

## **CORRESPONDENT MORTGAGE LOAN PURCHASE AGREEMENT**

This CORRESPONDENT MORTGAGE LOAN PURCHASE AGREEMENT (this “**MLPA**”) is dated and effective as of [\_\_\_\_\_], by and between [\_\_\_\_\_] (“**Seller**”), a [\_\_\_\_\_], with its principal place of business at [\_\_\_\_\_] and Banc of California, National Association. Banc of California, National Association purchases the Portfolio Product under the name of Banc of California, National Association, and purchases other loans as Banc of California, National Association, dba Banc Home Loans. The “**Bank,**” as used herein, refers to all correspondent business under both names.

### **BACKGROUND**

Seller is in the business of originating mortgage loans and desires to sell and transfer to the **B a n k** from time to time, and the **B a n k** desires to purchase from Seller from time to time, certain eligible Mortgage Loans upon such terms and conditions as are set forth herein.

In consideration of the promises and the mutual agreements and undertakings set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

### **ARTICLE I** **CORRESPONDENT SELLER GUIDE**

Unless the context otherwise requires, all capitalized terms used and not otherwise defined in the Agreement shall have the meanings assigned to such terms in the Correspondent Seller Guide, as amended and supplemented from time to time (the “**Guide**”). The parties expressly understand and agree that the Guide is hereby incorporated into this MLPA by reference and forms a critical and inseparable part hereof. Seller also expressly understands and agrees that the **B a n k** reserves the right to amend or supplement the Guide at any time and from time to time in its sole and absolute discretion which shall become effective thirty (30) days following such posting date or on such later date as the **B a n k** may determine at its sole discretion. The **B a n k** shall furnish Seller with any such amendments or supplements by posting such amendments or supplements on the **B a n k**’s Correspondent website, which shall become effective immediately or on such later date as the **B a n k** may determine in its sole discretion, and the sale and purchase of each Mortgage Loan hereunder shall be subject to all requirements of the Guide, as in effect on the related Purchase Date. For the avoidance of doubt, no acknowledgment or approval of Seller is necessary for any such amendments or supplements to become effective.

### **ARTICLE II** **THE AGREEMENT**

**Section 2.1 Agreement Documents.** This MLPA, including any exhibits and addenda hereto, the Guide and all related Commitment Confirmations and Wire Detail/Purchase Advices are collectively referred to as the “**Agreement.**”

**Section 2.2 Entire Agreement.** This MLPA, including any exhibits and addenda hereto, the Guide (including any amendments thereto), and any related Commitment Confirmation and Wire Detail/Purchase Advice document constitute the entire understanding between the parties hereto with respect to the sale and purchase of each Mortgage Loan hereunder and thereunder and supersede all prior or contemporaneous oral or written communications regarding same. Seller and the Bank understand and agree that no employee, agent or other representative of Seller or the Bank has any authority to bind such party with regard to any statement, representation, warranty or other expression unless said statement, representation, warranty or other expression is specifically included within the express terms of the Agreement. The Agreement shall not be modified, amended or in any way altered except by an instrument in writing signed by both parties, except that the Bank reserves the right to modify or amend the Approved Loan Types Addendum at any time, upon written or electronic notice to Seller, and the right to modify the Guide as set forth above.

### **ARTICLE III SALE OF THE LOANS**

**Section 3.1 Sale of the Mortgage Loans.** From time to time during the term of the Agreement, Seller may offer to sell, convey, transfer and assign to the Bank, and the Bank may purchase from Seller, all right, title and interest in and to eligible Mortgage Loans on a servicing-released basis, all in accordance with the terms and conditions set forth in the Agreement. Nothing in the Agreement shall be construed as obligating the Bank to purchase or accept the assignment of any Mortgage Loan.

**Section 3.2 Delivery of Mortgage Loan Documents.** Seller shall deliver a complete Mortgage Loan File that contains all of the Mortgage Loan Documents with respect to each Mortgage Loan to the Bank or its designee on or before the applicable Delivery Due Date, except as otherwise permitted to be delivered later in accordance with the requirements of the Guide. All Mortgage Loan Documents relating to the Mortgage Loan and all other documents required to be delivered to the Bank by Seller pursuant to this Section 3.2 and the Guide that are in the possession or control of Seller and are not delivered to the Bank, if any, are and shall be held by Seller in trust for the benefit of the Bank.

**Section 3.3 Payment of the Purchase Price.** On each Purchase Date, for Mortgage Loans Delivered in accordance with the terms of the Agreement, the Bank shall pay to Seller (or to Seller's warehouse lender pursuant to a bailee letter in form and substance acceptable to the Bank in its sole discretion) the Purchase Price relating to each Mortgage Loan sold by Seller to the Bank on such Purchase Date, by wire transfer in immediately available funds to the account designated by Seller. Upon completion of the wire transfer to Seller's designated account, the Bank shall own the Mortgage Loans and the Servicing Rights, free and clear of any lien or encumbrance whatsoever.

**Section 3.4 Entitlement to Payment on the Mortgage Loans.** The Bank shall be entitled to all collections and recoveries of principal, interest, or late charges as well as any associated escrows for taxes, insurance or other items paid by a Mortgagor for payments due on or after the effective servicing transfer date for the Mortgage Loan. The Bank shall also be entitled to all unscheduled payments of principal received after the Purchase Date, as well as unscheduled payments of principal received on or before the Purchase Date if not accounted for in the Purchase Price.

**ARTICLE IV**  
**REPRESENTATIONS AND WARRANTIES; REMEDIES**

**Section 4.1 Representations, Warranties and Covenants Respecting Seller.** As of the date of this MLPA and as of each Purchase Date, Seller makes each of the representations, warranties and covenants relating to Seller as are set forth in Section 2.1 of the Guide (as in effect on the related date such representation, warranty and covenant was made), and Seller further represents that no event shall have occurred which, with notice or the passage of time, would constitute a default under the Agreement.

**Section 4.2 Representations and Warranties Regarding Individual Mortgage Loans.** With respect to each Mortgage Loan as of the related Purchase Date, Seller makes each of the representations and warranties as are set forth in Section 2.2 of the Guide (as in effect on the related date such representation and warranty was made), and Seller further represents that no event shall have occurred which, with notice or the passage of time, would constitute a default under the Agreement.

**Section 4.3 Survival; Applicability.** The representations, warranties, covenants and agreements made by Seller in the Agreement shall survive the sale of the Mortgage Loans to the Bank and shall inure to the benefit of the Bank and its successors and assigns, notwithstanding any restrictive or qualified endorsement on any Note or Assignment of Mortgage or the Bank's examination of or failure to examine any Mortgage Loan File. Furthermore, the absence of Seller in either the chain of title or endorsements shall in no way limit the Bank's recourse against Seller as provided in the Agreement for a breach of one or more of the representations, warranties and covenants made by Seller in the Agreement or the occurrence of an Event of Default. Notwithstanding anything to the contrary in the Agreement, the failure of the Bank to identify or discover any deficiency or error with respect to any Mortgage Loan Documents or Mortgage Loan, or failure to otherwise reject any Mortgage Loan for purchase shall not release Seller from its obligations herein and shall not impair or diminish the rights of the Bank or any of its successors or assigns under the Agreement with respect to an Event of Default or a breach of the representations, warranties and covenants contained in the Agreement, including but not limited to the Bank's or any of its successors' or assigns' rights to demand repurchase or other Remedies provided for in the Agreement.

**Section 4.4. Remedies.** As further provided in the Guide and below, the Bank shall have available various Remedies upon the occurrence of one or more Events of Default, in addition to any other remedies the Bank may have at law or in equity.

The Events of Default that entitle the Bank to Remedies include, but are not limited to the following provisions of the Guide: Early Payment Default, Breach of Representation or Warranty, Uninsurable Mortgage Loan, Unmarketable Mortgage Loan, Fraud and/or Misrepresentation, Early Payoff, Adverse Financial Condition of Seller, Legal or Regulatory Action against Seller, and General Events of Default, all as set forth in this MLPA and the Guide.

The Remedies available to the Bank may vary based on the Mortgage Loan type and the type of Event of Default that has occurred, and are set forth in the Guide. These Remedies include, but are not limited to: Repurchase, Indemnification, EPD Indemnification, Make-Whole, Early Payoff Fee Payment, Reasonable Assurances, Suspension, Termination, Setoff, Withholding of Mortgage Loan Purchase Funding, and General Remedies, in each case as set forth in the Guide.

**Section 4.5 Cause of Action.** Any cause of action against Seller relating to or arising out of a breach of this Article IV shall accrue upon Seller's failure to satisfy its obligation with respect to the Agreement, including the Bank's Remedies, or in the manner, and in accordance with the timeframes, required hereunder. It shall not be a defense in any action by the Bank against Seller arising out of a breach of Seller's covenants, agreements, representations and warranties made herein that the Bank knew or should have known of the existence of the related breach of such covenants, agreements, representations and warranties. Notwithstanding the above, the Bank must notify Seller of a breach within 90 days of the Bank's discovery of such breach.

**Section 4.6 Notification.** In addition to any other notification requirement as may be set forth in the Guide, Seller shall immediately notify the Bank in writing of any breach of its Representations and Warranties or the occurrence of any Event of Default.

**Section 4.7 Remedies Cumulative.** All rights and remedies provided in this MLPA and the Guide are cumulative and not exclusive of any other rights or remedies that may be available to the parties, whether provided by law, in equity or otherwise.

## **ARTICLE V** **TERMINATION**

**Section 5.1 Termination.** Subject to Sections 5.3 and 5.4, the Agreement may be Terminated by any party at any time for any reason by providing written notice to the other party, such Termination to be effective as of the date specified by the Terminating party. The Bank may also Terminate the Agreement by giving email notification to Seller at the email contact address specified by Seller.

**Section 5.2 Suspension.** In addition to the Termination rights set forth in Section 5.1, the Bank may, in its sole and absolute discretion and in lieu of Terminating the Agreement, Suspend Seller as an approved seller at any time and for any reason by giving notice of such Suspension to Seller by email notification to Seller at the contact address specified by Seller, by written notice, or as otherwise permitted in the Agreement or the Guide. Such Suspension shall be effective as of the date specified by the Bank in such notice and shall remain in effect until such time as the Bank determines to reactivate Seller or either party Terminates the Agreement. The Bank shall have the right to determine what rights and privileges Seller will have during the Suspension and in no event shall the Bank be obligated to enter into a Commitment Confirmation with Seller during the Suspension period.

**Section 5.3 Effect of Termination or Suspension.** With respect to any Mortgage Loan which is subject to a Commitment Confirmation as of the date of the Termination or Suspension notice, except as provided in the Commitment Confirmation or unless such Termination or Suspension was for Cause as set forth in the Guide, the Bank and Seller shall remain obligated to comply with the transaction subject to the terms and conditions of the Agreement and the related Commitment Confirmation.

**Section 5.4 Survival Upon Termination.** The termination of the Agreement shall not in any way affect the parties' rights, Remedies, obligations, representations, warranties, covenants or indemnifications with respect to Mortgage Loans sold by Seller to the Bank under the Agreement prior to the effective date of the termination or suspension, as applicable, it being understood that all such rights, Remedies, obligations, representations, warranties, covenants and indemnifications shall survive any such termination.

## **ARTICLE VI** **MISCELLANEOUS**

**Section 6.1 Confidentiality.** Seller and the Bank hereby acknowledge and agree that the Agreement shall be kept confidential and its contents will not be divulged to any party without the other party's consent except as may be necessary or required in working with legal counsel, auditors, taxing authorities or other governmental agencies. In addition, each party shall maintain, use and disclose Confidential Information only to the extent set forth in the Guide.

**Section 6.2 Intention of the Parties.** Pursuant to the Agreement, the Bank is purchasing, and Seller is selling, the Mortgage Loans and not a debt instrument or any other security of Seller. Accordingly, Seller and the Bank shall each treat the transaction for federal income tax purposes as a sale by Seller, and a purchase by the Bank, of the Mortgage Loans, including the Servicing Rights. The Bank shall have the right to review the Mortgage Loans and the related Mortgage Loan Files to determine the characteristics of the Mortgage Loans which shall affect the federal income tax consequences of owning the Mortgage Loans, including the Servicing Rights, and Seller shall cooperate with all reasonable requests made by the Bank in the course of such review.

**Section 6.3 Execution of Agreement.** This MLPA may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. The Agreement shall be deemed binding when executed by both the Bank and Seller. Telecopy, facsimile, .pdf or other similar signatures shall be deemed valid and binding to the same extent as the original.

**Section 6.4 Further Agreements.** Seller shall execute and deliver to the Bank and the Bank shall execute and deliver to Seller such reasonable and appropriate additional documents, instruments or agreements as may be necessary or appropriate to effectuate the purposes of the Agreement.

**Section 6.5 Successors and Assigns.** The Agreement shall bind and inure to the benefit of and be enforceable by Seller and the Bank and the respective permitted successors and assigns of Seller and the successors and assigns of the Bank. The Agreement shall not be assigned, pledged or hypothecated by Seller without the consent of the Bank. This Agreement may be assigned, pledged or hypothecated or otherwise transferred or encumbered by the Bank, in whole or part, without the consent of Seller.

**Section 6.6 No Third Party Beneficiaries.** Except as expressly provided herein, nothing in the Agreement is intended to confer any right, remedy, obligation or liability upon any Person other than the parties hereto and their respective successors and permitted assigns.

**Section 6.7 Severability Clause.** Any part, provision, representation or warranty of the Agreement which is prohibited or which is held to be void or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. Any part, provision, representation or warranty of the Agreement which is prohibited or unenforceable or is held to be void or unenforceable in any relevant jurisdiction shall be ineffective, as to 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. To the extent permitted by applicable law, the parties hereto waive any provision of law which prohibits or renders void or unenforceable any provision hereof.

**Section 6.8 Costs.** All costs and expenses incurred in connection with the origination of the Mortgage Loans, as well as the transfer and delivery of the Mortgage Loans, including recording fees, fees for title policy endorsements and continuations and Seller's attorney's fees, shall be paid by Seller. All other costs shall be borne by the party incurring such costs.

**Section 6.9 Attorneys' Fees.** If any claim, legal action or any arbitration or other proceeding is brought for the enforcement of the Agreement or because of a dispute, breach, default or misrepresentation in connection with any of the provisions of the Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that claim, action or proceeding, in addition to any other relief to which such party may be entitled.

**Section 6.10 Notices.** Except as otherwise specified in the Agreement, all demands, notices and communications required to be provided hereunder shall be in writing and shall be deemed to have been duly given if mailed, by registered or certified mail, postage prepaid, with tracking and return receipt requested, or by commercial overnight courier (signature required), when received by the other party at the address set forth below or such other address as may hereafter be furnished to the other party by like notice. Any such demand, notice 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 or, in the case of the commercial overnight courier, by the date of the signature).

If to Banc Home Loans, to:

Banc Home Loans  
18500 Von Karman Avenue  
Suite 1100  
Irvine, CA 92612  
Attn: Correspondent Lending Division  
Email: [CLDClientServices@banchomeloans.com](mailto:CLDClientServices@banchomeloans.com)

If to Banc of California, N.A., Portfolio Lending, to:

Banc of California, National Association  
18500 Von Karman Avenue, Suite 1100  
Irvine, CA 92612  
Attn: Portfolio Lending - Correspondent Lending  
Email: [CLDClientServices@bancofcal.com](mailto:CLDClientServices@bancofcal.com)

If to Seller, to:

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**Section 6.11 Reproduction of Documents.** The Agreement and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications which may hereafter be executed, (b) documents received by any party at the closing, and (c) financial statements, certificates and other information previously or hereafter furnished, may be reproduced by any photographic, photo static, microfilm, micro-card, miniature photographic, .pdf 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, .pdf or further reproduction of such reproduction shall likewise be admissible in evidence.

**Section 6.12 Conflicts between Documents.** In the event of any conflict, inconsistency or ambiguity between the terms and conditions of this MLPA and the Guide, the terms of the Guide shall control; provided, that in the event of any such conflict, inconsistency or ambiguity, the terms of any Addendum to this MLPA shall not be superseded by the Guide insofar as that document specifically addresses future conflicts and states that it controls. In the event of any conflict, inconsistency or ambiguity between the terms of this MLPA, the Guide and a Commitment Confirmation, the terms of the Commitment Confirmation shall control, absent Suspension or Termination of Seller for Cause. In the event of any conflict, inconsistency or ambiguity between the terms and conditions of this MLPA, the Guide, the Commitment Confirmation and the Wire Detail/Purchase Advice document, the terms of the Wire Detail/Purchase Advice document shall control, absent Suspension or Termination of Seller for Cause.

**Section 6.13 Waiver.** No waiver of any term or condition of the Agreement shall be effective unless made in writing and signed by the party against whom enforcement of such waiver is sought, and no written waiver shall be deemed or construed to be a waiver of any future or subsequent

breach of the term or condition so waived. No failure or delay by either party in exercising any right, power or remedy with respect to any of its rights hereunder shall operate as a waiver thereof.

**Section 6.14 Relationship of the Parties.** The relationship between the parties is an independent contractor relationship, and Seller is not, and shall not represent to third parties that it is acting as, an agent for and on behalf of the Bank. This Agreement shall be nonexclusive. Each of Seller and the Bank is free to make mortgage loans for its own account or for sale in the secondary market, and each may sell mortgage loans to or purchase mortgage loans from other lenders at any time.

**Section 6.15 General Interpretive Principles.** For purposes of the Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in the Agreement have the meanings assigned to them in the 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;
- (b) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles in the United States;
- (c) references herein to “Articles,” “Sections,” and “Subsections” without reference to a document are to designated Articles, Sections and Subsections of this MLPA;
- (d) 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;
- (e) the words “herein,” “hereof,” “hereunder” and other words of similar import refer to the Agreement as a whole and not to any particular provision; and
- (f) the term “include” or “including” shall mean without limitation by reason of enumeration.

**Section 6.16 Governing Law; Waiver of Jury Trial; Dispute Resolution.**

- (a) The Agreement shall be governed by and interpreted in accordance with the laws of the State of California applicable to agreements entered into and wholly performed within said jurisdiction.
- (b) EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.



- (c) Any dispute, claim, or controversy arising out of or relating to the Agreement or the breach, termination, enforcement, interpretation, or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by binding arbitration in the city of Los Angeles, California as set forth in the Guide.

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

**BANC OF CALIFORNIA, NATIONAL ASSOCIATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**[SELLER LEGAL NAME]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**APPROVED LOAN TYPES ADDENDUM  
CORRESPONDENT MORTGAGE LOAN PURCHASE AGREEMENT**

This CREDIT APPROVAL EXHIBIT to the CORRESPONDENT MORTGAGE LOAN PURCHASE AGREEMENT (“MLPA”) is dated and effective as of [INSERT DATE], by and between [\_\_\_\_\_] (“Seller”), a [\_\_\_\_\_], with its principal place of business at [\_\_\_\_\_] and Banc of California, National Association. Banc of California, National Association purchases the Portfolio Product under the name of Banc of California, National Association, and purchases other loans as Banc of California, National Association, dba Banc Home Loans. The “Bank,” as used herein, refers to all correspondent business under both names. This Approved Loan Types Addendum is incorporated into the CORRESPONDENT MORTGAGE LOAN PURCHASE AGREEMENT dated [\_\_\_\_\_] by reference.

ELIGIBLE PROGRAM TYPES (SUBJECT TO THE TERMS AND GUIDELINES IN THE CORRESPONDENT SELLER GUIDE AND APPLICABLE PROGRAM GUIDES) (Approved types listed below):

- Fannie Mae
- Freddie Mac
- USDA
- FHA
- VA
- FHA 203(k)
- Fannie Mae Homestyle
- Fannie Mae Construction-to-Perm
- Banc of California, N.A. Portfolio Programs
- Non-Agency

ELIGIBLE ORIGINATION CHANNELS:

- Retail
- Wholesale (“Third Party Origination”)

ELIGIBLE UNDERWRITING APPROVALS:

- Non-Delegated
- Delegated

ELIGIBLE PROJECT UNDERWRITING APPROVALS FOR CONSTRUCTION AND RENOVATION LOANS:

- Prior Approval
- Delegated

ELIGIBLE COMMITMENT TYPES:

- Best Efforts
- Bulk Trade
- Mandatory Forward Delivery

ELIGIBLE PROPERTY STATES:

*refer to specific product guidelines for any limitations*

ELIGIBLE AFFILIATES: None.

OTHER TERMS:

*(If applicable)*

The Bank may change the terms of this APPROVED LOAN TYPES ADDENDUM at its own discretion, at any time, for any reason, effective immediately upon notification to Seller or at an effective date specified in such notification.

With respect to any Mortgage Loan which is subject to a Commitment Confirmation as of the effective date of any change to this APPROVED LOAN TYPES ADDENDUM, the change shall not alter or modify the obligations of the Bank and Seller under the Commitment Confirmation, and the Bank and Seller shall remain obligated to comply with the transaction subject to the terms and conditions of the Agreement and the related Commitment Confirmation. Notwithstanding anything in this paragraph, the Bank may immediately terminate its obligations under a Commitment Confirmation for Cause and return to Seller any Mortgage Loans subject to a Commitment Confirmation. A termination shall be deemed "for Cause" if the Bank determines, in its sole discretion, that (i) there has been an Event of Default, (ii) Seller is not reasonably likely to be able to comply with any obligations, covenants, representations or warranties under the Agreement with respect to the Commitment Confirmation, or (iii) any deception, fraud, concealment or material misrepresentation has occurred by Seller, its officers, directors, employees, agents, subsidiaries, affiliates, or by any independent contractors acting on behalf of Seller.

This APPROVED LOAN TYPES ADDENDUM supersedes and replaces in its entirety any and all previous Approved Loan Types Addendums between the Bank and Seller.

Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed thereto in the MLPA and the Correspondent Seller Guide.