

UNITED STATES BANKRUPTCY COURT Middle District of Florida		AMENDED PROOF OF CLAIM
Name of Debtor: Taylor, Bean & Whitaker Mortgage Corp.		Case Number: 3:09-bk-07047-JAF
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Bank of Internet		<input checked="" type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (If known) mailed on <u>4/22/10</u>
Name and address where notices should be sent: Weltman, Weinberg & Reis Co., LPA 175 S. Third St., Ste 900, Columbus, OH 43215 Telephone number: (614) 857-4324		
Name and address where payment should be sent (if different from above): Bank of Internet 12777 High Bluff Dr., Ste 100, San Diego, CA 92130 Telephone number: (614) 857-4324		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$ <u>896,016.61</u> If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507 (a)(4). <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5). <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8). <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(____). Amount entitled to priority: \$ _____ <small>*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>
2. Basis for Claim: money on deposit held in trust for Bank of Internet (See instruction #2 on reverse side.)		
3. Last four digits of any number by which creditor identifies debtor: _____ 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other Describe: Funds on deposit at Colonial Bank Value of Property: \$ <u>896,016.61</u> Annual Interest Rate ____ % Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: <u>Owner of funds</u> Amount of Secured Claim: \$ <u>896,016.61</u> Amount Unsecured: \$ _____		
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		
Date: <u>06/11/2010</u>		Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. <div style="display: flex; justify-content: space-between;"> <div> Geoffrey J. Peters, Esq. </div> <div style="text-align: center;"> </div> <div> Attorney for Creditor </div> </div>

FOR COURT USE ONLY

T, B & W Mortgage Corp.

03245

BOFI	Inv Group Code	Borrower Name	Due Date Next Payment	Current TI Bal	TI Payment
70019286	001	Ms Karen Allan	9/1/2009	\$330.00	\$801.25
70019294	001	Mr John Garlington	9/1/2009	\$1,480.92	\$240.89
70019344	001	MARC F PAPINEAU	9/1/2009	\$3,773.69	\$816.60
70019385	001	Mr Vernon Gray	9/1/2009	\$2,450.40	\$1,057.30
70019401	001	Mr Jonathan Berry	9/1/2009	\$1,326.50	\$914.63
70019419	001	Edward F. Gavin	9/1/2009	\$2,327.51	\$1,313.41
70019427	001	Mr Edward Follen	9/1/2009	\$170.14	\$1,781.83
70019435	001	Ms FATEMEH NAVADEH	9/1/2009	\$951.21	\$177.84
70019492	001	Ms Jessica Bazirgan	9/1/2009	\$2,738.99	\$759.88
70019500	001	Mr John Hillman	8/1/2009	\$2,645.55	\$862.16

TOTAL \$18,194.91

loan_id	short_name	trans_type_cd	inv_bank_cd	inv_cd	inv_group_cd	inv_loan_nbr
1337843	Karen M Allan	REG	01	504	001	1337843
1464040	John E. Garlington	REG	01	504	001	1464040
1464040	John E. Garlington	ADJ	01	504	001	1464040
1659776	Mary C. Dawson	REG	01	504	001	1659776
1683875	Peter R Phillips	REG	01	504	001	1683875
1709373	Jeffrey M Lallana	REG	01	504	001	1709373
1778705	Helen Rebecca Adler	REG	01	504	001	1778705
1778705	Helen Rebecca Adler	REGR	01	504	001	1778705
1778796	MARC F PAPINEAU	REG	01	504	001	1778796
1781891	JACK ISAMU NISHIYAMA	REG	01	504	001	1781891
1791153	Rhonda Clarke	REG	01	504	001	1791153
1791153	Rhonda Clarke	MFP	01	504	001	1791153
1828286	Vernon C Gray	REG	01	504	001	1828286
1828286	Vernon C Gray	REG	01	504	001	1828286
1886026	JAMES D BEARDEN III	REG	01	504	001	1886026
1886429	Jonathan W Berry III	REG	01	504	001	1886429
1918147	Edward F. Gavin	REG	01	504	001	1918147
1918147	Edward F. Gavin	ADJ	01	504	001	1918147
1948962	Edward B. Follen	REG	01	504	001	1948962
1952585	Elizabeth J Canevari	REG	01	504	001	1952585
1959172	Roger S Maier	REG	01	504	001	1959172
1959172	Roger S Maier	CUR	01	504	001	1959172
2152697	Jackways Dee Kesling	REG	01	504	001	2152697
2152697	Jackways Dee Kesling	REG	01	504	001	2152697
2427292	Jessica M. Bazirgan	REG	01	504	001	2427292
2427292	Jessica M. Bazirgan	REG	01	504	001	2427292
7019260	John E Hillman	REG	01	504	001	7019260
7026322	Karen Anne Newlove	REG	01	504	001	7026322
7026322	Karen Anne Newlove	MFP	01	504	001	7026322
7026322	Karen Anne Newlove	CUR	01	504	001	7026322
7026322	Karen Anne Newlove	PIF	01	504	001	7026322
7028281	DENNIS W COULTER	ADJ	01	504	001	7028281
7028805	L Dorthy Krill	REG	01	504	001	7028805

due_dt	int_amt	prin_amt	curt_amt	ti_amt	unapplied_amt	service_fee_amt	prin_bal_amt
7/1/2009 00:00	4,194.40	862.14	0.00	529.6	0	161.32	773489.02
7/1/2009 00:00	1,413.79	0.00	0.00	240.9	0.06	57.71	276987.81
7/1/2009 00:00	0.00	0.00	0.00	0.06	-0.06	0.00	276987.81
7/1/2009 00:00	517.57	106.30	0.00	136.2	0	20.30	97318.68
7/1/2009 00:00	3,219.38	0.00	0.00	0	0	126.25	606000
7/1/2009 00:00	2,314.70	510.69	0.00	0	0	94.48	452981.25
7/1/2009 00:00	2,541.17	537.42	0.00	0	0	101.65	487367.68
7/1/2009 00:00	-2,541.17	-537.42	0.00	0	0	-101.65	487905.1
7/1/2009 00:00	2,520.44	558.15	0.00	816.6	0	100.82	483365.79
8/1/2009 00:00	1,143.20	187.40	0.00	0	0	40.83	195790.03
6/1/2009 00:00	1,912.27	291.16	0.00	861	5	65.94	316222.13
6/1/2009 00:00	0.00	0.00	0.00	0	-5	0.00	316222.13
7/1/2009 00:00	2,720.71	0.00	0.00	1203	0	118.29	567800
8/1/2009 00:00	2,720.71	0.00	0.00	1203	0	118.29	567800
7/1/2009 00:00	4,633.74	785.92	0.00	0	0	168.50	808012.63
7/1/2009 00:00	3,089.16	523.95	0.00	918	0	112.33	538675.01
7/1/2009 00:00	2,970.90	439.98	0.00	1313	0.33	102.44	491294.7
7/1/2009 00:00	0.00	0.00	0.00	0.33	-0.33	0.00	491294.7
7/1/2009 00:00	4,497.67	757.76	0.00	1642	0	163.55	784289.48
8/1/2009 00:00	477.42	80.97	0.00	0	0	17.36	83249.78
7/1/2009 00:00	3,087.54	655.68	0.00	0	500	121.08	580528.3
7/1/2009 00:00	0.00	0.00	500.00	0	-500	0.00	580028.3
7/1/2009 00:00	3,069.20	625.10	0.00	0	0	122.77	588660.98
8/1/2009 00:00	3,065.94	628.36	0.00	0	0	122.64	588032.62
7/1/2009 00:00	1,703.66	524.15	0.00	759.9	0	85.18	408353.08
8/1/2009 00:00	1,701.47	526.34	0.00	759.9	0	85.07	407826.74
7/1/2009 00:00	5,115.76	648.54	0.00	862.2	0	162.41	778896.01
7/1/2009 00:00	4,206.97	0.00	0.00	0	993.03	168.28	807739.03
7/1/2009 00:00	0.00	0.00	0.00	0	-24	0.00	807739.03
7/1/2009 00:00	0.00	0.00	969.03	0	-969.03	0.00	806770
7/1/2009 00:00	0.00	806,770.00	0.00	5419	0	0.00	0
6/1/2009 00:00	0.00	0.00	0.00	59.27	0	0.00	169557.44
7/1/2009 00:00	3,028.07	0.00	0.00	0	-0.05	118.75	569989.2
	<u>63,324.67</u>	<u>815,482.59</u>	<u>1,469.03</u>			<u>2,454.59</u>	

Interest	63,324.67
Less: Service Fees	<u>2,454.59</u>
Subtotal	60,870.08
Principal	815,482.59
Curtailement	<u>1,469.03</u>
Total	<u>877,821.70</u>

fnma_pool_nbr	pct_own	rpt_type	history_id	minority_rpt	minority_pct_own
	0		47		0
	0		73		0
	0		74		0
	0		38		0
	0		30		0
	0		39		0
	0		40		0
	0		41		0
	0		38		0
	0		42		0
	0		86		0
	0		87		0
	0		59		0
	0		61		0
	0		28		0
	0		45		0
	0		39		0
	0		40		0
	0		48		0
	0		34		0
	0		42		0
	0		43		0
	0		22		0
	0		23		0
	0		29		0
	0		32		0
	0		38		0
	0		58		0
	0		59		0
	0		60		0
	0		64		0
	0		78		0
	0		35		0

PURCHASE, WARRANTIES
AND SERVICING AGREEMENT

between

BANK OF INTERNET USA,
as Purchaser

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.,
as Seller and Servicer

Dated as of July 25, 2008

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PURCHASE, WARRANTIES AND SERVICING AGREEMENT

This Purchase, Warranties and Servicing Agreement, dated as of July 25, 2008 is executed between Bank of Internet USA, with offices at 12777 High Bluff Drive, Suite 100, San Diego, California 92130, as purchaser (the "Purchaser"), Taylor, Bean & Whitaker Mortgage Corp., with offices at 314 N.E. 14th Street, Ocala, Florida 34470, as seller and servicer (the "Seller" and "Servicer," as applicable).

WHEREAS, the Purchaser desires to purchase from the Seller and the Seller desires to sell to the Purchaser, from time to time on a servicing retained basis, certain Mortgage Loans as specified in the related Mortgage Loan Schedule, pursuant to the terms of a related Purchase Price and Terms Letter (as defined herein);

WHEREAS, each of the Mortgage Loans is secured by a mortgage, deed of trust or other security instrument creating a first or second lien on a residential dwelling located in the jurisdiction indicated on the related Mortgage Loan Schedule;

WHEREAS, the Purchaser, the Seller and the Servicer wish to prescribe the representations and warranties of the Seller and the Servicer with respect to each party and the Mortgage Loans and the management, servicing and control of the Mortgage Loans; and

WHEREAS, the Servicer shall service and administer the Mortgage Loans on a "scheduled/scheduled" basis in accordance with the terms of this Agreement;

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

ARTICLE I

DEFINITIONS

Section 1.01 Defined Terms. Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meaning specified in this Article:

Accepted Servicing Practices: With respect to any Mortgage Loan, those mortgage servicing practices (including collection procedures) of prudent mortgage banking and mortgage lending institutions which service mortgage loans of the same type as such Mortgage Loan in the jurisdiction where the related Mortgaged Property is located, and which are substantially in accordance with Freddie Mac servicing practices and procedures.

Affiliate: With respect to any specified Person, any other Person controlling, controlled by or under common control with such specified Person.

Adjustable Rate Mortgage Loan: A Mortgage Loan that provides for the adjustment of the Mortgage Interest Rate payable with respect thereto in accordance with the terms of the related Mortgage Note.

Agreement: This Purchase, Warranties and Servicing Agreement including all exhibits hereto, as the same may be amended, modified, restated or supplemented from time to time.

Ancillary Income: All late charges, assumption fees, escrow account benefits, reinstatement fees, and similar types of fees arising from or in connection with any Mortgage Loan to the extent not otherwise payable to the Mortgagor under applicable law or pursuant to the terms of the related Mortgage Note.

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

Assignment: An assignment of the Mortgage, notice of transfer or equivalent instrument, prepared in blank and in recordable form, sufficient under the laws of the jurisdiction wherein the related Mortgaged Property is located, to reflect of record the sale or transfer of the Mortgage Loan. An Assignment shall include, as applicable, such instruments as are necessary and sufficient under the laws of the jurisdiction where a Cooperative Apartment is located to reflect of record the sale or transfer of the Mortgage Loan and security interest in the Mortgaged Property affecting such Cooperative Apartment.

Balloon Mortgage Loan: Any Mortgage Loan which by its original terms or any modifications thereof provides for amortization beyond its scheduled maturity date.

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

Closing Date: The date or dates, set forth in any Purchase Price and Terms Letter, on which, from time to time, the Purchaser shall purchase and the Seller shall sell the Mortgage Loans listed on the related Mortgage Loan Schedule.

Closing Documents:

(i) With respect to the initial Closing Date, the following documents: (a) three counterparts of this Agreement; and (b) three (3) counterparts of a power of attorney provided by the Purchaser in form and substance acceptable to the Servicer;

(ii) With respect to the initial Closing Date and each subsequent Closing Date, the following documents: (a) the Mortgage Loan Schedule for the related Transaction; and (b) the Warranty Bill of Sale with respect to the Mortgage Loans for the related Transaction, dated as of the applicable Closing Date,

Code: The Internal Revenue Code of 1986, as amended.

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

Convertible Mortgage Loan: An Adjustable Rate Mortgage Loan purchased pursuant to this Agreement which contains a provision whereby the Mortgagor is permitted to convert the Mortgage Loan to a fixed rate Mortgage Loan in accordance with the terms of the related Mortgage Note.

Cooperative Apartment: A dwelling unit in a multi-dwelling building owned or leased by a cooperative housing corporation, which unit the Mortgagor has an exclusive right to occupy pursuant to the terms of a proprietary lease in accordance with the laws of the state in which the building is located.

Cooperative Loan: A Mortgage Loan evidenced by a Mortgage Note and secured by a first lien against (i) shares issued by a cooperative housing corporation and (ii) the related Mortgagor's leasehold interest in the Mortgagor's Cooperative Apartment. The security interest created in the Mortgagor's Cooperative Apartment and the proprietary lease shall include the following documentation, as required by the applicable laws of the state in which such Cooperative Apartment is located: (a) a security agreement, (b) the related UCC-1 Financing Statement, (c) an assignment of the cooperative lease, (d) the stock certificate evidencing ownership of such Cooperative Apartment, appropriately endorsed, or an equivalent stock power, (e) a recognition agreement and (f) such other documents as are necessary and proper for the perfection of a lien against such Cooperative Apartment, all as are required under state law.

Credit Score: The credit score for each Mortgage Loan obtained at origination or such other time by the Seller. If two credit bureau scores are obtained, the Credit Score will be the lower score. If three credit bureau scores are obtained, the Credit Score will be the middle of the three. There is only one (1) score for any loan regardless of the number of borrowers and/or applicants. The minimum Credit Score for all Mortgage Loans will be in accordance with the Underwriting Guide (as defined below).

Custodial Account: Each separate Eligible Account (demand or other account) or accounts created and maintained pursuant to Section 4.04 of this Agreement, entitled "[Servicer], in trust for Bank of Internet USA" or such other title as is requested by the Purchaser with respect to the related Mortgage Loans.

Custodian: With respect to any Mortgage Loan, the Seller's designee holding the related Mortgage File on behalf of the Seller prior to the related Closing Date.

Cut-off Date: The first day of the month in which the related Closing Date occurs, or such other date as shall be specified in the Purchase Price and Terms Letter.

Deleted Mortgage Loan: A Mortgage Loan replaced or to be replaced by a Qualified Substitute Mortgage Loan.

Determination Date: The 15th day (or if such 15th day is not a Business Day, the Business Day immediately preceding such 15th day) of the month of the related Remittance Date.

Due Date: As to any Mortgage Loan, the day each Monthly Payment is due on such Mortgage Loan, exclusive of any days of grace.

Due Period: With respect to any Remittance Date, the period commencing on the second day of the month preceding the month of such Remittance Date and ending on the first day of the month of the Remittance Date.

Eligible Account: An account that is (i) maintained at a depository institution, the short-term debt obligations (or, in the case of a depository institution which is part of a holding company structure, the short-term debt obligations of such parent holding company) of which have been rated by one or more Rating Agencies in the two highest short-term rating categories at the time of the deposit therein, or (ii) a trust account maintained with a corporate trust department of a federal or state chartered depository institution or trust company, which institution has a net worth of \$500,000,000 or more and is acting in a fiduciary capacity, or (iii) maintained at a depository institution approved by Purchaser in writing.

Escrow Account: Each separate Eligible Account (demand or other account) or accounts created and maintained pursuant to Section 4.06 of this Agreement, entitled "[Servicer], in trust for Bank of Internet USA" or such other title as is requested by the Purchaser with respect to the related Mortgage Loans.

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

Event of Default: Any one of the conditions or circumstances enumerated in Section 9.01.

FDIC: The Federal Deposit Insurance Corporation, or any successor in interest thereto.

Fidelity Bond: A fidelity bond to be maintained by the Seller pursuant to Section 4.12.

FIRREA: The Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Freddie Mac: The Federal Home Loan Mortgage Corporation, or any successor in interest thereto.

Freddie Mac Guides: The Freddie Mac Sellers' and Servicers' Guide and all amendments or additions thereto.

GAAP: Generally Accepted Accounting Principles, consistently applied.

Gross Margin: With respect to each Adjustable Rate Mortgage Loan, the fixed percentage amount set forth in the related Mortgage Note to be added to the Index on each Interest Rate Adjustment Date in accordance with the terms of the related Mortgage Note to determine the Mortgage Interest Rate for such Mortgage Loan, subject to any applicable Periodic Rate Cap and Maximum Mortgage Interest Rate.

HUD: The United States Department of Housing and Urban Development or any successor in interest thereto.

Index: With respect to each Adjustable Rate Mortgage Loan and each Interest Rate Adjustment Date, a rate per annum as set out in the related Mortgage Note.

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

Interest Rate Adjustment Date: With respect to each Adjustable Rate Mortgage Loan, the date specified in the related Mortgage Note on which the Mortgage Interest Rate is adjusted.

Lifetime Rate Cap: With respect to each Adjustable Rate Mortgage Loan, the absolute maximum Mortgage Interest Rate payable, above which the Mortgage Interest Rate shall not be adjusted, as set forth in the related Mortgage Note and Mortgage Loan Schedule.

Liquidation Proceeds: Cash received in connection with the liquidation of a defaulted Mortgage Loan, whether through the sale or assignment of such Mortgage Loan, trustee's sale, foreclosure sale or otherwise.

Loan-to-Value Ratio or LTV: With respect to any Mortgage Loan, the ratio of the outstanding principal amount of the Mortgage Loan, to (i) the Appraised Value of the Mortgaged Property at origination with respect to a Refinanced Mortgage Loan, and (ii) the lesser of the Appraised Value of the Mortgaged Property at origination (or at such other date the LTV is being calculated) and the purchase price of the Mortgaged Property with respect to all other Mortgage Loans.

LPMI Fee: With respect to each Mortgage Loan which has an LPMI Policy, the portion of the Mortgage Interest Rate as set forth on the related Mortgage Loan Schedule (which shall be payable solely from the interest portion of Monthly Payments, Insurance Proceeds, Condemnation Proceeds or Liquidation Proceeds), which, during such period prior to the required cancellation of the LPMI Policy, shall be used to pay the premium due on the related LPMI Policy.

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

LPMI Policy: A policy of primary mortgage guaranty insurance issued by an insurer acceptable under the Underwriting Guide and qualified to do business in the jurisdiction where the Mortgaged Property is located, pursuant to which the related premium is to be paid by the Servicer of the related Mortgage Loan from payments of interest made by the Mortgagor in an amount as is set forth in the related Mortgage Loan Schedule.

Maximum Mortgage Interest Rate: The maximum annual rate at which interest accrues on any adjustable rate Mortgage Loan in accordance with the provisions of the related Mortgage Note.

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

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

Minimum Mortgage Interest Rate: The minimum annual rate at which interest accrues on any adjustable rate Mortgage Loan in accordance with the provisions of the related Mortgage Note.

Monthly Advance: With respect to each Remittance Date, an amount equal to the aggregate amount of all Monthly Payments (with interest adjusted to the Mortgage Loan Remittance Rate) which were due on the Mortgage Loans during the applicable Due Period and which were delinquent at the close of business on the immediately preceding Determination Date.

Monthly Payment: The scheduled monthly payment of principal and interest on a Mortgage Loan which is payable by a Mortgagor under 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; except that with respect to real property located in jurisdictions in which the use of leasehold estates for residential properties is an accepted practice, the mortgage, deed of trust or other instrument securing the Mortgage Note may secure and create a first lien upon a leasehold estate of the Mortgagor.

Mortgage File: The mortgage documents pertaining to a particular Mortgage Loan which are specified in items (1) through (8) in Exhibit A hereto and any additional documents required to be added to the Mortgage File pursuant to this Agreement.

Mortgage Impairment Insurance Policy: A mortgage impairment or blanket hazard insurance policy as required by Section 4.11.

Mortgage Interest Rate: The annual rate at which interest accrues on any Mortgage Loan in accordance with the provisions of the related Mortgage Note, which shall be adjusted from time to time with respect to Adjustable Rate Mortgage Loans.

Mortgage Interest Rate Cap: With respect to an adjustable rate Mortgage Loan, the limit on each Mortgage Interest Rate adjustment as set forth in the related Mortgage Note.

Mortgage Loan: An individual Mortgage Loan which is the subject of this Agreement, each Mortgage Loan originally sold and subject to this Agreement being identified on the applicable Mortgage Loan Schedule, which Mortgage Loan includes without limitation the Mortgage File, the Servicing File, Monthly Payments, Principal Prepayments, Liquidation Proceeds, Condemnation Proceeds, Insurance Proceeds, REO Disposition Proceeds, and all other rights, benefits, proceeds and obligations arising from or in connection with such Mortgage Loan excluding replaced or repurchased mortgage loans.

Mortgage Loan Documents: The documents listed in Exhibit A.

Mortgage Loan Payments: With respect to each Mortgage Loan; (i) all scheduled principal due after the related Cut-off Date, (ii) all other recoveries of principal due and collected by the Seller after the related Cut-off Date, and (iii) all payments of interest on the Mortgage Loans at the Mortgage Loan Remittance Rate minus that portion of any such payment that is allocable to the period prior to the related Cut-off Date; provided, however, that payments of scheduled principal and interest prepaid for a Due Date beyond the related Cut-off Date shall not be applied to the principal balance as of the related Cut-off Date, and such principal and such prepaid interest (minus the applicable Servicing Fee) shall constitute a part of the Mortgage Loan Payments, and shall be deposited by the Servicer into the related Custodial Account established for the benefit of the Purchaser for subsequent remittance by the Seller to the Purchaser pursuant to this Agreement.

Mortgage Loan Remittance Rate: With respect to each Mortgage Loan, the annual rate of interest remitted to the Purchaser, which shall be equal to the related Mortgage Interest Rate minus the Servicing Fee Rate.

Mortgage Loan Schedule: The schedule of Mortgage Loans for a Transaction, which list shall set forth the following information with respect to each Mortgage Loan: (i) information sufficient to uniquely identify such Mortgage Loan; (ii) the Mortgage Interest Rate as of the Cut-off Date; (iii) with

respect to any Adjustable Rate Mortgage Loan, the Gross Margin, the Periodic Rate Cap, the Lifetime Rate Cap, the next Interest Rate Adjustment Date and whether such Adjustable Rate Mortgage Loan is a Convertible Mortgage Loan, (iv) with respect to a LPMI Loan, the LPMI Fee, (v) the LTV at origination; (vi) the remaining term as of the Cut-off Date and the original term of such Mortgage Loan, and (vii) any other information pertaining to such Mortgage Loan as may be reasonably requested by the Purchaser and as reasonably available to the Seller or the Servicer for provision to the Purchaser. The information set forth in the Mortgage Loan Schedule relating to the Mortgage Interest Rate, Periodic Rate Cap and Lifetime Rate Cap with respect to any LPMI Loan, as applicable, is exclusive of the LPMI Fee.

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

Mortgaged Property: The underlying real property securing repayment of a Mortgage Note, consisting of: (i) a fee simple interest in a single parcel of real estate considered to be real estate under the laws of the jurisdiction in which such real property is located, which may include condominium units and planned unit developments, improved by a residential dwelling; (ii) a single Cooperative Apartment including stock certificates evidencing ownership in such Cooperative Apartment, the proprietary lease and all attendant right, title and interest thereto; or (iii) with respect to real property located in jurisdictions in which the use of leasehold estates for residential properties is an accepted practice, a leasehold estate of the Mortgagor, the term of which is equal to or longer than the term of the Mortgage.

Mortgagor: The obligor on a Mortgage Note.

Nonrecoverable Advance: Any Monthly Advance or Servicing Advance previously made or proposed to be made in respect of a Mortgage Loan or REO Property that, in the good faith business judgment of the Servicer, will not or, in the case of a proposed Monthly Advance or Servicing Advance, would not be ultimately recoverable from related late payments, Insurance Proceeds, Condemnation Proceeds, or Liquidation Proceeds on such Mortgage Loan or REO Property as provided herein.

Officers' Certificate: A certificate signed by the Chairman of the Board, the Chief Executive Officer, the President, a Senior Vice President, Vice President, the Assistant Treasurer, Secretary or Assistant Secretary, as applicable, of the Seller and delivered to the Purchaser as required by this Agreement.

OTS: Office of Thrift Supervision, or any successor in interest.

Payment Adjustment Date: With respect to each Adjustable Rate Mortgage Loan, the first date on which payments thereon may be adjusted and all subsequent such dates of adjustment, as set forth in the related Mortgage Loan Schedule and in the related Mortgage Note.

Periodic Rate Cap: With respect to each Adjustable Rate Mortgage Loan as to which the related Mortgage Loan Schedule indicates the existence of Periodic Rate Cap, the provision of the related Mortgage Note that provides for a maximum amount by which the Mortgage Interest Rate may increase (or, if so indicated on such Mortgage Loan Schedule, decrease) on an Interest Rate Adjustment Date from the Mortgage Interest Rate in effect immediately prior to such Interest Rate Adjustment Date.

Permitted Investment: Any one or more of the following:

(i) direct obligations of, or obligations fully guaranteed as to principal and interest by, the United States or any agency or instrumentality thereof, provided such obligations are backed by the full faith and credit of the United States;

(ii) repurchase obligations (the collateral for which is held by a third party) with respect to any security described in clause (i) above, provided that the long-term unsecured obligations of the party agreeing to repurchase such obligations are at the time rated by each of the Rating Agencies in one of its two highest rating categories;

(iii) certificates of deposit, time deposits, demand deposits and bankers' acceptances of any bank or trust company incorporated under the laws of the United States or any state thereof or the District of Columbia, provided that the short-term commercial paper of such bank or trust company at the date of acquisition thereof has been rated by each of the Rating Agencies in its highest rating;

(iv) money market funds rated by each of the Rating Agencies in its highest short-term debt rating category;

(v) commercial paper (having original maturities of not more than 365 days) of any corporation incorporated under the laws of the United States or any state thereof or the District of Columbia which on the date of acquisition has been rated by each of the Rating Agencies in its highest short-term rating category; and

(vi) any other obligation or security acceptable to each of the Rating Agencies (as certified by a letter from each of the Rating Agencies to the Purchaser) in respect of mortgage pass through certificates rated in one of its two highest rating categories;

provided, that with the exception of U.S. Treasury Strips, no such instrument shall be a Permitted Investment if such instrument evidences either (a) the right to receive interest only payments with respect to the obligations underlying such instrument or (b) both principal and interest payments derived from obligations underlying such instrument where the principal and interest payments with respect to such instruments provide a yield to maturity exceeding 120% of the yield to maturity at par of such underlying obligation.

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

Prepayment Interest Shortfall: With respect to any Remittance Date and any Mortgage Loan that was the subject of a principal prepayment during the related Principal Prepayment Period, an amount equal to one month's interest at the Mortgage Loan Remittance Rate on the amount of such principal prepayment less the amount of interest (adjusted to the Mortgage Loan Remittance Rate) paid by the Mortgagor in respect of such principal prepayment.

Primary Mortgage Insurance Policy: With respect to each Mortgage Loan, each primary policy of mortgage insurance, if any, required to be obtained by the Servicer pursuant to Section 4.08.

Prime Rate: The prime rate announced to be in effect from time to time as published as the average rate in the Wall Street Journal.

Principal Prepayment: Any full or partial payment or other recovery of principal on a Mortgage Loan which is received in advance of its scheduled Due Date.

Principal Prepayment Period: As to any Remittance Date, the calendar month preceding the month of distribution.

Program Documents: With respect to each Transaction, the related Purchase Price and Terms Letter, the related Warranty Bill of Sale, this Agreement and each other document or instrument executed or delivered by the Seller in connection with any of the foregoing.

Purchase Price: With respect to each Mortgage Loan listed on the Mortgage Loan Schedule for a Transaction, the price paid on the applicable Closing Date by the Purchaser to the Seller in exchange for the Mortgage Loans, which amount shall equal the sum of (i) the related Purchase Price Percentage multiplied by the unpaid principal balance of such Mortgage Loan as of the related Cut-off Date, after application of scheduled payments of principal due on or before such Cut-off Date whether or not collected, and (ii) interest scheduled to accrue on the unpaid principal balance of such Mortgage Loan at the Mortgage Loan Remittance Rate, from the related Cut-off Date to the day prior to the related Closing Date, inclusive.

Purchase Price Percentage: With respect to each Mortgage Loan, the percentage of par set forth in the related Purchase Price and Terms Letter (subject to adjustment as provided therein) at which the Purchaser will purchase the Mortgage Loan from the Seller on the Closing Date.

Purchase Price and Terms Letter: With respect to each Transaction, the letter agreement or agreements by and among the Seller, the Servicer and the Purchaser setting forth the general terms and conditions of such Transaction to be consummated as provided herein, with a copy of the related initial list of Mortgage Loans proposed for the transaction subject thereto. The related Purchase Price and Terms Letter shall set forth (i) the approximate unpaid principal balance of Mortgage Loans for the related Transaction, (ii) the related Cut-off Date, (iii) the proposed Closing Date, (iv) the related Purchase Price Percentage, (v) the related Servicing Fee Rate, and (vi) such other matters as the parties may agree.

Purchase Price Premium: The excess of the Purchase Price over par, as applicable.

Purchaser: Bank of Internet USA, its successors in interest and assigns.

Qualified Appraiser: 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 such appraiser and the appraisal made by such appraiser both satisfy the requirements set forth in the Freddie Mac Guides and in Title XI of FIRREA and the regulations promulgated thereunder, all as in effect on the date the Mortgage Loan was originated.

Qualified Insurer: An insurance company duly qualified as such under the laws of the states in which the Mortgaged Properties are located, duly authorized and licensed in such states to transact the applicable insurance business and to write the insurance, and which meets the requirements of Freddie Mac.

Qualified Substitute Mortgage Loan: A Mortgage Loan substituted by the Seller for a Deleted Mortgage Loan which must, on the date of such substitution (i) have an outstanding principal balance, after deduction of all scheduled payments due in the month of substitution (or in the case of a substitution of more than one mortgage loan for a Deleted Mortgage Loan, an aggregate principal balance), not in excess of the outstanding principal balance of the Deleted Mortgage Loan (the amount of

any shortfall to be deposited into the Custodial Account by the Servicer from its own funds in the month of substitution pursuant to Section 4.04(vii) of this Agreement), (ii) have a Mortgage Interest Rate which is within one percent (1%) per annum of the Deleted Mortgage Loan, (iii) have a remaining term to maturity not greater than (and not more than one year less than) that of the Deleted Mortgage Loan, and (iv) comply with each representation and warranty set forth in Section 3.02 of this Agreement.

Rating Agencies: Standard & Poor's, a division of McGraw Hill Companies, Inc., Moody's Ratings Services or any other nationally recognized statistical rating organization issuing ratings with respect to mortgage backed securities.

Reconstitution: As defined in Section 11.15.

Reconstitution Agreement: As defined in Section 11.15.

Record Date: The close of business of the last Business Date of the month preceding the month of the related Remittance Date.

Refinanced Mortgage Loan: A Mortgage Loan which was made to a Mortgagor who owned the Mortgaged Property prior to the origination of such Mortgage Loan and substantially all of the proceeds of which (net of any closing costs, including discount and origination fees and prepaid items) were used in whole or part to satisfy an existing mortgage on the Mortgaged Property.

REMIC: A real estate mortgage investment conduit, as such term is defined by the Code.

Remittance Date: The 18th day (or if such day is not a Business Day, then the immediately following Business Day) of each calendar month.

REO Disposition: The final sale of any REO Property.

REO Disposition Proceeds: Amounts received by the Seller in connection with a related REO Disposition.

REO Property: A Mortgaged Property acquired by the Seller on behalf of the Purchaser as described in Section 4.13.

Repurchase Price: With respect to any Mortgage Loan, unless otherwise specified in the related Purchase Price and Terms Letter, an amount equal to (a) the lesser of (i)(A) the unpaid principal balance of such Mortgage Loan, multiplied by (B) the Purchase Price Percentage, and (ii) the unpaid principal balance of such Mortgage Loan, plus (b) the amount of interest on such unpaid principal balance at the applicable Mortgage Interest Rate, from the date to which interest has last been paid to the Purchaser, to and including the date of repurchase, less (c) any unreimbursed Servicing Advances payable to the Servicer pursuant to this Agreement..

Seller: Taylor, Bean & Whitaker Mortgage Corp., its successors in interest and permitted assigns.

Seller Originated Mortgage Loans: The Mortgage Loans that have been originated by the Seller.

Servicer: Taylor, Bean & Whitaker Mortgage Corp., its successors in interest and permitted assigns.

Servicing Advances: All customary, reasonable and necessary "out of pocket" costs and expenses (including reasonable attorneys' fees and disbursements) incurred in the performance by the Servicer of its servicing obligations, including, but not limited to, the cost of (a) the preservation, restoration and protection of the Mortgaged Property, (b) any enforcement, administrative or judicial proceedings, or any legal work or advice specifically related to servicing the Mortgage Loans, including but not limited to, foreclosures, bankruptcies, condemnations, drug seizures, elections, foreclosures by subordinate or superior lienholders, and other legal actions incidental to the servicing of the Mortgage Loans (provided that such expenses are reasonable and that the Servicer specifies the Mortgage Loan(s) to which such expenses relate, and provided further that any such enforcement, administrative or judicial proceeding does not arise out of a breach of any representation, warranty or covenant of the Servicer hereunder), (c) the management and liquidation of the Mortgaged Property (including any management fees in connection therewith) if the Mortgaged Property is acquired in full or partial satisfaction of the Mortgage, (d) taxes, assessments, water rates, sewer rates and other charges which are or may become a lien upon the Mortgaged Property, and any Primary Mortgage Insurance Policy premiums and fire and hazard insurance coverage, and (e) compliance with the obligations under Section 4.08.

Servicing Fee: With respect to each Mortgage Loan the amount of the annual fee the Purchaser shall pay to the Servicer, which shall, for a period of one full month, be equal to one twelfth of the product of (a) the Servicing Fee Rate and (b) the outstanding principal balance of such Mortgage Loan. Such fee shall be payable monthly, computed on the basis of the same principal amount and period respecting which any related interest payment on a Mortgage Loan is computed. The obligation of the Purchaser to pay the Servicing Fee is limited to, and the Servicing Fee is payable solely from, the interest portion (including recoveries with respect to interest from Liquidation Proceeds, to the extent permitted by Section 4.05) of such Monthly Payment collected by the Servicer, or as otherwise provided under Section 4.05.

Servicing Fee Rate: The Servicing Fee Rate shall be a rate per annum of 0.25%.

Servicing File: With respect to each Mortgage Loan, the file retained by the Servicer consisting of originals of items (9) – (26) listed in Exhibit A.

Servicing Officer: Any officer of the Servicer involved in, or responsible for, the administration and servicing of the Mortgage Loans whose name appears on a list of servicing officers furnished by the Servicer to the Purchaser upon request, as such list may from time to time be amended.

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

Stated Principal Balance: As to each Mortgage Loan as of any date of determination, (i) the principal balance of such Mortgage Loan at the applicable Cut-off Date after giving effect to payments of principal due on or before such date, whether or not received, minus (ii) all amounts previously distributed to the Purchaser with respect to the Mortgage Loan representing payments or recoveries of principal or advances in lieu thereof.

Subservicer: Any Person with which the Servicer has entered into a Subservicing Agreement and which meets the qualifications of a Subservicer pursuant to Section 4.01.

Subservicing Account: An account established by a Subservicer which meets the requirements set forth in Section 4.04 and is otherwise acceptable to the Servicer, and which must be an Eligible Account.

Subservicing Agreement: Any written agreement between the Servicer and a Subservicer relating to the servicing and administration of the Mortgage Loans as provided in Section 4.01.

Tax Service Contract: With respect to each Mortgage Loan, a paid-in-full, life of the loan tax service contract in effect with respect to such Mortgage Loan.

Transaction: The sale by the Seller to the Purchaser, and the purchase by the Purchaser from the Seller, of one or more Mortgage Loans on a Closing Date, as evidenced by the execution and delivery by the Seller to the Purchaser, of a Warranty Bill of Sale.

Underwriting Guide: The Underwriting Guide of the Seller in effect at the time of origination of the related Mortgage Loans.

Warranty Bill of Sale: The warranty bill of sale executed and delivered by the Seller to the Purchaser on a Closing Date, evidencing the sale of the related Mortgage Loans by the Seller to the Purchaser and setting forth certain representations and warranties of the Seller with respect thereto, in the form attached hereto as Exhibit B.

ARTICLE II

SERVICING OF MORTGAGE LOANS; POSSESSION OF MORTGAGE FILES; BOOKS AND RECORDS; DELIVERY OF MORTGAGE LOAN DOCUMENTS

Section 2.01 Agreement to Purchase. (a) The Seller may offer to sell and the Purchaser may elect to purchase from time to time the Mortgage Loans in one or more Transactions pursuant to the terms and conditions of the Program Documents. The agreement of the Seller to sell to the Purchaser and of the Purchaser to purchase from the Seller, Mortgage Loans on a particular Closing Date shall be evidenced by the execution of a Purchase Price and Terms Letter. The Seller shall deliver the related Mortgage Loan Schedule and the Mortgage File for the Mortgage Loans to be reviewed for purchase on the applicable Closing Date to the Purchaser at least ten (10) Business Days prior to such Closing Date or as otherwise agreed by the parties. The obligation of the Purchaser to purchase any Mortgage Loan from the Seller on any particular Closing Date shall be subject to the satisfaction of the conditions precedent to the Purchaser's obligations to purchase set forth in Section 2.01(b) and to the Purchaser's due diligence in its sole and absolute discretion. The Purchaser shall provide the Seller no later than three (3) Business Days prior to such Closing Date the list of Mortgage Loans that shall be purchased from the Seller.

(b) On each respective Closing Date (i) the Seller will sell, transfer, assign, set over and convey to the Purchaser without recourse, all of the right, title and interest of the Seller in and to the Mortgage Loans included in such Transaction, including all Mortgage Loan Payments, and (ii) the Purchaser shall pay to the Seller, by wire transfer of immediately available funds to the account of the Seller, the Purchase Price for each Mortgage Loan included in such Transaction, in each case pursuant to the terms of this Agreement.

Section 2.02 Servicing of Mortgage Loans. The Servicer does hereby agree to service the Mortgage Loans listed on each Mortgage Loan Schedule subject to the terms of this Agreement. The rights of the Purchaser to receive payments with respect to the related Mortgage Loans shall be as set forth in this Agreement.

Section 2.03 Possession of Mortgage Files; Maintenance of Servicing Files. As of the applicable Closing Date, the Seller sells, transfers, sets over and conveys the Mortgage Loans to the Purchaser, without recourse, and the Seller hereby acknowledges that the Purchaser shall have all the right, title and interest of the Seller in and to the Mortgage Loans. The delivery of the Mortgage Files shall be on the applicable Closing Date at the expense of the Seller. The Servicer shall maintain a Servicing File. From the applicable Closing Date, the ownership of each related Mortgage Loan, including the Mortgage Note, the Mortgage, the contents of the related Mortgage File and Servicing File and all rights, benefits, proceeds and obligations arising therefrom or in connection therewith, shall be vested in the Purchaser. All rights arising out of the Mortgage Loans including, but not limited to, all funds received on or in connection with the Mortgage Loans and all records or documents with respect to the Mortgage Loans prepared by or which come into the possession of the Seller or the Servicer shall be received and held by the Servicer for the benefit of the Purchaser as the owner of the Mortgage Loans.

Section 2.04 Books and Records. The Servicer shall be responsible for maintaining, and shall maintain, a complete set of books and records for the Mortgage Loans which shall appropriately be reflected in the Servicer's books and records to clearly reflect the ownership of each Mortgage Loan by the Purchaser, and subsequent assignments and transfers of the Mortgage Loans pursuant to Section 2.05 hereof. At the reasonable request of the Purchaser, the Servicer shall promptly deliver to the Purchaser a Mortgage Loan Schedule setting forth all Mortgage Loans that the Servicer then services and administers for the Purchaser under this Agreement; provided, however, that the information contained on such Mortgage Loan Schedule may be as of the Closing Date for each respective Mortgage Loan and may consist of the Mortgage Loan Schedule(s) attached to the Warranty Bill(s) of Sale for such Mortgage Loans, with manual deletions or additions thereto or other revisions thereof. In particular, the Servicer shall maintain in its possession, available for inspection by the Purchaser, or its designee and shall deliver to the Purchaser upon demand, evidence of compliance with all federal, state and local laws, rules and regulations, and requirements of Freddie Mac, as applicable. To the extent that original documents are not required for purposes of realization of Liquidation Proceeds or Insurance Proceeds, documents maintained by the Servicer may be in the form of microfilm or microfiche or such other reliable means of recreating original documents. The Servicer shall maintain with respect to each Mortgage Loan and shall make available for inspection by the Purchaser or its designee the related Servicing File during the time the Purchaser retains ownership of a Mortgage Loan and thereafter in accordance with applicable laws and regulations.

In addition to the foregoing, the Servicer shall provide to any supervisory agents or examiners that regulate the Purchaser, including but not limited to, the OTS, the FDIC and other similar entities, access, during normal business hours, upon reasonable advance notice to the Servicer and without charge to the Servicer or such supervisory agents or examiners, any documentation regarding the Mortgage Loans if required by applicable law or regulation.

Section 2.05 Transfer of Mortgage Loans. The Servicer shall keep at its servicing office books and records in which, subject to such reasonable regulations as it may prescribe, the Servicer shall note transfers of Mortgage Loans. No transfer of a Mortgage Loan may be made unless such transfer is in compliance with the terms hereof. For the purposes of this Agreement, the Servicer shall be under no obligation to deal with any person with respect to this Agreement or any Mortgage Loan unless a notice of the transfer of such Mortgage Loan has been delivered to the Servicer in accordance with this Section 2.05 and the books and records of the Servicer show such person as the owner of the Mortgage

Loan. The Purchaser may, subject to the terms of this Agreement, assign, sell or transfer (each a "Transfer") any of the Purchaser's interest in and to any of the Mortgage Loans. The transferee will not be deemed to be a Purchaser hereunder binding upon the Seller or the Servicer unless a copy of an assignment, assumption and recognition of this Agreement, mutually agreeable to the parties, executed by the transferee shall have been delivered to the Seller and the Servicer. The Purchaser also shall advise the Seller and the Servicer of the transfer.

Section 2.06 Examination of Mortgage Files; Delivery of Mortgage Loan Documents.

Prior to or following each Closing Date (as mutually agreed upon by the parties and specified in the applicable Purchase Price and Terms Letter), the Seller shall make available to the Purchaser, or its designee, documents comprising the Mortgage Files and the Servicer shall make available to the Purchaser, or its designee, documents comprising the Servicing Files, for examination at the Seller's or the Servicer's offices or such other location as shall be agreed upon by the Purchaser and the Seller or the Servicer. Such examination may be made by the Purchaser or its designee upon reasonable notice to the Seller and during normal business hours at a time acceptable to the Purchaser and the Seller or the Servicer for purposes of ensuring that the Mortgage Loans have been underwritten in accordance with the Underwriting Guide and to ensure conformity with the terms of the related Purchase Price and Terms Letter. If the Purchaser makes such examination prior to the related Closing Date and determines, in its sole discretion, that it does not wish to purchase a particular Mortgage Loan, such Mortgage Loans shall be deleted from the Mortgage Loan Schedule and may, at the Purchaser's option, be replaced by a Qualified Substitute Mortgage Loan that shall be subject to a comparable examination. If the Purchaser makes such examination after the related Closing Date and determines, in its sole discretion, that any Mortgage Loan does not so conform to the Underwriting Guide or the terms of the related Purchase Price and Terms Letter, the Seller shall repurchase such Mortgage Loan(s), at the Repurchase Price, upon the Purchaser's written notice. The Purchaser may, at its option and without notice to the Seller, purchase some or all of the Mortgage Loans without conducting any partial or complete examination. The fact that the Purchaser or its designee has conducted or has failed to conduct any partial or complete examination of the documents comprising the Mortgage Files and Servicing Files shall not affect the Purchaser's (or any of its successor's) rights to demand repurchase, substitution or other relief as provided herein.

On the related Closing Date, upon the Seller's receipt of the Purchase Price, the Seller shall authorize the related Custodian to release to the Purchaser, at least ten (10) Business Days prior to the related Closing Date, or as otherwise agreed upon by the parties, the related Mortgage Loan Documents enumerated as items (1) and (4) in Exhibit A hereto. No later than thirty (30) days after the related Closing Date, the Seller shall, with respect to each Mortgage Loan, deliver to the Purchaser the Mortgage Loan Documents enumerated as items (2), (3), (5), (6), (7) and (8) in Exhibit A. The remaining documents constituting the Mortgage Loan Documents enumerated as items (9) through (26) in Exhibit A shall be part of the Servicing File and shall be held by the Seller separately as custodian and for the sole benefit and on behalf of the Purchaser, and shall be delivered, at the Purchaser's request, to the Purchaser or its designee within five (5) Business Days from such request. If the Seller cannot deliver the original Mortgage or the original policy of title insurance, including riders and endorsements thereto, within 30 days after the related Closing Date, the Seller shall, promptly upon receipt thereof and in any case not later than 90 days from such Closing Date, deliver such original documents, including original recorded documents, to the Purchaser or its designee (unless, with respect to the original Mortgage, the Seller is delayed in making such delivery by reason of the fact that such documents shall not have been returned by the appropriate recording office). If delivery of the original Mortgage is not completed within 90 days solely due to delays in making such delivery by reason of the fact that such document shall not have been returned by the appropriate recording office, the Seller shall have an additional ninety (90) days in which to deliver such original Mortgage to the Purchaser, or its designee. If delivery is not completed within 180 days of such Closing Date, at the Purchaser's option, the Seller will repurchase such Mortgage Loan in accordance with Section 3.03, or the Purchaser, in its sole discretion, will extend in writing the time

period for the Seller to effect delivery; and further provided that at the expiration of such extension, if the original Mortgage has not been received, the Seller will repurchase such Mortgage Loan in accordance with Section 3.03.

In connection with the transfer of any Mortgage Loan registered with MERS, the Servicer shall at the Servicer's expense cause the MERS System to indicate that such Mortgage Loan has been assigned to the Purchaser. In connection with any Mortgage not registered with MERS, the Servicer shall prepare, executed in blank and in recordable form, all Assignments necessary to assign the Mortgage Loans to the Purchaser, or its designee. Except as required under this Agreement or as requested by the Purchaser, the Assignments shall not be recorded for so long as the Servicer is servicer of the Mortgage Loans under this Agreement or any Reconstitution Agreement. Except as otherwise provided in this paragraph, all costs associated with the preparation of Assignments and recording fees related to the recordation of Assignments hereunder shall be paid by the Purchaser.

To the extent not delivered on the applicable Closing Date, the Servicer shall provide a copy of the title insurance policy to the Purchaser or its designee within ninety (90) days of the applicable Closing Date.

The Servicer shall forward to the Purchaser, or its designee, within one week of their execution, original documents evidencing an assumption, modification, consolidation or extension of any Mortgage Loan entered into in accordance with Section 4.01 or Section 6.01; provided, however, that the Servicer shall provide the Purchaser, or its designee, with a certified true copy of any such document submitted for recordation, and shall provide the original of any document submitted for recordation within sixty (60) days of its submission for recordation.

From time to time the Servicer may have a need for Mortgage Loan Documents to be released from the Purchaser, or its designee. The Purchaser shall, upon the written request of the Servicer, within ten (10) Business Days, deliver (or cause to be delivered) to the Servicer, any requested documentation previously delivered to the Purchaser, or its designee, as part of the Mortgage File, provided that such documentation is promptly returned to the Purchaser, or its designee, as the case may be, when the Servicer no longer requires possession of the document, and provided that during the time that any such documentation is held by the Servicer, such possession is for the benefit of the Purchaser. The Servicer shall indemnify the Purchaser from and against any and all losses, claims, damages, penalties, fines, forfeitures, costs and expenses (including court costs and reasonable attorney's fees) resulting from or related to the loss, damage, or misplacement of any documentation delivered to the Servicer pursuant to this paragraph.

Section 2.07 Quality Control Procedures. Each of the Servicer and the Seller currently has and shall maintain at all times an internal quality control program that verifies, on a regular basis, the existence and accuracy of the legal documents, credit documents, property appraisals, and underwriting decisions. The program is to ensure that the Mortgage Loans are originated by the Seller and serviced by the Servicer in accordance with prudent mortgage banking practices.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE SELLER; REPURCHASE; REVIEW OF MORTGAGE LOANS

Section 3.01 Representations and Warranties of the Seller. (a) The Seller represents, warrants and covenants to the Purchaser that as of each Closing Date or as of such date specifically provided herein:

(b) The Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized and is qualified and licensed to transact business in and is in good standing under the laws of each state where each Mortgaged Property is located to the extent necessary to ensure the enforceability of each Mortgage Loan in accordance with the terms of this Agreement;

(c) The Seller has the full power and authority to (i) perform and enter into and consummate all transactions contemplated by this Agreement and (ii) to sell each Mortgage Loan;

(d) Neither the acquisition or origination of the Mortgage Loans by the Seller, the sale of the Mortgage Loans to the Purchaser, 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, conditions or provisions of the Seller's certificate of incorporation or by-laws or result in a material breach of any legal restriction or any material agreement or instrument to which the Seller is now a party or by which it is bound, or constitute a material default or result in an acceleration under any of the foregoing, or result in the violation of any material law, rule, regulation, order, judgment or decree to which the Seller or its property is subject;;

(e) There is no action, suit, proceeding, investigation or litigation pending or threatened or any order or decree outstanding, with respect to Seller which is reasonably likely to have a material adverse effect on the sale of the Mortgage Loans to the Purchaser or the Seller's ability to perform its obligations under this Agreement;

(f) 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 consent, approval, authorization or order has been obtained prior to the related Closing Date;

(g) The Seller does not believe that it cannot perform each and every covenant contained in this Agreement;

(h) The consummations of the transactions contemplated by the Agreement are in the ordinary course of business of the Seller, and the transfer, assignment and conveyance of the Mortgage Loans by the Seller pursuant to this Agreement are not subject to the bulk transfer or any similar statutory provisions in effect in the State of Florida at the time of consummation of the respective purchase and sale; and

(i) Neither this Agreement nor any statement, report or other document furnished by the Seller pursuant to this Agreement contains any material untrue statement of fact or omits to state a material fact necessary to make the statements contained therein not misleading.

Section 3.02 Representations and Warranties as to Individual Mortgage Loans. The Seller hereby represents and warrants to the Purchaser, as to each Mortgage Loan, as of the related Closing Date or such other date specified herein:

(a) The information set forth in the related Mortgage Loan Schedule is complete, true and correct in all material respects;

(b) The Mortgage creates a valid first lien in an estate in fee simple in real property securing the related Mortgage Note;

(c) As of the related Closing Date, the Mortgage Loan is not delinquent in payment more than 30 days and the Mortgage Loan has not been dishonored; there are no material defaults under the terms of the Mortgage Loan; the Seller has not advanced funds, or induced, solicited or knowingly received any advance of funds from a party other than the owner of the Mortgaged Property subject to the Mortgage, directly or indirectly, for the payment of any amount required by the Mortgage Loan; there has been no more than one delinquency during the preceding twelve month period and such delinquency did not last more than 30 days;

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

(e) The terms of the Mortgage Note and the Mortgage have not been impaired, waived, altered or modified in any respect, except by written instruments which have been recorded to the extent any such recordation is required by law, or, necessary to protect the interest of the Purchaser. No instrument of waiver, alteration or modification has been executed, and no Mortgagor has been released, in whole or in part, from the terms thereof except in connection with an assumption agreement and which assumption agreement is part of the Mortgage File and the terms of which are reflected in the related Mortgage Loan Schedule; the substance of any such waiver, alteration or modification has been approved by the issuer of any related Primary Mortgage Insurance Policy and title insurance policy, to the extent required by the related policies;

(f) Neither the Mortgage Note or the Mortgage is 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 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 the defense of usury, and no such right of rescission, set off, counterclaim or defense has been asserted by any Person with respect thereto, and the Mortgagor was not a debtor in any federal bankruptcy proceeding at the time the Mortgage Loan was originated;

(g) All buildings or other customarily insured improvements upon the Mortgaged Property, are insured by an insurer generally acceptable under the Freddie Mac Guides, against loss by fire, hazards of extended coverage and such other hazards as are provided for in the Freddie Mac Guides as well as all additional requirements set forth in Section 4.10 of this Agreement. All such standard hazard policies are in full force and effect and on the date of origination contained a standard mortgagee clause naming the Seller and its successors in interest and assigns as loss payee and such clause is still in effect and all premiums due thereon have been paid. If, upon origination of the Mortgage Loan, the Mortgaged Property is located in an area identified by the Federal Emergency Management Agency as having special flood hazards under the National Flood Insurance Act of 1994, as amended, the Mortgage Loan is covered by a flood insurance policy, in the amount required under the National Flood Insurance Act of 1994, meeting the requirements of the current guidelines of the Federal Insurance Administration which policy conforms to Freddie Mac requirements. The Mortgage obligates the Mortgagor thereunder to maintain all such insurance at the Mortgagor's cost and expense, and on the Mortgagor's failure to do so, authorizes the holder of the Mortgage to maintain such insurance at the Mortgagor's cost and expense and to seek reimbursement therefor from the Mortgagor;

(h) Any and all requirements of any federal, state or local law including, without limitation, usury, truth in lending, real estate settlement procedures, consumer credit protection, equal

credit opportunity or disclosure laws applicable to the Mortgage Loan have been complied with and the consummation of the transactions contemplated hereby will not involve the violation of any such laws or regulations;

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

(j) The Mortgage is a valid, subsisting and enforceable first lien on the Mortgaged Property, including all improvements on the Mortgaged Property securing the Mortgage Note's original principal balance. The Mortgage and the Mortgage Note do not contain any evidence of any security interest or other interest or right thereto. Such lien is free and clear of all adverse claims, liens and encumbrances having priority over the lien of the Mortgage subject only to (1) the lien of non-delinquent current real property taxes and assessments not yet due and payable, (2) covenants, conditions and restrictions, rights of way, easements and other matters of the public record as of the date of recording which are acceptable to mortgage lending institutions generally, and either (A) which are referred to or otherwise considered in the appraisal made for the originator of the Mortgage Loan, or (B) which do not adversely affect the appraised value of the Mortgaged Property as set forth in such appraisal, and (3) other matters to which like properties are commonly subject which do not materially interfere with the benefits of the security intended to be provided by the Mortgage or the use, enjoyment, value or marketability of the related Mortgaged Property. Any security agreement, chattel mortgage or equivalent document related to and delivered in connection with the Mortgage Loan establishes and creates a valid, subsisting, enforceable first lien and perfected first priority security interest on the property described therein, and the Seller has the full right to sell and assign the same to the Purchaser;

(k) The Mortgage Note and the related Mortgage and are original and genuine and each is the legal, valid and binding obligation of the maker thereof, enforceable in all respects in accordance with its terms subject to bankruptcy, insolvency and other laws of general application affecting the rights of creditors and the Seller has taken all action necessary to transfer such rights of enforceability to the Purchaser. All parties to the Mortgage Note and the Mortgage had, to the Seller's knowledge, the legal capacity to enter into the Mortgage Loan and the legal capacity to execute and deliver the Mortgage Note and the Mortgage. The Mortgage Note and the Mortgage have been duly and properly executed by such parties. No fraud, material omission or material misrepresentation with respect to a Mortgage Loan has taken place on the part of any Person, including, without limitation, the Seller, the Mortgagor, or any third party involved in the origination of the Mortgage Loan. The proceeds of the Mortgage Loan have been fully disbursed and there is no requirement for future advances thereunder, and any and all requirements as to completion of any on site or off site improvements and as to disbursements of any escrow funds therefor have been complied with, or a repair escrow has been established as permitted in the applicable Underwriting Guide. All costs, fees and expenses incurred in making or closing the Mortgage Loan and the recording of the Mortgage were paid or are in the process of being 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 indebtedness evidenced by the Mortgage Note. Subsequent to the transfer and assignment to the Purchaser, the Mortgage Loan, including the Mortgage Note and the Mortgage, will not be subject to an assignment or pledge, and the Seller had good and marketable title to and was the sole owner thereof and had full right to transfer and sell the Mortgage Loan to the Purchaser free and clear of any encumbrance, equity, lien, pledge, charge, claim or security interest and has the full right and authority subject to no interest or participation of, or agreement with, any other party, to sell and assign the Mortgage Loan

pursuant to this Agreement. Upon the sale of the Mortgage Loan to the Purchaser, the Seller will retain the Servicing File only for the purpose of servicing and supervising the servicing of the Mortgage Loan. The Seller intends to relinquish all rights to possess, control and monitor the Mortgage Loan, except for the purposes of servicing the Mortgage Loan as set forth in this Agreement, and maintaining possession and "control" (as defined in UCC-8-106) of the Additional Collateral on behalf of the Purchaser. After the applicable Closing Date, the Seller will have no right to modify or alter the terms of the sale of the Mortgage Loan and the Seller will have no obligation or right to repurchase the Mortgage Loan or substitute another Mortgage Loan, except as provided in this Agreement, or as otherwise agreed to by the Seller and the Purchaser;

(m) The Mortgage Loan is covered by an ALTA lender's title insurance policy or other generally acceptable form of policy or insurance acceptable to Freddie Mac, issued by a title insurer acceptable to Freddie Mac and qualified to do business in the jurisdiction where the Mortgaged Property is located, insuring (subject to the exceptions contained in Section 3.02 (j) (1), (2) and (3) above) the Seller, its successors and assigns, as to the first priority lien of the Mortgage in the original principal amount of the Mortgage Loan. Such lender's title insurance policy affirmatively insures ingress and egress and against encroachment by or upon the Mortgaged Property or any interest therein and contains any customary environmental indemnity. Where required by state law or regulation, the Mortgagor has been given the opportunity to choose the carrier of the required mortgage title insurance. The Seller, its successors and assigns, are the sole insureds of such lender's title insurance policy, such title insurance policy has been duly and validly endorsed to the Purchaser or the assignment to the Purchaser of the Seller's interest therein does not require the consent of or notification to the insurer and such lender's title insurance policy is in full force and effect and will be in full force and effect upon the consummation of the transactions contemplated by this Agreement. No claims have been made under such lender's title insurance policy, and no prior holder of the related Mortgage, including the Seller, has done, by act or omission, anything which would impair the coverage of such lender's title insurance policy;

(n) There is no default, breach, violation or event of acceleration existing under the Mortgage or the related Mortgage Note, and no event which, with the passage of time or with notice and the expiration of any grace or cure period, would constitute a default, breach, violation or event permitting acceleration; and neither the Seller nor any prior mortgagee has waived any default, breach, violation or event permitting acceleration;

(o) 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 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, to the lien of the related Mortgage or UCC-1, respectively;

(p) All improvements subject to the Mortgage, which were considered in determining the Appraised Value of the Mortgaged Property, lie wholly within the boundaries and building restriction lines of the Mortgaged Property (and wholly within the project with respect to a condominium unit) and no improvements on adjoining properties encroach upon the Mortgaged Property, except those which are insured against by the title insurance policy referred to in Section 3.02(m) above and all improvements on the property comply with all applicable zoning and subdivision laws and ordinances at origination of the Mortgage Loan and the Mortgaged Property is lawfully occupied under applicable law;

(q) The Mortgage Loan was originated by or for the Seller. The Mortgage Loan complies with all the terms, conditions and requirements of the Underwriting Guide in effect at the time of origination of such Mortgage Loan. The Mortgage Notes and Mortgages are on forms acceptable to Freddie Mac. The Mortgage contains the usual and customary provisions of the Seller, if any, in the

applicable jurisdiction at the time of origination for the acceleration of the payment of the unpaid principal balance of the Mortgage Loan if the related Mortgaged Property is sold without the prior consent of the mortgagee thereunder;

(r) The Mortgaged Property is not subject to any damage by waste, fire, earthquake, windstorm, flood or other casualty and is in good repair. To Seller's knowledge, there is no proceeding pending or threatened for the total or partial condemnation of the Mortgaged Property;

(s) The related Mortgage contains customary and enforceable provisions such as to render the rights and remedies of the holder thereof adequate for the realization against the Mortgaged Property of the benefits of the security provided thereby, including, (1) in the case of a Mortgage designated as a deed of trust, by trustee's sale, and (2) otherwise by judicial foreclosure;

(t) If the Mortgage constitutes a deed of trust, a trustee, authorized and duly qualified if required under applicable law to act 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 Purchaser to the trustee under the deed of trust, except in connection with a trustee's sale or attempted sale after default by the Mortgagor;

(u) The Servicing File contains an appraisal of the related Mortgaged Property, signed prior to the final approval of the mortgage loan application by a Qualified Appraiser, approved by the Seller, who had no interest, direct or indirect, in the Mortgaged Property, or in any loan made on the security thereof, and whose compensation is not affected by the approval or disapproval of the Mortgage Loan, and the appraisal and appraiser both satisfy the requirements of Freddie Mac and Title XI of the FIRREA and the regulations promulgated thereunder, all as in effect on the date the Mortgage Loan was originated;

(v) All parties which have had any interest in the Mortgage, whether as mortgagee, assignee, pledgee or otherwise, are (or, during the period in which they held and disposed of such interest, were) (A) in compliance with any and all applicable licensing requirements of the laws of the state wherein the Mortgaged Property is located, and (B) (1) organized under the laws of such state, or (2) qualified to do business in such state, or (3) a federal savings and loan association or national bank or a Federal Home Loan Bank or savings bank having principal offices in such state, or (4) not doing business in such state;

(w) The related Mortgage Note is not and has not been secured by any collateral except the lien of the corresponding Mortgage, and such collateral does not serve as security for any other obligation;

(x) The Mortgagor has received all disclosure materials required by applicable law with respect to the making of the Mortgage Loan;

(y) Except as otherwise permitted in the Underwriting Guide, the Mortgage Loan does not contain "graduated payment" or "subsidized buydown" features;

(z) The Mortgagor is not the subject of any bankruptcy proceeding and to Seller's knowledge, the Mortgagor is not insolvent;

(aa) The Mortgage Loans are either fixed or adjustable rate mortgage loans. The Mortgage Loans have an original term to maturity of not more than thirty (30) years, with interest payable in arrears on the first day of each month. Each Mortgage Note is payable in monthly installments of

principal, if required, and interest, which installments of interest, with respect to adjustable rate Mortgage Loans, are subject to change due to the adjustments to the Mortgage Interest Rate on each Interest Rate Adjustment Date and prepayment of principal on the Mortgage Loan, with interest calculated and payable in arrears, sufficient to amortize the Mortgage Loan fully by the stated maturity date, over an original term of not more than thirty years from commencement of amortization. The Mortgage Interest Rate is adjusted, with respect to adjustable rate Mortgage Loans, on each Interest Rate Adjustment Date to equal the Index plus the Gross Margin (rounded up or down to the nearest .125%), subject to the Mortgage Interest Rate Cap, the Maximum Mortgage Interest Rate and the Minimum Mortgage Interest Rate. The weighted average Mortgage Interest Rate is as set forth on the Mortgage Loan Schedule. No Mortgage Loan contains terms or provisions which would result in negative amortization;

(bb) The origination practices used by the Seller, with respect to each Mortgage Note and Mortgage Loan and are in compliance with all requirements of applicable laws and regulations. No escrow deposits or other charges or payments due under the Mortgage Note have been capitalized under any Mortgage or the related Mortgage Note;

(cc) No Mortgage Loan had at the time of origination an LTV greater than 100%. Any Mortgage Loan that had at the time of origination an LTV in excess of 80% is insured as to payment defaults by a Primary Mortgage Insurance Policy or LPMI Policy;

(dd) The Mortgaged Property has a single-family (one to four-unit) dwelling residence erected thereon, and is located in the state identified in the related Mortgage Loan Schedule or is an individual condominium unit in a condominium, or Cooperative Apartment or an individual unit in a planned unit development or in a de minimis planned unit development ; provided, however, that any condominium unit or planned unit development shall conform with requirements acceptable to Freddie Mac, or the Underwriting Guide, regarding such dwellings, or is located in a condominium or planned unit development project which has received project approval from Freddie Mac. No residence or dwelling is a mobile home or a manufactured dwelling. To Seller's knowledge, as of the date of origination, no portion of the Mortgaged Property was used for commercial purposes, and since the date of origination, to the best of the Seller's knowledge, no portion of the Mortgaged Property is used for commercial purposes;

(ee) To Seller's knowledge, there is no violation of any environmental law, rule or regulation with respect to the Mortgaged Property;

(ff) The Mortgagor has not notified the Seller, and the Seller has no knowledge of any relief requested or allowed to the Mortgagor under the Soldiers' and Sailors' Civil Relief Act of 1940;

(gg) Other than with respect to interest-only Mortgage Loans, principal payments on the Mortgage Loan commenced no more than sixty (60) days after funds were disbursed in connection with the Mortgage Loan;

(hh) The Mortgage Loan was originated by the Seller, and at the time of each such origination of such Mortgage Loan, the Seller was a mortgagee approved by the Secretary of Housing and Urban Development (the "Secretary") pursuant to Sections 203 and 211 of the National Housing Act, a savings and loan association, a savings bank, a commercial bank, credit union, insurance company or similar institution which is supervised and examined by a federal or state authority;

(ii) Except as otherwise disclosed on the Mortgage Loan Schedule, none of the Mortgaged Properties is subject to a ground lease. With respect to any ground lease to which a

Mortgaged Property may be subject such ground lease satisfies the requirements of the Freddie Mac Guides;

(jj) With respect to adjustable rate Mortgage Loans, the Mortgage Loan is not a Convertible Mortgage Loan unless otherwise indicated on the related Mortgage Loan Schedule;

(kk) If the Mortgage Loan is a Cooperative Loan, (a) there is no provision in any proprietary lease which requires the Mortgagor to offer for sale the cooperative shares owned by such Mortgagor first to the cooperative, (b) there is no prohibition in the proprietary lease against pledging the cooperative shares or assigning the proprietary lease, (c) to the Seller's knowledge, the Cooperative Apartment is lawfully occupied under applicable law, and (d) all inspections, licenses and certificates required to be made or issued with respect to all occupied portions of the Cooperative Apartment and the related project have been made or obtained from the appropriate authorities;

Section 3.03 Repurchase; Substitution. 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 and delivery of the Mortgage Loan Documents comprising the Mortgage File to the Purchaser, or its designee, and shall inure to the benefit of the Purchaser, notwithstanding any restrictive or qualified endorsement on any Mortgage Note or Assignment or the examination, or lack of examination, of any Mortgage File and/or Servicing File. 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 in any Mortgage Loan, the party discovering such breach shall give prompt written notice to the other, including the nature of the breach. The Seller shall have a period of sixty (60) days from the earlier of its discovery or its receipt of notice of any such breach within which to correct or cure such breach. The Seller hereby covenants and agrees that if any such breach is not corrected or cured within such sixty (60) day period, the Seller shall, at the Purchaser's option and no later than ninety (90) days of its discovery or its receipt of notice of such breach, repurchase such Mortgage Loan at the Repurchase Price or, with the Purchaser's prior consent, provide a Qualified Substitute Mortgage Loan as defined herein. Any such repurchase shall be accomplished by deposit in the Custodial Account of the amount of the Repurchase Price, after deducting therefrom any amounts received in respect of such repurchased Mortgage Loan and being held in the Custodial Account for future distribution in accordance with this Agreement. The Purchaser agrees to reassign without representation or warranty of any kind, all its rights, title and interest in any repurchased Mortgage Loan, including in the related Mortgage File and Servicing File, to the Seller and to prepare and record, at the Seller's expense, any reassignment of the related Mortgage.

The Seller shall amend the applicable Mortgage Loan Schedule to reflect the withdrawal of the Deleted Mortgage Loan from this Agreement and the substitution of such Qualified Substitute Mortgage Loan therefor. In the event of such a substitution, accrued interest on the Qualified Substitute Mortgage Loan for the month in which the substitution occurs and any Principal Prepayments made thereon during such month shall be the property of the Purchaser and accrued interest for such month on the Mortgage Loan for which the substitution is made and any Principal Prepayments made thereon during such month shall be the property of the Seller. The principal payment on a Qualified Substitute Mortgage Loan due on the Due Date in the month of substitution shall be the property of the Seller; and the principal payment on the Mortgage Loan for which the substitution is made due on such date shall be the property of the Purchaser.

It is understood and agreed that the obligations of the Seller set forth in this Section 3.03 to cure, repurchase, reimburse or substitute for a defective Mortgage Loan, and to indemnify the Purchaser pursuant to Section 8.01, constitute the sole remedies of the Purchaser respecting a breach of the foregoing representations and warranties.

Section 3.04 Repurchase of Mortgage Loans with First Payment Defaults. If any Mortgagor is delinquent with respect to the related Mortgage Loan's first (1st) Monthly Payment after the related Closing Date, the Seller shall, at the Purchaser's option, repurchase such Mortgage Loan from the Purchaser at a price equal to the Repurchase Price. The Seller shall repurchase such delinquent Mortgage Loan within thirty (30) days of receipt of the Purchaser's request in writing.

Section 3.05 Representations and Warranties of Purchaser. (a) The Purchaser represents, warrants and covenants to the Seller that as of each Closing Date or as of such date specifically provided herein:

(i) Purchaser is duly organized, validly existing and in good standing as a federally chartered savings bank. Purchaser has full power and authority (corporate and otherwise) to enter into and perform its obligations under the Program Documents.

(ii) This Agreement has been duly authorized, executed and delivered by the Purchaser, and constitutes the legal, valid and binding agreement of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, liquidation, moratorium, reorganization or other similar laws affecting the rights of creditors generally or by general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law.

(iii) As of the date of the respective Purchase Price and Terms Letter and as of the respective Closing Date, the Purchase Price and Terms Letter has been duly authorized, executed and delivered by the Purchaser, and the Purchase Price and Terms Letter constitutes the legal, valid and binding agreement of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, liquidation, moratorium, reorganization or other similar laws affecting the rights of creditors generally or by general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law.

(iv) The delivery of the related Purchase Price to the Seller, the purchase of the Mortgage Loans by the Purchaser, the execution or delivery of the related Program Documents, the consummation of any of the transactions herein or therein contemplated, the fulfillment of or compliance with the terms and conditions hereof or thereof, will not conflict with any of the terms, conditions or provisions of the Purchaser's charter or by laws or materially conflict with or result in a material breach of any of the terms, conditions or provisions of any legal restriction or any agreement or instrument to which the Purchaser is now a party or by which it is bound, or constitute a default or result in an acceleration under any of the foregoing, or result in the material violation of any law, rule, regulation, order, judgment or decree to which the Purchaser or its property is subject.

(v) There is no litigation, suit, proceeding or investigation pending or, to the Purchaser's knowledge, threatened, or any order or decree outstanding, with respect to the Purchaser which is reasonably likely to have a material adverse effect on the sale of the execution, delivery, performance or enforceability of this Agreement.

(vi) 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 any of the Program Documents, except for consents, approvals, authorizations and orders which have been obtained prior to the Closing Date.

(vii) The Purchaser has not dealt with any broker, investment banker, agent or other person, except the Seller, who may be entitled to any commission or compensation in connection with the purchase of the Mortgage Loans.

Section 3.06 Representations and Warranties of the Servicer. The Servicer represents, warrants and covenants to the Purchaser that as of each Closing Date or as of such date specifically provided herein:

(a) The Servicer is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is organized and is qualified and licensed to transact business in and is in good standing under the laws of each state where each Mortgaged Property is located to the extent necessary to ensure the servicing of the Mortgage Loan in accordance with the terms of this Agreement;

(b) The Servicer has the full power and authority to perform and enter into and consummate all transactions contemplated by this Agreement;

(c) Neither the execution and delivery of this Agreement, 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, conditions or provisions of the Servicer's certificate of incorporation or by-laws or result in a material breach of any legal restriction or any material agreement or instrument to which the Servicer is now a party or by which it is bound, or constitute a material default or result in an acceleration under any of the foregoing, or result in the violation of any material law, rule, regulation, order, judgment or decree to which the Servicer or its property is subject;

(d) There is no action, suit, proceeding, investigation or litigation pending or threatened or any order or decree outstanding with respect to Servicer which is reasonably likely to have a material adverse effect on the ability of the Servicer to service the Mortgage Loans hereunder in accordance with the terms hereof or the Servicer's ability to perform its obligations under this Agreement;

(e) The Servicer is an approved seller/servicer for Freddie Mac. No event has occurred, including a change in insurance coverage, which would make the Servicer unable to comply with Freddie Mac requirements;

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

(g) The Servicer does not believe that it cannot perform each and every covenant contained in this Agreement applicable to it;

(h) Neither this Agreement nor any statement, report or other document furnished by the Servicer pursuant to this Agreement contains any material untrue statement of fact or omits to state a material fact necessary to make the statements contained therein not misleading;

(i) The consummations of the transactions contemplated by the Agreement are in the ordinary course of business of the Servicer;

(j) The Servicer acknowledges and agrees that the Servicing Fee represents reasonable compensation for performing such services and that the entire Servicing Fee shall be treated

by the Servicer, for accounting and tax purposes, as compensation for the servicing and administration of the Mortgage Loans pursuant to this Agreement; and

(k) The collection and other servicing practices used by the Servicer, with respect to each Mortgage Note and Mortgage Loan are in compliance with all requirements of applicable laws and regulations and Accepted Servicing Practices.

ARTICLE IV

ADMINISTRATION AND SERVICING OF MORTGAGE LOANS

Section 4.01 Servicer to Act as Servicer. The Servicer, as independent contract servicer, shall service and administer the Mortgage Loans in accordance with this Agreement and with Accepted Servicing Practices and shall have full power and authority, acting alone, to do or cause to be done any and all things in connection with such servicing and administration which the Servicer may deem necessary or desirable and consistent with the terms of this Agreement and with Accepted Servicing Practices and exercise the same care that it customarily employs for its own account. Except as set forth in this Agreement, the Servicer shall service the Mortgage Loans generally in accordance with the servicing provisions of the Freddie Mac Guides.

Consistent with the terms of this Agreement, or as required by applicable law, the Servicer may waive, modify or vary any term of any Mortgage Loan or consent to the postponement of strict compliance with any such term or in any manner grant indulgence to any Mortgagor if, in the Servicer's reasonable and prudent judgment, such waiver, modification, postponement or indulgence is not materially adverse to the Purchaser, including actions intended to maximize collections on such Mortgage Loan; provided, however, that, unless the Servicer has obtained the prior written consent of the Purchaser, the Servicer shall not permit any modification with respect to any Mortgage Loan that would change the Mortgage Interest Rate, defer or forgive the payment of principal or interest, reduce or increase the outstanding principal balance (except for actual payments of principal) or change the final maturity date on such Mortgage Loan.

Notwithstanding any other provision in this Agreement to the contrary, in the case of any Mortgage Loan, the Servicer may waive any late payment charge, penalty, interest or any assumption fees, or other fees which may be collected in the ordinary course of servicing such Mortgage Loan.

If reasonably required by the Servicer, the Purchaser shall, as necessary, promptly furnish the Servicer with such powers of attorney as are necessary and appropriate and with such other documents as are necessary or appropriate to enable the Servicer to carry out its servicing and administrative duties under this Agreement.

In the event of any such modification which has been agreed to in writing by the Purchaser and which permits the deferral of interest or principal payments on any Mortgage Loan, the Servicer shall, on the Business Day immediately preceding the Remittance Date in any month in which any such principal or interest payment has been deferred, deposit in the Custodial Account from its own funds, in accordance with Section 4.04, the difference between (a) such month's principal and one month's interest at the Mortgage Loan Remittance Rate on the unpaid principal balance of such Mortgage Loan and (b) the amount paid by the Mortgagor. The Servicer shall be entitled to reimbursement for such advances to the same extent as for all other advances pursuant to Section 4.05. Without limiting the generality of the foregoing, the Servicer shall continue, and is hereby authorized and empowered, to prepare, execute and deliver, all instruments of satisfaction or cancellation, or of partial or full release, discharge and all other comparable instruments, with respect to the Mortgage Loans and with respect to

the Mortgaged Properties. Notwithstanding anything herein to the contrary, the Servicer may not enter into a forbearance agreement or similar arrangement with respect to any Mortgage Loan which runs more than 450 days after the first delinquent Due Date without the prior consent of the Purchaser. Any such agreement shall be approved by any applicable holder of a Primary Mortgage Insurance Policy, if required.

The Mortgage Loans may be subserviced by the Subservicer on behalf of the Servicer provided that the Subservicer is an entity that engages in the business of originating, acquiring or servicing mortgage loans, and in either case shall be authorized to transact business, and licensed to service mortgage loans, in the state or states where the related Mortgaged Properties it is to service are situated, if and to the extent required by applicable law to enable the Subservicer to perform its obligations hereunder and under the Subservicing Agreement, and in either case shall be a Freddie Mac approved mortgage servicer, and no event has occurred, including but not limited to a change in insurance coverage, which would make it unable to comply with the eligibility requirements for lenders imposed by Freddie Mac, or which would require notification to Freddie Mac. In addition, each Subservicer will obtain and preserve its qualifications to do business as a foreign corporation and its licenses to service mortgage loans, in each jurisdiction in which such qualifications and/or licenses are or shall be necessary to protect the validity and enforceability of this Agreement, or any of the Mortgage Loans and to perform or cause to be performed its duties under the related Subservicing Agreement. The Servicer may perform any of its servicing responsibilities hereunder or may cause the Subservicer to perform any such servicing responsibilities on its behalf, but the use by the Servicer of the Subservicer shall not release the Servicer from any of its obligations hereunder and the Servicer shall remain responsible hereunder for all acts and omissions of the Subservicer to the same extent that the Servicer would be responsible for such acts and omissions under this Agreement. The Servicer shall pay all fees and expenses of the Subservicer from its own funds. The Servicer shall notify the Purchaser promptly in writing upon the appointment of any Subservicer.

At the cost and expense of the Servicer, without any right of reimbursement from the Custodial Account, the Servicer shall be entitled to terminate any Subservicing Agreement and the rights and obligations of any Subservicer pursuant to any Subservicing Agreement in accordance with the terms and conditions of such Subservicing Agreement and arrange for any servicing responsibilities to be performed by a successor subservicer meeting the requirements in the preceding paragraph, provided, however, that nothing contained herein shall be deemed to prevent or prohibit the Servicer, at the Servicer's option, from electing to service the related Mortgage Loans itself. In the event that the Servicer's responsibilities and duties under this Agreement are terminated pursuant to Sections 8.04, 9.01, or 10.01 and if requested to do so by the Purchaser, the Servicer shall at its own cost and expense terminate the rights and responsibilities of the Subservicer effective as of the date of termination of the Servicer. The Servicer shall pay all fees, expenses or penalties necessary in order to terminate the rights and responsibilities of the Subservicer from the Servicer's own funds without reimbursement from the Purchaser.

Notwithstanding any of the provisions of this Agreement relating to agreements or arrangements between the Servicer and the Subservicer or any reference herein to actions taken through the Subservicer or otherwise, the Servicer shall not be relieved of its obligations to the Purchaser and shall be obligated to the same extent and under the same terms and conditions as if it alone were servicing and administering the Mortgage Loans. The Servicer shall be entitled to enter into an agreement with the Subservicer for indemnification of the Servicer by the Subservicer and nothing contained in this Agreement shall be deemed to limit or modify such indemnification. The Servicer will indemnify and hold the Purchaser and its affiliates harmless from any loss, liability or expense arising out of the Servicer's use of a Subservicer to perform any of the Servicer's servicing duties, responsibilities and obligations hereunder.

Any Subservicing Agreement and any other transactions or services relating to the Mortgage Loans involving the Subservicer shall be deemed to be between the Subservicer and the Servicer alone, and the Purchaser shall have no obligations, duties or liabilities with respect to the Subservicer including no obligation, duty or liability of the Purchaser to pay the Subservicer's fees and expenses. For purposes of distributions and advances by the Servicer pursuant to this Agreement, the Servicer shall be deemed to have received a payment on a Mortgage Loan when the Subservicer has received such payment.

Section 4.02 Collection of Mortgage Loan Payments. (a) Continuously from the date hereof until the principal and interest on all Mortgage Loans are paid in full, the Servicer will proceed diligently to collect all payments due under each Mortgage Loan when the same shall become due and payable and shall, to the extent such procedures shall be consistent with this Agreement, Accepted Servicing Practices, and the terms and provisions of related Primary Mortgage Insurance Policy, follow such collection procedures as it follows with respect to mortgage loans comparable to the Mortgage Loans held for its own account. Further, the Servicer will take special care in ascertaining and estimating annual Escrow Payments, and all other applicable charges that, as provided in the Mortgage Loan Documents, will become due and payable, so that the installments payable by the Mortgagors will be sufficient to pay such charges as and when they become due and payable.

(b) Notwithstanding anything in this Agreement to the contrary, the Servicer may waive, or permit a Subservicer to waive, in whole or in part, a Prepayment Charge only under the following circumstances: (i) such waiver relates to a default or a reasonably foreseeable default and would, in the reasonable judgment of the Servicer, maximize recovery of total proceeds taking into account the value of such Prepayment Charge and the related Mortgage Loan, provided, however, that the Servicer or Subservicer may waive such Prepayment Charge if the Mortgage Loan is accelerated or paid off in connection with the workout of a delinquent Mortgage Loan or due to the related Mortgagor's default, notwithstanding that the terms of the Mortgage Loan or federal or state law might permit the imposition of such Prepayment Charge, (ii) such Prepayment Charge is not permitted to be collected by applicable federal, state or local law or regulation or (iii) the collection of such Prepayment Charge would be considered "predatory" pursuant to written guidance published or issued by any applicable federal, state or local regulatory authority acting in its official capacity and having jurisdiction over such matters.

Section 4.03 Realization Upon Defaulted Mortgage Loans. The Servicer shall follow Accepted Servicing Practices, consistent with any Primary Mortgage Insurance Policy and the best interest of the Purchaser, to foreclose upon or otherwise comparably convert the ownership of properties securing such of the Mortgage Loans as come into and continue in default and as to which no satisfactory arrangements can be made for collection of delinquent payments pursuant to Section 4.01. Foreclosure or comparable proceedings shall be initiated for Mortgaged Properties for which no satisfactory arrangements can be made for collection of delinquent payments. The Servicer shall follow Accepted Servicing Practices to realize upon defaulted Mortgage Loans in such manner as will maximize the receipt of principal and interest by the Purchaser, taking into account, among other things, the timing of foreclosure proceedings. The foregoing is subject to the provisions that, in any case in which a Mortgaged Property shall have suffered damage, the Servicer shall not be required to expend its own funds toward the restoration of such property, unless it shall determine in its discretion (i) that such restoration will increase the proceeds of liquidation of the related Mortgage Loan to the Purchaser after reimbursement to itself for such expenses, and (ii) that such expenses will be recoverable by the Servicer through Insurance Proceeds or Liquidation Proceeds from the related Mortgaged Property, as contemplated in Section 4.05. The Servicer shall notify the Purchaser in writing of the commencement of foreclosure proceedings. The Servicer shall be responsible for all costs and expenses incurred by it in any such proceedings or functions; provided, however, that it shall be entitled to reimbursement thereof from the related property, as contemplated in Section 4.05. Notwithstanding anything to the contrary contained

herein, in connection with a foreclosure or acceptance of a deed in lieu of foreclosure, in the event the Servicer has reasonable cause to believe that a Mortgaged Property is contaminated by hazardous or toxic substances or wastes, or if the Purchaser otherwise requests an environmental inspection or review of such Mortgaged Property, such an inspection or review is to be conducted by a qualified inspector at the Purchaser's expense. Upon completion of the inspection, the Servicer shall promptly provide the Purchaser with a written report of the environmental inspection. After reviewing the environmental inspection report, the Purchaser shall determine how the Servicer shall proceed with respect to the Mortgaged Property.

If the Purchaser notifies the Servicer in writing that a Mortgage Loan has become part of a REMIC, and becomes REO Property, the Servicer shall use its best efforts, consistent with Accepted Servicing Practices to ensure that such property shall be disposed of by the Servicer, with the consent of the Purchaser as required pursuant to this Agreement, within two years after becoming an REO Property, unless the Servicer provides to the trustee under such REMIC an opinion of counsel to the effect that the holding of such REO Property subsequent to two years after its becoming REO Property, will not result in the imposition of taxes on "prohibited transactions" as defined in Section 860F of the Code, or cause the transaction to fail to qualify as a REMIC at any time that certificates are outstanding. Servicer shall manage, conserve, protect and operate each such REO Property for the certificateholders solely for the purpose of its prompt disposition and sale in a manner which does not cause such property to fail to qualify as "foreclosure property" within the meaning of Section 860F(a)(2)(E) of the Code, or any "net income from foreclosure property" which is subject to taxation under the REMIC provisions of the Code. Pursuant to its efforts to sell such property, the Servicer shall either itself or through an agent selected by the Servicer, protect and conserve such property in the same manner and to such an extent as is customary in the locality where such property is located. Additionally, the Servicer shall perform the tax withholding and reporting related to Sections 1445 and 6050J of the Code.

Section 4.04 Establishment of Custodial Accounts; Deposits in Custodial Accounts.
The Servicer shall segregate and hold all funds collected and received pursuant to each Mortgage Loan separate and apart from any of its own funds and general assets and shall establish and maintain one or more Custodial Accounts and furnish to the Purchaser and to any subsequent purchaser upon request, reasonable evidence of the establishment of such accounts. The Custodial Account shall be an Eligible Account. Funds deposited in the Custodial Account may be drawn on by the Servicer in accordance with Section 4.05.

The Servicer shall deposit in the Custodial Account within three (3) Business Days of receipt, and retain therein the following payments and collections received or made by it subsequent to each Cut-off Date, or received by it prior to such Cut-off Date but allocable to a period subsequent thereto, other than in respect of principal and interest on the Mortgage Loans due on or before such Cut-off Date:

- (i) all payments on account of principal, including Principal Prepayments, on the Mortgage Loans;
- (ii) all payments on account of interest on the Mortgage Loans adjusted to the Mortgage Loan Remittance Rate;
- (iii) all Liquidation Proceeds;
- (iv) any amounts required to be deposited by the Servicer in connection with any REO Property pursuant to Section 4.13;

(v) all Insurance Proceeds including amounts required to be deposited pursuant to Sections 4.08, 4.10 and 4.11, other than proceeds to be held in the Escrow Account and applied to the restoration or repair of the Mortgaged Property or released to the Mortgagor in accordance with Accepted Servicing Practices, the Program Documents or applicable law;

(vi) all Condemnation Proceeds affecting any Mortgaged Property which are not released to the Mortgagor in accordance with the Servicer's normal servicing procedures, the loan documents or applicable law;

(vii) any Monthly Advances;

(viii) all proceeds of any Mortgage Loan repurchased or otherwise collected in accordance with Section 3.03 and Section 2.06;

(ix) any amounts required to be deposited in the Custodial Account pursuant to Sections 4.01, 4.13 or 6.02;

(x) Any amounts in respect of Permitted Investments required to be deposited pursuant to Section 4.16; and

(xi) Any amounts required to be deposited by the Servicer pursuant to Section 6.03 for the month of distribution.

The foregoing requirements for deposit in the Custodial Account shall be exclusive, it being understood and agreed that, without limiting the generality of the foregoing, Ancillary Income need not be deposited by the Servicer in the Custodial Account. Any interest paid on funds deposited in the Custodial Account by the depository institution shall accrue to the benefit of the Servicer and the Servicer shall be entitled to retain and withdraw such interest from the Custodial Account pursuant to Section 4.05 (iv). In addition, funds in the Custodial Account may be invested in Permitted Investments in accordance with the provisions set forth in Section 4.16.

Section 4.05 Permitted Withdrawals From the Custodial Account. The Servicer may, from time to time, withdraw from the Custodial Account for the following purposes:

(i) to make payments to the Purchaser in the amounts and in the manner provided for in Section 5.01;

(ii) to reimburse itself for Monthly Advances, the Servicer's right to reimburse itself pursuant to this subclause (ii) being limited to amounts received on the related Mortgage Loan which represent late collections (net of the related Servicing Fees) of principal and/or interest respecting which any such advance was made, it being understood that, in the case of such reimbursement, the Servicer's right thereto shall be prior to the rights of the Purchaser;

(iii) to reimburse itself for unreimbursed Servicing Advances and any unpaid Servicing Fees, the Servicer's right to reimburse itself pursuant to this subclause (iii) with respect to any Mortgage Loan being limited to related proceeds from Liquidation Proceeds, Condemnation Proceeds and Insurance Proceeds in accordance with the relevant provisions of the Freddie Mac Guides or as otherwise set forth in this Agreement or the Underwriting Guide;

(iv) to pay to itself as servicing compensation (a) any interest earned on funds in the Custodial Account, and (b) the Servicing Fee from that portion of any payment or recovery as to interest with respect to a particular Mortgage Loan;

(v) to pay to itself with respect to each Mortgage Loan that has been repurchased pursuant to Section 3.03 all amounts received thereon and not distributed as of the date on which the related repurchase price is determined;

(vi) to transfer funds to another Eligible Account in accordance with Section 4.09 hereof;

(vii) to refund to the Servicer any amount deposited in the Custodial Account and not required to be deposited therein; and

(viii) to clear and terminate the Custodial Account upon the termination of this Agreement.

Section 4.06 Establishment of Escrow Accounts; Deposits in Escrow Accounts. The Servicer shall segregate and hold all funds collected and received pursuant to each Mortgage Loan which constitute Escrow Payments separate and apart from any of its own funds and general assets and shall establish and maintain one or more Escrow Accounts and furnish to the Purchaser and to any subsequent purchaser upon request, reasonable evidence of the establishment of such accounts. The Escrow Account shall be an Eligible Account. Funds deposited in the Escrow Account may be drawn on by the Servicer in accordance with Section 4.07.

The Servicer shall deposit in the Escrow Account or Accounts within three (3) Business Days of receipt, and retain therein:

(i) all Escrow Payments, if any, collected on account of the Mortgage Loans, for the purpose of effecting timely payment of any such items as required under the terms of this Agreement;

(ii) all Insurance Proceeds, if any, which are to be applied to the restoration or repair of any Mortgaged Property; and

(iii) all Servicing Advances, if any, for Mortgagors whose Escrow Payments are insufficient to cover escrow disbursements.

The Servicer shall make withdrawals from the Escrow Account only to effect such payments as are required under this Agreement, and for such other purposes as shall be as set forth or in accordance with Section 4.07. The Servicer shall be entitled to retain any interest paid on funds deposited in the Escrow Account by the depository institution other than interest on escrowed funds required by law to be paid to the Mortgagor and, to the extent required by law, the Servicer shall pay interest on escrowed funds to the Mortgagor notwithstanding that the Escrow Account is non-interest bearing or that interest paid thereon is insufficient for such purposes.

Section 4.07 Permitted Withdrawals From Escrow Account. Withdrawals from the Escrow Account may be made by the Servicer only:

(i) to effect timely payments of ground rents, taxes, assessments, water rates, property insurance premiums, Primary Mortgage Insurance Policy premiums, if applicable, fire and hazard insurance premiums or condominium assessments and comparable items;

(ii) to reimburse the Servicer for any Servicing Advance made by the Servicer with respect to a related Mortgage Loan but only from amounts received on the related Mortgage Loan which represent late payments or collections of Escrow Payments thereunder;

(iii) to refund to the Mortgagor any funds as may be determined to be overages;

(iv) for transfer to the Custodial Account in accordance with the terms of this Agreement;

(v) for application to restoration or repair of the Mortgaged Property;

(vi) to pay to the Servicer, or to the Mortgagor to the extent required by law, any interest paid on the funds deposited in the Escrow Account;

(vii) to refund to the Servicer any amount deposited in the Escrow Account and not required to be deposited therein;

(viii) to clear and terminate the Escrow Account upon the termination of this Agreement; and

(ix) to pay to the Mortgagors or other parties Insurance Proceeds deposited in accordance with Section 4.06.

Section 4.08 Payment of Taxes, Insurance and Other Charges; Maintenance of Primary Mortgage Insurance or Lender Paid Mortgage Insurance Policies; Collections Thereunder.

(a) The Servicer shall enforce the obligations under each Tax Service Contract. Each Tax Service Contract shall be assigned to the successor servicer at the Servicer's expense in the event that the Servicer is terminated as Servicer of the related Mortgage Loan.

(b) To the extent that the services described in this paragraph (b) are not otherwise provided pursuant to the Tax Service Contracts described in paragraph (a) above, the Servicer undertakes to perform such functions with respect to the Mortgage Loans. With respect to each Mortgage Loan, the Servicer shall maintain accurate records reflecting the status of ground rents, taxes, assessments, water rates and other charges which are or may become a lien upon the Mortgaged Property and the status of Primary Mortgage Insurance Policy premiums and fire and hazard insurance coverage and shall obtain, from time to time, all bills for the payment of such charges, including renewal premiums and shall effect payment thereof prior to the applicable penalty or termination date and at a time appropriate for securing maximum discounts allowable, employing for such purpose deposits of the Mortgagor in the Escrow Account which shall have been estimated and accumulated by the Servicer in amounts sufficient for such purposes, as allowed under the terms of the Mortgage or applicable law. If a Mortgage does not provide for Escrow Payments, then the Servicer shall require that any such payments are made by the Mortgagor at the time they first become due. The Servicer assumes full responsibility for the timely payment of all such bills and shall effect timely payments of all such bills irrespective of the Mortgagor's faithful performance in the payment of same or the making of the Escrow Payments and shall make advances from its own funds to effect such payments but shall be entitled to reimbursement thereof in accordance with the terms of this Agreement.

To the extent that a Mortgage Loan has an LTV at origination in excess of 80%, the Servicer will maintain in full force and effect Primary Mortgage Insurance Policies issued by a Qualified Insurer with respect to such Mortgage Loan. Such coverage will be maintained until the loan value ratio of the related Mortgage Loan is reduced to 80% or less in the case of a Mortgage Loan having a Loan-to-Value Ratio at origination in excess of 80%, or as required by state or federal law.

The Servicer will not cancel or refuse to renew any Primary Mortgage Insurance Policy in effect on the applicable Closing Date that is required to be kept in force under this Agreement unless a replacement Primary Mortgage Insurance Policy for such canceled or nonrenewed policy is obtained from and maintained with a Qualified Insurer. The Servicer shall not take any action which would result in noncoverage under any applicable Primary Mortgage Insurance Policy of any loss which, but for the actions of the Servicer, would have been covered thereunder. In connection with any assumption or substitution agreement entered into or to be entered into pursuant to Section 6.01, the Servicer shall promptly notify the insurer under the related Primary Mortgage Insurance Policy, if any, of such assumption or substitution of liability in accordance with the terms of such policy and shall take all actions which may be required by such insurer as a condition to the continuation of coverage under the Primary Mortgage Insurance Policy. If such Primary Mortgage Insurance Policy is terminated as a result of such assumption or substitution of liability, the Servicer shall obtain a replacement Primary Mortgage Insurance Policy as provided above.

In connection with its activities as servicer, the Servicer agrees to prepare and present, on behalf of itself and the Purchaser, claims to the insurer under any Primary Mortgage Insurance in a timely fashion in accordance with the terms of such Primary Mortgage Insurance Policy and, in this regard, to take such action as shall be necessary to permit recovery under any Primary Mortgage Insurance Policy respecting a defaulted Mortgage Loan. Pursuant to Section 4.04, any amounts collected by the Servicer under any Primary Mortgage Insurance Policy shall be deposited in the Custodial Account.

Section 4.09 Transfer of Accounts. The Servicer may transfer the Custodial Account or the Escrow Account to a different depository institution from time to time, provided such successor is an Eligible Account. The Servicer shall provide advance written notice to the Purchaser of any such transfer.

Section 4.10 Maintenance of Hazard Insurance. The Servicer shall cause to be maintained for each Mortgage Loan fire and hazard insurance with extended coverage as is acceptable to Freddie Mac and customary in the area where the Mortgaged Property is located in an amount which is equal to the lesser of (i) the maximum insurable value of the improvements securing such Mortgage Loan or (ii) the unpaid principal balance of the Mortgage Loan.

If required by the Flood Disaster Protection Act of 1973, as amended, each Mortgage Loan shall be covered by a flood insurance policy meeting the requirements of the current guidelines of the Federal Insurance Administration in effect with an insurance carrier acceptable to Freddie Mac, in an amount representing coverage not less than the least of (i) the outstanding principal balance of the Mortgage Loan, (ii) the maximum insurable value of the improvements securing such Mortgage Loan or (iii) the maximum amount of insurance which is available under the Flood Disaster Protection Act of 1973, as amended. If at any time during the term of the Mortgage Loan, the Servicer determines in accordance with applicable law and pursuant to the Freddie Mac Guides that a Mortgaged Property is located in a special flood hazard area and is not covered by flood insurance or is covered in an amount less than the amount required by the Flood Disaster Protection Act of 1973, as amended, the Servicer shall notify the related Mortgagor that the Mortgagor must obtain such flood insurance coverage, and if said Mortgagor fails to obtain the required flood insurance coverage within forty-five (45) days after such notification, the Servicer shall immediately force place the required flood insurance on the Mortgagor's

behalf. The Servicer shall also maintain on each REO Property, fire and hazard insurance with extended coverage in an amount which is at least equal to the maximum insurable value of the improvements which are a part of such property, and, to the extent required and available under the Flood Disaster Protection Act of 1973, as amended, flood insurance in an amount as provided above. Any amounts collected by the Servicer under any such policies other than amounts to be deposited in the Escrow Account and applied to the restoration or repair of the Mortgaged Property or REO Property, or released to the Mortgagor in accordance with Accepted Servicing Practices, shall be deposited in the Custodial Account, subject to withdrawal pursuant to Section 4.05. It is understood and agreed that no other additional insurance need be required by the Servicer of the Mortgagor or maintained on property acquired in respect of the Mortgage Loan, other than pursuant to the Freddie Mac Guides or such applicable state or federal laws and regulations as shall at any time be in force and as shall require such additional insurance. All such policies shall be endorsed with standard mortgagee clauses with loss payable to the Servicer and its successors and/or assigns and shall provide for at least thirty days prior written notice of any cancellation, reduction in the amount or material change in coverage to the Servicer. The Servicer shall not interfere with the Mortgagor's freedom of choice in selecting either his insurance carrier or agent, provided, however, that the Servicer shall not accept any such insurance policies from insurance companies unless such companies are Qualified Insurers; provided, however, that if the Mortgagor does not provide insurance subsequent to notice of insurance lapse, the Servicer shall secure coverage as provided in Section 4.10.

Section 4.11 Maintenance of Mortgage Insurance Policy. In the event that the Servicer shall obtain and maintain a blanket policy insuring against hazard losses on all of the Mortgage Loans, then, to the extent such policy provides coverage in an amount equal to the amount required pursuant to Section 4.10 and otherwise complies with all other requirements of Section 4.10, it shall conclusively be deemed to have satisfied its obligations as set forth in Section 4.10, it being understood and agreed that such blanket policy may contain a deductible clause. In the event that there shall not have been maintained on the related Mortgaged Property or REO Property a policy pursuant to Section 4.10, and there shall have been a loss which would have been covered by such policy but for the existence of the deductible clause on the blanket policy maintained pursuant to this Section 4.11, the Servicer shall deposit in the Custodial Account the amount of the loss not otherwise payable under the blanket policy because of such deductible clause. In connection with its activities as servicer of the Mortgage Loans, the Servicer agrees to prepare and present, on behalf of the Purchaser, claims under any such blanket policy in a timely fashion in accordance with the terms of such policy. Upon request of the Purchaser, the Servicer shall cause to be delivered to the Purchaser evidence of such blanket policy.

Section 4.12 Fidelity Bond, Errors and Omissions Insurance. The Servicer shall maintain, at its own expense, a blanket fidelity bond and an errors and omissions insurance policy, with broad coverage with responsible companies that meet the requirements of Freddie Mac on all officers, employees or other persons acting in any capacity with regard to the Mortgage Loan to handle funds, money, documents and papers relating to the Mortgage Loans. The Fidelity Bond shall be in the form of the Mortgage Banker's Blanket Bond and shall protect and insure the Servicer against losses, including forgery, theft, embezzlement and omissions and negligent acts of such Persons. The errors and omissions insurance shall protect and insure the Servicer against losses in connection with the failure to maintain any insurance policies required pursuant to this Agreement and the release or satisfaction of a Mortgage Loan without having obtained payment in full of the indebtedness secured thereby. No provision of this Section 4.12 requiring the Fidelity Bond and errors and omissions insurance shall diminish or relieve the Servicer from its duties and obligations as set forth in this Agreement. The minimum coverage under any such bond and insurance policy shall be at least equal to the corresponding amounts required by Freddie Mac in the Freddie Mac Guides or as otherwise agreed to by Freddie Mac in writing. Upon request of the Purchaser, the Servicer shall cause to be delivered to the Purchaser evidence of such bond and insurance policy.

Section 4.13 Title, Management and Disposition of REO Property. In the event that title to the Mortgaged Property is acquired in foreclosure or by deed in lieu of foreclosure, the deed or certificate of sale shall be taken in the name of the Purchaser or its designee, or in the event the Purchaser or its designee is not authorized or permitted to hold title to real property in the state where the REO Property is located, or would be adversely affected under the "doing business" or tax laws of such state by so holding title, the deed or certificate of sale shall be taken in the name of such Person or Persons as shall be consistent with an opinion of counsel obtained by the Servicer, at the Purchaser's expense, from an attorney duly licensed to practice law in the state where the REO Property is located (the "Owners"). Any Person or Persons holding such title other than the Purchaser shall acknowledge in writing that such title is being held as nominee for the benefit of the Purchaser.

The Servicer shall notify the Purchaser in accordance with the Freddie Mac Guides of each acquisition of REO Property upon such acquisition, together with a copy of any appraisal of the Mortgaged Property obtained upon the Purchaser's request (which appraisal shall be at the Purchaser's expense) in connection with such acquisition, and thereafter assume the responsibility for marketing such REO property in accordance with Accepted Servicing Practices. Thereafter, the Servicer shall continue to provide certain administrative services to the Purchaser relating to such REO Property as set forth in this Section 4.13. The Servicer shall manage, conserve, protect and operate each REO Property for the Purchaser solely for the purpose of its prompt disposition and sale. The Servicer shall, either itself or through an agent selected by the Servicer, and in accordance with the Freddie Mac Guides manage, conserve, protect and operate each REO Property in the same manner that it manages, conserves, protects and operates other foreclosed property for its own account, and in the same manner that similar property in the same locality as the REO Property is managed. The Servicer shall cause each REO Property to be inspected promptly upon the acquisition of title thereto and shall cause each REO Property to be inspected at least monthly thereafter or more frequently as required by the circumstances.

The Servicer shall use its best efforts to dispose of the REO Property as soon as possible. No REO Property shall be sold without the prior consent of the Purchaser. If as of the date any REO Property is sold or otherwise disposed of, there were outstanding unreimbursed Servicing Advances with respect to the REO Property, the Servicer shall be entitled to reimbursement from the proceeds of such sale for any related unreimbursed Servicing Advances. The disposition of REO Property shall be carried out by the Servicer at such price, and upon such terms and conditions, as the Servicer deems to be in the best interests of the Purchaser. The Servicer shall provide monthly reports to the Purchaser in reference to the status of the marketing of the REO Properties.

Section 4.14 Notification of Maturity Date. With respect to each Mortgage Loan, the Servicer shall execute and deliver to the Mortgagor any and all necessary notices required under applicable law and the terms of the related Mortgage Note and Mortgage regarding the maturity date if required under applicable law.

Section 4.15 Notification of Adjustments. With respect to each adjustable rate Mortgage Loan, the Servicer shall adjust the Mortgage Interest Rate on the related interest rate adjustment date and shall adjust the Monthly Payment on the related mortgage payment adjustment date, if applicable, in compliance with the requirements of applicable law and the related Mortgage and Mortgage Note. The Servicer shall execute and deliver any and all necessary notices required under applicable law and the terms of the related Mortgage Note and Mortgage regarding the Mortgage Interest Rate and Monthly Payment adjustments. Upon the discovery by the Servicer or the receipt of notice from the Purchaser that the Servicer has failed to adjust a Mortgage Interest Rate or Monthly Payment in accordance with the terms of the related Mortgage Note, the Servicer shall deposit in the Custodial Account from its own funds the amount of any interest loss or deferral caused the Purchaser thereby as such interest loss or deferral occurs.

Section 4.16 Permitted Investments. The Servicer may invest the funds in the Custodial Account in Permitted Investments, each of which shall mature not later than the Business Day immediately preceding the Remittance Date next following the date of such investment (except that if such Permitted Investment is an obligation of the institution that maintains the Custodial Account, then such Permitted Investment shall mature not later than such Remittance Date) and shall not be sold or disposed of prior to its maturity. All such Permitted Investments shall be registered in the name of the Purchaser or its nominee. All income and gain realized from any such investment as well as any interest earned on deposit in the Custodial Account shall be for the benefit of the Servicer, and shall be withdrawn by the Servicer on the related Remittance Date. The Servicer shall immediately deposit in the Custodial Account (with respect to investments made hereunder of funds held therein) an amount equal to the amount of any loss incurred in respect of any such investment, without right of reimbursement.

ARTICLE V

PAYMENTS TO THE PURCHASER

Section 5.01 Distributions. On each Remittance Date, the Servicer shall distribute by wire transfer to the Purchaser (i) all amounts credited to the Custodial Account as of the close of business on the preceding Determination Date, net of charges against or withdrawals from the Custodial Account pursuant to Section 4.05, plus (ii) all Monthly Advances, if any, which the Servicer is obligated to distribute pursuant to Section 5.03, plus (iii) interest at the Mortgage Loan Remittance Rate on any Principal Prepayment from the date of such Principal Prepayment through the end of the month for which disbursement is made, provided that the Servicer's obligation as to payment of such interest shall be limited to the Service Fee earned during the month of the distribution, minus (iv) any amounts attributable to Monthly Payments collected but due on a Due Date or Dates subsequent to the immediately preceding Determination Date, which amounts shall be remitted on the Remittance Date next succeeding the Due Period for such amounts and (v) any amounts attributable to Principal Prepayments received after the expiration of related Principal Prepayment period.

Subject to Section 5.03, all distributions made to the Purchaser on each Remittance Date will be made to the Purchaser of record on the preceding Record Date, and shall be based on the Mortgage Loans owned and held by the Purchaser, and shall be made by wire transfer of immediately available funds to the account of the Purchaser at a bank or other entity having appropriate facilities therefor, or if the Purchaser shall have so notified the Servicer, by check mailed to the address of the Purchaser as provided for in Section 11.04.

With respect to any remittance received by the Purchaser after the Business Day on which such payment was due, the Servicer shall pay to the Purchaser interest on any such late payment at an annual rate equal to the Prime Rate, adjusted as of the date of each change, plus two percentage points, but in no event greater than the maximum amount permitted by applicable law. Such interest shall be deposited in the Custodial Account by the Servicer on the date such late payment is made and shall cover the period commencing with the day following such Business Day and ending with the Business Day on which such payment is made, both inclusive. Such interest shall be remitted along with the distribution payable on the next succeeding Remittance Date. The payment by the Servicer of any such interest shall not be deemed an extension of time for payment or a waiver of any Event of Default by the Servicer.

Section 5.02 Statements to the Purchaser. On each Remittance Date, the Servicer shall furnish to the Purchaser a monthly remittance report, which monthly remittance report will be generated as of the related Determination Date.

The Servicer shall provide the Purchaser with such information concerning the Mortgage Loans as is necessary for the Purchaser to prepare its federal income tax return as the Purchaser may reasonably request from time to time.

Section 5.03 Monthly Advances by the Servicer. Not later than the close of business on the Business Day preceding each Remittance Date, the Servicer shall deposit in the Custodial Account from its own funds the Monthly Advances for such Remittance Date. With respect to each Mortgage Loan and subject to Section 6.03, on each Remittance Date the Servicer shall remit to the Purchaser all Monthly Payments not previously advanced by the Servicer, whether or not deferred pursuant to Section 4.01, of principal (due after the related Cut-off Date) and interest not allocable to the period prior to the related Cut-off Date, adjusted to the Mortgage Loan Remittance Rate, which were due on a Mortgage Loan and delinquent at the close of business on the related Determination Date. The Servicer's obligation to make such Monthly Advances as to any Mortgage Loan will continue through the date of final disposition and liquidation of the related Mortgage Loan or any Mortgaged Property acquired through foreclosure or a conveyance in lieu of foreclosure, unless the Servicer reasonably determines such advance to be nonrecoverable. In such event, the Servicer shall deliver to the Purchaser an Officer's Certificate of the Servicer to the effect that an officer of the Servicer has reviewed the related Servicing File and has made the reasonable determination that any additional advances are nonrecoverable.

Section 5.04 Liquidation Reports. Upon the foreclosure sale of any Mortgaged Property or the acquisition thereof by the Purchaser pursuant to a deed-in-lieu of foreclosure, the Servicer shall submit to the Purchaser a liquidation report with respect to such Mortgaged Property. The Servicer shall also provide reports on the status of REO Property containing such information as the Purchaser may reasonably require.

ARTICLE VI

GENERAL SERVICING PROCEDURES

Section 6.01 Assumption Agreements. The Servicer will, to the extent it has knowledge of any conveyance or prospective conveyance by any Mortgagor of the Mortgaged Property (whether by absolute conveyance or by contract of sale, and whether or not the Mortgagor remains or is to remain liable under the Mortgage Note and/or the Mortgage), exercise its rights to accelerate the maturity of such Mortgage Loan under any "due-on-sale" clause to the extent permitted by law; provided, however, that the Servicer shall not exercise any such rights if prohibited by law or the terms of the Mortgage Note from doing so or if the exercise of such rights would impair or threaten to impair any recovery under the related Primary Mortgage Insurance Policy, if any. If the Servicer reasonably believes it is unable under applicable law to enforce such "due-on-sale" clause, the Servicer, with the approval of the Purchaser (such approval not to be unreasonably withheld), will enter into an assumption agreement with the person to whom the Mortgaged Property has been conveyed or is proposed to be conveyed, pursuant to which such person becomes liable under the Mortgage Note and, to the extent permitted by applicable state law, the Mortgagor remains liable thereon. Where an assumption is allowed pursuant to this Section 6.01, the Servicer, with the prior consent of the Purchaser and the primary mortgage insurer, if any, is authorized to enter into a substitution of liability agreement with the person to whom the Mortgaged Property has been conveyed or is proposed to be conveyed pursuant to which the original mortgagor is released from liability and such Person is substituted as mortgagor and becomes liable under the related Mortgage Note. Any such substitution of liability agreement shall be in lieu of an assumption agreement. The Purchaser shall be deemed to have consented to any assumption for which the Purchaser was given notification and requested to consent, but for which neither a consent nor an objection was given by the Purchaser within two Business Days of such notification.

In connection with any such assumption or substitution of liability, the Servicer shall follow the underwriting practices and procedures of the Freddie Mac Guides. With respect to an assumption or substitution of liability, the Mortgage Interest Rate borne by the related Mortgage Note and the amount of the Monthly Payment may not be changed. If the credit of the proposed transferee does not meet such underwriting criteria, the Servicer diligently shall, to the extent permitted by the Mortgage or the Mortgage Note and by applicable law, accelerate the maturity of the Mortgage Loan. The Servicer shall notify the Purchaser that any such substitution of liability or assumption agreement has been completed by forwarding to the Purchaser the original of any such substitution of liability or assumption agreement, which document shall be added to the related Mortgage File and shall, for all purposes, be considered a part of such Mortgage File to the same extent as all other documents and instruments constituting a part thereof. All fees collected by the Servicer for entering into an assumption or substitution of liability agreement shall belong to the Servicer.

Notwithstanding the foregoing paragraphs of this Section 6.01 or any other provision of this Agreement, the Servicer shall not be deemed to be in default, breach or any other violation of its obligations hereunder by reason of any assumption of a Mortgage Loan by operation of law or any assumption which the Servicer may be restricted by law from preventing, for any reason whatsoever. For purposes of this Section 6.01, the term "assumption" is deemed to also include a sale of the Mortgaged Property subject to the Mortgage that is not accompanied by an assumption or substitution of liability agreement.

Section 6.02 Satisfaction of Mortgages and Release of Mortgage Files. Upon the payment in full of any Mortgage Loan, or the receipt by the Servicer of a notification that payment in full will be escrowed in a manner customary for such purposes, the Servicer shall execute and deliver to the Purchaser any document, including the requisite satisfaction or release, if required, necessary to satisfy the Mortgage Loan. No later than five (5) Business Days following its receipt of such notification and satisfaction or release (if required), the Purchaser shall deliver, or cause to be delivered, to the Servicer the related Mortgage Loan Documents and the release or satisfaction properly executed by the owner of record of the applicable mortgage or its duly appointed attorney in fact. No expense incurred in connection with any instrument of satisfaction or deed of reconveyance shall be chargeable to the Custodial Account.

In the event the Servicer satisfies or releases a Mortgage without having obtained payment in full of the indebtedness secured by the Mortgage or should it otherwise prejudice any right the Purchaser may have under the mortgage instruments, the Servicer, upon written demand, shall remit within two (2) Business Days to the Purchaser the then outstanding principal balance of the related Mortgage Loan by deposit thereof in the Custodial Account. The Servicer shall maintain the Fidelity Bond and errors and omissions insurance insuring the Servicer against any loss it may sustain with respect to any Mortgage Loan not satisfied in accordance with the procedures set forth herein.

From time to time and as appropriate for the service or foreclosure of the Mortgage Loan, including for the purpose of collection under any Primary Mortgage Insurance Policy, the Purchaser shall, upon request of the Servicer and delivery to the Purchaser of a servicing receipt signed by a Servicing Officer, release the Mortgage File to the Servicer. Such servicing receipt shall obligate the Servicer to return the related Mortgage Loan Documents to the Purchaser when the need therefor by the Servicer no longer exists, unless the Mortgage Loan has been liquidated and the Liquidation Proceeds relating to the Mortgage Loan have been deposited in the Custodial Account or the Mortgage File or such document has been delivered to an attorney, or to a public trustee or other public official as required by law, for purposes of initiating or pursuing legal action or other proceedings for the foreclosure of the Mortgaged Property either judicially or non-judicially, and the Servicer has delivered to the Purchaser a certificate of a Servicing Officer certifying as to the name and address of the Person to which such Mortgage File or

such document was delivered and the purpose or purposes of such delivery. Upon receipt of a certificate of a Servicing Officer stating that such Mortgage Loan was liquidated, the servicing receipt shall be released by the Purchaser to the Servicer.

Section 6.03 Servicing Compensation. As compensation for its services hereunder, the Servicer shall be entitled to withdraw from the Custodial Account or to retain from interest payments on the Mortgage Loans the amounts provided for as the Servicer's Servicing Fee, subject to payment of compensating interest on Principal Prepayments. Additional servicing compensation in the form of Ancillary Income shall be retained by the Servicer. The Servicer shall be required to pay all expenses incurred by it in connection with its servicing activities hereunder and shall not be entitled to reimbursement therefor except as specifically provided for.

Section 6.04 Annual Statement as to Compliance. The Servicer will deliver to the Purchaser annually, beginning with March 31st of the calendar year after the year in which the first Closing Date occurs, an Officers' Certificate stating that (i) a review of the activities of the Servicer during the preceding calendar year and of performance under this Agreement has been made under such officers' supervision, and (ii) to the best of such officers' knowledge, based on such review, the Servicer has fulfilled all of its obligations under this Agreement throughout such year in all material respects, or, if there has been a non-compliance in the fulfillment of any such obligation, specifying each such non-compliance known to such officers and the nature and status thereof.

Section 6.05 Annual Independent Certified Public Accountants' Servicing Report. On or before March 31st of each year, beginning with the calendar year after the year in which the first Closing Date occurs, the Servicer at its expense shall cause a firm of independent certified public accountants (which may also render other services to the Servicer) to furnish a report to the Purchaser to the effect that certain mortgage loans serviced by the Servicer were included in the total population of Mortgage Loans subject to selection for testing in such firm's examination of certain documents and records, that such examination was conducted substantially in compliance with the Uniform Single Attestation Program for Mortgage Bankers and that such examination disclosed no items of material noncompliance with the provisions of the Uniform Single Attestation Program for Mortgage Bankers, except for such items of noncompliance as shall be set forth in such report.

Section 6.06 Purchaser's Right to Examine Servicer Records. The Purchaser shall have the right to examine and audit upon reasonable prior written notice to the Servicer, during business hours or at such other times as might be reasonable under applicable circumstances, any and all of the books, records, documentation or other information of the Servicer, or held by another for the Servicer or on its behalf or otherwise, which relates to the performance or observance by the Servicer of the terms, covenants or conditions of this Agreement.

Neither the Purchaser nor the Servicer shall, nor will they permit any of their respective affiliates, employees, agents or representatives to, divulge or disclose, directly or indirectly, any information concerning the Mortgage Loans in violation of any law. Neither party shall, nor shall they permit any of their respective affiliates, employees, agents or representatives to, divulge or disclose, directly or indirectly, any information concerning the business practices of the other party to this Agreement. This paragraph does not apply to information which is not confidential or which has been published or otherwise made available to the general public prior to the date of this Agreement, or information required to be released under law or by or to any regulatory, administrative or judicial body or agency or the furnishing by either party of information to their respective affiliates, auditors, and/or attorneys.

ARTICLE VII

REPORTS TO BE PREPARED BY SERVICER

Section 7.01 Servicer Shall Provide Information as Reasonably Required. The Servicer shall furnish to the Purchaser during the term of this Agreement any reports, information or documentation, whether or not provided for herein, as shall be necessary, reasonable or appropriate in respect to the Purchaser, or otherwise with respect to the Mortgage Loans and the performance of the Servicer under this Agreement, including any reports, information or documentation reasonably required to comply with any regulations regarding any supervisory agents or examiners of the Purchaser. If the reports or other information requested will require the Servicer to incur additional costs or expenses outside of its normal servicing procedures, the Purchaser agrees to reimburse the Servicer for those costs and expenses within ten (10) Business Days after any such request. The Servicer agrees to execute and deliver all such instruments and take all such action as the Purchaser, from time to time, may reasonably request in order to effectuate the purpose and to carry out the terms of this Agreement.

ARTICLE VIII

THE SELLER; THE SERVICER

Section 8.01 Indemnification; Third Party Claims. Each party hereto agrees to indemnify the other party and its affiliates and hold them harmless against any and all claims, losses, damages, penalties, fines, forfeitures, legal fees and related costs, judgments, and any other costs, fees and expenses ("Losses") that such party or any of its affiliates may sustain in any way related to: (i) the failure of the other party to observe and perform its duties, obligations, covenants, and agreements under this Agreement, and (ii) with respect to the Purchaser, a material breach of any of the Purchaser's representations and warranties in Section 3.05 of this Agreement. Further, the Seller agrees to indemnify the Purchaser and its affiliates and hold them harmless against Losses that the Purchaser or any of its affiliates may sustain in any way related to the breach of the Seller's representations and warranties set forth in Sections 3.01 or 3.02 of this Agreement or in any way related to any Mortgage Loan that the Seller is required to repurchase pursuant to Section 2.06. The Servicer agrees to indemnify the Purchaser and its affiliates and hold them harmless against Losses that the Purchaser or any of its affiliates may sustain in any way related to: (a) the Servicer's failure to observe and perform any or all of its duties, obligations, covenants and agreements regarding its servicing of the Mortgage Loans contained in this Agreement and (b) a material breach of any of the Servicer's representations and warranties in Section 3.06 of this Agreement. The party seeking indemnification under this Section 8.01 shall promptly notify the other party if a claim is made by a third party with respect to this Agreement or the Mortgage Loans. The indemnifying party shall assume (with the consent of the indemnified party) the defense of any such claim and pay all expenses in connection therewith, including attorney's fees, and promptly pay, discharge and satisfy any judgment or decree which may be entered in respect of such claim. The indemnifying party shall follow any written instructions received from the indemnified party in connection with such claim. The provisions of this Section 8.01 shall survive termination of this Agreement.

Section 8.02 Merger or Consolidation of the Seller/Servicer. Each of the Seller and the Servicer will keep in full effect its existence, rights and franchises as a corporation under the laws of the state of its incorporation except as permitted herein, and will obtain and preserve its qualification to do business as a foreign corporation in each jurisdiction in which such qualification is or shall be

necessary to protect the validity and enforceability of this Agreement, or any of the Mortgage Loans and to perform its duties under this Agreement.

Any Person into which the Seller or the Servicer may be merged or consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Seller or the Servicer shall be a party, or any Person succeeding to the business of the Seller or the Servicer, shall be the successor of the Seller or the Servicer hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that unless otherwise consented to by the Purchaser, the successor or surviving Person of the Servicer shall be an institution qualified to service mortgage loans on behalf of Freddie Mac.

Section 8.03 Limitation on Liability of the Seller, the Servicer and Others. None of the Seller, the Servicer or any of their respective officers, employees or agents shall be under any liability to the Purchaser for any action taken or for refraining from the taking of any action in good faith pursuant to this Agreement, or for errors in judgment made in good faith; provided, however, that this provision shall not protect the Seller, the Servicer or any such person against any breach of warranties or representations made herein, or failure of the Servicer to perform its obligations in compliance with Accepted Servicing Practices, or any breach of the terms and conditions of this Agreement. Each of the Seller, the Servicer and any officer, employee or agent of the Seller and the Servicer may rely in good faith on any document of any kind prima facie properly executed and submitted by the Purchaser respecting any matters arising hereunder. Neither the Seller nor the Servicer shall be under any obligation to appear in, prosecute or defend any legal action which is not incidental to its duties to service the Mortgage Loans in accordance with this Agreement and which in its reasonable opinion may involve it in any expenses or liability; provided, however, that each of the Seller and the Servicer may, with the consent of the Purchaser, undertake any such action which it may deem necessary or desirable in respect to this Agreement and the rights and duties of the parties hereto. In such event, the reasonable legal expenses and costs of such action and any liability resulting therefrom shall be expenses, costs and liabilities for which the Purchaser will be liable. Each of the Seller and the Servicer shall be entitled to be reimbursed therefor from the Purchaser upon written demand.

Section 8.04 Assignment of Servicing by Seller, Resignation. The Servicer may, upon 45 days advance written notice to the Purchaser, assign, sell or transfer the Servicing Rights with respect to the Mortgage Loans to a third party satisfactory to the Purchaser in its reasonable discretion. The Purchaser shall not unreasonably delay consenting to such assignment, sale or transfer. Notwithstanding any assignment, sale or transfer, the Seller and the Servicer shall remain liable to the Purchaser for all obligations and responsibilities set forth in Sections 2.06, 3.03 and 8.01 of this Agreement.

The Servicer may resign from the obligations and duties hereby imposed on it as servicer upon the determination that the Servicer's duties hereunder are no longer permissible under applicable law and such incapacity cannot be cured by the Servicer. Any such determination permitting the resignation of the Servicer shall be evidenced by an opinion of counsel to such effect delivered to the Purchaser which opinion of counsel shall be in form and substance acceptable to the Purchaser. No assignment, sale, transfer or resignation shall become effective until a successor shall have assumed the Servicer's responsibilities and obligations hereunder in the manner provided in Section 11.01.

ARTICLE IX

DEFAULT

Section 9.01 Events of Default. In case one or more of the following Events of Default by the Servicer shall occur and be continuing:

(i) any failure by the Servicer to remit to the Purchaser any payment required to be made under the terms of this Agreement which continues unremedied for a period of five (5) Business Days after the date upon which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Purchaser; or

(ii) failure on the part of the Servicer duly to observe or perform in any material respect any other of the covenants or agreements on the part of the Servicer set forth in this Agreement which continues unremedied for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Purchaser; or

(iii) a decree or order of a court or agency or supervisory authority having jurisdiction for the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Servicer and such decree or order shall have remained in force undischarged or unstayed for a period of sixty (60) days; or

(iv) the Servicer shall consent to the appointment of a conservator, receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshaling of assets and liabilities or similar proceedings of or relating to the Servicer or of or relating to all or substantially all of its property; or

(v) the Servicer shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency or reorganization statute, make an assignment for the benefit of its creditors, or voluntarily suspend payment of its obligations; or

(vi) the Servicer ceases to be eligible to sell Mortgage Loans to and service Mortgage Loans for Freddie Mac, and continues to be ineligible to sell Mortgage Loans to and service Mortgage Loans for Freddie Mac for a period of sixty (60) days after the date on which written notice of such ineligibility shall have been given to the Servicer by Freddie Mac.

then, and in each and every such case, so long as an Event of Default shall not have been remedied, the Purchaser may, by notice in writing to the Servicer, in addition to whatever rights the Purchaser may have under this Agreement, and at law or equity or to damages, including injunctive relief and specific performance, terminate all the rights and obligations of the Servicer under this Agreement and in and to the Mortgage Loans and the proceeds thereof without compensating the Servicer for the same. On or after the receipt by the Servicer of such written notice, (i) all authority and power of the Servicer under this Agreement, whether with respect to the Mortgage Loans or otherwise, shall pass to and be vested in the successor appointed pursuant to Section 11.01, and (ii) upon further written request from the Purchaser, the Servicer shall prepare, execute and deliver, any and all documents and other instruments, place in such successor's possession all Mortgage Files and Servicing Files, and do or accomplish all other acts or things necessary or appropriate to effect the purposes of such notice of termination, including the transfer and endorsement or assignment of the Mortgage Loans and related documents, or otherwise, at the Servicer's sole expense. The Servicer agrees to cooperate with the Purchaser and such successor in effecting the termination of the Servicer's responsibilities and rights hereunder as provided above, including, without limitation, the transfer to such successor for administration by it of all cash amounts which shall at the time be credited by the Servicer to the Custodial Account or Escrow Account or thereafter received with respect to the Mortgage Loans or any REO Property.

Section 9.02 Waiver of Defaults. The Purchaser may waive only by written notice any default by the Servicer in the performance of its obligations hereunder and its consequences. Upon any such waiver of a past default, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been remedied for every purpose of this Agreement. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon except to the extent expressly so waived in writing.

ARTICLE X

TERMINATION

Section 10.01 Termination. The respective obligations and responsibilities of the Servicer as servicer shall terminate upon: (i) the final payment or other liquidation (or any advance with respect thereto) of the last Mortgage Loan or the disposition of all REO Property and the remittance of all funds due hereunder; (ii) the date agreed upon by mutual consent of the Servicer and the Purchaser in writing; (iii) the repurchase by the Seller of all of the Mortgage Loans subject to this Agreement, pursuant to Section 10.02 or (iv) as otherwise provided in this Agreement.

Section 10.02 Seller's Right of First Refusal With Respect to Seller Originated Mortgage Loans. If the Purchaser shall elect to sell, assign or transfer any Seller Originated Mortgage Loans purchased under this Agreement to any third party other than an Affiliate of the Purchaser, the Purchaser hereby agrees that the Seller will have a non exclusive right to bid to purchase such Seller Originated Mortgage Loans and, if the Purchaser shall elect to seek from one or more third parties bids to purchase such Seller Originated Mortgage Loans, the Seller will have a right to review such bids and to purchase such Seller Originated Mortgage Loan in the event that the Seller offers the Purchaser equivalent or better terms than those actually offered by any third party as part of a bona fide, independent offer.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.01 Successor to the Servicer. Upon termination of the Servicer's responsibilities and duties under this Agreement pursuant to Sections 8.04, 9.01, or 10.01, the Purchaser shall (i) succeed to and assume all of the Servicer's responsibilities, rights, duties and obligations under this Agreement, or (ii) appoint a successor having the characteristics set forth in Section 8.02 hereof and which shall succeed to all rights and assume all of the responsibilities, duties and liabilities of the Servicer under this Agreement prior to the termination of the Servicer's responsibilities, duties and liabilities under this Agreement. In connection with such appointment and assumption, the Purchaser may make such arrangements for the compensation of such successor out of payments on Mortgage Loans as the Purchaser and such successor shall agree. In the event that the Servicer's duties, responsibilities and liabilities under this Agreement should be terminated pursuant to the aforementioned Sections, the Servicer shall discharge such duties and responsibilities during the period from the date it acquires knowledge of such termination until the effective date thereof with the same degree of diligence and prudence which it is obligated to exercise under this Agreement, and shall take no action whatsoever that might impair or prejudice the rights or financial condition of its successor. The resignation or removal of the Servicer pursuant to the aforementioned sections shall not become effective until a successor shall be appointed pursuant to this Section 11.01 and shall in no event relieve the Seller or the Servicer of its obligations under Sections 2.06, 3.03 or 8.01, as applicable.

Any successor appointed as provided herein shall execute, acknowledge and deliver to the Servicer and to the Purchaser an instrument accepting such appointment, whereupon such successor shall become fully vested with all the rights, powers, duties, responsibilities, obligations and liabilities of the Servicer, with like effect as if originally named as a party to this Agreement. Any termination or resignation of the Servicer or this Agreement pursuant to Sections 8.04, 9.01, or 10.01 shall not affect any claims that the Purchaser may have against the Servicer arising prior to any such termination or resignation.

The Servicer shall promptly deliver to the successor the funds in the Custodial Account and the Escrow Account and the Mortgage Files, Servicing Files and related documents and statements held by it hereunder and the Servicer shall account for all funds. The Servicer shall execute and deliver such instruments and do such other things all as may reasonably be required to more fully and definitely vest and confirm in the successor all such rights, powers, duties, responsibilities, obligations and liabilities of the Servicer. The successor shall make arrangements as it may deem appropriate to reimburse the Servicer for unrecovered Servicing Advances which the successor retains hereunder and which would otherwise have been recovered by the Servicer pursuant to this Agreement but for the appointment of the successor servicer.

Upon a successor's acceptance of appointment as such, the Servicer shall notify by mail the Purchaser of such appointment.

Section 11.02 Amendment. This Agreement may be amended from time to time by the Seller, the Servicer and the Purchaser only by written agreement signed by the Seller, the Servicer and the Purchaser. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

Section 11.03 Governing Law. This Agreement is to be governed by, and construed in accordance with, the internal laws (as compared to conflicts of law provisions) of the State of Florida.

Section 11.04 Notices. Any demands, notices, consents or other communications permitted or required hereunder shall be in writing including, but not limited to, electronic transmission and shall be deemed conclusively to have been duly given if personally delivered, sent by overnight courier, or mailed by registered mail, postage prepaid, and return receipt requested or certified mail, return receipt requested, or transmitted by telex, telegraph, telecopier, electronic transmission, as follows:

(i) if to the Purchaser:

Bank of Internet USA
12777 High Bluff Drive, Suite 100
San Diego, CA 92130
Attention: Gary Lewis Evans, President
Fax: 858-350-0443
Email: gary@bofi.com

(ii) if to the Seller:

Taylor, Bean & Whitaker Mortgage Corp. 315 NE 14th Street
Ocala, Florida 34470
Attention: Jeremy Collett

Email: jcollett@taylorbean.com

(iii) if to the Servicer:

Taylor, Bean & Whitaker Mortgage Corp.
1417 North Magnolia Avenue

Ocala, Florida 34475
Attention: Nathan Sands
Email: nsands@taylorbean.com

or such other address as may hereafter be furnished to the other party by like notice. Any such demand, notice, consent, or communication hereunder shall be deemed to have been received on the date delivered to or received at the premises of the addressee (as evidenced, in the case of registered or certified mail, by the date noted on the return receipt).

Section 11.05 Severability of Provisions. Any part, provision, representation or warranty of this Agreement that is prohibited or unenforceable or is held to be void or unenforceable in any jurisdiction shall be ineffective, in such jurisdiction, to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction as to any Mortgage Loan shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 11.06 Exhibits. The exhibits to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement.

Section 11.07 General Interpretive Principles. For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

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

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

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

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

(v) the words "herein," "hereof," "hereunder," and other words of similar import refer to this Agreement as a whole and not to any particular provision;

(vi) the term "include" or "including" shall mean without limitation by reason of enumeration; and

(vii) headings of the Articles and Sections in this Agreement are for reference purposes only and shall not be deemed to have any substantive effect.

Section 11.08 Reproduction of Documents. This Agreement and all documents relating thereto, including, without limitation, (i) consents, waivers and modifications which may hereafter be executed, (ii) documents received by any party at the closing, and (iii) financial statements, certificates and other information previously or hereafter furnished, may be reproduced by any photographic, photostatic, microfilm, micro-card, miniature photographic, electronic mail transmissions or other similar process. The parties agree that any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding, whether or not the original is in existence and whether or not such reproduction was made by a party in the regular course of business, and that any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

Section 11.09 Recordation of Assignments of Mortgage. Except as required under this Agreement or by applicable law, the Assignments shall not be recorded by the Servicer. The Purchaser may, at its option and expense (including all recordation fees), prepare and record any Assignment.

Section 11.10 Assignment by Purchaser. Subject to Sections 2.05 and 10.02 hereof, the Purchaser shall have the right, without the consent of the Seller or Servicer hereof, to sell, assign or transfer, in whole or in part, its interest under this Agreement with respect to some or all of the Mortgage Loans, and designate any person to exercise any rights of the Purchaser hereunder, and the assignee or designee shall accede to the rights and obligations hereunder of the Purchaser with respect to such Mortgage Loans; provided that subsequent to any such assignment the Purchaser shall retain its rights to indemnification and repurchase hereunder. All references to the Purchaser in this Agreement shall be deemed to include its assignee or designee.

The provisions of this Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto.

Section 11.11 No Partnership. Nothing herein contained shall be deemed or construed to create a partnership or joint venture between the parties hereto and the services of the Seller and the Servicer shall be rendered as an independent contractor and not as agent for the Purchaser.

Section 11.12 Execution. 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, but all of which together, shall constitute one instrument notwithstanding that all parties are not signatories to the same counterparts.

Section 11.13 Entire Agreement. Any prior representation or statements, whether oral or written, as to any matter related to this Agreement are merged herein. This Agreement sets forth the entire understanding between the parties hereto and shall be binding upon all successors of both parties. In the event of any inconsistency between the Purchase Price and Terms Letter for the related pool of Mortgage Loans and this Agreement, this Agreement shall control.

Section 11.14 No Solicitation. From and after each Closing Date, the Seller and the Servicer agree that none of the Seller, the Servicer or any of their respective Affiliates will take any action or permit or cause any action to be taken by anyone on behalf of the Seller, the Servicer or any of their respective Affiliates, to target for solicitation the Mortgagors under any Mortgage Loan to refinance the

Mortgage Loan, in whole or in part, without the prior written consent of the Purchaser. It is understood and agreed that promotions for refinance undertaken by or on behalf of the Seller, the Servicer or any of their Affiliates that are directed to segments of the general public (provided no such segment is targeted to the Mortgagors), including, without limitation, mass mailing, direct marketing solicitations, newspaper, radio and television advertisements, shall not constitute solicitation under this Section 11.14.

From and after each Closing Date, the Purchaser agrees that neither the Purchaser nor any of its Affiliates will take any action or permit or cause any action to be taken by anyone on behalf of either the Purchaser or any of its Affiliates to target for solicitation the Mortgagors under any Seller Originated Mortgage Loan for any purpose, without the prior written consent of the Seller. It is understood and agreed that promotions undertaken by or on behalf of the Purchaser or any Affiliate of the Purchaser that are directed to segments of the general public (provided no such segment is targeted to the Mortgagors with respect to the Seller Originated Mortgage Loans), including, without limitation, mass mailing, direct marketing solicitations, newspaper, radio and television advertisements, shall not constitute a solicitation under this Section 11.14.

Section 11.15 Cooperation of Seller with a Reconstitution. The Seller, the Servicer and the Purchaser agree that with respect to some or all of the Mortgage Loans, on or after the Closing Date, on one or more dates (each a "Reconstitution Date") at the Purchaser's sole option, the Purchaser may effect a sale (each, a "Reconstitution") of some or all of the Mortgage Loans then subject to this Agreement, without recourse, to:

(a) one or more third party purchasers in one or more whole loan transfers (each, a "Whole Loan Transfer"); or

(b) one or more trusts or other entities to be formed as part of one or more pass-through transfers (each, a "Pass-Through Transfer").

With respect to each Whole Loan Transfer and each Pass-Through Transfer entered into by the Purchaser, the Seller and the Purchaser agree (1) to cooperate fully with the Purchaser, any prospective purchaser, any master servicer or trustee and/or any issuer or other participant in such Reconstitution ("Reconstitution Parties") with respect to all reasonable requests and due diligence procedures; (2) to execute, deliver and perform all Seller's or Servicer's warranties and servicing agreements, participation and servicing agreements, pooling and servicing agreements or other similar agreements or an Assignment and Recognition Agreement substantially in the form of Exhibit C attached hereto (collectively, "Reconstitution Agreements") requested by the Purchaser, which shall contain, among other provisions, such provisions and requirements as will, in the case of a Pass-Through Transfer, enable some or all of the securities issued in connection with such Pass-Through Transfer to be rated in the highest rating category by one or more Rating Agencies; and (3) to restate in the Reconstitution Agreement or in another appropriate agreement or letter requested by the Purchaser the representations and warranties set forth in this Agreement as of the settlement or closing date in connection with such Reconstitution (each, a "Reconstitution Date"); provided that with respect to those representations and warranties that relate to delinquency or condition of the Mortgaged Property, the Seller shall only be required to restate such representations and warranties as of the Closing Date and shall represent and warrant as to the actual status thereof as of the Reconstitution Date. The Seller and the Servicer shall provide to the Purchaser and/or any other participants in such Reconstitution: (i) any and all information and appropriate verification of information which may be reasonably available to the Seller and the Servicer, whether through letters of its auditors, opinions of counsel or otherwise, as the Purchaser or any such other participant shall request; and (ii) such additional representations, warranties, covenants, opinions of counsel, letters from auditors, and certificates of public officials or officers of the Seller and the Servicer as are reasonably agreed upon by the Seller, the Servicer and the Purchaser or any such other

participant. The Seller and the Servicer shall each indemnify the Purchaser and Reconstitution Parties against material omissions or material misrepresentations with respect to information provided solely by or on behalf of the Seller or the Servicer. The Purchaser shall be responsible for the costs relating to the preparation and delivery of such information by or on behalf of the Seller and Servicer. The Purchaser shall indemnify the Seller and the Servicer against material omissions or material misrepresentations with respect to information provided solely by or on behalf of the Purchaser.

In the event the Servicer has agreed to and does hold record title to the Mortgages prior to the Reconstitution Date, the Servicer shall prepare an Assignment in blank and in recordable form to the prospective purchaser, issuer or trustee, as applicable, from the Servicer, for each Mortgage Loan that is part of the Reconstitution. The Purchaser shall pay all preparation and recording costs associated therewith.

All Mortgage Loans not sold or transferred pursuant to a Reconstitution shall remain subject to this Agreement and, if this Agreement shall remain in effect with respect to the related Mortgage Loans, shall continue to be serviced in accordance with the terms of this Agreement and with respect thereto this Agreement shall remain in full force and effect.

[SIGNATURES COMMENCE ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Seller, the Servicer and the Purchaser have caused their names to be signed hereto by their respective officers thereunto duly authorized as of the day and year first above written.

BANK OF INTERNET USA,
Purchaser

By: 

Name: Gary Lewis Evans
Title: President

TAYLOR, BEAN & WHITAKER MORTGAGE
CORP.,
Seller and Servicer

By: _____

Name:
Title: