

FULL MORTGAGE LOAN SERVICING AGREEMENT (U.S.)

WITH INTEGRATED RESPA AND TILA COMPLIANCE REQUIREMENTS

This document is for educational and analytical purposes only. It is not legal advice.

This Mortgage Loan Servicing Agreement ("Agreement") is made as of [Effective Date], by and between:

- [Investor/Lender Name] ("Investor")
 - [Servicer Name] ("Servicer")
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RECITALS

- A. Investor is the owner of certain residential mortgage loans ("Loans").
- B. Servicer is experienced in servicing residential mortgage loans and desires to service such Loans for Investor under the terms and conditions of this Agreement.
- C. The parties intend for this Agreement to comply fully with all applicable federal and state laws, including the Real Estate Settlement Procedures Act (RESPA), Truth in Lending Act (TILA), Consumer Financial Protection Bureau (CFPB) Servicing Rules, and all implementing regulations.
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1. DEFINITIONS

"Applicable Law" — All federal laws, regulations, rules, and guidance applicable to mortgage loan servicing, including but not limited to RESPA (12 U.S.C. § 2601 et seq.), TILA (15 U.S.C. § 1601 et seq.), CFPB Servicing Rules (Regulation X § 1024.30 et seq. and Regulation Z § 1026.36 et seq.), GLBA, FCRA, SCRA, ECOA, and Fair Housing Act.

"Loans" — The residential mortgage loans listed in Exhibit B, together with all related documents and servicing files.

"Servicing Fee" — The fee payable to Servicer, calculated as 0.25% of the unpaid principal balance (UPB) of the performing Loans per annum.

"Escrow Accounts" — Accounts established and maintained by Servicer to pay taxes, insurance premiums, and other related charges on behalf of borrowers.

"Default" — Any failure by the borrower to comply with the terms of the Loan documents or any breach of representations by Investor.

"Servicing Files" — All documents, records, correspondence, and electronic data relating to the Loans.

"Investor Instructions" — Written instructions provided by Investor to Servicer regarding the handling of Loans, provided such instructions do not conflict with Applicable Law.

"Qualified Written Request (QWR)" — A written correspondence from a borrower that asserts an error relating to servicing of the mortgage loan or requests information relating to the loan.

"Complete Loss Mitigation Application" — A loss mitigation application for which the Servicer has received all required information and documents from the borrower.

"Business Day" — A day other than Saturday, Sunday, or federal holiday.

2. SERVICING DUTIES

2.1 Payment Collection and Processing

2.1.1 Prompt Payment Crediting (TILA § 1026.36(c)(1))

Servicer shall credit payments **on the date of receipt** if:

- Payment received by **5:00 PM** (Servicer's local time)
- Payment conforms to Servicer's written requirements
- Payment submitted in conforming method (check, ACH, online portal, wire transfer)

2.1.2 Non-Conforming Payments

If payment does not conform to requirements:

- Credit within **5 business days** of receipt OR
- Return to borrower with explanation within **5 business days**
- May not assess late fee during 5-day grace period

2.1.3 Partial Payment Handling

Servicer shall establish and disclose written policy for partial payments:

Option A: Suspense Account

- Hold in non-interest bearing suspense account
- Apply when amount equals full payment due
- Provide monthly statement showing suspense account balance
- Do not treat loan as delinquent solely due to suspense account holding

Option B: Immediate Application

- Credit immediately to borrower's account
- Allocate per loan terms and payment allocation hierarchy

Servicer shall disclose policy to borrowers at account setup and annually thereafter.

2.1.4 Payment Allocation Hierarchy

Unless loan documents specify otherwise, apply payments in order:

1. Principal and interest due
2. Escrow amounts
3. Late charges and fees
4. Other charges

2.1.5 Remittance to Investor

Servicer shall remit all collected principal, interest, and other payments (less Servicing Fee and authorized deductions) to Investor by the **15th day** of each month for collections received in the prior month.

2.2 Periodic Statements (TILA § 1026.41)

2.2.1 Delivery Requirement

Servicer shall provide written statement to each borrower within **4 business days** after close of each billing cycle (monthly).

2.2.2 Required Statement Content

Each periodic statement shall include:

Payment Information:

- Amount due and payment due date
- Itemized breakdown: principal, interest, fees, escrow
- Explanation of amount due (includes past due + current payment if delinquent)
- Late fee amount and date assessed

Transaction Activity:

- All credits and debits since last statement
- Date, amount, and description of each transaction
- Partial payment handling notice (if held in suspense account)

Delinquency Information (if applicable):

- Total amount needed to bring account current
- Itemized breakdown of past due amounts
- Date account became delinquent

Account Information:

- Current unpaid principal balance
- Current interest rate (and next adjustment date if ARM)
- Prepayment penalty information (if applicable)
- Amount in escrow account (if applicable)

Contact and Counseling Information:

- Servicer name, address, and toll-free telephone number
- Servicer website (if available)
- HUD-approved housing counselor referral information

Required Notices:

- Statement that property may be foreclosed if delinquency not resolved
- Encouragement to contact Servicer if unable to make payments

2.2.3 Exemptions from Periodic Statements

Periodic statements not required if:

- Fixed-rate mortgage with no escrow, no fees, fully amortizing with fixed payment
- Loan subject to bankruptcy automatic stay
- Reverse mortgage
- Loan 180+ days delinquent (replaced by alternative notice requirements per 2.2.4)

2.2.4 Alternative Notices for Loans 180+ Days Delinquent

Servicer shall provide written notice **every 60 days** containing:

- Account summary with total amount owed
- Delinquency information and cure requirements
- Loss mitigation options available
- Housing counselor information
- Foreclosure timeline and status

2.3 Error Resolution (RESPA § 1024.35)

2.3.1 Qualified Written Request (QWR) Identification

Servicer shall maintain procedures to identify and track written requests from borrowers asserting errors relating to:

- Failure to accept conforming payment
- Failure to credit payment to account
- Failure to pay escrow items timely
- Imposition of fees or charges not authorized by loan documents
- Failure to provide accurate payoff balance
- Failure to provide accurate account information
- Failure to investigate previous error notification
- Any other error relating to servicing of the loan

2.3.2 Acknowledgment Requirements

Within **5 business days** of receipt of QWR, Servicer shall:

- Send written acknowledgment to borrower
- Include statement of action taken or to be taken
- Provide name and direct contact information of assigned personnel responsible for investigation

2.3.3 Investigation and Response Timeline

Within **30 days** (or **45 days** if written notification provided to borrower explaining extension) of receipt of QWR, Servicer shall:

- Conduct reasonable investigation of the asserted error
- Provide written response to borrower including one of the following:
 - Correction of account and refund of amounts (plus interest if applicable) OR
 - Statement that error did not occur with detailed explanation OR
 - Statement that additional information needed to investigate (with specific description)
- Include contact information for Investor (if escalation appropriate)
- Include statement that borrower may request review by CFPB

2.3.4 Account Restrictions During Investigation

While investigating QWR:

- Servicer may not furnish adverse credit information related to disputed item
- Servicer may note account is in dispute if reporting to credit bureaus
- Servicer may continue normal collection activities if appropriate notice provided to borrower

2.3.5 Documentation Requirements

Servicer shall maintain for each QWR (for minimum 5 years):

- Complete copy of borrower's written request
- All investigation documentation and analysis
- Copy of acknowledgment and response sent to borrower
- Evidence of account correction (if applicable)
- Evidence of refund issued (if applicable)

2.4 Early Intervention for Delinquency (RESPA § 1024.39)

2.4.1 Live Contact Requirement

By **36 days** after a borrower becomes delinquent, Servicer shall:

- Make good faith effort to establish **live contact** with borrower
- Discuss borrower's options to avoid foreclosure
- Provide information about loss mitigation options available from Servicer

2.4.2 Good Faith Effort Standards

Good faith effort to establish live contact includes:

- **Minimum 3 telephone call attempts** on different days at different times
- Attempts to contact at all known telephone numbers
- Contact attempts at reasonable times (8:00 AM - 9:00 PM borrower's local time)
- **Written notice** if live contact not achieved within 36-day period
- Attempts to reach borrower via email (if email address available)

2.4.3 Written Notice Content (if live contact not achieved)

If live contact not established by day 36, written notice shall include:

- Examples of loss mitigation options potentially available
- Statement encouraging borrower to contact Servicer
- Servicer's toll-free telephone number

- Servicer's website for additional information
- List of HUD-approved housing counseling agencies

2.4.4 Ongoing Contact Requirements for Delinquent Loans

For loans **45+ days delinquent**, Servicer shall:

- Make live contact or good faith effort to establish live contact **at least once per month**
- Provide information about loss mitigation options
- Discuss borrower's circumstances and ability to cure
- Continue monthly contact attempts until:
 - Loan becomes current
 - Foreclosure sale occurs
 - Borrower requests no further contact (must honor for 180 days)
 - Servicer transfers servicing

2.4.5 Exemptions from Early Intervention

Early intervention requirements do not apply if:

- Borrower is in bankruptcy
- Borrower has requested in writing no further contact
- Servicer has transferred servicing (during 60-day transfer period)
- Property has been abandoned
- Borrower subject to presidentially-declared natural disaster (temporary exemption)

2.5 Loss Mitigation Procedures (RESPA § 1024.41)

2.5.1 Complete Loss Mitigation Application Defined

A loss mitigation application is complete when borrower submits all of the following:

- Borrower's full name
- Property address securing the mortgage loan
- Borrower's contact information (telephone, email, mailing address)
- Financial information (income, assets, liabilities)
- Explanation of borrower's hardship
- All documents and information specifically required by Servicer

2.5.2 Acknowledgment of Receipt

Within **5 business days** of receiving a loss mitigation application, Servicer shall:

- Acknowledge receipt in writing
- If application incomplete, provide detailed list of missing documents and information
- Provide reasonable deadline (minimum **30 days**) for borrower to submit missing items
- Provide contact information for assistance with completing application

2.5.3 Application Review Timeline

Within **30 days** of receiving a complete loss mitigation application, Servicer shall:

- Evaluate borrower for all available loss mitigation options
- Provide written determination including:
 - Each loss mitigation option offered (with specific terms) OR
 - Specific reason for denial of each option considered
 - Instructions for appealing denial
 - Deadline to accept any offers made (minimum **14 days**)
 - Contact information for questions

2.5.4 Foreclosure Moratorium (Dual-Tracking Prohibition)

Servicer shall NOT initiate foreclosure proceedings or conduct foreclosure sale if:

- Complete loss mitigation application received **more than 37 days** before any scheduled foreclosure sale
- Loss mitigation application pending review (under active evaluation)
- Borrower performing under trial modification plan
- Borrower's appeal of denial is pending (during appeal period)

2.5.5 Appeal Rights

If loss mitigation option denied, borrower has **14 days** to appeal. During appeal period, Servicer shall:

- Review appeal and consider any new information submitted
- Provide written determination within **30 days** of appeal submission
- Not initiate or continue foreclosure proceedings
- Evaluate borrower based on updated information

2.5.6 Successive Loss Mitigation Applications

For borrowers previously denied:

- Must accept new complete application if **3+ months** elapsed from previous complete application
- If less than 3 months, may require evidence of material change in financial circumstances
- May not impose any fee for submitting loss mitigation applications

2.5.7 Loss Mitigation Evaluation Hierarchy

Unless Investor Instructions specify otherwise, Servicer shall evaluate options in following order:

1. Reinstatement plan / Repayment plan
2. Loan modification (rate reduction, term extension, principal forbearance)
3. Short refinance
4. Forbearance agreement
5. Short sale
6. Deed-in-lieu of foreclosure

2.5.8 Trial Modification Requirements

If offering trial modification:

- Provide written plan with specific payment amount, due dates, and duration
- Performance period: typically 3 payment periods
- Must evaluate for permanent modification if borrower complies with trial terms
- Permanent modification denial requires written explanation with specific reasons
- Borrower retains appeal rights if denied permanent modification

2.6 Continuity of Contact (RESPA § 1024.40)

2.6.1 Personnel Assignment Requirement

By **45 days** after a borrower becomes delinquent, Servicer shall assign:

- **Specific personnel** responsible for the borrower's account
- Personnel accessible via toll-free telephone number during normal business hours
- Personnel with authority and access to information necessary to:
 - Provide complete and accurate information about borrower's account
 - Discuss loss mitigation options available
 - Facilitate submission of required documents

- Provide timely status updates on applications and reviews

2.6.2 Personnel Responsibilities

Assigned personnel shall:

- Be reachable by borrower during normal business hours (8 AM - 8 PM borrower's time zone)
- Respond to borrower inquiries within **5 business days**
- Have complete access to borrower's servicing file and history
- Maintain continuity of contact until:
 - Loan becomes current
 - Foreclosure sale occurs
 - Servicing is transferred to successor servicer

2.6.3 Team Assignment Permitted

Servicer may assign team of personnel (rather than single individual) provided:

- All team members meet qualification requirements
- Borrower can reach at least one team member during business hours
- All team members have access to complete borrower information
- Seamless handoff between team members

2.6.4 Change in Assignment Notification

If assigned personnel changes:

- Notify borrower in writing within **5 business days** of change
- Provide name and direct contact information for new personnel
- Ensure new personnel has reviewed complete account history before first contact

2.7 Payoff Statements (TILA § 1026.36(c)(3))

2.7.1 Response Timeline

Within **7 business days** of borrower's written or oral request, Servicer shall provide accurate payoff statement.

2.7.2 Delivery Methods

Servicer shall provide statement via method borrower requests:

- U.S. Mail (first class)
- Email (if borrower provides email address)

- Facsimile transmission
- In-person pickup at Servicer's office

2.7.3 Required Payoff Statement Contents

Payoff statement shall include:

- Outstanding principal balance as of statement date
- Interest accrued to statement date
- Per diem interest rate
- Good-through date (minimum **30 days** from statement date)
- All outstanding fees, charges, and late fees
- Escrow balance and instructions for handling
- Prepayment penalty amount (if applicable)
- Payment instructions including:
 - Wire transfer details (bank name, routing number, account number)
 - Certified check requirements and mailing address
 - Reference information to include with payment
- Contact information for payoff questions

2.7.4 Statement Accuracy Guarantee

Amount stated shall be **accurate as of good-through date** such that:

- If borrower pays stated amount on or before good-through date, loan is fully satisfied
- Servicer bears risk of any calculation error
- No additional fees, charges, or interest may be assessed if paid by good-through date (except per diem interest explicitly stated)

2.7.5 No Fees for Payoff Statements

Servicer shall not:

- Charge any fee for providing payoff statement
- Limit number of payoff statement requests borrower may make
- Delay response based on previous requests within short timeframe

2.8 Force-Placed Insurance (RESPA § 1024.37)

2.8.1 Insurance Lapse Monitoring

Servicer shall actively monitor insurance status:

- Track policy expiration dates
- Confirm renewal receipt within **15 days** of expiration
- Request evidence of coverage if renewal not confirmed

2.8.2 First Notice Requirement

If insurance has lapsed or expires without renewal, send written notice **at least 45 days** before charging for force-placed insurance including:

- Statement that current insurance has lapsed or expired
- Request for evidence of adequate hazard insurance coverage
- Description of insurance coverage required by loan documents
- Statement that Servicer may purchase insurance at borrower's expense if evidence not provided
- Cost of force-placed insurance (if known or can be estimated)
- Statement that borrower's own insurance policy may be less expensive
- Instructions for providing evidence of coverage

2.8.3 Reminder Notice Requirement

If no response to first notice, send **second reminder notice at least 15 days** before charging for force-placed insurance, including:

- All information from first notice
- Updated cost information for force-placed insurance
- Effective date when force-placed insurance will be charged
- Final instructions to provide evidence of coverage to avoid charge

2.8.4 Timely Removal Upon Receipt of Evidence

If borrower provides evidence of adequate coverage:

- **Remove force-placed insurance charge within 15 days** of receipt
- **Refund all premiums paid** for any period covered by borrower's own policy
- **Process refund within 30 days** of receipt of evidence

- May not charge any fee or penalty for removal

2.8.5 Renewal of Force-Placed Insurance

For renewal of existing force-placed insurance, send notice **at least 45 days** before renewal date including:

- Statement that force-placed insurance will automatically renew
- Cost of renewal
- Borrower's right to cancel by providing evidence of own coverage
- Instructions for providing evidence

2.8.6 Force-Placed Insurance Standards

Insurance obtained by Servicer must:

- Provide coverage similar to borrower's lapsed policy
- Not exceed reasonable and customary cost
- Not include commission, fees, or profit to Servicer beyond actual insurance cost
- Comply with all applicable state insurance requirements
- Cover only Investor's interest (unless state law requires otherwise)

2.9 Foreclosure Protections and Procedures

2.9.1 Minimum Delinquency Requirement

Servicer shall NOT initiate foreclosure proceedings unless borrower is **more than 120 days delinquent** (except in limited circumstances such as borrower violation of due-on-sale clause or loan document fraud).

2.9.2 Pre-Foreclosure Requirements

Before initiating foreclosure, Servicer shall confirm:

- Borrower is more than 120 days delinquent
- No complete loss mitigation application is pending
- No loss mitigation appeals pending
- No active trial modification or permanent modification in effect
- Borrower not protected by bankruptcy automatic stay
- Borrower not on active military duty (SCRA verification current)

2.9.3 Pre-Foreclosure Notice

Servicer shall provide written notice **at least 30 days before filing foreclosure** (in addition to state-required notices) including:

- Description of default and breach
- Actions required to cure default
- Deadline to cure (minimum 30 days)
- Loss mitigation options available
- Housing counselor information and contact
- Statement of borrower's right to request face-to-face meeting

2.9.4 Right to Request Pre-Foreclosure Meeting

Upon borrower's timely request (within **14 days** of pre-foreclosure notice), Servicer shall provide face-to-face meeting:

- Location within 50 miles of property or borrower's residence (whichever is closer)
- At reasonable time mutually agreed
- With personnel authorized to discuss and negotiate loss mitigation options
- Meeting must occur **before foreclosure filing** if borrower requests timely

2.9.5 Dual-Tracking Absolute Prohibition

Servicer shall NOT:

- Make first foreclosure filing or notice while complete application under review
- Continue foreclosure proceedings while evaluating borrower for loss mitigation
- Conduct foreclosure sale while complete application pending
- Proceed with foreclosure while trial modification active
- Refer account to foreclosure attorney while borrower performing on trial plan

2.9.6 Foreclosure Halt Requirements

If borrower submits complete loss mitigation application **more than 37 days before any scheduled foreclosure sale**, Servicer shall:

- Immediately halt all foreclosure proceedings
- Not proceed with foreclosure sale until evaluation complete
- Not proceed if trial modification or permanent modification offered and accepted
- Wait until appeal period expires if application denied

- Provide at least 37 days' notice of rescheduled foreclosure sale date

2.10 Escrow Account Management (RESPA § 1024.17)

2.10.1 Escrow Account Establishment and Maintenance

Servicer shall establish and maintain escrow accounts for:

- Property taxes
- Hazard insurance premiums
- Mortgage insurance premiums (if applicable)
- Other items required by loan documents or agreed by parties

2.10.2 Annual Escrow Analysis Requirements

Servicer shall conduct escrow account analysis **annually** and:

- Project disbursements for upcoming 12 months based on best available information
- Calculate required monthly escrow payment
- Identify any shortage or surplus
- Provide written analysis to borrower including:
 - Current monthly escrow payment
 - New monthly escrow payment (if changed)
 - Basis for any change
 - Projected escrow activity for next 12 months (itemized)
 - Options for handling shortage or surplus

2.10.3 Escrow Cushion Limitation

Escrow cushion may not exceed **1/6 of projected annual disbursements** (approximately 2 months of escrow payments).

2.10.4 Shortage and Deficiency Handling

Shortage (escrow balance will be below cushion at projected low point):

- Provide borrower options to:
 - Pay shortage in full as lump sum, OR
 - Spread repayment over 12 months (added to monthly payment)
- May not require lump sum payment if shortage is less than **\$100**

Deficiency (escrow balance insufficient to pay obligations):

- Must spread repayment over **at least 12 months** (may offer longer period)
- May not require lump sum payment
- Borrower may voluntarily elect to pay deficiency more quickly

2.10.5 Surplus Refunds

If escrow surplus exceeds **\$50**:

- **Refund to borrower within 30 days** of analysis completion OR
- Credit to borrower's principal balance if borrower requests
- Borrower may elect to leave surplus in escrow if desired

2.10.6 Escrow Disbursement Timing

Servicer shall disburse funds from escrow:

- On or before due date of obligation
- Within applicable early-payment discount period (if available)
- To avoid late payment penalties or interest charges
- To take advantage of early payment discounts when economically beneficial

2.10.7 Escrow Account Statements

Provide escrow account statement to borrower **at least annually** including:

- Amount deposited into escrow during period
- Amount paid from escrow with payee names and dates
- Beginning and ending escrow balance
- Explanation of any changes to required monthly payment
- Projected escrow activity for next 12 months

2.10.8 Property Tax Monitoring

Servicer shall:

- Monitor for property tax assessment increases
- Pay property taxes when due from escrow
- Contest tax assessments if Investor Instructions direct
- Notify borrower of tax increases within **30 days** of discovery

- Conduct interim escrow analysis if tax increase materially affects escrow adequacy

2.10.9 Insurance Monitoring

Servicer shall:

- Monitor hazard insurance policy for adequate coverage
- Ensure policy names Investor as mortgagee/loss payee
- Pay insurance premiums when due from escrow
- Request certificates of insurance annually
- Notify borrower if coverage is inadequate or lapsing

2.11 Servicemembers Civil Relief Act (SCRA) Compliance

2.11.1 Active Duty Verification Requirements

Before initiating foreclosure, Servicer shall:

- Search Department of Defense (DOD) database to verify military status
- Maintain documentation of search results in servicing file
- Repeat search within **30 days** before any foreclosure sale
- Obtain court order if borrower is on active duty

2.11.2 SCRA Interest Rate Protection

For servicemembers called to active duty after loan origination:

- **Reduce interest rate to 6% maximum** during active duty period
- Apply 6% rate retroactively to start of active duty
- Continue 6% rate through active duty **plus 1 year** after discharge
- Recalculate monthly payment amount based on 6% rate
- Credit any overcharges within **30 days** of notification of active duty status

2.11.3 SCRA Foreclosure Protection

For servicemembers on active duty:

- **May not initiate foreclosure** without court order
- Protection extends during active duty **plus 9 months** after discharge
- Must provide **90-day stay of proceedings** if servicemember requests
- Court must determine whether military service materially affects ability to comply with obligation

2.11.4 Notice Requirements for Legal Proceedings

If initiating any legal proceedings involving servicemember:

- Provide specific notice of rights under SCRA
- Include instructions for requesting stay of proceedings
- Provide contact information for military legal assistance

2.12 Borrower Communication Standards

2.12.1 Communication Timing Restrictions

Servicer shall not contact borrowers:

- Before **8:00 AM** or after **9:00 PM** borrower's local time
- At borrower's workplace if informed employer prohibits such calls
- Via methods for which borrower has revoked consent
- On federal holidays (except for emergency communications)

2.12.2 Language Access Services

For borrowers with limited English proficiency:

- Provide written materials in borrower's preferred language when available in Servicer's inventory
- Provide oral interpretation services for telephone communications
- Document language preference in servicing file
- Ensure translated materials are accurate and complete

2.12.3 Accessibility Accommodations

For borrowers with disabilities:

- Provide materials in accessible formats (large print, Braille, audio)
- Allow authorized representative to act on borrower's behalf
- Provide reasonable accommodations as required by Americans with Disabilities Act (ADA)
- Ensure website and online portal are accessible (WCAG 2.1 AA compliant)

2.12.4 Deceased Borrower Procedures

Upon notification of borrower death:

- Request death certificate and estate documentation
- Identify successors in interest per applicable law

- Provide required disclosures to confirmed successors
- Do NOT accelerate loan solely due to death (Garn-St. Germain Act compliance)
- Continue accepting payments from estate, executor, or successors
- Evaluate successors for assumption options if requested

2.12.5 Cease Communication Requests

If borrower requests cessation of communication:

- Honor request for non-essential communications
- Document request in servicing file with date and method received
- Continue sending legally required notices (periodic statements, foreclosure notices, legal proceedings)
- May contact for specific permissible purposes:
 - Accepting payments
 - Providing loss mitigation offers
 - Providing legally required notices
 - Responding to borrower-initiated contact

2.12.6 Response Time Standards

Servicer shall respond to borrower inquiries:

- Telephone: answer or return call within **1 business day**
- Email: respond within **2 business days**
- Written correspondence: respond within **5 business days** (or timelines specified in sections above)
- Urgent matters: respond same business day when possible

2.13 Record Retention and Reporting

2.13.1 Mandatory Records (5-year retention minimum)

Servicer shall maintain for minimum **5 years**:

- Complete payment and transaction history for each loan
- All borrower communications (written correspondence and recorded telephone calls)
- All error resolution documentation (QWRs and responses)
- All loss mitigation applications, evaluations, and determinations
- All foreclosure proceedings documentation and timelines

- All escrow account records and annual analyses
- All complaint records and resolutions
- All regulatory inquiries and responses
- All force-placed insurance notices and removal documentation
- All payoff statements issued

2.13.2 Electronic Record Requirements

Electronic records shall:

- Be searchable by loan number, borrower name, property address, and date
- Be backed up daily with secure off-site storage
- Be retrievable within **5 business days** of Investor request
- Be maintained in non-proprietary format (or with conversion capability) to allow successor servicer access
- Include complete metadata (creation date, author, modifications)
- Be stored with appropriate access controls and audit trails

2.13.3 Monthly Investor Reporting

By **5th business day** of each month, Servicer shall provide Investor with report including:

Portfolio Summary:

- Total number of loans and aggregate UPB
- Delinquency status by bucket (current, 30, 60, 90, 120+ days)
- Average delinquency rate and trend analysis
- Number of loans in forbearance or modification

Loss Mitigation Activity:

- Loss mitigation applications received (by type)
- Loss mitigation applications approved and denied
- Trial modifications started and completed
- Permanent modifications executed
- Foreclosure alternatives (short sales, deeds-in-lieu)

Foreclosure Activity:

- Foreclosures initiated

- Foreclosures in process (by stage)
- Foreclosure sales completed
- REO properties acquired

Servicing Exceptions:

- Error resolution requests received and resolved
- Borrower complaints received and status
- Regulatory inquiries received
- Escrow shortages and surpluses identified
- Force-placed insurance policies initiated and removed

Financial Reporting:

- Total collections (principal, interest, fees, late charges)
- Servicing fee calculation and amount due
- Servicer advances outstanding
- Reimbursement requests

2.13.4 Critical Event Reporting (24-hour notice)

Servicer shall notify Investor within **24 hours** of:

- Receipt of CFPB examination notice or inquiry
- Receipt of state regulator examination notice or inquiry
- Receipt of lawsuit, class action, or arbitration demand related to servicing
- Data breach, cybersecurity incident, or unauthorized access to borrower information
- Discovery of servicing error or policy violation affecting 10 or more loans
- Operational failure affecting payment processing or critical systems
- Natural disaster affecting significant number of borrower properties
- Loss of key personnel (Chief Compliance Officer, Head of Servicing)
- Material change in servicer's financial condition or licensing status

2.14 Quality Control and Compliance Monitoring

2.14.1 Internal Quality Control Program

Servicer shall maintain comprehensive QC program including:

Monthly Sampling (minimum **5% of active portfolio**):

- Payment processing accuracy
- Payment crediting timeliness (same-day requirement)
- Customer service call quality and response time
- Loss mitigation evaluation quality
- Escrow account management accuracy
- Error resolution response quality and timeliness

2.14.2 Compliance Testing

Quarterly compliance testing shall verify:

- Early intervention live contact timing (36-day requirement)
- Continuity of contact assignment timing (45-day requirement)
- Error resolution acknowledgment timing (5-day requirement)
- Error resolution response timing (30/45-day requirement)
- Loss mitigation review timing (30-day requirement)
- Force-placed insurance notice timing (45/15-day requirements)
- Payoff statement delivery timing (7-day requirement)
- Payment crediting timing (same-day requirement)
- Foreclosure 120-day delinquency requirement
- Dual-tracking prohibition compliance

2.14.3 Performance Standards

Servicer shall maintain minimum performance standards:

Requirement	Timeline	Minimum Standard
Early Intervention Live Contact	36 days	95%
Continuity of Contact Assignment	45 days	98%
Error Resolution Acknowledgment	5 business days	99%
Error Resolution Response	30 days	95%
Loss Mitigation Review	30 days	95%
Payoff Statement Delivery	7 business days	98%
Same-Day Payment Crediting	Same day by 5 PM	99%
Force-Placed Insurance Notices	45/15 days	98%
Foreclosure 120-Day Requirement	120+ days	100%
Dual-Tracking Prohibition	No exceptions	100%

2.14.4 Corrective Action Plans

When violations or performance deficiencies identified:

- Document root cause analysis within **15 days** of discovery
- Develop and implement corrective action plan within **30 days**
- Report to Investor with detailed remediation plan
- Re-test for effectiveness within **60 days** of implementation
- Provide updated report to Investor documenting correction

2.14.5 Servicing Policy and Procedure Manual

Servicer shall maintain comprehensive Servicing Policy and Procedure Manual covering all requirements in this Agreement, including:

- Payment processing procedures
- Error resolution procedures
- Early intervention procedures
- Loss mitigation procedures
- Foreclosure procedures
- Continuity of contact procedures
- Escrow management procedures
- Force-placed insurance procedures
- SCRA compliance procedures
- Communication standards and scripts

Manual shall be:

- Updated annually (or more frequently as laws change)
 - Provided to Investor upon request
 - Used for staff training
 - Reviewed and approved by Servicer's compliance officer
-

3. COMPENSATION AND EXPENSES

3.1 Servicing Fee

Investor shall pay Servicer the following fees:

Base Servicing Fee:

- **0.25% per annum** of unpaid principal balance (UPB) for performing residential mortgages
- **0.40% per annum** of unpaid principal balance (UPB) for non-performing residential mortgages (60+ days delinquent)
- Payable monthly in arrears by **5th business day** of each month

Fee Calculation: Based on average daily UPB during the prior month.

3.2 Compliance Infrastructure Fees

One-Time Setup Fee:

- **\$50,000** payable upon execution of Agreement
- Covers implementation of compliance monitoring systems, policies, and procedures required by this Agreement

Ongoing Technology Fee:

- **\$5,000 per month**
- Covers maintenance of compliance monitoring systems, data security infrastructure, and technology platforms required for RESPA/TILA compliance

Annual Training Fee:

- **\$10,000 per year** (payable in January of each year)
- Covers mandatory staff training on RESPA, TILA, CFPB rules, and servicing procedures

3.3 Servicer Advances and Reimbursements

Authorized Advances: Servicer may advance funds for:

- Property taxes
- Hazard insurance premiums
- Property preservation costs (securing property, lawn maintenance, winterization)
- Foreclosure costs (filing fees, legal fees, title searches)
- Other necessary costs to protect Investor's interest in property

Reimbursement: Investor shall reimburse Servicer for authorized advances within **10 business days** of receipt of invoice with supporting documentation.

3.4 Late Fee Retention

Late fees collected from borrowers shall be:

- **Retained by Servicer up to \$25 per loan per month**
- **Remainder remitted to Investor** with monthly remittance

Late fees must comply with loan documents and applicable state law.

3.5 Extraordinary Expenses

Approval Requirement: Extraordinary expenses exceeding **\$1,000 per loan** require Investor's prior written approval before Servicer incurs expense.

Extraordinary expenses include:

- Litigation costs (defense or prosecution)
- Environmental remediation
- Major property repairs
- Title defect resolution
- Bankruptcy proceedings costs

Reimbursement: Investor shall reimburse approved extraordinary expenses within **15 business days** of receipt of invoice.

3.6 Regulatory Compliance Costs

Covered by Base Fees: Normal regulatory compliance costs are included in Servicing Fee and Compliance Infrastructure Fees.

Reimbursable Extraordinary Regulatory Costs: Investor shall reimburse Servicer for:

- Regulatory examination response costs (if examination scope broader than normal)
- Individual borrower complaint investigation (if complex): **\$500 per complaint**
- Litigation defense for compliance-related claims: **actual legal fees if Servicer prevails or matter dismissed**

Not Reimbursable: Servicer bears cost of regulatory fines, penalties, or settlements resulting from Servicer's violations.

4. INDEMNIFICATION

4.1 Servicer Indemnification

Servicer shall indemnify, defend, and hold harmless Investor, its officers, directors, employees, and agents from and against all claims, losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees and court costs) arising from:

- Servicer's breach of this Agreement
- Servicer's negligence or willful misconduct
- Servicer's violation of Applicable Law
- Servicer's failure to comply with specific requirements of RESPA, TILA, CFPB rules, or other consumer protection laws
- Third-party claims arising from Servicer's servicing actions or omissions
- Data breaches or cybersecurity incidents caused by Servicer's systems or personnel
- Unauthorized disclosure of borrower information by Servicer

4.2 Investor Indemnification

Investor shall indemnify, defend, and hold harmless Servicer from claims, losses, and damages arising **solely** from:

- Investor Instructions that directly contradict RESPA/TILA requirements **AND**
- Servicer provided written notice of legal conflict **AND**
- Investor directed Servicer to proceed with conflicting instruction anyway

Limitation: In all other circumstances, Servicer remains responsible for regulatory compliance regardless of Investor Instructions. Servicer shall not follow Investor Instructions that violate Applicable Law and shall provide written notice of refusal to Investor.

4.3 Indemnification Procedures

Notice: Indemnified party shall provide prompt written notice (within **15 days**) of any claim subject to indemnification.

Defense: Indemnifying party shall have right to control defense of claim with counsel of its choice.

Cooperation: Indemnified party shall cooperate fully in defense of claim.

Settlement: Indemnifying party shall not settle claim without indemnified party's consent (not to be unreasonably withheld).

4.4 Limitation of Liability - MODIFIED FOR COMPLIANCE

General Liability Cap: Servicer's aggregate liability under this Agreement for operational errors and general breaches shall not exceed the total Servicing Fees paid in the **preceding 12 months**.

EXCEPTIONS - No Liability Cap Applies To:

- CFPB civil money penalties, fines, or enforcement actions
- State regulatory enforcement actions and penalties
- Class action settlements or judgments for servicing violations
- Individual borrower damages resulting from wrongful foreclosure
- Violations of early intervention requirements (RESPA § 1024.39)
- Violations of loss mitigation procedures (RESPA § 1024.41)
- Dual-tracking violations
- Force-placed insurance violations
- Error resolution violations causing borrower harm
- Data breaches or cybersecurity incidents
- Fraud, gross negligence, or willful misconduct

For these excepted categories, Servicer bears full unlimited liability.

4.5 Survival of Indemnification

Indemnification obligations shall survive termination of this Agreement for period of **five (5) years** from termination date.

5. TERM AND TERMINATION

5.1 Term

This Agreement shall commence on the Effective Date and continue until:

- The last Loan is paid in full, foreclosed, or otherwise liquidated, OR
- Agreement is terminated pursuant to this Section 5

5.2 Termination for Cause - General Breach

Either party may terminate upon **material breach** with written notice:

- Provide **30 days' written notice** specifying breach
- Breaching party has **30 days** to cure breach
- If not cured, termination effective immediately after cure period expires

Material breaches include:

- Failure to make required payments within 60 days of due date
- Breach of confidentiality obligations
- Failure to maintain required insurance
- Material misrepresentation in this Agreement
- Insolvency, bankruptcy filing, or appointment of receiver

5.3 Termination for Cause - Regulatory Violations

Either party may terminate **immediately** upon written notice if:

- CFPB issues consent order naming Servicer for servicing violations
- State regulator suspends or revokes Servicer's license in any state where properties located
- Servicer subject to regulatory enforcement action with ongoing violations
- Servicer fails to cure material compliance violation within **15 days** of written notice
- Servicer fails to meet performance standards (Section 2.14.3) for **two consecutive quarters**

5.4 Termination Without Cause

By Investor:

- May terminate without cause upon **60 days' written notice**
- No penalty or fee for termination without cause

By Servicer:

- May terminate without cause upon **90 days' written notice**
- Only if Investor fails to pay Servicing Fees for more than **60 days**

5.5 Transfer of Servicing Upon Termination

Upon termination for any reason, Servicer shall:

Within 45 Business Days:

- Transfer all Servicing Files to Investor or successor servicer, including:
 - Complete loan files (origination through current date)
 - All payment and transaction history
 - All borrower communications and correspondence
 - All loss mitigation files and applications
 - All foreclosure proceedings documentation
 - All error resolution records
 - All escrow account records and reconciliations
 - All compliance testing and QC records

Electronic Format:

- Provide data in industry-standard format (MSP, MISMO XML, or format specified by Investor)
- Provide conversion assistance if successor uses different system

Financial Reconciliation:

- Transfer all escrow balances to Investor or successor
- Transfer all collected but not yet remitted payments
- Transfer all suspense account balances with detailed reconciliation
- Provide final accounting of all servicer advances
- Return any unused portion of compliance infrastructure fees

Borrower Notifications:

- Servicer shall send borrower notification of servicing transfer per RESPA requirements
- Provide notification **15 days before transfer** and again at time of transfer
- Coordinate with successor servicer to ensure seamless transition

5.6 Transition Assistance

Servicer shall provide reasonable transition assistance for **60 days** following transfer, including:

- Training successor servicer personnel on loan portfolio specifics
- Providing system access for data extraction and verification
- Responding to questions about servicing history and borrower issues
- Assisting with resolution of any in-process borrower matters
- No additional fee for transition assistance (included in final Servicing Fee payment)

5.7 Survival of Obligations

The following obligations survive termination:

- Indemnification obligations (5 years)
 - Confidentiality obligations (perpetual)
 - Payment obligations for services rendered through termination date
 - Regulatory compliance obligations for actions taken during servicing period
 - Record retention obligations (5 years minimum)
-

6. COMPLIANCE AND AUDIT

6.1 Regulatory Compliance Obligation

Servicer shall comply with all Applicable Law, including but not limited to:

- Real Estate Settlement Procedures Act (RESPA) and Regulation X
- Truth in Lending Act (TILA) and Regulation Z
- CFPB Servicing Rules (12 CFR § 1024.30 et seq. and § 1026.36 et seq.)
- Gramm-Leach-Bliley Act (GLBA) privacy and security requirements
- Fair Credit Reporting Act (FCRA)
- Servicemembers Civil Relief Act (SCRA)
- Equal Credit Opportunity Act (ECOA)
- Fair Housing Act
- Fair Debt Collection Practices Act (FDCPA)
- All applicable state servicing, foreclosure, and consumer protection laws

6.2 Books and Records

Retention: Servicer shall maintain complete and accurate books and records for minimum **five (5) years** from date of transaction or event.

Location: Records may be maintained electronically in secure, redundant systems with appropriate backup and disaster recovery.

Access: Investor shall have right to access and review all books and records upon **10 business days' written notice** during normal business hours.

6.3 Audit Rights

Investor Audits: Investor may conduct audits and inspections of Servicer:

- Frequency: Up to **two (2) times per year** (or more if cause exists)
- Scope: Review all aspects of servicing operations, compliance, and financial accounting
- Notice: **10 business days' advance notice** (or immediate if cause exists)
- Access: Full access to systems, records, personnel, and facilities
- Cost: Investor bears cost of routine audits; Servicer bears cost if material violations found

Third-Party Audits: Investor may engage independent third-party auditors to:

- Conduct compliance audits
- Review operational procedures and controls
- Test servicing system functionality
- Verify data accuracy and completeness
- Interview Servicer personnel

Servicer shall cooperate fully with third-party auditors and provide requested information and access.

6.4 Annual Independent Compliance Audit

Servicer shall obtain **annual independent compliance audit** by qualified third-party auditor covering:

- RESPA Regulation X compliance (all sections)
- TILA Regulation Z compliance (servicing-related sections)
- CFPB Servicing Rules compliance
- SCRA compliance
- Fair lending compliance (ECOA, FHA)
- Data security and privacy compliance (GLBA, FCRA)

Audit Report:

- Provide complete audit report to Investor within **30 days** of completion
- Report must include findings, deficiencies, and remediation plans
- Include management response and corrective action timelines

Auditor Qualifications:

- Must be independent (no financial interest in Servicer)
- Must have mortgage servicing compliance expertise
- Must have performed similar audits for other servicers

6.5 Regulatory Examination Cooperation

Examination Notification: Servicer shall notify Investor within **5 business days** of receiving:

- CFPB examination notice or inquiry
- State regulator examination notice or inquiry
- Other regulatory agency inquiry related to servicing

Examination Results: Servicer shall provide Investor with:

- Copy of examination findings or report
- Copy of any regulatory response or remediation plan
- Status updates on remediation progress

Investor Observation: Investor may:

- Observe remediation implementation
- Review remediation testing and validation
- Participate in discussions with regulators (with Servicer's consent)

6.6 Regulatory Reporting

Servicer shall timely file all required regulatory reports, including:

- HMDA data (if applicable)
- Mortgage servicing reports to state regulators
- CFPB supervisory reporting (if applicable)
- Any other reports required by Applicable Law

Servicer shall provide copies to Investor upon request.

6.7 Notification of Material Events

Servicer shall notify Investor **immediately** (within 24 hours) of:

- Regulatory enforcement action or consent order
- Significant servicing errors or policy violations
- Material borrower complaints or patterns of complaints
- Data breaches or cybersecurity incidents
- Litigation related to servicing practices
- License suspensions or regulatory sanctions
- Material changes to compliance policies or procedures

6.8 Compliance Officer

Servicer shall maintain qualified Chief Compliance Officer responsible for:

- Overseeing compliance program
- Reporting directly to Servicer's senior management and board
- Conducting regular compliance risk assessments
- Implementing and monitoring compliance policies
- Coordinating regulatory examinations
- Escalating compliance issues promptly

Investor Notification: Servicer shall notify Investor within **5 business days** of any change in Chief Compliance Officer.

7. CONFIDENTIALITY AND DATA SECURITY

7.1 Confidential Information

Servicer acknowledges that borrower information and loan data are confidential and proprietary to Investor. Servicer shall:

- Maintain strict confidentiality of all borrower information
- Use borrower information solely for servicing purposes under this Agreement
- Not disclose borrower information except as required by law or authorized by borrower
- Implement appropriate safeguards to protect confidentiality

7.2 Data Security Requirements

GLBA Compliance: Servicer shall comply with Gramm-Leach-Bliley Act Safeguards Rule, including:

- Designate employee(s) to coordinate information security program
- Identify and assess risks to customer information
- Design and implement safeguards to control identified risks
- Regularly monitor and test effectiveness of safeguards
- Select service providers capable of maintaining appropriate safeguards
- Evaluate and adjust security program as needed

Specific Security Measures:

- **Access Controls:** Limit access to authorized personnel only; implement role-based access
- **Encryption:** Encrypt sensitive data in transit (TLS 1.2+) and at rest (AES-256 or equivalent)
- **Authentication:** Implement multi-factor authentication for system access
- **Network Security:** Maintain firewalls, intrusion detection, and security monitoring
- **Physical Security:** Secure physical access to data centers and facilities
- **Vendor Management:** Ensure third-party vendors meet equivalent security standards

Security Assessments:

- Conduct annual penetration testing by qualified third party
- Conduct quarterly vulnerability assessments
- Maintain security incident response plan
- Provide security assessment results to Investor annually

7.3 Data Breach Notification

If unauthorized access, disclosure, or loss of borrower information occurs:

Immediate Actions (within 24 hours):

- Notify Investor of breach
- Contain and mitigate breach
- Preserve forensic evidence

Investigation (within 5 business days):

- Determine scope and impact of breach

- Identify affected borrowers
- Assess risk of identity theft or fraud
- Provide detailed report to Investor

Borrower Notification (as required by law):

- Notify affected borrowers per applicable state breach notification laws
- Provide credit monitoring if appropriate
- Coordinate notification with Investor

Regulatory Notification:

- Report breach to regulators as required (CFPB, state regulators, FTC)
- Cooperate with regulatory investigation

Cost: Servicer bears all costs of breach response, notification, credit monitoring, and remediation.

7.4 FCRA Compliance

Servicer shall comply with Fair Credit Reporting Act, including:

- Furnish accurate information to consumer reporting agencies
- Investigate and correct errors promptly
- Not report disputed information as current
- Maintain reasonable procedures for data accuracy
- Respond to borrower disputes within required timeframes

7.5 Privacy Notices

Servicer shall:

- Provide borrowers with privacy notices as required by GLBA
- Honor borrower opt-out requests for information sharing
- Not sell or share borrower information for marketing purposes without consent
- Maintain record of privacy notice delivery

7.6 Return of Information

Upon termination, Servicer shall:

- Return or securely destroy all borrower information (at Investor's direction)
- Certify in writing that all information has been returned or destroyed

- Not retain copies except as required by law for record retention
 - Maintain confidentiality of retained records per legal requirements
-

8. GOVERNING LAW AND MISCELLANEOUS

8.1 Governing Law

This Agreement shall be governed by and construed in accordance with:

- **State Law:** Laws of the State of New York (without regard to conflict-of-law principles)
- **Federal Law:** This Agreement is also subject to and shall be construed in accordance with:
 - Consumer Financial Protection Act (12 U.S.C. § 5481 et seq.)
 - Real Estate Settlement Procedures Act (12 U.S.C. § 2601 et seq.)
 - Truth in Lending Act (15 U.S.C. § 1601 et seq.)
 - All implementing regulations (Regulation X, Regulation Z, and CFPB rules)

Federal Law Supremacy: To the extent any provision of this Agreement conflicts with federal consumer protection law, federal law shall control and prevail.

8.2 Assignment

Neither party may assign this Agreement without prior written consent of the other party, except:

- Investor may assign to successor in interest to the Loans
- Servicer may assign to affiliated entity with equivalent capabilities and compliance record
- Either party may assign to entity acquiring substantially all of its assets

Assignment does not relieve assigning party of obligations unless other party expressly releases.

8.3 Force Majeure

Neither party shall be liable for delays or failures in performance due to causes beyond reasonable control, including:

- Acts of God (earthquakes, floods, severe weather)
- War, terrorism, civil unrest
- Government actions or orders
- Pandemics or public health emergencies
- Utility failures or telecommunications outages

Limitations: Force majeure does not excuse payment obligations or compliance with regulatory requirements to extent performance remains possible.

8.4 Dispute Resolution

Informal Resolution: Parties shall first attempt to resolve disputes through good faith negotiation between senior executives.

Mediation: If negotiation fails within 30 days, parties shall submit dispute to non-binding mediation before initiating arbitration or litigation.

Arbitration: For disputes exceeding **\$50,000** that cannot be resolved through mediation, parties agree to binding arbitration under rules of American Arbitration Association (AAA):

- Venue: New York, New York
- Single arbitrator (or panel of three if parties agree)
- AAA Commercial Arbitration Rules
- Arbitrator's decision is final and binding

Exception: Either party may seek injunctive relief in court for breaches involving confidentiality, data security, or intellectual property.

8.5 Notices

All notices under this Agreement shall be in writing and delivered via:

- Personal delivery
- Certified mail, return receipt requested
- Overnight courier (FedEx, UPS)
- Email (with confirmation of receipt)

Addresses: As set forth in signature block or as updated by written notice.

Effectiveness: Notices effective upon receipt (or 3 business days after mailing if sent by certified mail).

8.6 Entire Agreement

This Agreement, including all Exhibits, constitutes the entire agreement between parties and supersedes all prior agreements, understandings, and negotiations, whether written or oral.

Amendments: This Agreement may be amended only by written instrument signed by both parties.

Waiver: No waiver of any provision effective unless in writing. Waiver of breach does not waive subsequent breaches.

8.7 Severability

If any provision held invalid or unenforceable:

- Remainder of Agreement remains in full effect
- Invalid provision shall be modified to extent possible to achieve parties' intent
- If modification not possible, provision shall be severed

8.8 Counterparts

This Agreement may be executed in counterparts, each constituting an original, all together constituting one agreement. Electronic signatures valid and enforceable.

8.9 Insurance

Required Coverage: Servicer shall maintain at all times:

- **Errors & Omissions Insurance:** Minimum **\$5,000,000** per occurrence and aggregate
- **Cyber Liability Insurance:** Minimum **\$5,000,000** per occurrence covering data breaches
- **Fidelity Bond:** Minimum **\$2,000,000** covering employee dishonesty
- **General Liability Insurance:** Minimum **\$2,000,000** per occurrence

Certificate: Provide certificate of insurance to Investor naming Investor as additional insured.

Maintenance: Maintain coverage throughout term and for 2 years after termination for claims-made policies.

8.10 Relationship of Parties

Parties are independent contractors. This Agreement does not create partnership, joint venture, agency, or employment relationship.

8.11 Third-Party Beneficiaries

This Agreement is for sole benefit of parties and their successors and assigns. No third-party beneficiaries intended or created, except:

- Investor's officers, directors, employees, and agents are intended third-party beneficiaries of indemnification provisions
- Borrowers have no third-party beneficiary rights under this Agreement

8.12 Regulatory Changes

If changes in Applicable Law materially increase Servicer's costs or compliance obligations:

- Servicer shall notify Investor within **30 days**

- Parties shall negotiate in good faith to adjust compensation
 - If parties cannot agree within **60 days**, either party may terminate upon **90 days' notice**
-

IN WITNESS WHEREOF

The parties have executed this Agreement as of the Effective Date.

INVESTOR: _____

By: [Authorized Signatory]

Title: _____

Date: _____

SERVICER: _____

By: [Authorized Signatory]

Title: _____

Date: _____

EXHIBIT A – SERVICING FEE SCHEDULE

Loan Type	Servicing Fee (% of UPB per annum)
Performing Residential Mortgage	0.25%
Non-Performing Residential Mortgage (60+ days delinquent)	0.40%
Late Fee Retention	\$25 per loan per month, remainder to Investor

Compliance Infrastructure Fees:

- One-Time Setup Fee: \$50,000
 - Monthly Technology Fee: \$5,000
 - Annual Training Fee: \$10,000
-

EXHIBIT B – LOAN PORTFOLIO DESCRIPTION

This Exhibit lists the loans covered under this Agreement. For confidentiality, sample data provided:

Loan Pool 2025-Q1:

- Number of Loans: 1,500

- Loan Type: Performing residential mortgages
- Average UPB: \$250,000
- Total UPB: \$375,000,000

Loan Pool 2025-Q2:

- Number of Loans: 1,200
- Loan Type: Performing residential mortgages
- Average UPB: \$300,000
- Total UPB: \$360,000,000

Loan Pool 2025-Q3:

- Number of Loans: 500
- Loan Type: Non-performing residential mortgages
- Average UPB: \$275,000
- Total UPB: \$137,500,000

Total Portfolio:

- Total Loans: 3,200
- Total UPB: \$872,500,000

Servicer shall service these loans in accordance with all terms and requirements of this Agreement.

EXHIBIT C – PERFORMANCE STANDARDS AND METRICS

Servicer shall meet the following minimum compliance performance standards:

Compliance Requirement	Regulatory Timeline	Minimum Performance Standard
Early Intervention Live Contact (RESPA § 1024.39)	36 days after delinquency	95%
Continuity of Contact Assignment (RESPA § 1024.40)	45 days after delinquency	98%
Error Resolution Acknowledgment (RESPA § 1024.35)	5 business days	99%
Error Resolution Response (RESPA § 1024.35)	30 days (or 45 with notice)	95%
Loss Mitigation Application Review (RESPA § 1024.41)	30 days after complete application	95%
Payoff Statement Delivery (TILA § 1026.36(c)(3))	7 business days	98%
Same-Day Payment Crediting (TILA § 1026.36(c)(1))	Same day if received by 5 PM	99%
Force-Placed Insurance First Notice (RESPA § 1024.37)	45 days before charging	98%
Force-Placed Insurance Reminder Notice (RESPA § 1024.37)	15 days before charging	98%
Foreclosure 120-Day Delinquency Requirement (RESPA § 1024.41)	120+ days delinquent minimum	100%
Dual-Tracking Prohibition (RESPA § 1024.41)	No foreclosure with pending application	100%
Periodic Statement Delivery (TILA § 1026.41)	4 business days after cycle close	98%

Performance Review: Investor shall review compliance performance quarterly. Failure to meet standards for **two consecutive quarters** constitutes material breach and grounds for immediate termination under Section 5.3.

Remediation: If performance falls below standards in any quarter:

- Servicer shall provide written explanation and corrective action plan within **15 days**
- Implement corrective actions within **30 days**
- Return to compliance standards within **next quarter**

END OF MORTGAGE LOAN SERVICING AGREEMENT