insurance does not contain any exceptions to or defects in title not otherwise disclosed to and approved in advance by Buyer in writing; and
- q) There is a valid paid-up hazard insurance policy in force, at the time of the purchase of the Mortgage Loan by Buyer issued or written by an insurance company with a Best's Key Rating Guide financial size category of Class III or better, in an amount equal to at least the full replacement value of the improvements on the property secured by the Mortgage. The policy shall be of a type at least as protective as fire and extended coverage and shall contain a mortgagee clause and loss payable clause to the Buyer in the form of the standard New York mortgage clause, and shall contain suitable provisions for payment on all present and future mortgages on such premises in order of precedence. For properties in a special flood hazard area, there is in force a paid-up flood insurance policy. For properties located in a condominium or PUD project, Seller will provide a certificate of insurance naming Buyer as the insured plus a certified true copy of the Master Hazard and Liability Policy; and
- r) All documents submitted or delivered are genuine, and all other representations as to each Mortgage Loan sold are true and correct and meet the requirements and specifications of all parts of this Agreement and the Lender Requirements; and



NON-DELEGATED CORRESPONDENT AGREEMENT

- s) The Mortgage, Mortgage Note, and all other Mortgage Loan documents executed by the Mortgagor create a legal, valid and binding obligations of the Mortgagor, enforceable in accordance with their terms, there exists as of the Closing Date no right of offset, defense, right of rescission, homestead right, or counterclaim with respect to the Mortgage Note or any of the other documents, and there is no pending or threatened litigation that might affect the validity or enforceability of the Mortgage Note or the Mortgage; and
- t) The Mortgaged Property is either free of damage and in good repair or the proceeds of the Mortgage Loan will be used to purchase and rehabilitate the Mortgaged Property, there is no proceeding pending or threatened for a partial or total condemnation or partition of the Mortgaged Property, and either there are no mechanic's or similar liens or claims that have been filed for work, labor or material (and no rights are outstanding that under applicable law could give rise to such a lien or claim) affecting the Mortgaged Property or such liens and claims have been insured against under the final Mortgagee Policy of Title Insurance; and
- u) As of the Closing Date, to the best of Seller's knowledge, after reasonable inspection, the mortgaged property was not affected by any condition arising from the presence of any dangerous, toxic or hazardous pollutants, chemicals, wastes, or substances; and
- v) All improvements on the Mortgaged Property, including new construction, have been or will be completed in full compliance with any applicable laws, regulations, or building codes and standards, and that the improvements comply with the laws, regulations, or building codes and standards in effect; and
- w) With respect to each appraisal delivered to Buyer in connection with a prospective Mortgage Loan, the appraisal has been prepared by an Approved Appraiser, Seller has reviewed the appraisal and found the appraisal acceptable in accordance with the standards set forth in the Lender Requirements, and Seller shall, upon Buyer's request, provide Buyer with any information Seller has in its possession regarding the appraiser or appraisal; and
- x) In addition to those representations, warranties, and covenants specifically set forth above, Seller makes all representations, warranties, and covenants expressed by Seller to Buyer orally or in writing with respect to any particular Mortgage Loan, and expressly makes any and all additional representations, warranties, or covenants that are normally or customarily made in connection with a mortgage loan of the same type and terms as the Mortgage Loan.

6. NO SOLICITATION. Loans sold to Buyer cannot be solicited by Seller for refinance for a period of 6 months or 180 days from the date the Loan is purchased by Buyer.

7. LENDER REQUIREMENTS: In addition to all of the obligations, agreements, representations and warranties specifically set forth herein, Seller hereby agrees to perform all obligations and agreements, make all representations and warranties, and comply with all the provisions of the Lender Requirements (including any policies and procedures contained in program announcements, memoranda, or other similar communication) delivered to Seller, as may be modified or amended from time to time. Modifications and additions to the Lender Requirements shall become effective upon the date received by Seller. All provisions of the Lender Requirements are hereby incorporated into this Agreement by reference.

8. REPURCHASE OF LOANS: Seller hereby agrees to repurchase any Mortgage Loan sold to Buyer at any time during the life of such Mortgage Loan, upon the occurrence of any of the following events:

- a) Any false statement, misstatement, or act of omission of material fact contained in the Mortgage Loan documentation resulting from Seller's negligence or failure to exercise due diligence as disclosed by actual inspection by Buyer or its representative, or otherwise disclosed; or
- b) Buyer cannot obtain FHA insurance, VA or RHS guaranty, private mortgage insurance, or if such insurance or guaranty lapses or for any reason becomes unavailable, as a result of any negligent act or omission by Seller, or the failure by Seller to obtain such insurance or guaranty within sixty (60) days from the date of purchase; or

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- c) Buyer is required to repurchase any Loan sold by it to GNMA, FNMA, FHLMC, or any other investor, by reason of a deficiency in or omission with respect to the Mortgage Loan documents, instruments, and agreements, pertaining to any Mortgage Loan; or
- d) Any representation or warranty made by Seller under this Agreement or the Lender Requirements with respect to any Mortgage Loan shall, in the reasonable opinion of Buyer, be, in whole or in part and with or without knowledge of Seller, false at the time when made by Seller or become false upon the occurrence of subsequent events; or
- e) Any material fraud, misrepresentation or act of omission with respect to the information submitted on a particular Mortgage Loan is determined to exist by Buyer or another investor. This includes, but is not limited to, Mortgagor or other third-party fraud or misrepresentation, and any misrepresentation of Mortgagor's income, funds on deposit, or employment, or of the occupancy status of the Mortgaged Property;
- f) Seller's breach of any covenant or obligation to Buyer with respect to the Mortgage Loan under this Agreement or the Lender Requirements, specifically including, without limitation, Seller's obligations under Section 3,4, or 5 hereof. The repurchase price for any Mortgage Loan that Seller is required to repurchase from Buyer shall be an amount equal to its then unpaid principal balance of the Mortgage Loan on the date of repurchase, plus accrued interest, any servicing release premium paid, and direct expenses (including attorney's fees) incurred by Buyer for any actions taken by it concerning, as a result of, or in connection with, any of the events or circumstances set forth herein as cause for repurchase. Buyer's exercise of its right to have Seller repurchase any Mortgage Loan hereunder shall be in addition to, and not in lieu of, any other rights or remedies which Buyer may have against Seller hereunder or under applicable law; or,
- g) Borrower[s] fail[s] to make any of the first four (4) monthly payments subsequent to the loan purchase date, as described in the loan documents at the time of closing.

9. INDEMNIFICATION: Seller shall protect, indemnify, and hold Buyer harmless from and in respect to, any and all losses, liabilities, reasonable costs, and expenses (including attorneys' fees) that may be incurred by Buyer with respect to, or proximately resulting from any breach of, any representation, warranty, or covenant of Seller hereunder. Buyer shall be entitled to rely upon Seller as assembler and preparer of all Mortgage Loan documents and is under no duty whatsoever to investigate or confirm any of the information set forth therein as to its honesty, accuracy, or completeness. Seller hereby agrees to indemnify and hold Buyer harmless from any claim, loss or other damage to Buyer including reasonable attorneys' fees resulting in whole or in part from any inaccuracy or incompleteness in the Mortgage Loan documents or any act or omission by Seller, its agents and employees, including but not limited to failure to comply with applicable state, federal and local statutes or regulations. To the extent Seller, its agents or employees, commits an actual wrong, or makes some error or omission in the preparation of any Mortgage Loan or its documents and as a result thereof, and based thereon, Buyer commits an act or omission for which it becomes liable to the Mortgage(s) or any third party and/or a claim or cause of action is instituted against Buyer, Seller shall and hereby agrees to indemnify and hold Buyer harmless from any such loss or damage, including reasonable attorneys' fees, resulting therefrom.

10. REFUND OF SERVICE RELEASE PREMIUMS:

- a) If any Mortgage Loan becomes delinquent 60 days or borrower[s] fail to make payment on any of the first four (4) monthly payments due Buyer, Seller shall refund to Buyer all service release premiums received from Buyer with respect to that Mortgage Loan plus an indemnification fee of \$1,000 on conventional loans and \$2,000 on government loans.
- b) In the event a loan is refinanced or prepaid within 6 months of the purchase date, Seller may be responsible for repayment of any and all Service Release Premium paid on the Loan as follows:
 - i. In the event that the borrower refinances or the Mortgage Loan is prepaid in full prior to making

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the first six (6) payments due to Buyer and/or its assigns following the Purchase Date, Seller shall promptly reimburse Buyer for the total Servicing Released Premium paid as published on the Loan Purchase Advice or calculated internally by Buyer. A payment for which Buyer deducted funds at the time it purchased the Loan from Seller shall not be considered one of the first six (6) payments due Buyer.

Within ten (10) business days following receipt of written notice from Buyer, Seller shall pay Buyer the full amount of such any service release premiums.

11. NOTICES: All notices required hereunder shall be in writing, delivered to the last known addresses of the parties, as may be amended from time to time by written notice, and shall be deemed to have been given, made, and received only: (a) upon personal delivery to a Party; (b) one (1) business day after the date of deposit if delivered by a nationally recognized courier service offering guaranteed overnight delivery; or (c) five (5) business days after deposit in the United States first class mail, certified mail, postage prepaid, return receipt requested, and;

- a) The Parties agree that First Community Mortgage Inc. may deliver the Lender Requirements and/or the Agreement, and all amendments thereto, by posting a copy of the current version of the Agreement and Lender Requirements and such amendments at a website identified by Lender or by transmitting an electronic version of the Lender Requirements and/or the current version of the Agreement and such amendments to an e-mail address provided by Seller.
- b) Unless an electronic communication specifically contains a statement that the communication is intended as an electronic signature or consent by First Community Mortgage Inc., such communication shall not constitute an electronic signature or consent by First Community Mortgage Inc. pursuant to the Electronic Signatures in Global and National Commerce Act or comparable state or federal laws or regulations.
- c) Entire Agreement; Amendment. This Agreement, together with all Exhibits, the Approval Letters and the most current version of the Lender Requirements, constitutes the entire understanding and agreement of the Parties hereto with respect to the subject matter hereof, and any other agreements, express or implied, entered into prior to this Agreement are hereby null and void and of no force or effect. Lender may amend the terms of this Agreement by delivering Seller an amended Agreement in accordance with Section 11 of this Agreement by personal delivery, mail or email. Such amendment(s) shall constitute the current version of the Agreement and shall be deemed accepted and incorporated into this Agreement if Seller submits an Application Package to First Community Mortgage Inc. subsequent to the date that the amended Agreement is delivered to Seller. Seller may not supplement, modify or amend this Agreement unless such supplement, modification or amendment is agreed to in writing by an authorized representative of First Community Mortgage, Inc.

12. FINANCIAL STATEMENTS AND RIGHT TO AUDIT: When applicable, pursuant to agency and/or investor guidelines, Seller agrees to provide annual audited financial statements to Buyer within ninety (90) days after the close of its fiscal year prepared by independent certified public accountants in accordance with generally accepted accounting principles. Seller will also submit copies of current Mortgage Licenses (where applicable) and a copy of a current Fidelity Bond and E & O Insurance Policy. If Buyer is the Sponsor of the Seller under the FHA Loan Correspondent program, Seller agrees to allow Buyer access to their office facilities and loan records during normal business hours for an on-site compliance audit in accordance with HUD quality control requirements.

13. INSURANCE: Seller shall maintain in full force Errors and Omissions Insurance and a Fidelity Bond, Mortgage Banker Bond or Mortgage Originator Policy in such amounts as Buyer may reasonably require indemnifying Buyer from any loss or damage incurred in connection with this Agreement. Buyer must be named as a "loss payee" and must have the right to file a claim directly with the insurer if Seller fails to file a claim for a covered loss that Buyer incurs. The insurer must agree to notify Buyer at least 30 days before it cancels, reduces or modifies the Seller's coverage for any reason or within 10 days after it receives a request from Seller to cancel or reduce any coverage.



NON-DELEGATED CORRESPONDENT AGREEMENT

14. RELATIONSHIP OF THE PARTIES: Buyer and Seller hereby agree that neither this Agreement nor any purchase of Mortgage Loans pursuant hereto shall constitute any agency relationship, legal representation, joint venture, partnership or employment. Buyer and Seller agree that neither party is in any way authorized to make any contract, agreement, warranty, or representation, or to create any obligation, express or implied, on behalf of the other.

15. EVENTS OF DEFAULT: Each of the following shall constitute an Event of Default on the part of Seller under this Agreement: (i) any breach by Seller of any of Seller's representations, warranties, or covenants set forth in this Agreement or the Lender Requirements; (ii) the failure of Seller to perform any of its obligations under this Agreement or the Lender Requirements; (iii) the occurrence of any act of insolvency or bankruptcy concerning Seller; (iv) Seller's failure to meet any capital, leverage, or other financial standard imposed by any applicable regulatory authority, warehouse lender, or in Buyer's sole opinion, any material adverse change occurs in the financial condition of Seller; (v) any federal or state regulatory authority or licensing agency shall cancel, rescind, or fail to renew Seller's license or institute any action against Seller for fraud or criminal conduct.

16. RIGHT OF OFFSET: Buyer shall have the right to deduct any premiums, penalties, fees, taxes, or other charges or obligations of any kind owed by Seller to Buyer from the amount to be paid for any Mortgage Loan purchased by Buyer hereunder.

17. SURVIVAL OF PROVISIONS; SEVERABILITY: All of the covenants, agreements, representations and warranties made herein by the parties hereto shall survive and continue in effect after the termination of the Agreement or the consummation of the transactions contemplated hereby. Any provisions of the Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidation of the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument.

18. ASSIGNMENT: This Agreement may not be assigned or transferred by Seller without the prior written consent of Buyer.

19. AMENDMENT/TERMINATION: Buyer shall have the right to amend this Agreement with written notice to the Seller. At Buyer's request, Seller shall acknowledge changes to the Agreement in writing, but Seller's failure to provide written acknowledgment of any amendment shall not impair the enforceability of such amendment. This Agreement may also be terminated with respect to future purchases of Mortgage Loans by either party at any time by giving written notice of termination to the other party. Upon the occurrence of any Event of Default as described in Paragraph 15(i), 15(ii), 15(iv) or 15(v) hereof, Buyer may either terminate this Agreement upon notice to Seller or, without affecting any other rights or remedies available to Buyer under this Agreement or at law or in equity, immediately suspend all registrations and lock-ins and may refuse to fund any or all Mortgage Loans, pending the cure, to Buyer's satisfaction, of such Event of Default. Upon the occurrence of an Event of Default under Paragraph 15(iii), this Agreement shall terminate automatically. Termination of this Agreement shall not in any respect change, alter, or modify the obligations of Buyer and Seller with respect to Mortgage Loans that have been purchased by Buyer from Seller prior to the date of such termination.

20. ENTIRE AGREEMENT: This Agreement and the Lender Requirements contain the entire agreement of the parties with respect to the subject matter hereof, and there are no representations, inducements, or other provisions other than those expressed in writing and included herein. All changes, addendum, additions, or deletions to this Agreement must be made in writing and signed by each of the parties hereto. This Agreement restates and supersedes any and all prior Mortgage Purchase Agreements between the parties.

NON-DELEGATED CORRESPONDENT AGREEMENT

21. GOVERNING LAW; INTERPRETATION: It is mutually understood and agreed that this Agreement shall be governed by the laws of the State of Tennessee as to both interpretation and performance. All terms of this Agreement shall be construed and interpreted according to their plain meaning and no term shall be more strictly construed against Buyer merely because Buyer has drafted this Agreement.

22. CONFIDENTIALITY: During the term of this Agreement, Buyer and Seller shall each have available confidential or proprietary information related to the other party. Both parties shall maintain and preserve to the maximum extent permitted by law the confidentiality of any such information and shall be entitled to obtain injunctive relief as required to enforce these provisions. In addition, both parties agree that "nonpublic" personal information (as defined in 12 CFR 40.3) about each borrower furnished to the other party hereunder is furnished upon the express condition that the information will be kept confidential by the receiving party. All such confidential, proprietary, and non-public personal information, except as may be otherwise required by statute, by court order or as may be necessary, in the reasonable judgment of the receiving party, to the performance of the services required under this Agreement, shall be held in confidence. Both parties have established and maintain policies, procedures and safeguards designed to protect the security, confidentiality of this non-public personal information about each borrower and agree to comply with the provisions of the Gramm-Leach-Bliley Act and all implementing rules and regulations regarding consumer financial privacy, to the extent applicable to each of their actions and responsibilities hereunder.

23. ACCEPTANCE: This Agreement shall become binding upon acceptance and execution by Buyer.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

(Seller Name)

Signature Date

Print Name

Title

First Community Mortgage, Inc.

Signature Date

Print Name

Title



first community mortgage



NON-DELEGATED CORRESPONDENT PROFILE

Contact Information:

Legal Name: _____

(All documents and security instruments must reflect the legal name above)

Physical Address: _____

City: _____ State: _____ Zip Code: _____

Mailing Address (If different than physical address): _____

City: _____ State: _____ Zip Code: _____

Phone Number: _____ Fax Number: _____

Name for Purchase Suspense Notice: _____ Email: _____

Contact for Purchase: _____ Email for Purchase: _____

MERS ORG ID/TPO#: _____ (Required to close in your name- min. of Lite Membership required)

Do you use FCM's appraisal ordering portal? Yes No If no, please attach your AIRS Policy.

Are you a non-supervised full eagle with FHA? Yes No FHA files will be closed in FCM's name.
If yes, please attach your approval letter.

FHA ID#: _____ Will you underwrite any FHA loans? Yes No

Trustee Information:

Trustee not required, only close in Mortgage States.

Trustee Name for Deed of Trust: _____

Trustee Address for Deed of Trust: _____

Shipping Instructions/Requirements:

Note to be mailed to: _____

Do you have any shipping special instructions/requirements that need to be noted on the closing instructions?

Note Endorsements:

Acknowledgement that original endorsed Notes must be provided to FCM for loan purchase.

Wire Instructions/ Bailee Information:

Are you a Self-Funding Bank or Credit Union? YES NO

Name of Warehouse Bank: _____

If Self-Funding, Bank Name/Credit Union Name: _____

Bank Street Address: _____

City: _____ State: _____ Zip Code: _____

Corporate Contact Name: _____

Corporate Email: _____

Phone: _____ Fax: _____

NON-DELEGATED CORRESPONDENT PROFILE

Please attach the following required documents:

Executed Bailee Letter

Warehouse Bank Wiring Instructions or Self-Funding Bank/Credit Union Wiring Instructions

Please list any fees charged and retained by your company on a typical loan:

(Example: Admin Fee, Application Fee, In-house Processing Fee)

NAME OF FEE:	AMOUNT OF FEE:	NAME OF FEE:	AMOUNT OF FEE:

Paying Mortgage Insurance (FHA UFMIP/VAFF/RD GUARANTEE FEE/CONVENTIONAL PMI):

We have the capability, agree to pay all mortgage insurance in a timely manner and provide a paid receipt to FCM.

We do not have the capability and/or prefer to pay mortgage insurance fees and have them deducted from the purchase advice.

TIER 1 NON-DELEGATED CORRESPONDENT CLIENTS ONLY

If FCM will be drawing closing documents on your behalf you will be an approved **Tier 1** NDC client. Please acknowledge that all mortgage insurance fees will be paid by FCM and deducted from our purchase advice by initialing here _____.

You may skip the required questions for Tier 2.

Signature: _____

Date: _____

Print Name: _____

Title: _____

TIER 2 NON-DELEGATED CORRESPONDENT CLIENTS ONLY

If your company will be responsible for drawing closing documents, you will be an approved **Tier 2** NDC client with FCM, please complete the remainder of this form.

I understand my company will be responsible for all Closing functions. I will be contacted by FCM's Non-Delegated Correspondent team to discuss policies and procedures prior to drawing closing documents.

Number of years Non-Delegated Correspondent has been drawing docs: _____

Current Document Provider: _____

Contact name to receive clear to close: _____

Contact Email Address: _____ Secondary Email: _____

Signature: _____

Date: _____

Print Name: _____

Title: _____

