CORRESPONDENT LOAN PURCHASE AGREEMENT

This Correspondent Loan Purchase Agreement (the "Agreement") is entered into by and between Nationwide Bank, a federal savings bank ("Purchaser"), and _____, a _____ ("Seller") as of the date signed by Purchaser on the signature page.

RECITALS

WHEREAS, the Seller desires to sell, and the Purchaser desires to purchase from the Seller, certain Mortgage Loans from time to time as described herein on a servicing released basis without recourse, which Mortgage Loans shall be delivered to the Purchaser as whole Mortgage Loans on a loan-by-loan basis as provided herein;

WHEREAS, the parties intend hereby to set forth the terms and conditions upon which the proposed transactions will be effected;

NOW THEREFORE, in consideration of the mutual promises herein made and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

Whenever used herein, the following capitalized words and phrases, unless the content otherwise requires, shall have the following meanings:

Agency or Agencies: Fannie Mae, Freddie Mac, GNMA, HUD, FHA, VA, RHS, and any other agency or secondary market investor that Purchaser may designate in the Correspondent Lending Manual, as applicable.

Agency Guidelines: All published guides and guidance documents of the Agencies, including without limitation all announcements, circulars, automated underwriting systems, mortgagee letters and handbooks now or hereafter establishing requirements applicable to the Mortgage Loans.

Applicable Law: Any federal, state or local constitution, statute, ordinance, rule, regulation or similar legal requirement applicable to the origination or servicing of mortgage loans or any related activity, including but not limited to usury, truth-in-lending, real estate settlement procedures, consumer credit protection and privacy, equal credit opportunity, disclosure or predatory and abusive lending laws; and any applicable and valid order, verdict, judgment or consent decree.

Appraised Value: With respect to any Mortgage Loan, the lesser of (i) the value set forth on the appraisal or other property valuation acceptable to the applicable Agency made in connection with the origination of the related Mortgage Loan as the value of the related Mortgage Property, or (ii) the purchase price paid for the Mortgage Property, provided, however, in the case of a refinance Mortgage Loan, such value shall be based solely on the appraisal or other property valuation made in connection with the origination of such Mortgage Loan.

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

in the name of MERS or its designee, such actions as are necessary to cause the Purchaser to be shown as the owner of the related Mortgage on the records of MERS for purposes of the system of recording transfers of beneficial ownership of mortgages maintained by MERS.

Business Day: Any day other than (i) a Saturday or a Sunday, or (ii) a day that in the location of the main offices of Purchaser is a legal or company holiday.

Closing Date: With respect to each Mortgage Loan, the later of the date on which the Mortgage is executed by the Mortgagor, or the Mortgage Loan proceeds are disbursed, to or on behalf of the Mortgagor.

Confirmation Letter: The commitment between the Purchaser and the Seller to buy and sell a specific Mortgage Loan under specific terms.

Conforming Mortgage Loan: A Mortgage Loan which is saleable to the Agencies.

Conventional Mortgage Loan: A Mortgage Loan for which the mortgage or deed of trust is not insured or guaranteed under a government program (e.g., FHA, VA or RHS).

Correspondent Lending Manual: Nationwide Bank's Correspondent Lending Seller Guide, as it may be amended, modified, updated or supplemented from time to time at Purchaser's sole discretion, as posted on the Nationwide Bank website, including any memos, notices or other communications issued by Purchaser from time to time.

Cut-off Date: With respect to each transaction, the date as of which the Purchase Price of the Mortgage Loans to be funded on the related Purchase Date is determined.

Escrow Item: An expense required to be escrowed by a Mortgagor under the related Mortgage including, without limitation, taxes, special assessments, ground rents, water, sewer and other governmental impositions or charges that are or may become liens on the related Mortgaged Property prior to that of the related Mortgage, as well as Hazard Insurance, Flood Insurance and Private Mortgage Insurance premiums.

Fannie Mae: The Federal National Mortgage Association and its successors.

FHA: The Federal Housing Administration and its successors.

Flood Insurance: An insurance policy insuring against flood damage to a Mortgaged Property, where required.

Freddie Mac: The Federal Home Loan Mortgage Corporation and its successors.

GNMA: The Government National Mortgage Association and its successors.

Government Mortgage Loan: A Mortgage Loan insured by FHA or guaranteed by VA or RHS.

Hazard Insurance: A fire and casualty extended coverage insurance policy insuring against loss or damage from fire and other perils covered within the scope of standard extended hazard coverage naming the Seller, its successors and assigns, as a mortgagee under a standard mortgagee clause, together with all riders and endorsements thereto.

High Cost Loan: A Mortgage Loan classified as (a) a "high cost" loan under the Home Ownership and Equity Protection Act of 1994, as amended, or (b) a "high cost home," "threshold," "covered," "high risk home," "predatory" or similar loan under any other applicable state, federal or local law or regulation.

HUD: The United States Department of Housing and Urban Development and its successors.

Loan Note Guarantee: The document issued by RHS as a guarantee that the federal government will repay to the lender the specified percentage of the loan balance in the event of the borrower's default.

MERS: Mortgage Electronic Registration Systems, Inc., a Delaware corporation, or any successor in interest thereto.

MERS Mortgage Loan: Any Mortgage Loan as to which the related Mortgage or Assignment of Mortgage has been registered with MERS on the MERS System

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

Monthly Payment: With respect to any Mortgage Loan, the scheduled monthly payment of principal and interest and any required Escrow Items due under the terms of the related Mortgage Note.

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

Mortgage Interest Rate: The annual rate at which interest accrues on a Mortgage Note from time to time, in accordance with the provisions of the Mortgage Note.

Mortgage Loan: An individual mortgage loan which is the subject of this Agreement, including, without limitation, the related Mortgage Loan Documents and all other material and information collected by the Seller in connection with the Mortgage Loan, including the Monthly Payments, the Servicing Rights, and all other rights, benefits and proceeds arising from or in connection with such Mortgage Loan.

Mortgage Loan Disclosure: Any disclosure, notice or other document that, according to an Applicable Law, must be provided to a Mortgagor by or on behalf of a lender in connection with a Mortgage Loan or an application for a Mortgage Loan.

Mortgage Loan Documents: With respect to each Mortgage Loan, the Mortgage Note, the Mortgage, the Mortgage Loan Disclosures, the Assignment of Mortgage, the Title Insurance Commitment, the final Title Insurance Policy, the FHA Mortgage Insurance Certificate, VA Loan Guaranty Certificate or RHS Loan Note Guarantee, as applicable, any documents necessary to support the underwriting of the Mortgage Loan, and any other documents executed or delivered or required to be executed in connection with a Mortgage Loan, as specified in the Correspondent Lending Manual and/or required by Applicable Law.

Mortgage Loan File: With respect to each Mortgage Loan, a file which contains the Mortgage Loan Documents, as well as any other documents that are in the Seller's possession with respect to such Mortgage Loan, which shall be organized as specified in the Correspondent Lending Manual.

Mortgage Note: A note or other evidence of the indebtedness of a Mortgagor secured by a Mortgage and riders thereto.

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

Mortgagor: The obligor on a Mortgage Note.

Non-Conforming Mortgage Loan: A Mortgage Loan which conforms to Purchaser's Underwriting Guidelines and eligibility requirements, but is not eligible for sale to Fannie Mae, Freddie Mac or GNMA.

Officer's Certificate: A certificate signed by the Chairman of the Board or the Vice Chairman of the Board or the President or a Vice President or an Assistant Vice President and certified by the Treasurer or the Secretary or one of the Assistant Treasurers or Assistant Secretaries of the Seller, and delivered to the Purchaser as required by this Agreement.

Permitted Encumbrances: With respect to any Mortgage Loan, any of the following: (i) liens for real estate taxes and special assessments not yet due and payable, (ii) covenants, conditions, restrictions, rights of way, easements and other matters of public record acceptable to mortgage lending institutions generally and the applicable Agencies, and (iii) other matters acceptable to the applicable Agencies to which properties similar to the Mortgaged Property are commonly subject which do not materially interfere with the benefits of the security intended to be provided by the Mortgage or the use, enjoyment, value or marketability of the related Mortgaged Property.

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

PMI Policy: A policy of Private Mortgage Insurance evidenced by a paper certificate or an electronic form and certificate number issued by a qualified insurer.

Private Mortgage Insurance: Insurance obtained from a private mortgage insurer which insures the holder of a Mortgage Note against loss in the event the related Mortgagor defaults under such Mortgage Note or the related Mortgage, including all riders and endorsements thereto, in a coverage amount as required by the Underwriting Guidelines and the Correspondent Lending Manual.

Prudent Servicing Practices: With respect to any Mortgage Loan, those mortgage servicing practices of prudent mortgage lending institutions which service mortgage loans of the same type as the Mortgage Loans in the jurisdiction where the related Mortgaged Property is located.

Purchase Date: Each date the Purchaser purchases one or more Mortgage Loans from the Seller.

Purchase Price: As defined in Section 2.03.

Purchase Price Percentage: The percentage of par used to calculate the Purchase Price for each Mortgage Loan as described in Section 2.03 hereof.

RHS: The US Department of Agriculture Rural Housing Service, formerly known as the Farmers Home Administration, and its successors.

Servicing Release Premium: An amount paid for the Servicing Rights to a Mortgage Loan.

Servicing Rights: With respect to each Mortgage Loan, any and all of the following: (a) all rights to service the Mortgage Loan; (b) all rights to receive servicing fees, additional servicing compensation (including without limitation any late fees, assumption fees, penalties or similar payments with respect to the Mortgage Loan, and income on escrow accounts or other receipts on or with respect to the Mortgage Loan), reimbursements or indemnification for servicing the Mortgage Loan, and any payments received in respect of the foregoing and proceeds thereof; (c) the right to collect, hold and disburse escrow payments or other similar payments with respect to the Mortgage Loans and any amounts actually collected with respect thereto and to receive interest income on such amounts to the extent permitted by applicable law; (d) all accounts and other rights to payment related to any of the property described in this paragraph; (e) possession and use of any and all Servicing Files pertaining to the Mortgage Loans or pertaining to the past, present or prospective servicing of the Mortgage Loans; (f) all rights and benefits relating to the direct solicitation of the related Mortgagors for refinance or modification of the Mortgage Loans and attendant right, title and interest in and to the list of such Mortgagors and data relating to their

respective Mortgage Loans; (g) all rights, powers and privileges incident to any of the foregoing; and (h) all agreements or documents creating, defining or evidencing any of the foregoing rights to the extent they relate to such rights.

Title Insurance Commitment: A commitment or binder issued by a title insurer pursuant to which the title insurer commits to issue a Title Insurance Policy if certain conditions specified in the commitment are met.

Title Insurance Policy: An American Land Title Association (ALTA) mortgage loan title policy, or other form of title insurance policy acceptable to the applicable Agency, including all riders and endorsements thereto, insuring that the Mortgage constitutes a valid first lien on the related Mortgaged Property subject only to Permitted Encumbrances issued by a title company acceptable to the applicable Agency and in accordance with all requirements of Section 3.02(p).

Underwriting Guidelines: The underwriting guidelines of Nationwide Bank and the applicable Agencies as of the date of origination of a Mortgage Loan, as may be amended from time to time.

Unpaid Principal Balance: With respect to any Mortgage Loan, the outstanding principal balance payable by the Mortgagor under the terms of the Mortgage Note.

VA: The United States Department of Veterans Affairs and its successors.

ARTICLE II

PURCHASE AND SALE OF MORTGAGE LOANS

Section 2.01 Loans Eligible for Purchase

Seller may offer to the Purchaser, and Purchaser may agree to purchase, certain fixed and adjustable rate Conforming Mortgage Loans and Non-Conforming Mortgage Loans, as more particularly described in the Correspondent Lending Manual and subject to the Underwriting Guidelines. The Mortgage Loan types eligible for purchase are subject to change from time to time, at Purchaser's sole discretion. All Mortgage Loans shall be submitted to Purchaser for underwriting approval prior to closing, as provided in the Correspondent Lending Manual, unless delegated underwriting authority has been granted pursuant to an addendum to this Agreement.

The Seller shall deliver the Mortgage Loan Documents for each Mortgage Loan for prepurchase review by Purchaser at Purchaser's office or such other location agreed upon by Purchaser and Seller. At Purchaser's option, Purchaser may review such Mortgage Loan Documents to determine whether the Mortgage Loan is eligible for funding. The Purchaser may, at its option, purchase a Mortgage Loan without conducting any partial or complete examination of the Mortgage Loan Documents. The fact that the Purchaser has conducted or has determined not to conduct any partial or complete examination of the Mortgage Loan Documents shall not affect the Purchaser's (or any of its successors') rights to demand repurchase or other relief or remedy provided for in this Agreement. The Purchaser will promptly inform Seller of any Mortgage Loan that is not eligible for funding.

Section 2.02 Agreement to Purchase

For each eligible Mortgage Loan offered by Seller to Purchaser pursuant to this Agreement, Purchaser will make its current rates and pricing available to Seller, as provided in the Correspondent Lending Manual. Seller may lock a Mortgage Loan at the current price at the time of application or at any time during the processing of the Mortgage Loan up to closing. Until a Mortgage Loan is locked, pricing remains subject to change in accordance with market conditions. Mortgage Loans must be reserved as provided in the Correspondent Lending Manual.

Purchaser agrees to purchase and Seller agrees to sell eligible Mortgage Loans from time to time on a loan by loan basis with servicing released, pursuant to the terms of this Agreement and the respective Confirmation Letter. Purchaser will confirm each agreement to purchase and sell a Mortgage Loan by transmitting a Confirmation Letter, which shall specify the Purchase Price Percentage, the Mortgage Interest Rate and other terms, to Seller by facsimile or other electronic means. Seller will review and assure the accuracy of the Confirmation Letter upon receipt and advise Purchaser of any inaccuracies immediately. Seller shall use its best efforts to close each Mortgage Loan that is subject to a Confirmation Letter and, upon closing, Seller's commitment to deliver such Mortgage Loan to Purchaser shall become mandatory. Purchaser may, in its sole and absolute discretion, revoke any price quoted on a Mortgage Loan if Seller provided inaccurate information. On the respective Purchase Date, the Purchaser shall purchase each eligible Mortgage Loan for the Purchase Price as set forth in the related Confirmation Letter.

Section 2.03 Purchase Price

The Purchase Price defined for each Mortgage Loan shall be the Purchase Price Percentage as stated in the respective Confirmation Letter (subject to adjustment as provided therein), multiplied by the Unpaid Principal Balance of the Mortgage Loan as of the related Cut-off Date after application of scheduled payments of principal due on or before the Cut-off Date whether or not collected, together with adjustments for accrued interest, the Servicing Release Premium and any other fees or amounts payable under this Agreement.

Section 2.04 Servicing Rights

Upon the sale of each Mortgage Loan, the Purchaser shall own the Servicing Rights and be entitled to receive with respect to each Mortgage Loan purchased: (1) all scheduled principal due after the applicable Cut-off Date, (2) all other payments and/or recoveries of principal collected after the applicable Cut-off Date (provided, however, that all scheduled payments of principal due on or before the applicable Cut-off Date and collected by the Seller or Purchaser after the applicable Cut-off Date shall belong to the Seller), (3) all payments of interest on the Mortgage Loans (minus that portion of any such interest payment that is allocable to the period prior to the applicable Cut-off Date), and (4) the servicing fee and any other income associated with the Servicing Rights. In the event that Seller receives funds from a Mortgagor on or after the Purchase Date in connection with a Mortgage Loan, Seller shall hold such funds as custodian for Purchaser and shall immediately remit such funds to the Purchaser in accordance with the procedures set forth in the Correspondent Lending Manual.

Section 2.05 Transfer of Ownership

Upon the sale of each Mortgage Loan, the ownership of each Mortgage Note and the Mortgage Loan Documents and the Servicing Rights with respect to each Mortgage Loan shall be vested in the Purchaser and the ownership of all other records and documents with respect to the related Mortgage Loan prepared by or which come into the possession of the Seller shall immediately vest in the Purchaser. The Seller shall promptly deliver to the Purchaser any documents that come into its possession required to be contained in the Mortgage Loan File with respect to each of the Mortgage Loans following the sale of the Mortgage Loans to the Purchaser. All documents with respect to any Mortgage Loan in the possession of the Seller following the Purchase Date shall be held by the Seller for the benefit of the Purchaser, its successors and assigns.

Section 2.06 Assignments of Mortgage

For any Mortgage Loan that was not originated as a MERS Mortgage Loan, the Seller agrees that it will prepare an Assignment of Mortgage transferring ownership of each Mortgage Loan to the Purchaser in accordance with this Agreement, will cause the Assignment of Mortgage to be properly filed and recorded in the correct and applicable recording office, will pay the applicable recording fee, and will deliver the Assignment of Mortgage to the Purchaser along with the recorded Mortgage.

In connection with the assignment of any MERS Mortgage Loan, the Seller agrees that it will immediately, but in no event later than three days after the Purchase Date, cause the MERS System to indicate that such Mortgage Loan and the related Servicing Rights have been assigned by the Seller to the Purchaser in accordance with this Agreement by including in such computer files the information required by the MERS System to identify the Purchaser as the beneficial owner and servicer of such Mortgage Loan.

Section 2.07 Delivery of Mortgage Loan Documents

Seller agrees to do all acts necessary to perfect title to the Mortgage Loans and the Servicing Rights to the Purchaser and shall sell, assign and deliver to the Purchaser, with respect to the purchase of each Mortgage Loan, the Mortgage Loan Documents. Seller will execute and deliver to Purchaser all instruments necessary to convey to Purchaser all right, title and interest in and to each Mortgage Loan, the Servicing Rights and all documents evidencing the insurance, guaranty or security for each Mortgage Loan. No later than thirty (30) days after the Purchase Date, the Seller shall deliver to the Purchaser all Mortgage Loan Documents, except (a) the FHA Mortgage Insurance Certificate, if applicable, which Seller shall deliver to Purchaser within 60 days of the Purchase Date, and (b) the recorded Mortgage, recorded Assignment and the final Title Insurance Policy and any related endorsements, which Seller shall deliver to Purchaser within 120 days of the Purchase Date. In the event the recorded Mortgage, recorded Assignment or final Title Insurance Policy and endorsements cannot be delivered because of a delay caused by the public recording office in returning any recorded document, the Seller shall deliver to the Purchaser within 120 days of the Purchase Date, an Officer's Certificate which shall (i) identify the document, (ii) state that the document has not been delivered to the Purchaser due solely to a delay caused by the public recording office, (iii) state the amount of time generally required by the applicable recording office to record and return a document submitted for recordation, and (iv) specify the date the applicable document will be delivered to the Purchaser.

Purchaser in its sole discretion may, but is not required to (i) grant an extension of time to deliver any Mortgage Loan Document, and (ii) assess a fee as specified in the Correspondent Lending Manual for each month after the expiration of the applicable time period specified above during which one or more Mortgage Loan Documents remains outstanding with respect to any Mortgage Loan. Such fee, at the sole discretion of Purchaser, may be deducted from future fundings or collected directly from Seller, in which case Seller shall pay Purchaser such amount within five (5) Business Days after receiving a request for direct payment.

Purchaser reserves the right to demand repurchase as provided in Section 5.02 hereof if Seller fails to deliver any Mortgage Loan Document within the timeframes set forth above.

Section 2.08 Fees and Expenses

(a) The Seller shall pay all of its own expenses incurred in connection with this Agreement and the transfer of the Mortgage Loans as contemplated hereunder.

(b) The Purchaser shall pay all of its own expenses incurred in connection with this Agreement, except for any expenses for which Seller is obligated to indemnify Purchaser pursuant to Section 5.03 hereof.

(c) The Seller shall pay such fees as are specified in the Correspondent Lending Manual, including but not limited to administration, underwriting, flood certification and tax service fees. Such fees may be netted from the funding amount upon payment of the Purchase Price, deducted from future fundings, or invoiced to the Seller, in which case Seller shall pay Purchaser such amount within five (5) Business Days after receipt of the invoice.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.01 Seller Representations and Warranties

Seller hereby represents and warrants to the Purchaser that, as of the date hereof and as of each Purchase Date:

(a) The Seller is duly organized, validly existing and in good standing under applicable federal and state laws and has all licenses necessary to carry out its business as now being conducted, and is licensed and qualified to transact business in and is in good standing under the laws of each state in which any Mortgaged Property is located or is otherwise exempt under Applicable Law from such licensing or qualification or is otherwise not required under Applicable Law to effect such licensing or qualification and no demand for such licensing or qualification has been made upon Seller by any such state, and in any event Seller is in compliance with the laws of any such state to the extent necessary to ensure the enforceability of each Mortgage Loan.

(b) The Seller has the full power and authority and legal right to execute, deliver and perform, and to enter into and consummate all transactions contemplated by this Agreement and to conduct its business as presently conducted. The execution, delivery and performance of this Agreement have been duly and validly authorized. This Agreement constitutes a legal, valid and binding obligation of the Seller, enforceable against it in accordance with its terms, subject to principles of equity, bankruptcy, insolvency and other laws of general application affecting the rights of creditors. All requisite corporate action has been taken by the Seller to make this Agreement and all agreements contemplated hereby valid and binding upon the Seller in accordance with their terms.

(c) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, will conflict with or result in a breach of any of the terms, organizational documents or any legal restriction or any agreement or instrument to which the Seller is now a party or by which it is bound, or constitute a default or result in the violation of any law, rule, regulation, order, judgment or decree to which the Seller or its property is subject.

(d) The consummation of the transactions contemplated by this Agreement is in the ordinary course of business of the Seller. The Seller is solvent and the sale of the Mortgage Loans will not cause the Seller to become insolvent. The sale of the Mortgage Loans is not undertaken with the intent to hinder, delay or defraud any of the Seller's creditors.

(e) The Seller does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant contained in this Agreement.

(f) There is no action, suit, proceeding or investigation pending or threatened against the Seller which, either in any one instance or in the aggregate, is reasonably likely to result in a material adverse change in the business, operations, financial condition, properties or assets of the Seller, or in any material impairment of the right or ability of the Seller to carry on its business substantially as now conducted, or in any material liability on the part of the Seller, or which would draw into question the validity of this Agreement or the Mortgage Loans or of any action taken or to be contemplated herein, or which would be likely to impair materially the ability of the Seller to perform under the terms of this Agreement.

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

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

(i) The Seller has not dealt with any broker, investment banker, agent or other Person that may be entitled to any commission or compensation in the connection with the sale of the Mortgage Loans.

(j) Seller is in compliance with all applicable terms and conditions of this Agreement and the Correspondent Lending Manual. Seller has conducted its business in compliance with Applicable Law.

Section 3.02 Seller Representations and Warranties – Individual Mortgage Loans

The Seller hereby represents and warrants to the Purchaser with respect to each Mortgage Loan being sold by Seller as of its respective Purchase Date:

(a) All payments required to be made up to the Purchase Date for the Mortgage Loan under the terms of the Mortgage Note have been made and credited.

(b) There are no defaults in complying with the terms of the Mortgage, and all taxes, governmental assessments, insurance premiums, water, sewer and municipal charges, which previously became due and owing have been paid, or an escrow of funds has been established in an amount sufficient to pay for every such item which remains unpaid and which has been assessed but is not yet due and payable.

(c) The terms of the Mortgage Note and Mortgage have not been impaired, waived, altered or modified in any respect, except in accordance with applicable Agency Guidelines and by a written instrument which has been recorded or registered with the MERS System, if necessary, to protect the interests of the Purchaser and which has been delivered to the Purchaser. The substance of any such waiver, alteration or modification has been approved by the issuer of any

related PMI Policy and the title insurer, to the extent required by the policy, and its terms are reflected in the Mortgage Loan File.

(d) The Mortgage Loan is not subject to any right of rescission, set-off, counterclaim or defense, including without limitation the defense of usury, nor will the operation of any of the terms of the Mortgage Note or the Mortgage, or the exercise of any right thereunder, render either the Mortgage Note or the Mortgage unenforceable, in whole or in part, or subject to any right of rescission, set-off, counterclaim or defense, including without limitation the defense of usury, and no such right of rescission, set-off, counterclaim or defense has been asserted with respect thereto.

(e) The Mortgage has not been satisfied, canceled, subordinated or rescinded, in whole or in part, and the Mortgaged Property has not been released from the lien of the Mortgage, in whole or in part, nor has any instrument been executed that would effect any such satisfaction, release, cancellation, subordination or rescission.

(f) The Mortgage Note and the Mortgage and related documents are genuine, and each is the legal, valid and binding obligation of the maker thereof enforceable in accordance with its terms. All parties to the Mortgage Note and the Mortgage had legal capacity to enter into the Mortgage Loan and to execute and deliver the Mortgage Note and the Mortgage, the identity of such parties has been established, and the Mortgage Note and the Mortgage have been duly and properly executed by such parties.

(g) No error, omission, misrepresentation, negligence, identity theft, fraud or similar occurrence with respect to a Mortgage Loan has taken place on the part of the Seller, the Mortgagor, any appraiser, any builder, any developer, or any other party involved in the origination of the Mortgage Loan.

(h) Any and all requirements of any Applicable Law or any Agency Guidelines applicable to the Mortgage Loan and Mortgage Loan Documents have been complied with. All inspections, licenses and certificates required to be made or issued with respect to all occupied portions of the Mortgaged Property and, with respect to the use and occupancy of the same, including but not limited to certificates of occupancy and fire underwriting certificates, have been made or obtained from the appropriate authorities.

(i) The Mortgaged Property consists of a contiguous parcel of real property with a detached single family residence erected thereon, or a two- to four-family dwelling, or an individual condominium unit in a condominium project, or an individual unit in a planned unit development or a townhouse, provided, however, that any condominium project or planned unit development shall conform with the Underwriting Guidelines regarding such dwellings, and no residence or dwelling is a mobile home. To the best of the Seller's knowledge, since the date of the appraisal, no portion of the Mortgaged Property has been used for commercial purposes outside of the Underwriting Guidelines.

(j) The Mortgage is a valid first lien on the Mortgaged Property except for Permitted Encumbrances and is enforceable in accordance with its terms and the laws of the jurisdiction in which the Mortgaged Property is located.

(k) The proceeds of the Mortgage Loan have been fully disbursed, except for completion or repair escrows established or created due to seasonal weather conditions or other reasons permitted by the applicable Agencies which are subject to an escrow agreement satisfactory to the applicable Agencies, and there is no requirement for future advances thereunder. All costs, fees and expenses incurred in making or closing the Mortgage Loan and the recording of the Mortgage

were paid, and the Mortgagor is not entitled to any refund of any amounts paid or due under the Mortgage Note or Mortgage.

(l) The Seller is the sole owner and holder of the Mortgage Loan and the Seller has good and marketable title thereto and has full right and authority to transfer and sell the Mortgage Loan to the Purchaser. The Seller is transferring the Mortgage Loan free and clear of any and all encumbrances, liens, pledges, equities, participation interests, claims, charges or security interests of any nature encumbering such Mortgage Loan.

(m) The Mortgage Loan was originated by the Seller and not by a third party originator.

(n) With respect to any Conventional Mortgage Loan subject to a PMI Policy pursuant to the applicable Underwriting Guidelines, all provisions of such PMI Policy have been and are being complied with, such policy is in full force and effect, and all premiums due thereunder have been paid. Any Mortgage Loan subject to a PMI Policy obligates the Mortgagor thereunder to maintain the PMI Policy and to pay all premiums and charges in connection therewith. The Mortgage Interest Rate for the Mortgage Loan is net of any such insurance premium.

(o) <u>FHA Insurance/VA Guaranty/RHS Loan Note Guarantee</u>

(i) Each FHA Mortgage Loan is, or will be within 60 days of the Closing Date, fully-insured by the FHA, which insurance is or will be in full force and effect, and the Mortgage Loan is not subject to any defect which would diminish or impair the FHA insurance, and the transactions herein contemplated are, in compliance with the FHA regulations, and no circumstances exist with respect to the FHA Mortgage Loans which would permit the FHA to deny coverage under the FHA insurance.

(ii) Each VA Mortgage Loan is, or will be within 30 days of the Closing Date, guaranteed by the VA, which guaranty is or will be in full force and effect, and the Mortgage Loan is not subject to any defect which would diminish or impair the VA guaranty, and the transactions herein contemplated are, in compliance with the VA regulations, and no circumstances exist with respect to the VA Mortgage Loan which would permit the VA to deny coverage under the VA guaranty.

(iii) Each RHS Mortgage Loan was underwritten in accordance with RHS standards and is, or will be within 30 days of the Closing Date, guaranteed by the RHS, and each related Loan Note Guarantee is or will be in full force and effect, and the Mortgage Loan is not subject to any defect which would diminish or impair the Loan Note Guarantee, and the transactions herein contemplated are, in compliance with RHS regulations, and no circumstances exist with respect to the RHS Mortgage Loan which would permit the RHS to deny coverage under the RHS guaranty.

(p) The Mortgage Loan is covered by a Title Insurance Policy (or in the case of any Mortgage Loan secured by a Mortgaged Property located in a jurisdiction where such policies are generally not available, an opinion of counsel of the type customarily rendered in such jurisdiction in lieu of title insurance) or other generally acceptable form of policy of insurance acceptable to the applicable Agency: (i) issued by a title insurer acceptable to the applicable Agency and qualified to do business in the jurisdiction where the Mortgaged Property is located, (ii) insuring the Seller, its successors and assigns, as to the first priority lien of the Mortgage in the original principal amount of the Mortgage Loan and against any loss by reason of the invalidity or unenforceability of lien resulting from the provisions of the Mortgage providing for adjustment to the Mortgage Interest Rate and Monthly Payment, (iii) subject only to Permitted Encumbrances, and (iv) with endorsements and riders in accordance with applicable Agency Guidelines. The Seller, its successors and assigns, are the sole insured of such lender's Title Insurance Policy, and such

lender's Title Insurance Policy is in full force and effect and will be in force and effect upon the consummation of the transactions contemplated by this Agreement. No claims have been made under such lender's Title Insurance Policy, and Seller has not done, by act or omission, anything which would impair the coverage of such lender's Title Insurance Policy.

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

(r) There are no mechanics' or similar liens or claims which have been filed for work, labor or material (and no rights are outstanding that under the law could give rise to such liens) affecting the related Mortgaged Property which are or may be liens prior to, or equal or coordinate with, the lien of the related Mortgage which are not insured against by the Title Insurance Policy.

(s) Except as insured against by the Title Insurance Policy, all improvements which were considered in determining the Appraised Value of the Mortgaged Property lay wholly within the boundaries and building restriction lines of the Mortgaged Property and no improvements on adjoining properties encroach upon the Mortgaged Property. No improvement located on or being part of the Mortgaged Property is in violation of any applicable zoning law or regulation.

(t) The Mortgage and related Mortgage Note contain customary and enforceable provisions such as to render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security provided thereby, including, (i) in the case of a Mortgage designated as a deed of trust, by trustee's sale, and (ii) otherwise by judicial foreclosure. There is no homestead or other exemption available to a Mortgagor which would interfere with the right to sell the Mortgaged Property at a trustee's sale or the right to foreclose the Mortgage.

(u) The Mortgage Note is not and has not been secured by any collateral, pledged account or other security except the lien of the corresponding Mortgage and the security interest of any applicable security agreement.

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

(w) The Mortgage and the Assignment of Mortgage have been properly filed and recorded in the correct and applicable recording office to perfect the security granted by the Mortgage Loan documents, or if the related Mortgage has been recorded in the name of MERS or its designee, Seller has taken all actions as are necessary to cause the Purchaser to be shown as the sole owner of the related Mortgage on the records of MERS.

(x) The Mortgaged Property is undamaged by waste, fire, earthquake or earth movement, windstorm, flood, tornado or other casualty so as to affect adversely the value of the Mortgaged Property as security for the Mortgage Loan or the use for which the premises were intended.

(y) The origination and collection practices used with respect to the Mortgage Loan have been in accordance with Agency Guidelines, Applicable Law and Prudent Servicing Practices, and have been in all respects legal and proper. With respect to escrow deposits and Escrow Items, all such payments are in the possession of the Seller and there exist no deficiencies in connection therewith for which customary arrangements for repayment thereof have not been made. All

Escrow Items have been collected in full compliance with Applicable Law. An escrow of funds is not prohibited by Applicable Law and has been established in an amount sufficient to pay for every item that remains unpaid and has been assessed but is not yet due and payable. No escrow deposits or Escrow Items or other charges or payments due the Seller have been capitalized under the Mortgage Note.

(z) There is no proceeding pending or to the best of the Seller's knowledge threatened for the total or partial condemnation of the related Mortgaged Property.

(aa) If required by the Underwriting Guidelines, the Mortgage Loan Documents include an appraisal or other property valuation of the related Mortgaged Property acceptable to the applicable Agency. The appraisal and any other property valuation acceptable to the applicable Agency was conducted by an appraiser who had no interest, direct or indirect, in the Mortgaged Property or in any loan made on the security thereof, and whose compensation is not affected by the approval or disapproval of the Mortgage Loan, and the appraisal and the appraiser both satisfy the applicable requirements of the Uniform Standards of Professional Appraisal Practice (USPAP), Title XI of the Financial Institution Reform, Recovery, and Enforcement Act of 1989, as amended, the valuation independence requirements of Regulation Z, the Interagency Appraisal and Evaluation Guidelines, the Appraiser Independence Requirements adopted by Fannie Mae and Freddie Mac, as applicable, and any other Applicable Laws and the regulations promulgated thereunder and any applicable Agency Guidelines, all as in effect on the date the Mortgage Loan was originated.

(bb) The Mortgaged Property securing each Mortgage Loan is insured by an insurer acceptable to the applicable Agency against loss by fire and such hazards as are covered under a standard extended coverage endorsement (and against loss by earthquake, if the Mortgaged Property is in an area where such coverage is required by the applicable Agency), in an amount which is at least equal to the lesser of (i) 100% of the insurable value, on a replacement cost basis, of the improvements on the related Mortgaged Property and (ii) the greater of (a) the outstanding principal balance of the Mortgage Loan and (b) an amount such that the proceeds of such insurance shall be sufficient to prevent the application to the Mortgagor or the loss payee of any coinsurance clause under the policy. If the Mortgaged Property is a condominium unit, it is included under the coverage afforded by a blanket policy for the project and the insurance policy contains a standard clause naming the originator of such mortgage loan, its successors and assigns, as insured mortgagee. If the improvements on the Mortgaged Property are in an area identified in the Federal Register by the Federal Emergency Management Agency as having special flood hazards, a flood insurance policy meeting the requirements of the current guidelines of the Federal Insurance Administration is in effect with a generally acceptable insurance carrier, in an amount representing coverage not less than the least of (A) the outstanding principal balance of the Mortgage Loan, (B) the full insurable value and (C) the maximum amount of insurance which was available under the Flood Disaster Protection Act of 1973, as amended. The Mortgage obligates the Mortgagor thereunder to maintain all such insurance at the Mortgagor's cost and expense. The Seller has not acted or failed to act so as to impair the coverage of any such insurance policy or the validity, binding effect and enforceability thereof.

(cc) The Mortgagor has not notified the Seller, and the Seller has no knowledge of any relief requested to the Mortgagor under the Servicemembers Civil Relief Act of 2003, as amended.

(dd) Each Mortgage Loan was underwritten in accordance with the Underwriting Guidelines and the Mortgage Note, Mortgage, Title Insurance Policy and any other Mortgage Loan Documents are on forms acceptable to the applicable Agencies and comply with all applicable Agency Guidelines.

(ee) No Mortgagor was a debtor in any state or federal bankruptcy or insolvency proceeding at the time the Mortgage Loan was originated and, as of the Closing Date, the Seller has not received

notice that any Mortgagor is a debtor under any state or federal bankruptcy or insolvency proceeding.

(ff) The Mortgagor is one or more natural Persons and/or an Illinois land trust or a "living trust" and such living trust is in compliance with the Underwriting Guidelines.

(gg) Interest on each Mortgage Loan is calculated on the basis of a 360-day year consisting of twelve 30-day months for Conventional loans and 365-day year consisting of twelve 30-day months for Government Mortgage Loans insured by FHA.

(hh) The Seller has no actual knowledge of any fact that would cause the value of the Mortgaged Property to be significantly diminished, including but not limited to any information concerning toxic substances or environmental hazards affecting the Mortgaged Property. Without limiting the foregoing, Seller further represents that, to the best of Seller's knowledge, there are no toxic or hazardous substances stored or located on such Mortgaged Property or on any property adjacent to the Mortgaged Property, nor has any toxic or hazardous substance been discharged from the Mortgaged Property or penetrated any surface or subsurface rivers or streams crossing or adjoining the Mortgaged Property or the water table or aquifer underlying the Mortgaged Property.

(ii) No Mortgage Loan is a High Cost Loan.

(jj) The Seller has complied with all applicable anti-money laundering laws and regulations (the "Anti-Money Laundering Laws"), and has established an anti-money laundering compliance program as required by the Anti-Money Laundering Laws to the extent it is required by Applicable Law to do so.

(kk) No Mortgagor was required to purchase any single premium credit insurance policy (e.g. life, disability, accident, unemployment or health insurance product) or debt cancellation agreement as a condition of obtaining the extension of credit. No Mortgagor obtained a prepaid single premium credit insurance policy (e.g., life, disability, accident, unemployment or health insurance product) as part of the origination of the Mortgage Loan. No proceeds from any Mortgage Loan were used to purchase single premium credit insurance policies or debt cancellation agreements as part of the origination of, or as a condition to closing, such Mortgage Loan.

(ll) No Mortgage Loan is secured by cooperative shares and a proprietary lease in a cooperative apartment.

Section 3.03 Purchaser Representations and Warranties

(a) The Purchaser is an Iowa corporation, duly organized, validly existing and in good standing under applicable federal and state laws and has all licenses necessary to carry out its business as now being conducted, and is licensed and qualified to transact business in and is in good standing under the laws of each state in which any Mortgaged Property is located or is otherwise exempt under Applicable Law from such licensing or qualification or is otherwise not required under Applicable Law to effect such licensing or qualification and no demand for such licensing or qualification has been made upon Purchaser by any such state, and in any event Purchaser is in compliance with the laws of any such state to the extent necessary to ensure the enforceability of each Mortgage Loan and the servicing of the Mortgage Loans in accordance with the terms of this Agreement.

(b) The Purchaser has the full power and authority and legal right to execute, deliver and perform, and to enter into and consummate all transactions contemplated by this Agreement and to conduct its business as presently conducted. The execution, delivery and performance of this Agreement have been duly and validly authorized. This Agreement constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, subject to principles of equity, bankruptcy, insolvency and other laws of general application affecting the rights of creditors. All requisite corporate action has been taken by the Purchaser to make this Agreement and all agreements contemplated hereby valid and binding upon the Purchaser in accordance with their terms.

(c) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, will conflict with or result in a breach of any of the terms, organizational documents or any legal restriction or any agreement or instrument to which the Purchaser is now a party or by which it is bound, or constitute a default or result in the violation of any law, rule, regulation, order, judgment or decree to which the Purchaser or its property is subject.

(d) There is no action, suit, proceeding or investigation pending or threatened against the Purchaser which, either in any one instance or in the aggregate, is reasonably likely to result in a material adverse change in the business, operations, financial condition, properties or assets of the Purchaser, or in any material impairment of the right or ability of the Purchaser to carry on its business substantially as now conducted, or in any material liability on the part of the Purchaser, or which would draw into question the validity of this Agreement or the Mortgage Loans or of any action taken or to be contemplated herein, or which would be likely to impair materially the ability of the Purchaser to perform under the terms of this Agreement.

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

(f) The Purchaser has not dealt with any broker, investment banker, agent or other Person that may be entitled to any commission or compensation in the connection with the sale of the Mortgage Loans.

ARTICLE IV

COVENANTS OF THE SELLER

Section 4.01 Seller Covenants

The Seller hereby covenants to the Purchaser as follows:

(a) Notification. Seller shall notify Purchaser immediately of: (i) any material changes in its financial condition or principal management, or (ii) if, following the sale of any Mortgage Loan to Purchaser, Seller becomes aware of any fact or circumstance regarding the Mortgage Loan which would have caused the Mortgage Loan to be ineligible for sale to Purchaser if known prior to such sale.

(b) Change in Ownership. Seller shall notify Purchaser immediately of any material changes in its ownership, including any material changes in the ownership of its direct or indirect parent entity.

(c) Insurance Requirements. The Seller shall maintain errors and omissions insurance covering mortgage lending operations and a fidelity bond, mortgage banker bond or mortgage originator policy in such amounts as Purchaser may reasonably require, as specified in the Correspondent Lending Manual, to indemnify it from any loss or damage incurred in connection with this Agreement. Each such bond and insurance policy shall include the following provisions, as well as such other terms and conditions as Purchaser may require from time to time: (a) Purchaser must be named as a "loss payee" on drafts which the insurer issues to cover any losses Purchaser may incur pursuant to this Agreement, and (b) Purchaser must have the right to file a claim directly with the insurer if the Seller fails to file a claim for a covered loss. Seller shall notify Purchaser within one Business Day after becoming aware that the insurer has canceled, reduced, declined to renew or imposed a restrictive modification to the Seller's coverage. Seller shall provide a copy of its insurance certificate(s), including any endorsements, to Purchaser upon execution of this Agreement and throughout the term of this Agreement within ten (10) days of Purchaser's request.

(d) Audit. Purchaser shall have the right to audit all Mortgage Loans purchased under this Agreement, as well as the operations, procedures and files of Seller. Seller shall allow Purchaser and its agents reasonable access, upon reasonable notice and during regular business hours, to examine, inspect, and copy Seller's records concerning Mortgage Loans under this Agreement, as well as related materials and information, including but not limited to, marketing materials and internal training materials, and Seller shall cooperate and assist in any such audit or inspection.

(e) Financial Statements. Within ninety (90) days following the end of each fiscal year of Seller, Seller shall deliver to Purchaser audited financial statements, including but not limited to a balance sheet as of the end of such fiscal year and an income statement for such fiscal year. Such financial statements shall be prepared by an independent certified public accountant in accordance with generally accepted accounting principals consistently applied. Seller shall also provide any additional information reasonably requested by Purchaser, from time to time, including but not limited to proof of licensing, if applicable.

(f) No Solicitation for Refinancing. Seller covenants and agrees that it will not take any action, or cause any action to be taken by any of its agents, contractors, employees or affiliates, to solicit the prepayment or refinance of any Mortgage Loan sold to Purchaser under this Agreement. Advertising directed to the general public, and not targeted to Mortgagors under this Agreement, is not prohibited under this Section. This Section shall not prohibit Seller from accepting an

application for a Mortgage Loan from a Mortgagor who has not been directly solicited by or on behalf of Seller.

ARTICLE V

REPURCHASE AND INDEMNIFICATION

Section 5.01 Breach of Representation and Warranty

It is understood and agreed that the representations and warranties set forth in Sections 3.01 and 3.02 shall survive the sale of the Mortgage Loans to the Purchaser and shall inure to the benefit of the Purchaser and its successors and assigns, notwithstanding any restrictive or qualified endorsement on any Mortgage Note or Assignment of Mortgage or the examination or lack of examination of any Mortgage Loan Documents. Upon discovery by either the Seller or the Purchaser of a breach of any of the foregoing representations and warranties which materially and adversely affects the value of the Mortgage Loans or the interest of the Purchaser therein (or which materially and adversely affects the interest of the Purchaser in the related Mortgage Loan in the case of a representation and warranty relating to a particular Mortgage Loan), the party discovering such breach shall give prompt written notice to the other. If such breach is capable of being cured, the Seller shall have a period of thirty (30) days from the earlier of its discovery or its receipt of notice of any such breach within which to correct or cure such breach to the reasonable satisfaction of Purchaser.

Section 5.02 Repurchase

Upon the occurrence of any of the following events, Seller agrees to repurchase the related Mortgage Loan (or the Mortgaged Property, if title thereto is held by Purchaser), at the Repurchase Price:

(a) Any breach of a representation or warranty made by Seller that materially and adversely affects the value of the Mortgage Loan is not corrected or cured as provided in Section 5.01 or is incapable of being cured;

(b) Any Mortgage Loan Document required to be delivered by the Seller pursuant to Section 2.07 is not timely delivered, as required, or is found to be defective in any material respect;

(c) Seller determines, in its reasonable discretion, that the related FHA Mortgage Insurance Certificate, VA Loan Guaranty Certificate or RHS Loan Note Guarantee cannot be obtained or that circumstances existed prior to the Purchase Date which would permit the applicable Agency to deny coverage under the insurance or guaranty;

(d) Any required PMI Policy lapses, is rescinded or a claim thereon is denied or not paid due to defects which existed prior to the Purchase Date, or arose as the result of an occurrence on or before the Purchase Date;

(e) Purchaser is obligated to repurchase any Mortgage Loan previously conveyed, transferred or assigned to any investor or other third party due to defects which existed prior to the Purchase Date, or arose as the result of an occurrence on or before the Purchase Date; or

(f) Purchaser determines, in its sole discretion, that there is evidence of fraud in the origination of the Mortgage Loan or in the sale of the Mortgage Loan to Purchaser or that any Mortgage Loan Document is not true and correct in any way, even if unknown to Seller prior to or after the Purchase Date.

Any repurchase of a Mortgage Loan or Mortgaged Property pursuant to this Section shall occur within thirty (30) days of Purchaser's repurchase demand and shall be accomplished by the Seller remitting to the Purchaser (or its successors or assignee, if applicable) the following amount (the "Repurchase Price") by wire transfer in immediately available funds: (i) the then outstanding principal balance of the Mortgage Loan, plus (ii) accrued and unpaid interest at the applicable Mortgage Interest Rate from the date interest was last paid and credited through the last day of the month in which such repurchase takes place, plus (iii) the Servicing Release Premium paid for such Mortgage Loan, plus (iv) any premium pricing paid to Seller for such Mortgage Loan, plus (v) any outstanding advances for taxes and insurance, plus (vi) any foreclosure costs and other liquidation and disposition expenses incurred in connection with the Mortgage Loan, plus (vii) any additional costs or expenses payable to the applicable investor in connection with such repurchase, including but not limited to imputed interest, plus (viii) all costs and expenses incurred by Purchaser in enforcing Seller's obligation to repurchase the Mortgage Loan or Mortgaged Property, including reasonable attorney's fees and costs of suit, plus (ix) any additional costs and expenses, including but not limited to carrying costs, incurred by Purchaser due to Seller's failure to timely repurchase the Mortgage Loan or Mortgaged Property.

At the time of repurchase of any Mortgage Loan, the Purchaser and the Seller shall arrange for the delivery and assignment of the repurchased Mortgage Loan to the Seller or its designee, including the endorsement of the Mortgage Note and Assignment of Mortgage by the Purchaser and the delivery to the Seller of any documents held by the Purchaser or relating to the repurchased Mortgage Loan. At the time the Seller purchases any Mortgaged Property (if title thereto is held by Purchaser), the Purchaser shall arrange for the delivery of a quit claim deed to the Seller or its designee, and shall convey all rights that the Purchaser may still have, including deficiency rights, if any, but the Purchaser has no obligation to have preserved any such deficiency rights or other rights of collection. No credit bid by the Purchaser or the applicable investor shall alleviate or waive the Seller's repurchase or indemnification obligations under this Section or Section 5.03. Seller shall be responsible for any costs incurred in connection with the delivery and assignment of the repurchased Mortgage Loan or Mortgaged Property, including but not limited to recording fees.

Section 5.03 Indemnification

In addition to any repurchase and cure obligations of the Seller, and any and all other remedies available to the Purchaser under this Agreement, the Seller shall indemnify and hold harmless the Purchaser and the Purchaser's designees including, without limitation, any subsequent holder of any Mortgage Note, against all losses, damages, penalties, fines, claims, forfeitures, lawsuits, court costs, reasonable attorney's fees, judgments, and any other costs, fees, and expenses resulting from any act or failure to act or any breach of any warranty, obligation, representation, or covenant contained in or made pursuant to this Agreement by any agent, employee, representative or officer of the Seller.

In the event that Purchaser is obligated, in Purchaser's sole discretion, to remit a Make-Whole Payment to the applicable investor in connection with a Mortgaged Property that has been liquidated, due to defects which existed prior to the Purchase Date or arose as the result of an occurrence described in this Section 5.03 or in Section 5.02, Seller shall, within thirty (30) days of Purchaser's reimbursement demand, remit to Purchaser by wire transfer in immediately available funds: (i) the amount of the Make-Whole Payment paid to the applicable investor, plus (ii) the Servicing Release Premium paid for such Mortgage Loan, plus (iii) any premium pricing paid to Seller for such Mortgage Loan. As used herein, "Make-Whole Payment" shall mean any payment made by the Purchaser to the applicable investor arising out of any demand by the investor for reimbursement for any losses or expenses in connection with a defective Mortgage Loan. If Seller fails to timely remit such reimbursement payment, Seller shall also be obligated to Purchaser for all costs and expenses incurred by Purchaser in enforcing Seller's obligation to reimburse Purchaser in connection with the Mortgage Loan, including reasonable attorney's fees and costs of suit, plus any additional costs and expenses, including but not limited to carrying costs, incurred by Purchaser due to Seller's failure to timely reimburse Purchaser in connection with the Mortgage Loan.

ARTICLE VI

EARLY PAYOFFS; EARLY PAYMENT DEFAULTS

Section 6.01 Early Payoffs

For any Mortgage Loan that is prepaid in full on or before 120 days following the applicable Purchase Date, the Seller agrees to refund to the Purchaser, within 30 days after the Purchaser notifies the Seller of the prepayment, an amount equal to the Servicing Release Premium paid for such Mortgage Loan, plus any premium pricing paid to Seller for such Mortgage Loan.

Section 6.02 Early Payment Defaults

In the event that any of the first three scheduled Monthly Payments for any Mortgage Loan is not paid within 30 days of its due date and such default is not cured within 120 days following such default, then Seller shall within 30 days after the Purchaser notifies the Seller of such uncured default: (i) pay Purchaser $1500.00 if such Mortgage Loan is a Conventional Mortgage Loan, or $2,500.00 if such Mortgage Loan is a Government Mortgage Loan, as reimbursement for administrative expenses, and (ii) return any Servicing Release Premium and any premium pricing paid to Purchaser for such Mortgage Loan.

ARTICLE VII

CONFIDENTIALITY

Section 7.01 Confidentiality Obligation

Each party (in such capacity, the "Receiving Party") shall hold the Confidential Information (as defined below) of the other party (in such capacity, the "Disclosing Party") in strict confidence. Each party shall take all reasonable steps to assure that any material or information considered by either party to be confidential which has or will come into the possession or knowledge of the other in connection with this Agreement shall not be disclosed to others, in whole or in part, without the prior written permission of the other party or as otherwise provided herein. In addition, each party agrees not to use, disclose or distribute any Confidential Information except as necessary to perform the terms of this Agreement. Each party warrants that it will protect and maintain the other party's Confidential Information with reasonable care, which shall not be less than the degree of care it uses to protect and maintain its own Confidential Information. Each party represents and agrees that it shall not disclose Confidential Information on other than a "need to know basis" and then only to (a) Receiving Party's employees, officers or agents engaged in a use permitted hereby, (b) affiliates of Receiving Party provided they shall be restricted in use and subsequent disclosure to the same extent as Receiving Party, and (c) third party service providers of Receiving Party and Receiving Party's affiliated and subsidiary companies solely for use in connection with the provision of services to Receiving Party and affiliated and subsidiary companies; provided that Receiving Party's third party service providers shall in advance sign a confidentiality agreement that includes reasonable nondisclosure provisions and that is no less restrictive than the terms of this Agreement. The Receiving Party shall not duplicate any material containing Confidential Information except in the direct performance of its obligations under this Agreement.

Section 7.02 Confidential Information

As used herein, "Confidential Information" shall mean information, including trade secrets, know-how, proprietary information, formulae, processes, techniques and information relating to the Disclosing Party's past, present and future marketing, financial, research and development activities, and personal information about employees, customers, licensors, contractors and others, that may be disclosed, whether orally or in writing, to the Receiving Party, or that may be otherwise received or accessed by the Receiving Party in connection with this Agreement, whether transmitted prior to or after the effective date of this Agreement, and which is information either identified as being Confidential Information, or which is information that a reasonable business person would understand to be Confidential Information. Examples of Confidential Information include, but are not limited to, the Correspondent Lending Manual, the Disclosing Party's (or its third party business partner's, who shall be an express third party beneficiary under this Agreement) customer lists, pricing policies, market analyses, market projections, consulting and sales methods and techniques, expansion plans, programs, program decks, routines, subroutines, operating systems, internal controls, security procedures, inventions, methods of operation or proposed methods of operation, object and source codes, updates thereto, and related items, including, but not limited, specifications, layout, charts and other like materials and documents, together with all information, data, and know-how, technical or otherwise, included therein, manuals printouts, notes and annotations on disks, diskettes, tapes or cassettes, both master and duplicate.

Notwithstanding the foregoing, "Confidential Information" shall not include information: (i) previously known to the Receiving Party without an obligation of confidence; (ii) independently developed by or for the Receiving Party or Receiving Party's employees, consultants or agents without reference to or use of the Confidential Information; (iii) was lawfully acquired by the Receiving Party from a third party which is not, to the Receiving Party's knowledge, under an obligation of confidence with respect to such information; or (iv) which is or becomes publicly available through no fault of the Receiving Party or by no breach of this Agreement. If the Receiving Party receives a subpoena or other validly issued administrative or judicial process demanding Confidential Information, it shall promptly notify the Disclosing Party of such receipt and tender to it the defense of such demand. After providing such notification, the Receiving Party shall be entitled to comply with such subpoena or other process to the extent permitted by law. Notwithstanding the fact that a portion of the Confidential Information is or may become non-confidential, each party's obligations under this Agreement will continue to apply to all other Confidential Information.

Section 7.03 Customer Information

Each party acknowledges that the other party has a responsibility to protect the privacy of its customers, including any non-public personally identifiable information relating to those customers ("Customer Information"). All such Customer Information which may be obtained by the other party shall be considered Confidential Information. Each party agrees that with regard to such Customer Information it shall comply with all laws, rules, regulations and ordinances relating to privacy, confidentiality, data security and the handling of Customer Information which may from time to time be established, including the provisions of the Gramm-Leach-Bliley Act. Upon the purchase of a Mortgage Loan by Purchaser, the Customer Information relating to that Mortgage Loan shall become the property of Purchaser.

Section 7.04 Unauthorized Disclosure

Receiving Party shall: (a) promptly notify Disclosing Party of any unauthorized possession, use or knowledge, or attempt thereof, of Disclosing Party's Confidential Information by any person or entity that may become known to Receiving Party, (b) promptly furnish to Disclosing Party full details of the unauthorized possession, use or knowledge, or attempt thereof, and assist Disclosing Party in investigating or preventing the recurrence of any unauthorized possession, use or knowledge, or attempt thereof, of Disclosing Party's Confidential Information, (c) cooperate with Disclosing Party in any litigation and investigation against third parties deemed necessary by Disclosing Party to protect its

proprietary rights, and (d) use reasonable steps to prevent a recurrence of any such unauthorized possession, use or knowledge, or attempt thereof, of Disclosing Party's Confidential Information. Receiving Party shall bear the cost it incurs as a result of compliance with this Section. The parties understand and agree that there shall be no cap on liability for direct damages arising out of breaches of confidentiality that lead to the release or misuse of Confidential Information. All damages arising out of or relating to such breaches of confidentiality shall be deemed direct damages for purposes of this Agreement. These damages include, but are not limited to, costs associated with notifying affected individuals, call center staffing and training and credit monitoring services per affected individual.

Section 7.05 Return or Destruction of Confidential Information

Upon the Disclosing Party's written request or following the termination this Agreement, the Receiving Party shall promptly (i) return to the Disclosing Party all documents and other media containing Confidential Information that is in Receiving Party's possession or control, and (ii) purge, delete or destroy, to the extent reasonably practical, any Confidential Information that cannot feasibly be returned to Disclosing Party, and (iii) safeguard all other documents or media, containing personal information, that cannot be returned, purged, deleted or destroyed. With respect to identical copies of documents or other media whose originals have been returned to Disclosing Party, Receiving Party will purge, delete or destroy such copies.

Section 7.06 Government Orders

In the event that the Receiving Party is legally compelled (by oral questions, interrogatories, request for information or documents, subpoena, civil investigative demand or similar process) or otherwise required to disclose any Confidential Information of the Disclosing Party, the Receiving Party will provide the Disclosing Party with notice, to the extent it may legally do so, prior to disclosing such Confidential Information, so that the Disclosing Party may seek an appropriate protective order and/or waive compliance with this Agreement. If, in the absence of a protective order or the receipt of a waiver hereunder, a Receiving Party is nonetheless legally compelled to disclose such Confidential Information, it may, without liability hereunder, furnish that portion of such Confidential Information that is legally required and will exercise reasonable best efforts to obtain assurance that confidential treatment will be accorded such Confidential Information.

Section 7.07 Injunctive Relief

Each Party acknowledges that the other would be irreparably injured if the Receiving Party breaches any of its obligations under this Agreement. Accordingly, a Disclosing Party is entitled to an injunction and specific enforcement of this Agreement, in addition to any other remedy available at law or in equity.

ARTICLE VIII

TERM AND TERMINATION

Section 8.01 Term

This Agreement shall continue until terminated in accordance with Section 8.02.

Section 8.02 Termination

This Agreement may be terminated without cause by either party immediately upon written notice to the other party.

Section 8.03 Suspension

In addition to the termination rights set forth in Section 8.02, Purchaser may, in its sole and absolute discretion, suspend this Agreement as to future commitments for the sale of Mortgage Loans by Seller. Such suspension shall be effective immediately upon Seller's receiving written notice from Purchaser and shall last until Purchaser, in its sole discretion, determines to reactivate or terminate this Agreement.

Section 8.04 Survival

Notwithstanding any termination of this Agreement, the representations and warranties, covenants, agreements and obligations of Seller, including but not limited to its confidentiality obligations, its continuing responsibility to promptly deliver to Purchaser any outstanding Mortgage Loan Documents for Mortgage Loans previously sold pursuant to this Agreement, and its obligation to repurchase Mortgage Loans and to indemnify Purchaser as provided herein, shall remain in full force and effect.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 9.01 Notices

Any notice required or permitted under the terms of this Agreement shall be deemed given when delivered personally; sent by overnight courier service for next business day delivery; or sent by prepaid first class, registered or certified mail; and, addressed to the other party at the address shown on the signature page of this Agreement. Either party may change its address by written notice to the other.

Section 9.02 No Solicitation for Employment

Each party agrees that without the other party's prior written consent, during the term of this Agreement neither party will directly solicit for employment any person who is now employed by the other party. Solicitations that are directed to the general public at large shall not be prohibited under this section.

Section 9.03 Modification of Agreement; Binding Effect

Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated except by a writing signed by the party against whom enforcement of such change, waiver, discharge or termination is sought. This Agreement shall bind and inure to the benefit of and be enforceable by the Purchaser and the Seller and their respective permitted successors and assigns.

Section 9.04 Severability of Provisions

If any one or more of the covenants, agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.

Section 9.05 Relationship of Parties

The parties are independent contractors. Nothing herein contained shall be deemed or construed to create a partnership or joint venture between the parties. Seller shall not make any statement which leads any third party to reasonably believe that it is an agent of Purchaser, and shall have no authority to

bind or make any representations on behalf of Purchaser. Seller shall be solely responsible for the timely payment of its employees and for the timely payment and reporting of all federal, state and local income, employment and other taxes relating to this Agreement.

Section 9.06 Publicity; Non-Use of Name

Each party agrees not to publicize the purchase and sale of the Mortgage Loans under this Agreement without the prior approval of the other party. Each party agrees that it will not, without the prior written consent of the other party in each instance: (i) use in advertising, publicity, or otherwise the name of the other party, or any affiliate or subsidiary of the other party, or any partner or employee of the other party, nor any trade name, trademark, trade device, service mark, symbol or any abbreviation, contraction or simulation thereof owned by the other party or its affiliates or subsidiaries, or (ii) represent, directly or indirectly, that any product or any service provided by such party has been approved or endorsed by the other party.

Section 9.07 Counterparts

This Agreement may be executed in one or more counterparts and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed to be an original; such counterparts, together, shall constitute one and the same agreement. The parties agree that this Agreement and signature pages thereof may be transmitted between them by facsimile or other electronic means and that such electronically transmitted signatures may constitute original signatures and that a signature page containing the signature of a party (electronic or original) is binding on the parties.

Section 9.08 Single Agreement

This Agreement, including any addenda to this Agreement, incorporates by reference the terms set forth in the Correspondent Lending Manual, which together constitute a single agreement and set forth the entire agreement and understanding of the Seller and Purchaser in respect of the subject matter thereof. In the event that any term or provision of the Correspondent Lending Manual conflicts with any term or provision of this Agreement, the terms of this Agreement shall control.

Section 9.09 Assignment

The parties shall not assign all or any part of the rights or obligations arising hereunder, without first obtaining the written consent of the other party, except that Purchaser may assign this Agreement to an affiliate or to the surviving entity in a merger or consolidation in which it participates or to a purchaser of all or substantially all of its assets.

Section 9.10 Set-off

To the extent permitted by law, Seller agrees that Purchaser may, at is option, deduct from any payment due Seller, any amount due to Purchaser from Seller under the terms of this Agreement.

Section 9.11 Attorney Fees

In connection with any litigation or court proceeding arising out of the enforcement of this Agreement, the unsuccessful party agrees to pay the prevailing party's reasonable attorney fees as permitted by applicable law.

Section 9.12 Remedies Cumulative

No remedy under this Agreement is exclusive of any other remedy, and each remedy shall by cumulative and shall be in addition to other remedies given under this Agreement or existing at law or in equity. Any forbearance by a party to this Agreement in exercising any right or remedy under this Agreement or otherwise afforded by applicable law shall not be a waiver or preclude the exercise of that or any other right or remedy.

Section 9.13 Governing Law; Waiver of Jury Trial

This Agreement shall be governed by and construed in accordance with the laws of the State of Iowa, without giving effect to its choice of law principles. Any legal action or proceeding with respect to this Agreement may be brought in the courts of the State of Iowa or of the United States in the State of Iowa. Seller hereby consents to personal jurisdiction in any such action brought in any such court in the State of Iowa and waives any objection to venue in any such court or to any claim that any such court is an inconvenient forum.

SELLER AND PURCHASER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY AND ALL RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT, OR ANY OTHER DOCUMENTS AND INSTRUMENTS EXECUTED IN CONNECTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTIONS OF THE SELLER OR PURCHASER.

IN WITNESS WHEREOF, the Purchaser and the Seller have entered into this Agreement as of the date executed by the Purchaser below.

NATIONWIDE BANK ("PURCHASER")

By: _____

Name: _____

Title: _____

Date: _____

Notice Address:

Nationwide Bank
Attn: President
One Nationwide Plaza
Columbus, OH 43215

SELLER:

By: _____

Name: _____

Title: _____

Date: _____

Notice Address:

_____
_____
_____
_____