



Bank Correspondent Application Package

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Bank Correspondent Checklist

Bank Correspondent Application Package

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Correspondent: _____ **Date:** _____

TO: PRMG Account Executive: _____

RE: Application for:

Correspondent Lender **FHA Principal - Authorized Agent** **VA Correspondent**

The following must be included in all Application Packages:

- Executed Correspondent Loan Purchase Agreement (LPA) and all exhibits
- Resumes for three Company Officers (N/A if provided in Wholesale Approval)
- Articles of Incorporation/Organization (N/A if provided in Wholesale Approval)
- Corporate Resolution, signed by authorizing party
- E&O Insurance (minimum of \$500,000) and Fidelity Bond Coverage (minimum of \$500,000)
- Pre and/or Post closing Quality Control policies and procedures
- Borrower privacy policy
- Authorization to Release Information form
- Fax/Email Authorization form
- Zero Loan Fraud Agreement
- Completed W -9
- Completed Loan Correspondent Compensations Certification
- Copy of Warehouse Line Approval or Bailee Approval Letter

Principal-Authorized Agents:

- Principal Agent Agreement
- Copy of original FHA Title II UNCONDITIONAL APPROVAL letter
- 30, 60 & 90 Day Delinquency Query Reports (if applicable)

VA Correspondents:

- Copy of original VA Lender Approval Letter (or)
- VA addendum (and)
- VA Admin Information page (and)
- \$100.00 check payable to Veterans Affairs (please send to Corona Corporate Office)
- NOTE: Items above are N/A if currently (current year) approved as a Sponsored Agent with PRMG

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CORRESPONDENT LOAN PURCHASE AGREEMENT

This Correspondent Loan Purchase Agreement (the “Agreement”) is made by and between **Paramount Residential Mortgage Group, Inc.**, a California corporation, whose address is 1265 Corona Pointe Court, Suite 301, Corona, CA 92879 (“PRMG,” “Investor,” individually, a “Party”), and

_____,
a _____, whose address is

_____,
 (“Correspondent,” individually, a “Party”), (collectively, the “Parties”) on this _____ day of _____, 20_____.

WHEREAS, Correspondent is in the business of originating residential mortgage loans (the “Loan” or “Loans”) and desires to sell such loans with and servicing rights to PRMG.

WHEREAS, PRMG as Investor desires to purchase closed residential mortgage loans from Correspondent on the secondary market.

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

I. DEFINITIONS

As used in this Agreement, the following capitalized terms are defined as set forth below:

- 1.1 **Agency(ies)** means the Federal National Mortgage Association (FannieMae) or the Federal Home Loan Mortgage Association (FreddieMac).
- 1.2 **Loan(s)** means a one- to four-unit residential mortgage loan with a term that does not exceed 360 months, including servicing rights that are subject to this Agreement.
- 1.3 **Loan Closing** means the date Correspondent funded a Loan.
- 1.4 **Loan File** means all documentation required by PRMG for underwriting review.
- 1.5 **MERS** means the Mortgage Electronic Registration System used to electronically transfer the beneficial interests in and servicing rights related to a Loan.
- 1.6 **Mortgage** means the mortgage, deed of trust or other security instrument that secures a Mortgage Note and creates a first lien on an estate in fee simple in the Property (including a condominium or leasehold as permitted by PRMG), or (b) an interest in a cooperative, in those limited areas where PRMG may expressly permit cooperative financing.
- 1.7 **Mortgage Note** means the Mortgage Note signed by the borrower(s) and secured by the Mortgage.

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- 1.8 **Mortgaged Property** means the borrower’s real property, which consists of a fee simple interest in real property with a one-to-four-family residential dwelling pledged to secure repayment of a Loan.
- 1.9 **Affiliated Settlement Service Provider** means a provider of mortgage loan settlement services that is controlled by or under common control with Correspondent, as “affiliate” defined in the Bank Holding Company Act, 12 U.S.C. 1841.

II. LOAN APPROVAL

- 2.1 From time to time, Correspondent may submit Loan applications to PRMG for approval and purchase in accordance with PRMG’s current product and underwriting guidelines.
- 2.2 In order to be eligible for purchase by PRMG, a Loan must comply with all PRMG product and underwriting guidelines and the terms of this Agreement.
- 2.3 PRMG may accept or reject for purchase any Loan offered for sale based on PRMG’s applicable product and underwriting guidelines as determined by PRMG. **PRMG is not obligated to purchase any Loan from Correspondent, at PRMG’s option.**

III. LOAN CLOSING

- 3.1 A Loan that was closed prior to PRMG’s issuance of a Clear-to-Close approval on PRMG’s form is not eligible for sale to PRMG.
- 3.2 Correspondent will have closing documents prepared by a document vendor or closing attorney approved by PRMG. Closing documents must be drawn in Correspondent’s legal name. If PRMG prepares closing documents for Correspondent, Correspondent maintains full responsibility for all representation, warranties and covenants made in this Agreement.
- 3.3 Closing documents may not be signed if less than five (5) days remain to the expiration date of PRMG’s Lock Confirmation in effect on the Loan.
- 3.4 Correspondent will fund Loans on Correspondent’s warehouse line of credit extended to Correspondent by a third-party warehouse lender. PRMG is not associated with or a party to Correspondent’s warehouse financing arrangements, agreements or documentation.

IV. LOAN DELIVERY

- 4.1 Correspondent holds good and marketable title to the Loans, subject only to the security interest held by Correspondent’s warehouse lender, and agrees to sell, endorse, assign, transfer and deliver Loans to PRMG with full warranty of title, and subrogation to Correspondent’s rights in warranty and free of all liens, claims, equity and encumbrances. Correspondent has full right and authority to sell and assign the Loans under this Agreement.
- 4.2 PRMG agrees to purchase whole Loans with servicing rights released according to the terms and conditions of this Agreement. Nothing in this Agreement shall be construed as obligating PRMG to purchase any loan from Correspondent. PRMG has the right to review each Loan submitted for purchase and reject any Loan that does not conform to PRMG’s requirements and/or guidelines published by the Agencies.
- 4.3 Correspondent has delivered all initial and subsequent disclosures in the form and timing required under federal and state laws and regulations including, but not limited to: (i) the Real Estate Settlement Procedures Act (“RESPA”) and CFPB Regulation X, (ii) the Truth in Lending Act (“TILA”) and CFPB Regulation Z, (iii) the Equal Credit Opportunity Act (“ECOA”) and CFPB Regulation B, (iv) the USA Patriot Act, and (v) the Gramm-Leach-Bliley Act.
- 4.4 For each Loan purchased under this Agreement, Correspondent will promptly deliver the Loan file, an endorsement to the Mortgage Note payable to Paramount Residential

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Mortgage Group, Inc., and assignment of the Mortgage to PRMG in MERS. Correspondent covenants and agrees to reimburse PRMG for any and all losses, expenses, costs and damages incurred by PRMG as a result of Correspondent's failure to deliver a Loan before the expiration date of PRMG's commitment to purchase the loan.

V. REPRESENTATIONS and WARRANTIES REGARDING CORRESPONDENT

- 5.1 Correspondent is duly organized, validly existing and in good standing under the laws of the state of its organization and each state in which Correspondent does business.
- 5.2 Correspondent possesses all of the qualifications and necessary federal, state and local registrations, licenses and permits required to carry on its business in each state in which Correspondent originates Loans and has the requisite legal power and authority to execute and perform under the terms of this Agreement.
- 5.3 There is no claim, litigation, investigation or proceeding pending or threatened against or otherwise materially adversely affecting Correspondent's business or the performance of Correspondent's obligations under this Agreement, and Correspondent has no knowledge of any circumstances indicating that any such suit, investigation or proceeding is likely or imminent.
- 5.4 Correspondent is not the subject of any proceeding or action under any bankruptcy, insolvency or similar law or any assignment for the benefit of creditors, conservatorship or receivership.
- 5.5 The transactions to be performed by Correspondent under this Agreement are in the ordinary course of Correspondent's business and shall not result in: (a) a breach of any term or provision of Correspondent's charter or bylaws; (b) a breach of any term or provision of, conflict with, or default under any agreement to which Correspondent is a party; or (c) a violation of any law, rule, regulation, order, judgment or decree to which Correspondent or Correspondent's property is subject.
- 5.6 No representation, warranty or written statement made by Correspondent in this Agreement or any application, document, schedule, exhibit, statement or certificate furnished to PRMG by Correspondent contains any untrue statement of material fact or omits any material fact that could render such statement misleading.
- 5.7 Correspondent has read and understands the terms and provisions of this Agreement and has had the opportunity to seek the advice of independent legal counsel. This Agreement shall not be construed against either Party by reason of the drafting or preparation of the Agreement.

VI. CORRESPONDENT'S REPRESENTATIONS and WARRANTIES REGARDING the LOANS

For each Loan sold to PRMG, Correspondent hereby represents and warrants that:

- 6.1 The Loan was originated by Correspondent and not by any third party. For purposes of this Agreement, “originated” means the Correspondent interviewed and took the Loan application information directly from the applicant/borrower.
- 6.2 The Loan complies with the terms and conditions of this Agreement.
- 6.3 Correspondent has the authority to sell, transfer and assign the Loan under the terms of this Agreement, and there has been no assignment, sale or pledge of the Loan by Correspondent to another party, with the exception of Correspondent's pledge of the Mortgage Note pursuant to Correspondent's warehouse line of credit agreement with its warehouse lender. On the date that PRMG purchases the Loan, it is free and clear of liens, claims, security interests or encumbrances of any type including, but not limited to, a pledge in favor of Correspondent's warehouse lender.
- 6.4 The Loan complies with all Agency regulations, requirements and standards and is eligible for sale to the Agencies. Correspondent makes all representations and warranties on the Loans that the Agencies require from sellers.

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- 6.5 There are no existing facts or circumstances that could be reasonably expected to cause private institutional investors to regard the Loan as an unacceptable investment, cause the loan to become delinquent, or adversely affect the value or marketability of the Mortgaged Property or the Loan.
- 6.6 Correspondent has complied with all applicable federal, state and local laws, rules, ordinances and regulations including, but not limited to, (a) the Truth in Lending Act (“TILA”) and CFPB Regulation Z, including amendments pertaining to the originator compensation rules, (b) the Equal Credit Opportunity Act (“ECOA”) and CFPB Regulation B, (c) the Home Mortgage Disclosure Act and CFPB Regulation C, (d) the Real Estate Settlement Procedures Act (“RESPA”) and CFPB Regulation X, (e) the Fair Housing Act, (v) the Secure and Fair Enforcement (“SAFE”) Act, and (f) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all regulations issued thereunder, including without limitation, the CFPB’s Ability-to-Repay and Qualified Mortgage regulations.
- 6.7 The appraisal of each Mortgaged Property is an accurate estimate of its bona fide market value and is signed by a licensed independent appraiser who was engaged under and who performed an evaluation of the Mortgaged Property in compliance with the Uniform Standards of Professional Appraisal Practice (“USPAP”), PRMG’s Appraisal Guidelines, and the Agencies’ Appraiser Independence Requirements (“AIR”) and Uniform Appraisal Dataset (“UAD”). The Loan File contains valid Submission Summary Reports for both Agencies.
- 6.8 The Mortgage has not been satisfied, canceled, subordinated or rescinded; no portion of the Mortgaged Property has been released from the lien of the Mortgage; the terms of the Loan have in no way been changed, waived, impaired or modified, except for loan adjustments made in compliance with the Mortgage Note and applicable regulatory requirements; no waiver of any default, breach, violation or event of acceleration has occurred; and the Loan is current and free from any claims, defenses, set-off and counter claims arising from any act or omission of Correspondent.
- 6.9 Correspondent has endorsed the Mortgage Note securing the Loan to PRMG. 6.10 The Mortgaged Property securing each loan is insured against all forms of casualty, including with limitation fire, flood and wind. Coverage under each applicable insurance policy contains a lender’s loss payable endorsement naming Correspondent and its successors and assigns with coverage in amounts required by Agency standards.
- 6.11 All signatures, names, addresses, amounts and other statements of facts, including property descriptions, appearing on the Loan application and all other documents in the Loan File are true and correct, and the borrowers on each Loan are of majority age and have the legal capacity to enter into the applicable Loan.
- 6.12 All Loan proceeds have been properly and fully disbursed. The Loan is not subject to any right of rescission, set-off, counterclaim or defense, and no such right has been asserted.
- 6.13 No Loan is subject to the Truth in Lending Act, 12 C.F.R. 1026.32 or 1026.35 of CFPB Regulation Z as a “high cost loan” or a “higher-priced mortgage loan.” No Loan meets the definition of a “predatory loan” any applicable federal, state or local statute or regulation.
- 6.14 All taxes, governmental assessments, insurance premiums, water, sewer, municipal charges, leasehold payments, ground rents, homeowner association dues and other charges are paid. All funds paid or due to be paid have been paid and delivered to PRMG in connection with any escrow accounts on the Loan.
- 6.15 All funds collected from borrowers at Loan Closing were properly segregated and accounted for under all applicable laws and regulations and used for no purpose other than for which they were designated.
- 6.16 A title insurance commitment or title insurance policy including all applicable endorsements has been issued by a title insurer acceptable to PRMG, insuring Correspondent, its successors and assigns, or PRMG, as to the first priority lien of the Mortgage in the original principal amount of the Loan. Correspondent has not, by act or omission, done anything that would impair the lender’s coverage under the policy of title insurance.

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- 6.17 There is no proceeding pending for the total or partial condemnation of the Property, and the Property is undamaged by waste, fire, flood or other casualty.
- 6.18 No representation, warranty or written statement made by Correspondent in this Agreement, or any application, documentation, schedule, exhibit, statement or certificate furnished to PRMG contains any untrue statement of material fact or fails to state any material fact that could render such statement misleading. All information contained in the Loan File is true, complete and accurate; Correspondent is not aware of any fact not set forth in the Loan File that PRMG might reasonably consider to be adverse to the approval of the Loan or would make the Loan ineligible for sale in the secondary market.
- 6.19 The assignment of the Loan from Correspondent to PRMG has been duly authorized and is valid and sufficient, and all consents and approvals to such assignment have been obtained.
- 6.20 Correspondent shall provide all documentation requested by PRMG to establish a Loan's compliance with all federal and state laws and regulations including, but not limited to, 12 CFR 1026.43 and the Consumer Financial Protection Bureau's Ability-to-Repay Rule.
- 6.21 Correspondent acknowledges and agrees to: (i) immediately notify PRMG of any Affiliated Settlement Service Providers or changes in such affiliate relationships, as defined in 12 USC 1841 and (ii) clearly identifies all fees paid to Affiliated Settlement Service Providers on all Loans.
- 6.22 Correspondent understands and acknowledges that separate approval must be granted by PRMG for the use of any settlement service providers affiliated with Correspondent on a Loan. Correspondent further understands that additional financial requirements may apply to secure such approval. PRMG reserves the right to change the approval requirements for Correspondent's use of affiliated settlement service providers on Loans sold to PRMG under this Agreement from time to time.
- 6.23 Correspondent will identify all settlement service providers affiliated with Correspondent on “Exhibit B,” Correspondent Affiliated Settlement Service Provider List and Certification, attached hereto and made a part hereof this Agreement, irrespective of whether or not Correspondent plans to use affiliated settlement service providers on a Loan. Correspondent will update said Exhibit B immediately upon any changes or additions to Correspondent's settlement service provider affiliations. In no event will Correspondent submit to PRMG a Loan using a new or previously unidentified affiliated settlement service provider.

VII. COVENANTS REGARDING CORRESPONDENT

Correspondent covenants with PRMG as follows:

- 7.1 Correspondent will notify PRMG immediately of: (a) any material changes in the ownership, financial condition or management of Correspondent; and/or (b) any fact or circumstance of which Correspondent becomes aware following the sale of any Loan to PRMG that would have caused the Loan to be ineligible for sale to PRMG if such knowledge had been known prior to the sale.
- 7.2 PRMG may, from time to time, examine, at Correspondent's place of business or at PRMG's place of business, Correspondent's books, records, Loan Files, business policies, procedures and practices to determine; (a) Correspondent's adherence to PRMG's quality control standards, and (b) Correspondent's compliance with the terms and conditions of Correspondent's warehouse agreement with its warehouse lender(s) .
- 7.3 Correspondent will comply with aggregate escrow accounting procedures under the Real Estate Settlement Procedures Act (“RESPA”) with respect to all borrower escrow funds retained at Loan Closing until the Loan is finally purchased by PRMG.
- 7.4 Correspondent will promptly notify PRMG upon Correspondent's receipt of notice exercising a borrower's right of rescission. Correspondent will not seek reimbursement from PRMG of any amounts refunded to the borrower following rescission.
- 7.5 Correspondent will deliver, in form and substance satisfactory to PRMG, evidence of Correspondent's compliance with all federal, state and local laws and regulations including,

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- but not limited to, copies of any notices or disclosure forms furnished to an applicant or borrower.
- 7.6 At all times during the term of this Agreement, and continuing for not less than five (5) years from the termination of the Agreement, Correspondent will maintain complete files and records of all business activities and operations related to Loans sold to PRMG under this Agreement at a reasonably-accessible location to which PRMG has the right, upon reasonable notice, to audit, inspect and copy any such files and records. Correspondent agrees to cooperate and assist with any such audit or inspection.
 - 7.7 Upon request of PRMG from time to time, Correspondent will promptly provide copies of interim, unaudited financial statements, including balance sheet and profit & loss statement, of Correspondent’s financial condition for the most recent calendar quarter, fiscal year-end, or other interim period as requested by PRMG. Correspondent will certify all such financial information in a manner that is acceptable to PRMG.
 - 7.8 During the term of this Agreement, Correspondent shall maintain Fidelity Bond and Errors and Omissions Insurance with \$500,000 in minimum coverage amount. Correspondent will promptly notify PRMG of any changes to Correspondent’s insurance coverage and provide copies of such policies to PRMG upon request.
 - 7.9 Correspondent will not accept collections, institute foreclosure proceedings or modify the terms of any Loan on or after the date that PRMG has issued a Clear-to-Close approval on such Loan. After PRMG has purchased a Loan, Correspondent will hold in trust for the sole benefit of, and promptly deliver to, PRMG any payments, funds or other remittances, instruments or documents received on the Loan.
 - 7.10 Correspondent will not seek to refinance any Loan until at least six payments have been made following purchase by PRMG.
 - 7.11 The Covenants set forth in this Agreement shall survive termination of this Agreement, the sale of any Loan to PRMG, or PRMG’s subsequent sale of the Loan to another investor.

VIII. CORRESPONDENT’S OBLIGATIONS to REPURCHASE and INDEMNIFY

Correspondent agrees to meet the terms of any repurchase or make whole demand relating to any Loan sold to PRMG under this Agreement, including principal balance, accrued unpaid interest, late charges, service release premium paid to Correspondent and any expenses on the Loan, including collection and legal expenses, and repairs. Correspondent will remit the full amount of any demand for payment to PRMG within 30 business days of presentment of such demand based on the following:

- 8.1 A violation of, or failure to comply with, any federal, state or local law or regulation pertaining to any Loan;
- 8.2 Correspondent’s breach of any representation, warranty or covenant under this Agreement;
- 8.3 Any statement of fact with respect to any Loan or this Agreement made or deemed made by Correspondent, or any employee or agent of Correspondent, is deemed Inaccurate;
- 8.4 Correspondent’s failure to accurately or completely include all points and fees and amounts paid to Affiliated Settlement Service Providers on a Loan sold to PRMG as a Qualified Mortgage;
- 8.5 Correspondent fails to deliver all of the documentation PRMG requires on the Loan or to satisfy any other requirements of this Agreement within 60 days of the date that PRMG purchases the Loan, or 90 days for documents that were sent out for recording;
- 8.6 The borrower fails to occupy the Mortgaged Property as represented in the Loan File;
- 8.7 Any statement of fact made by or regarding a borrower, or contained in a Loan File, is inaccurate including, without limitation, any statement regarding borrower’s financial condition, assets, liabilities, income or debts;
- 8.8 Any investor to whom PRMG sells or transfers a Loan demands repurchase or indemnification by PRMG with respect to actual or potential losses, or PRMG’s investor

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- refuses to purchase a Loan, due to defects that existed prior to, or arose on or before the date that PRMG purchased the Loan;
- 8.9 The borrower’s first, second, third, fourth, fifth and/or sixth monthly payment due under the Mortgage Note subsequent to PRMG’s purchase of the Loan is not made by the last day of the month in which such payment is due, and any such payment becomes 90 days or more past due;
- 8.10 Any default under the Mortgage Note, the Deed of Trust or any other documents relating to a Loan occurs within 120 days from the date that PRMG purchases the Loan;
- 8.11 Based on any post-purchase Loan audit findings of errors and exceptions on any Loan;
- 8.12 Correspondent agrees to indemnify, save and hold harmless PRMG, its successors and assigns, from and against any and all losses, damages, costs or expenses of any nature, including loss of marketability and attorneys’ fees, resulting from: (a) breach of any representation or warranty, covenant or agreement made by Correspondent; or (b) any misstatement or omission of material fact in the Loan File, which indemnification shall survive termination of this Agreement.

Prior knowledge on the part of PRMG or an investor of any fact concerning a Loan, or any delay by PRMG or an investor in making a repurchase, make whole or indemnification demand, neither impairs PRMG’s rights nor constitutes a waiver of Correspondent’s obligations under this Agreement.

IX. TERMINATION

- 9.1 This Agreement will expire one year from the date of execution, subject to renewal for a similar term at PRMG’s sole discretion.
- 9.2 This Agreement may be terminated without cause by either Party at any time upon 15 days’ written notice to the other Party. During the 15-day period, PRMG may, at PRMG’s option, purchase any Loans that are locked with PRMG prior to the date that notice of termination is given.
- 9.3 At any time Correspondent is in breach of this Agreement, PRMG, at its sole option, upon written notice to Correspondent, may: (a) suspend all Loan purchases from Correspondent, or (b) terminate this Agreement for cause. PRMG has no further obligation to purchase any Loans from Correspondent upon PRMG’s termination of this Agreement for cause.
- 9.4 Notwithstanding termination of this Agreement with or without cause, Correspondent’s representations, warranties, covenants, agreements and obligations, including Correspondent’s responsibility to promptly supply documentation requests from PRMG and obligation to repurchase and indemnify PRMG as set forth in this Agreement, will remain in full force and effect.

X. MISCELLANEOUS PROVISIONS

- 10.1 No Assignment. Correspondent may not assign or delegate any of its rights, duties and/or obligations under this Agreement without PRMG’s prior written consent, which may be withheld in PRMG’s sole discretion. For purposes of this Agreement, a change in ownership, merger or consolidation of Correspondent is considered an assignment.
- 10.2 Relationship between Parties. This Agreement does not constitute an exclusive relationship between Correspondent and PRMG. Correspondent is an independent contractor, and nothing in this Agreement shall be construed to make Correspondent a partner, joint venture, employee or agent of PRMG. Correspondent will not make any statement that could lead any third party to reasonably believe that Correspondent is an agent of PRMG. Correspondent has no authority to bind or make any representations

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- on behalf of PRMG and will not use or refer to PRMG’s name in any form of advertising, written materials or circulars except as may be required by law.
- 10.3 **No Third-party Benefit.** This Agreement is made for the express benefit of Correspondent and PRMG, and not for the benefit or interest of any other persons or entities. No third party shall obtain or acquire any rights or interest in this Agreement or, by reason of performance or failure to perform by either of the Parties, their respective rights, privileges, duties or obligations under this Agreement.
- 10.4 **Entire Agreement.** This Agreement, and any addendum(s) attached hereto, executed by both Parties, and all applicable PRMG program guidelines constitute the entire understanding of the Parties in this matter. Any changes, additions, amendments or modifications to this Agreement must be in writing and executed by an authorized officer of PRMG. Should any portion of this Agreement be rendered invalid, the remaining provisions shall be unaffected and remain in full force and effect.
- 10.5 **Notices.** Any notice required to be given to a Party under this Agreement must be made in writing and delivered to the Parties at the addresses first listed in this Agreement by reasonable means of delivery, as determined by PRMG.
- 10.6 **No Solicitation.** Correspondent covenants and agrees that Correspondent will not directly or indirectly take any action, or cause any action to be taken by any of its designated agents, contractors, employees or affiliates, to solicit the prepayment of or any alteration in payment procedures or terms of any Loan sold to PRMG under this Agreement. Notwithstanding the foregoing, Correspondent is not precluded from general advertising or servicing the refinancing needs of a borrower who, without solicitation in violation of this paragraph, contacts Correspondent in connection with the refinance of a Loan.
- 10.7 **Early Pay-off.** Regardless of whether or not solicitation on the part of Correspondent pursuant to paragraph 10.6 above occurred, if any Loan sold to PRMG under this Agreement is paid in full before six payments have been made following purchase by PRMG, Correspondent will promptly repay the original service release premium plus any premium paid to Correspondent for the Loan to PRMG, regardless of whether or not PRMG is the purchaser of a new loan or the current holder of the Loan that was paid in full.
- 10.8 **Set-off.** Correspondent agrees that PRMG may, at PRMG’s option, deduct from any service release premium due Correspondent, any monies paid by PRMG on behalf of Correspondent, or due PRMG for Correspondent’s failure to perform under the terms of this Agreement.
- 10.9 **Governing Law, Legal Costs/Attorney Fees.** This Agreement is governed by the laws of the State of California. **THE PARTIES WAIVE THEIR RIGHTS TO A JURY TRIAL IN ANY ACTION UNDER THIS AGREEMENT.** In the event of any controversy or dispute involving this Agreement, PRMG and Correspondent agree to consent to the exclusive jurisdiction and venue of the California state courts. In connection with any litigation or court proceeding initiated to enforce this Agreement, the prevailing Party will be entitled to recover from the other Party all costs incurred, including reasonable attorneys’ fees for Services rendered before suit is filed, prior to trial, or appeal, or in federal bankruptcy proceedings.
- 10.10 **Limited Power of Attorney.** Correspondent irrevocably appoints PRMG as Correspondent’s attorney-in-fact and agrees to execute a Limited Power of Attorney, in the form provided by PRMG and attached as Exhibit “A” to this Agreement, appointing PRMG as Correspondent’s attorney-in-fact for the limited purpose of permitting PRMG to: (a) endorse any check, draft or other instrument made payable to Correspondent but due to PRMG under the terms of this Agreement; (b) endorse Mortgage Notes to PRMG or to any other person or entity and to make corrections and revisions to any Mortgage Note endorsements made by Correspondent or PRMG; (c) prepare and execute assignments of mortgages, including electronic assignments through MERS, assigning to PRMG or to any other person or entity any Mortgage securing a Mortgage Note sold by Correspondent to

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PRMG and to make corrections and revisions to any assignment of Mortgage made by Correspondent or PRMG assigning any Mortgage Note sold by Correspondent to PRMG.



Correspondent Loan Purchases Agreement

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IN WITNESS WHEREOF, the Parties have caused this Loan Purchase Agreement to be executed as of the date first written above.

Correspondent

Paramount Residential Mortgage Group, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



Correspondent Loan Purchases Agreement

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Exhibit “A” to Correspondent Loan Purchase Agreement LIMITED POWER of ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that _____
 (“Correspondent”), whose principal place of business is _____
 _____, in connection with the sale of Loans, as defined in that certain
 Correspondent Loan Purchase Agreement (the “Agreement”) by and between Correspondent and
 Paramount Residential Mortgage Group, Inc., a California corporation, to PRMG, said sales
 which are agreed and deemed to have occurred in the State of California, has and hereby affirms
 that it has made, constituted and appointed, and by these presents does make, constitute and
 appoint **Paramount Residential Mortgage Group, Inc.** (“PRMG”), whose principal place of
 business is 1265 Corona Pointe Court, Suite 301, Corona, California 92879, as Correspondent’s
 true and lawful attorney-in-fact and in Correspondent’s name, place and stead to act solely for the
 limited purpose of performing any or all of the acts described herein only in connection with any
 Loans sold to PRMG pursuant to Paragraph 10.9 of the Agreement:

1. To execute and/or endorse any document relating to a Loan sold to PRMG as is necessary or appropriate to evidence the sale of the Loan from Correspondent to PRMG.
2. To endorse, sign, deliver and deposit any and all checks, drafts or instruments of deposit issued by obligors, insurance companies, vendors or third parties; provided, however, such instruments may be executed and deposited by PRMG only if the same represent funds paid on any Loan sold to PRMG.
3. To execute and/or endorse any loan agreement, Mortgage or Mortgage Note as defined in the Agreement, promissory note, security agreement, financing statement or other document, instrument or agreement, or any amendment, modification or supplement of any of the foregoing, and perform any act and covenant in any way in which Correspondent itself could do which is necessary or appropriate to modify, amend, renew, extend, terminate and/or extinguish: (a) any and all liens and security interests granted to or created in favor of Correspondent; or (b) any indebtedness secured by any such lien or security interest or any right or obligation of the obligor of such indebtedness, in each case upon such terms and conditions deemed, in PRMG’s sole discretion, necessary or appropriate in connection with such modification, amendment, renewal, extension, termination and/or extinguishment.
4. To agree and to contract with any person, in any manner and upon terms and conditions deemed, in PRMG’s sole discretion, necessary or appropriate to accomplish any such modification, amendment, renewal, extension, termination and/or extinguishment of any such lien, security interest, indebtedness, right or obligation; to perform, rescind, reform or modify any such agreement or contract or any similar agreement or contract made by or on



Correspondent Loan Purchases Agreement

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behalf of Correspondent; to execute, acknowledge, seal and deliver any contract,

agreement or other document creating, evidencing, securing or secured by any such lien, security interest, indebtedness, right or obligation; and to take all such other action and steps, pay or receive such monies and to execute, acknowledge, seal and deliver all such other certificates, documents and agreements as said attorney-in-fact may deem necessary or appropriate to consummate any such modification, amendment, renewal, extension, termination and/or extinguishment of any such security interest, lien, indebtedness, right or obligation or in furtherance of any of the transactions contemplated under the Agreement.

5. This Power of Attorney shall not be affected by the subsequent dissolution or disability of Correspondent or Correspondent’s authorized representatives. This Power of Attorney is coupled with an interest and is irrevocable without PRMG’s written consent.
6. This Power of Attorney and all rights and obligations hereunder, including matters of creation, construction, validity and performance are governed by the laws of the State of California, without giving effect to conflict of law provisions thereof.

IN WITNESS WHEREOF, the undersigned represents that he/she has the actual authority to execute and has in fact freely and intentionally executed this Power of Attorney on behalf of Correspondent on this _____ day of _____, 20_____.

Correspondent

By: _____

[affix notarial acknowledgment]

Name: _____

Title: _____



Correspondent Loan Purchases Agreement

Correspondent Application Package

“Built by Originators for Originators”

**Exhibit “B” to
Correspondent Loan Purchase Agreement**

CORRESPONDENT AFFILIATED SETTLEMENT SERVICE PROVIDER LIST and CERTIFICATION

Correspondent hereby certifies that there are:

- No third-party settlement service providers affiliated with Correspondent, as “affiliate” is defined under the Bank Holding Company Act, 12 USC 1841.
- The following third-party settlement service provider(s) is/are affiliated with Correspondent:

Check Box for Approval	Name of Settlement Service Provider/Affiliate	Type of Settlement Service Provider
<input type="checkbox"/>	_____	Settlement/Escrow
<input type="checkbox"/>	_____	Notary
<input type="checkbox"/>	_____	Title Insurance Agent
<input type="checkbox"/>	_____	_____
<input type="checkbox"/>	_____	_____
<input type="checkbox"/>	_____	_____

Correspondent hereby certifies that: (i) all of Correspondent’s affiliated settlement service providers are identified in this Certification; (ii) the affiliate information contained in this Certification is complete and correct; (iii) Correspondent will not use an affiliated settlement service provider on a Loan submitted until PRMG has approved the use of such provider; and (iv) Correspondent will designate and include all fees paid to affiliates in the Qualified Mortgage points and fees on all loans where settlement services are provided by an affiliate.

Correspondent: _____ **Title:** _____

By: _____ **Date:** _____



Corporate Resolution

Correspondent Application Package

“Built by Originators for Originators”

(Name of corporation)

CORPORATE RESOLUTION

I, _____ of _____, a Corporation, do hereby certify that at a meeting of the Board of Directors of the “Corporation”, duly called and held at the office of the Corporation at _____, on the _____ day of _____, 20_____, at which a quorum was present and voting, the Resolution was unanimously adopted and that said Resolution is now in full force and effect:

BE IT RESOLVED THAT any one or more of the officers listed below, or their duly elected or appointed successors in office, are hereby authorized and empowered in the name and on behalf of the Corporation to execute any and all agreements, contracts, assignments or endorsements, and to furnish any information required or deemed necessary or proper by Paramount Residential Mortgage Group, Inc. in connection with any transactions pursuant to the Corporation’s Correspondent Loan Purchase Agreement with Paramount Residential Mortgage Group, Inc., executed on the _____ day of _____, 20_____.

BE IT FURTHER RESOLVED THAT any one or more of the officers listed below, or their duly elected or appointed successors in office, are hereby authorized and empowered in the name and on behalf of the Corporation to make, execute, lock-in commitments, and deliver on behalf of this Corporation as its act and deed any and all loan documents to bind the Corporation in matters involving the sale of mortgage loans (with or without concurrent funding) to Paramount Residential Mortgage Group, Inc.

DATED this _____ day of _____, 20_____.

(Signature) President (Authorized Signature) (Title)

(Name Printed) (Name Printed)

(Signature) Secretary (Authorized Signature) (Title)

(Name Printed) (Name Printed)



AUTHORIZATION TO RELEASE INFORMATION

Disclosure of Investigative Consumer Report

Application for Correspondent approval necessitates that relevant inquiries, called “Investigative Consumer Reports”, may be made on the company and its principals. In addition to credit data concerning the principals, information as to their character, general reputation, professional characteristics and financial responsibility may be gathered through interviews with credit agencies, employers and business associates. Any information received by PRMG will be held in strict confidence.

The undersigned hereby authorize Paramount Residential Mortgage Group, Inc. (PRMG), in its sole discretion, to verify any information regarding the Correspondent and its principals from any source, including but not limited to business references reports, personal credit reports on the principals, and all other information that concerns Correspondent’s transactions with PRMG. The undersigned hereby consent and agree that any third party having information sought or requested by PRMG in connection with this Correspondent application is authorized to release such information at the request of PRMG. The undersigned hereby consent and agree that PRMG may produce or divulge any information it may have concerning the Correspondent and/or its principals to third parties upon request. The undersigned hereby fully release and discharge PRMG and all such third parties from any and all liability for producing or divulging information about the Correspondent’s company and/or its principals. Any third party having information requested by PRMG may accept and rely upon a facsimile or photocopy of this authorization as if it were an original.

Disclosure of Responsibility Clause

The undersigned hereby assume full responsibility for the activity of all of Correspondent’s sales personnel. The undersigned hereby agree that ethical and proper selling practices will be followed and that immediate attention will be given to all complaints. The undersigned hereby certify that the above statements are true, and understand this application shall remain the property of PRMG and, if requested, a copy may be furnished to FHLMC, FNMA, or any other institution insuring or approving Correspondent’s loan packages submitted to PRMG for purchase.

(Must be signed by all principal officers, partners, or owners having a 10% or more interest in company)

_____	_____	_____
Principal Name	Signature	Date
_____	_____	
Principal Title	Social Security Number	
_____	_____	_____
Home Address	City/State	Zip Code
_____	_____	_____
Principal Name	Signature	Date
_____	_____	
Principal Title	Social Security Number	
_____	_____	_____
Home Address	City/State	Zip Code
_____	_____	_____
Principal Name	Signature	Date
_____	_____	
Principal Title	Social Security Number	
_____	_____	_____
Home Address	City/State	Zip Code



Correspondent Application Package

“Built by Originators for Originators”

**FAX/E-MAIL AUTHORIZATION FORM
WE APPRECIATE YOUR BUSINESS!**

In order to do business with us, you need to receive our **Product & Pricing information**. Federal regulations require that we obtain your permission to either fax or e-mail information to you.

Accordingly, we ask that you sign below, authorizing us to continue to fax and/or e-mail you our product and pricing updates, advertisements, and other information facilitating our business relationship and your ability to service your customers.

Paramount Residential Mortgage Group, Inc. (PRMG) is hereby authorized to deliver information as described herein, including advertising, marketing and promotional materials, product and pricing updates, and any other information it deems necessary to conduct business with us.

I Prefer (Please check the following) Email FAX

Email Address(s): 1) _____ 2) _____

Fax No(s): 1) _____ 2) _____

Correspondent: _____

Branch: _____

By: _____ Date: _____
Authorized Signature

Authorized **Name & Title of Signer** (printed)

.....
IMPORTANT: IN ORDER TO RECEIVE RATE SHEETS, PRODUCT AND PRICING UPDATES, AND OTHER INFORMATION FROM PRMG, YOU MUST RETURN THIS FORM WITH YOUR CORRESPONDENT PACKAGE. NO EXCEPTIONS.



POLICY MORTGAGE LOAN FRAUD

Correspondent Application Package

“Built by Originators for Originators”

POLICY ON MORTGAGE LOAN FRAUD

Paramount Residential Mortgage Group, Inc. (“PRMG”) does not tolerate fraud or misrepresentation in a mortgage loan transaction. The correspondent is responsible for the content and quality of each application taken and each loan submitted to PRMG. The submission of a loan application containing information that is false or misrepresented is a federal crime. Evidence of loan fraud of any type will result in the immediate termination, for cause, of the correspondent relationship with PRMG.

Types of Loan Fraud:

1. Submission of inaccurate information, including false statements on a loan application and falsification of documents purporting to substantiate credit, employment, deposit and asset information; personal information including data related to identity; ownership / non- ownership of real property, etc.
2. Forgery of any information, including partially or predominantly accurate information, including forged signatures on any document(s) in the loan file.
3. Incorrect statements regarding current occupancy or intent to maintain minimum continuing occupancy status as stated in the loan application.
4. Lack of due diligence by correspondent / loan officer / interviewer / processor, including failure to obtain all information required in support of the application and failure to request further information as dictated by Lender or by Borrower’s responses to other questions.
5. Unquestioned acceptance of information or documentation, which is known, should be known, or should be suspected to be inaccurate.
6. Simultaneous or consecutive processing of multiple owner-occupied loans from one applicant on multiple properties, or from one applicant supplying different information on each application.
7. Allowing an applicant or interested third-party to “assist” with the processing of the loan.
8. Nondisclosure of relevant information to anyone involved in the loan process (e.g., lender, title company, etc.)

Consequences to PRMG:

The effect of loan fraud is costly to all parties involved. PRMG stands behind the quality of its loan production. Fraudulent loans cannot be sold into the secondary market, and if sold, will require repurchase. Fraudulent loans damage our reputation with our investors and mortgage insurance providers. The cost to parties who participate in loan fraud is even more costly. Following are a few of the potential consequences that may be incurred:

Consequences to Correspondent / Loan Officer / Salesperson / Employee:

1. Criminal Prosecution.
2. Loss of Real Estate License.
3. Loss of lender access due to exchange of information between lenders and submission of information to investors (including FHLMC/FNMA) law enforcement agencies, and the Department of Real Estate.
4. Civil action by lender.
5. Civil action by applicant / borrower / other parties to the transaction.
6. Loss of approval status with lenders.
7. Termination of employment.
8. Revocation of professional license, if any.

Consequences to Borrower:

1. Acceleration of debt (FNMA / FHLMC Deed of Trust revised 9/90, Item #6 states: “Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to lender (or failed to provide lender with any material information) in connection with the loan evidenced by the note including but not limited to representations concerning Borrower’s occupancy of the property as a principal residence.” NOTE: Foreclosure under this section of the Deed of Trust does not require that the Borrower be in “payment default”. As such, the Borrower will not have the benefit of reinstatement. In order to cure the default, the Borrower must pay off the loan in full prior to the sale date of the property.
2. Criminal Prosecution.
3. Civil action by lender.
4. Civil action by other parties to the transaction.
5. Adverse effect on credit history.

Acknowledgement: I have read the foregoing and understand PRMG’s position on loan fraud and understand the consequences to our company if involved in loan fraud in any way.

Principal: _____

Signature: _____

Principal Title: _____

Date: _____

Request for Taxpayer Identification Number and Certification

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

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <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"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	
	<input type="checkbox"/> Exempt payee	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

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

Social security number									

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

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).

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

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

General Instructions

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

Purpose of Form

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

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

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

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

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

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

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

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

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

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

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

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

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

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

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

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

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

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

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

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

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 no longer are 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

Name

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

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

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

Partnership, C Corporation, or S Corporation. Enter the entity's name on the “Name” line and any business, trade, or “doing business as (DBA) name” on the “Business name/disregarded entity name” line.

Disregarded entity. Enter the owner's name on the “Name” line. The name of the entity entered on the “Name” line should never be a disregarded entity. The name on the “Name” line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the “Name” line. 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 the “Business name/disregarded entity name” line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the “Name” line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the “Name” line is an LLC, check the “Limited liability company” box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter “P” for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter “C” for C corporation or “S” for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the “Name” line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the “Name” line.

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

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

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

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

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

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

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, 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, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

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

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

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

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

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

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

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

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

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate 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 the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

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

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

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

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

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

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. 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
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation 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 and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

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

*Note. Grantor also must provide a Form W-9 to trustee of trust.

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, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

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

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 credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

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

Protect yourself from suspicious emails or phishing schemes.

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

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

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

Visit IRS.gov 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. possessions for use in administering their laws. The information also may 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, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.



VA Addendum to PRMG Loan Purchase Agreement

This addendum is to that certain Correspondent Agreement (the “Agreement”), which was entered into concurrently with this Addendum or prior to this Addendum by and between PRMG and Correspondent. The definitions used in this Addendum shall have the same meanings as the definitions of the Agreement. To the extent that this Addendum may conflict with any provision of Agreement, the terms and conditions of this Addendum shall control and supersede any conflicting provision in the Agreement.

Correspondent desires to be approved to originate VA loans, and PRMG is willing to sponsor and purchase VA loans originated from Correspondent originated in conformance and compliance with VA guidelines and the Agreement.

In addition to the various representations, warranties, and covenants contained in the Agreement, Correspondent represents, warrants, and covenants as to each VA mortgage loan application submitted to PRMG:

1. Correspondent will not issue to Applicants a lock-in agreement unless Correspondent has received written confirmation of approval of the interest rate, points, and terms from PRMG.
2. Correspondent will not charge any fees above the maximum fees allowed by its regional VA. In event that fees are charged in excess of those allowed by VA, Correspondent will refund those fees to borrower so that the loan can be guaranteed.
3. Correspondent acknowledges that Correspondent must pay the annual renewal fee (currently \$100.00) and will do so in a timely manner each year.
4. Correspondent acknowledges that if a loan has been submitted to VA and declined, Correspondent will not bring or submit that loan to PRMG. Loans previously declined by the VA can be subsequently approved only by the VA and not by any lender.
5. Correspondent acknowledges that PRMG will be responsible for obtaining the loan guarantee (LGC) from VA on all loans closed hereunder. Correspondent further agrees that if VA denies the insurance (LGC) for any reason except for acts and omissions by PRMG, Correspondent will take all measures to correct the deficiencies in documentation, etc., so that the loan can be guaranteed.

Correspondent: _____

Title: _____

By: _____

Date: _____



Veterans Administration Information Form

Veterans Administration requires the following information completed for processing:

*Company Name: _____

DBA: _____

*Address: _____

*City, State & Zip: _____

Federal Tax ID (TIN) or SSN: _____

*Phone: _____ *Fax: _____

*Email address: _____

*Main Contact: _____

(*) Denotes required field. Please ensure all entries are legible.

PRMG Client Code (to be filled in by PRMG): _____



PRMG PROFIT MARGIN REQUEST FORM

Correspondent ID: _____
(Correspondent Number, Correspondent Name)

Correspondent Admin: _____
(Owner or Individual Authorized to set profit margins)

Email: _____
(Requester's Email)

PRMG AE: _____
(PRMG Account Executive Name)

Total Adjustment (Added into the Rate Sheet & Pricing)	
0.000%	Bps

The above information is required for rate sheet/pricing purposes. Correspondent is responsible for adding the markup to their customized rate sheet. PRMG will add the markup to pricing/locks in FT360. Once Margins are set, they may be revised only once per month.

PROFIT MARGINS WILL NOT GO INTO EFFECT UNTIL 24 HOURS AFTER YOU RECEIVE CONFIRMATION THAT THE PROFIT MARGINS HAVE BEEN SET FROM PRMG'S BROKER AND CORRESPONDENT SERVICES DEPARTMENT! PRMG WILL ONLY HONOR PROFIT MARGIN REQUESTS THAT ARE SENT DIRECTLY TO: profitmargin@prmg.net or brokerservices@prmg.net

Agreed and Accepted:

Correspondent Administrator:

Date

(Sign)

(mm/dd/yyyy)

PRMG INTERNAL USE ONLY

PRMG Administration:

Effective Date:

(Sign and Date)



LOAN CORRESPONDENT COMPENSATION CERTIFICATION
(12 C.F.R. 1026.36)

Correspondent hereby certifies that all compensation paid to Correspondent by Borrowers, as well as all compensation paid to Correspondent's originators/loan officers, will comply with the originator compensation rules under the Truth in Lending Act and the CFPB's Regulation Z at 12 C.F.R. 1026.36.

Correspondent hereby certifies that on any transaction submitted to Paramount Residential Mortgage Group, Inc., Correspondent and/or Correspondent's originators/loan officers are not compensated based on any of the loan terms, or a proxy for the loan terms, with the exception of the loan amount.

Correspondent hereby certifies that the information contained in this Certification is true and correct.

Correspondent Name

Date

Correspondent Signature