

As confidentially submitted to the Securities and Exchange Commission on September 24, 2020.  
 This draft registration statement has not been filed publicly with the Securities and Exchange Commission  
 and all information herein remains strictly confidential.

Registration No. 333-

UNITED STATES  
 SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

Amendment No. 1  
 to  
 FORM S-1  
 REGISTRATION STATEMENT  
 UNDER  
 THE SECURITIES ACT OF 1933

**Guild Holdings Company**  
 (Exact name of registrant as specified in its charter)

Delaware  
 (State or other jurisdiction of  
 incorporation or organization)

6162  
 (Primary Standard Industrial  
 Classification Code Number)

85-2453154  
 (I.R.S. Employer  
 Identification Number)

5887 Copley Drive  
 San Diego, California 92111  
 (858) 560-6330  
 (Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Mary Ann McGarry  
 Chief Executive Officer  
 5887 Copley Drive  
 San Diego, California 92111  
 (858) 560-6330  
 (Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:

David E. Shapiro, Esq.  
 Mark F. Veblen, Esq.  
 Mark A. Stagliano, Esq.  
 Wachtell, Lipton, Rosen & Katz  
 51 West 52nd Street  
 New York, New York 10019  
 (212) 403-1000

William J. Cernius, Esq.  
 Lewis W. Kneib, Esq.  
 Latham & Watkins LLP  
 355 South Grand Avenue, Suite 100  
 Los Angeles, California 90071  
 (213) 485-1234

**Approximate date of commencement of proposed sale to the public:** As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
 Non-accelerated filer  Smaller reporting company   
 Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee
Class A common stock, par value \$0.01 per share	\$	\$

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.  
 (2) Includes offering price of any additional shares that the underwriters have the option to purchase, if any. See "Underwriting."

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated \_\_\_\_\_, 2020

Shares



## Guild Holdings Company

### Class A Common Stock

This is the initial public offering of shares of Class A common stock of Guild Holdings Company. The selling stockholders identified in this prospectus are offering \_\_\_\_\_ shares of our Class A common stock. All of the shares of Class A common stock being sold in this offering are being sold by the selling stockholders. Guild will not receive any of the proceeds from the sale of the shares in this offering.

Prior to this offering, there has been no public market for our Class A common stock. We currently anticipate that the initial public offering price per share of our Class A common stock will be between \$ \_\_\_\_\_ and \$ \_\_\_\_\_ per share.

Following this offering, Guild Holdings Company will have two classes of authorized common stock. The Class A common stock offered hereby will have one vote per share. The Class B common stock will have 10 votes per share. McCarthy Capital Mortgage Investors, LLC ("MCMI"), an entity controlled by McCarthy Partners Management, LLC, a registered investment adviser ("McCarthy Partners" and, together with its affiliates, predecessors and the various funds it manages, including MCMI, "McCarthy Capital"), will hold 100% of our issued and outstanding Class B common stock after this offering and will control approximately \_\_\_\_\_% of the combined voting power of our outstanding common stock. As a result, MCMI will be able to control any action requiring the general approval of our stockholders, including the election of our Board of Directors, the adoption of amendments to our amended and restated certificate of incorporation and amended and restated bylaws and the approval of any merger or sale of substantially all of our assets.

We intend to apply to list our Class A common stock on the New York Stock Exchange (the "NYSE") under the symbol "GHLD."

We are an "emerging growth company," as that term is used in the Jumpstart Our Business Startups Act of 2012, and, under applicable Securities and Exchange Commission ("SEC") rules, we have elected to take advantage of certain reduced public company reporting requirements for this prospectus and future filings.

We will be a "controlled company" under the corporate governance rules for NYSE-listed companies and will be exempt from certain corporate governance requirements of such rules. See "Risk Factors—Risks Related to Our Organization and Structure," "Management—Controlled Company" and "Principal and Selling Stockholders."

**Investing in our Class A common stock involves risks. See "[Risk Factors](#)" beginning on page 28 of this prospectus.**

	Per Share	Total
Initial public offering price	\$ _____	\$ _____
Underwriting discounts and commissions <sup>(1)</sup>	\$ _____	\$ _____
Proceeds to selling stockholders, before expenses	\$ _____	\$ _____

(1) See "Underwriting" for additional information regarding the underwriting discount and certain expenses payable to the underwriters.

The selling stockholders have granted the underwriters an over-allotment option for a period of 30 days to purchase up to an additional \_\_\_\_\_ shares of our Class A common stock.

At our request, the underwriters have reserved up to \_\_\_\_\_ shares of Class A common stock, or up to \_\_\_\_\_% of the shares of Class A common stock offered by this prospectus for sale, at the initial public offering price, to certain individuals associated with us. See "Underwriting—Directed Share Program."

**Neither the SEC nor any state securities commission or other regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The underwriters expect to deliver the shares of Class A common stock on or about \_\_\_\_\_, 2020.

**Wells Fargo Securities**

**BofA Securities  
JMP Securities**

**J.P. Morgan**

**Compass Point**

**C.L. King & Associates**

The date of this prospectus is \_\_\_\_\_, 2020



- (1) Share of total originations from 2007 through the twelve months ended June 30, 2020, based on Guild’s origination data and data from Inside Mortgage Finance.
- (2) The total unpaid principal balance of the loans serviced as of June 30, 2020. Excludes subservicing portfolio of \$1.1 billion.
- (3) Guild’s origination volume for the twelve months ended June 30, 2020.
- (4) Guild’s overall recapture rate for the twelve months ended June 30, 2020. Recapture rate is equal to the total UPB of Guild’s clients that originate a new mortgage with Guild in a given period, divided by the total UPB of the clients that paid off their existing mortgage and originated a new mortgage in the same period. This calculation excludes clients to whom Guild did not actively market due to contractual prohibitions or other business reasons.
- (5) Equal to the compound annual growth rate of Guild’s annual origination volume from 2007 through the twelve months ended June 30, 2020.
- (6) Likelihood to recommend determined by client responses to the following question: “Thinking of your recent experience financing your home with Guild Mortgage, and using the 1 to 10 scale where 1 now means ‘Not at all likely’ and 10 means ‘Very Likely,’ how likely are you to: Recommend Guild Mortgage to someone else looking for home financing?” Our score of 94 is based on the response of 58,737 participating clients between January 1, 2018 and June 30, 2020, converting the 10-point scale to a 100-point scale by multiplying the average score of such participating clients by 10. We originated 198,058 loans between January 1, 2018 and June 30, 2020.
- (7) Percent of Guild’s total origination volume that consisted of purchase mortgages for the five years ended December 31, 2019.

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**Through and including \_\_\_\_\_, 2020 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.**

We and the selling stockholders have not, and the underwriters have not, authorized anyone to provide any information, other than the information contained in this prospectus or in any free writing prospectuses we have prepared, or to make any representations to you. We, the selling stockholders and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. You must not rely on any unauthorized information or representations. This prospectus is an offer to sell only the shares of our Class A common stock offered hereby by the selling stockholders and only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date, regardless of the time of delivery of this prospectus or of any sale of our Class A common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

For investors outside of the United States: We and the selling stockholders have not, and the underwriters have not, done anything that would permit this offering or possession or distribution of this prospectus or any free writing prospectus we may provide to you in connection with this offering in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus and any such free writing prospectus outside of the United States.

## INDUSTRY AND OTHER DATA

Certain industry data and market data included in this prospectus were obtained from independent third-party surveys, market research, publicly available information, reports of governmental agencies and industry publications and surveys. Except as otherwise specified, such data is derived from Inside Mortgage Finance Publications, Inc. Copyright © 2020 Used with permission, Mortgage Bankers Association, Ellie Mae, STRATMOR Group, CoreLogic and the U.S. Consumer Financial Protection Bureau. Information and data derived from the Mortgage Bankers Association and STRATMOR Peer Group Roundtables Program (Spring 2020), large independent mortgage lenders peer set, includes participating independent mortgage lenders with more than \$5 billion of origination volume during the year ended December 31, 2019. Not all independent mortgage lenders of that size may be included in the peer set. Information and data derived from the Mortgage Bankers Association 2020 Servicing Operations Study (2019 data), mid-size independent mortgage servicers and banks peer set, includes participating independent mortgage servicers and banks with servicing portfolios of less than 700,000 loans as of December 31, 2019. Not all independent mortgage servicers and banks servicing portfolios of that size may be included in the peer set. Management's estimates presented herein are based upon management's review of independent third-party surveys and industry publications prepared by a number of sources and other publicly available information. All of the industry data, market data and related estimates used in this prospectus involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such data and estimates. Although we have no reason to believe that the information from these surveys and industry publications included in this prospectus is not reliable, we have not independently verified this information and cannot guarantee its accuracy or completeness. In addition, we believe that industry data, market data and related estimates provide general guidance but are inherently imprecise. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled "*Risk Factors*." These and other factors could cause results to differ materially from those expressed in the estimates made by independent parties and by us.

## TRADEMARKS AND TRADE NAMES

Our logo and any trade names of Guild appearing in this prospectus are our property. This prospectus also contains trademarks and trade names of other companies, which are the property of their respective owners. Solely for convenience, trademarks and trade names referred to in this prospectus may appear without the ® or ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names.

## ASSUMPTIONS AND EXCLUSIONS

Except as otherwise noted, all information in this prospectus (including, but not limited to, the number of shares of our Class A common stock and shares of our Class B common stock to be outstanding after the completion of this offering) assumes:

- the occurrence of the "reorganization transactions" described in the section of this prospectus entitled "*Organizational Structure*";
- that the underwriters do not exercise their option to purchase up to \_\_\_\_\_ additional shares from the selling stockholders;
- an initial public offering price of \$ \_\_\_\_\_ per share (the midpoint of the estimated public offering price range set forth on the front cover of this prospectus);
- the filing and effectiveness of our amended and restated certificate of incorporation ("certificate of incorporation") and amended and restated bylaws ("bylaws") upon the closing of this offering; and
- the exclusion of \_\_\_\_\_ shares of our Class A common stock that will become available for issuance pursuant to future awards under our 2020 Omnibus Incentive Plan (the "2020 Plan"), which we plan to adopt in connection with this offering.

## FINANCIAL STATEMENTS AND BASIS OF PRESENTATION

Unless otherwise indicated or the context otherwise requires, references in this prospectus to (i) the “Issuer” refer to Guild Holdings Company, a Delaware corporation, and the issuer of the shares of our Class A common stock offered hereby and (ii) “Guild Mortgage Co.” refer to Guild Mortgage Company, a California corporation, our operating company prior to this offering and an entity that will become a wholly owned subsidiary of the Issuer in connection with the reorganization transactions described in this prospectus. The Issuer was formed as a Delaware corporation on August 11, 2020 and, prior to the consummation of the reorganization transactions and this offering, did not conduct any activities other than those incidental to our formation and this offering.

Prior to the consummation of the reorganization transactions and in reference to events which took place prior to the consummation of the reorganization transactions, unless the context requires otherwise, the words “Guild,” “we,” the “Company,” “us,” and “our” refer to Guild Mortgage Company, a California corporation, and its consolidated subsidiaries. Subsequent to the consummation of the reorganization transactions and in reference to events which are to take place subsequent to the consummation of the reorganization transactions, unless the context requires otherwise, the words “Guild,” “we,” the “Company,” “us,” and “our” refer to Guild Holdings Company, a Delaware corporation, and its consolidated subsidiaries. Prior to the consummation of the reorganization transactions, Guild was a wholly owned subsidiary of Guild Mortgage Company, LLC, a California limited liability company, which changed its name to Guild Investors, LLC, on September 22, 2020. This prospectus refers to that former parent entity, both before and after such name change, as “Guild Investors, LLC.” See “*Organizational Structure*” for additional information.

All financial information presented in this prospectus is derived from the consolidated financial statements of Guild Mortgage Co. included elsewhere in this prospectus. All financial information presented in this prospectus has been prepared in U.S. dollars in accordance with generally accepted accounting principles in the United States of America (“GAAP”), except for the presentation of the following non-GAAP measures: Adjusted Net Income, Adjusted EBITDA and Adjusted Return on Equity. See “*Selected Historical Consolidated Financial and Operating Data—Non-GAAP Financial Measures*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures*” in this prospectus for further information regarding our use of these non-GAAP financial measures, including limitations related to such measures, and a reconciliation of such measures to the nearest comparable financial measures calculated and presented in accordance with GAAP.

## PROSPECTUS SUMMARY

*This summary highlights information appearing elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in shares of our Class A common stock. You should read this entire prospectus carefully, including the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the financial statements and related notes appearing at the end of this prospectus, before making any investment decision. In this prospectus, we make certain forward-looking statements, including expectations relating to our future performance. These expectations reflect our management’s view of our prospects and are subject to the risks described under “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements.” Our expectations for our future performance may change after the date of this prospectus, and there is no guarantee that such expectations will prove to be accurate.*

### Company Overview

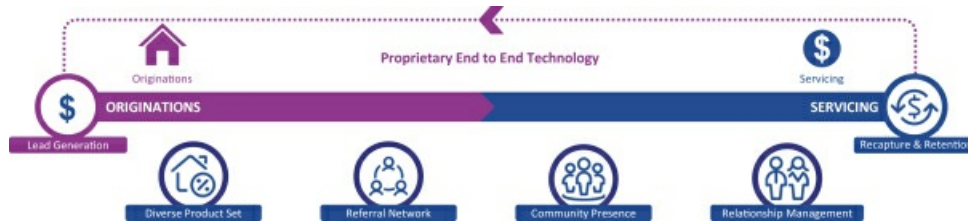
We are a growth-oriented mortgage company that employs a relationship-based loan sourcing strategy to execute on our mission of delivering the promise of home ownership in neighborhoods and communities across the United States. Our business model is centered on providing a personalized mortgage-borrowing experience that is delivered by our knowledgeable loan officers and supported by our diverse product offerings. Throughout these individualized interactions, we work to earn our clients’ trust and confidence as a financial partner that can help them find their way through life’s changes and build for the future.

We believe our business would be difficult to replicate. Guild was established in 1960 and we are among the longest-operating seller-servicers in the United States. Over the course of our operating history, we have navigated numerous economic cycles and market dislocations. We have also expanded our retail origination footprint to 31 states within the United States, and we have developed end-to-end technology systems, a reputable brand, industry expertise and many durable relationships with our clients and members of our referral network.

We have adapted to changes in market conditions by remaining dedicated to what matters most to our business: building relationships with our clients and referral partners in an effort to create “clients for life.” We have made it a priority to extend the lifecycle of our client relationships with a persistent focus on the client experience to drive our long-term performance. As a result of our client-focused strategy, during the twelve months ended June 30, 2020, we had an overall recapture rate of 61%. Recapture rate is calculated as the total unpaid principal balance (“UPB”) of our clients that originated a new mortgage with us in a given period, divided by the total UPB of our clients that paid off their existing mortgage and originated a new mortgage in the same period. This calculation excludes clients to whom we did not actively market due to contractual prohibitions or other business reasons.

Our business model benefits from the complementary relationship between our origination and servicing segments which, together, have propelled our performance through interest rate and market cycles.

### Our Business Model



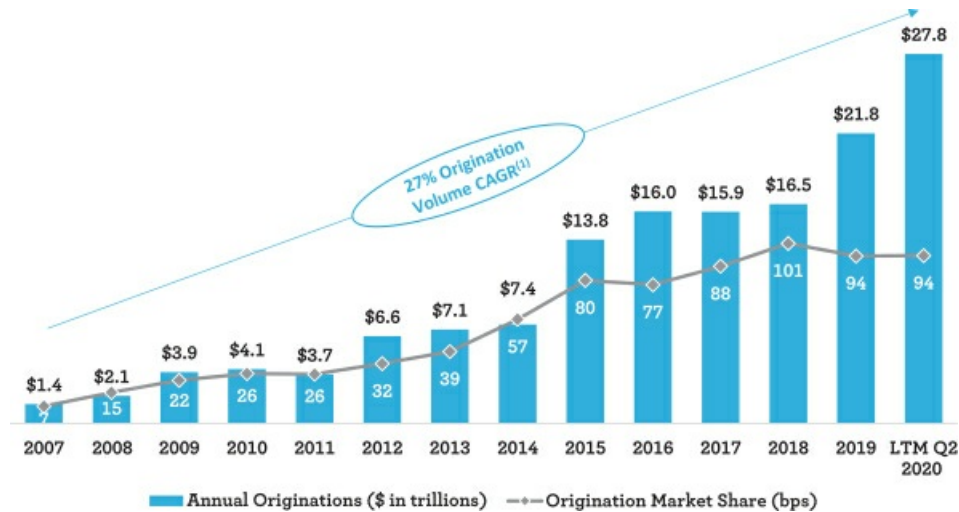
- Our origination strategy focuses on increasing purchase-mortgage business and providing a superior personalized mortgage-borrowing experience that encourages our clients to return to us. This strategy allows us to generate consistent origination volume—calculated as the total dollar volume of loans originated—through differing market environments, contributes to our servicing segment and facilitates business from repeat clients.
- Our in-house servicing platform creates opportunities to extend our relationship with clients and generate refinance and purchase volume that replenishes run-off from our servicing portfolio. In coordination with our portfolio recapture team, our loan officers handle recapture activity for their existing client base directly, rather than outsourcing that function through a call center. This approach creates a continuous client relationship that we believe encourages repeat business. In addition, our scalable servicing platform provides a recurring stream of revenue that is complementary to our origination business.

In 2007, seeing an opportunity to expand the Company’s sales and production strategy and grow its market share, a management-led partnership that included a majority investment from McCarthy Capital acquired the Company from its founder. Our senior leadership team continues to own a meaningful percentage of our business. Upon completion of this offering, our senior leadership team will own approximately % of our Class A common stock (or %, if the underwriters exercise in full their option to purchase an additional shares of Class A common stock from the selling stockholders). As a result, we believe that the economic interests of senior leadership are substantially aligned with those of our stockholders.

Following the acquisition of the Company from its founder in 2007, we embarked on a growth strategy focused on prudently expanding our geographic footprint beyond the West Coast. Through steady organic growth and a series of targeted acquisitions, we grew our annual origination volume from \$1.4 billion for the year ended December 31, 2007 to \$27.8 billion for the twelve months ended June 30, 2020, and grew our servicing portfolio from \$2.5 billion of UPB as of December 31, 2007 to \$52.8 billion of UPB as of June 30, 2020. Unless otherwise indicated, the UPB of our servicing portfolio excludes any subserviced loans. Furthermore, we grew our share of the U.S. residential mortgage origination market from 7 basis points for the year ended December 31, 2007 to 94 basis points for the twelve months ended June 30, 2020, based on our origination data and market data from Inside Mortgage Finance. We expect to continue to expand our business in the geographic areas in which we already serve our clients, as well as in new markets throughout the United States.



Guild's Annual Origination Volume and Market Share



Source: Inside Mortgage Finance Publications, Inc. Copyright © 2020. Used with permission.

(1) CAGR is equal to the compound annual growth rate of Guild's annual origination volume for the year ended December 31, 2007 through the twelve months ended June 30, 2020.

Our productivity today, and our ability to scale in the future, is made possible by our purpose-built technology platform that provides an end-to-end solution for prospecting, application gathering, underwriting, compliance, quality control, servicing and client retention. Our experienced loan officers use this technology platform and our custom-built client relationship management system, Guild 360, to find new clients, close new loans and enhance and expand existing client relationships. Guild 360 provides a comprehensive view of the client lifecycle, identifying lead generation opportunities in an effort to anticipate client needs for refinancings and new purchases. In addition to improving the productivity of our own employees, our technology has empowered the five businesses we acquired at least two years ago to increase origination volume by an average of 29% in the second year post-acquisition.

We recognize that the mortgage borrowing process is not one-size-fits-all. We understand that preferences with respect to how and when mortgage borrowers would like to interact with their lender are varied: sometimes, clients want to self-serve on the internet, while at other times, they prefer to speak in person or talk over the phone. For example, according to a 2019 survey of recent and prospective homebuyers conducted by PricewaterhouseCoopers, although digital interactions are more popular earlier on in the lending process, borrowers prefer in-person or over-the-phone interaction during later stages of the borrowing process. Our business model provides clients with both a comprehensive digital interface and an experienced team that delivers high-tech, high-touch client service, allowing clients to engage with us in whatever format and frequency provides them the most comfort and convenience.

Our business has generated a profit each year since 2008, and our net income has grown substantially over this time period. For the six months ended June 30, 2020, our total net revenue was \$604.3 million, net income was \$110.8 million, annualized return on equity was 48.5% and Adjusted Net Income was \$238.2 million. For the same period, Adjusted EBITDA was \$325.8 million and annualized Adjusted Return

on Equity was 104.4%. For the fiscal year ended December 31, 2019, our total net revenue was \$712.9 million, net income was \$5.6 million, return on equity was 1.3%, Adjusted Net Income was \$139.1 million, Adjusted EBITDA was \$201.5 million and Adjusted Return on Equity was 32.8%. For information on how we use these non-GAAP measures and a reconciliation of them to their most comparable GAAP measures, see “*Summary Historical Consolidated Financial and Other Data*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures.*”

#### **Market Opportunity**

We believe our proven growth strategy, deep referral network and personalized client service position us to capitalize on opportunities resulting from the following market conditions.

##### ***Large Addressable Market***

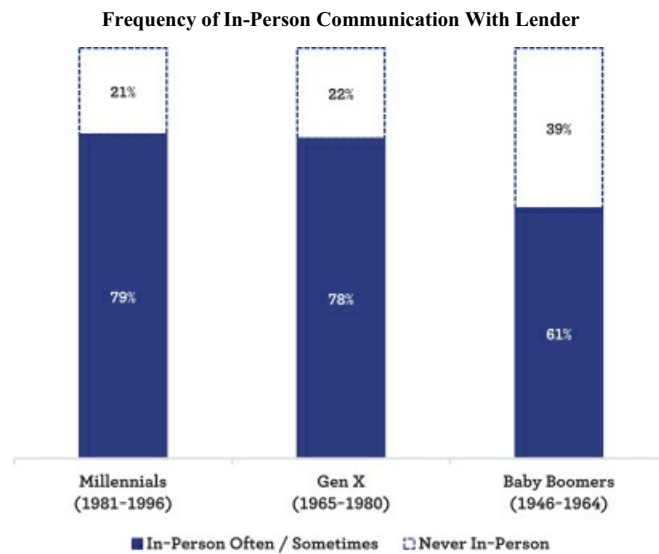
Mortgage loans are the largest class of consumer debt in the United States. According to the New York Federal Reserve, there was approximately \$10.2 trillion of residential mortgage debt outstanding as of June 30, 2020.

From 2007 through the year ended December 31, 2019, annual first-lien residential mortgage originations in the United States have averaged approximately \$1.8 trillion and, over that period, conventional conforming or government mortgages accounted for approximately 82% of first-lien residential mortgage originations in the United States, according to Inside Mortgage Finance. Guild’s product offerings include both conventional conforming and government-eligible loans, and such loans have constituted over 90% of our cumulative origination volume from 2007 through June 30, 2020.

##### ***Demographic Trends and Borrower Preferences Support our Focus on Mortgage Purchase Volume and First-Time Homebuyers***

From 2007 through the year ended December 31, 2019, annual purchase-mortgage volume in the United States averaged \$0.8 trillion and on average accounted for approximately 47% of annual first-lien residential mortgage volume, according to Inside Mortgage Finance. Over the same period, first-time home buyers accounted for 46% of annual mortgage purchase volume, according to a March 2020 study published by the Consumer Financial Protection Bureau (the “CFPB”).

Over the next decade, according to Inside Mortgage Finance, approximately 45 million people will turn 34, the median age of a first-time home buyer, potentially generating increased demand for mortgage purchase loans. Our focus on purchase-mortgage business and personalized client service could position us to capitalize on this market opportunity, because younger generations of first-time and repeat homebuyers often choose to communicate with their lenders in-person. According to a 2019 Ellie Mae study, 79% of Millennial and 78% of Generation X consumers reported meeting with their lender in person often or sometimes.



Source: Ellie Mae.

***The Mortgage Industry is Highly Fragmented***

According to Inside Mortgage Finance, since 2010, non-bank lenders have increased their share of annual first-lien residential mortgage originations from approximately 16% to more than 50%, and the aggregate share of loans originated by the top 10 originators fell from 73% to 42%, as the largest national banks reduced their presence in the mortgage sector. Further, the top five companies in the retail mortgage market comprised only 17.3% of total originations in 2019, according to Inside Mortgage Finance. This market fragmentation creates significant opportunity for us to continue to grow.

We believe that our employees' local presence in the communities that we serve and our long-standing referral networks position us to succeed in a large, fragmented market. We believe that many borrowers, and first-time homebuyers in particular, rely on recommendations from real estate professionals, homebuilders, current and past homeowners, financial planners and other members within their communities to identify their mortgage lender. Our local presence positions us to capture origination volume generated by such referral networks and to provide expertise and advice to borrowers that is specific to the communities in which they are looking to purchase homes.

***Considerable Barriers to Entry***

The residential mortgage industry is characterized by high barriers to entry. Mortgage lenders must obtain approval from Freddie Mac, Fannie Mae and Ginnie Mae and maintain various state licenses in order to originate, sell and service conventional conforming and federal and GSE-backed loans. In addition, sophisticated technology, origination and servicing processes and regulatory expertise are required to build and manage a successful mortgage business.

Over the course of our long operating history, we have developed strong relationships with Freddie Mac, Fannie Mae and Ginnie Mae, as well as state regulatory authorities. We have also invested heavily in

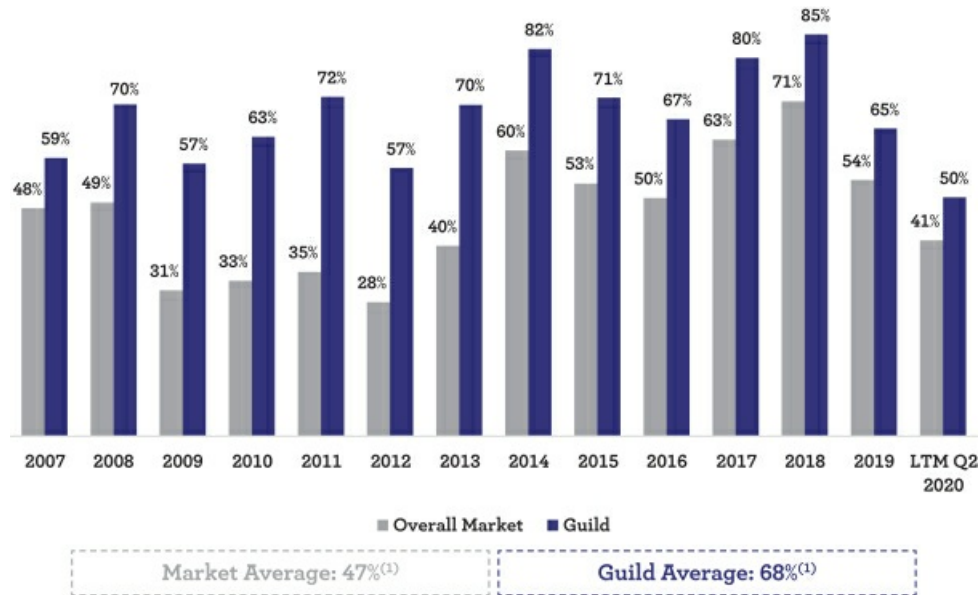
our technology and in developing our infrastructure and internal processes. Furthermore, our management team has an average of 24 years of experience managing through various market and regulatory environments. We believe these long-standing relationships, and the time and resources we have dedicated to developing our brand and infrastructure, provide a competitive advantage and position our business for continued success.

**Our Strengths**

***Differentiated Access to Purchase Loans Enables Durable Origination Volume and Attractive Margins***

Our strategy has generated significant origination volume, including a high percentage of purchase money volume. Over the five years ended December 31, 2019, we have originated more than \$84.1 billion of total volume, including \$61.4 billion of purchase volume. Our purchase volume represents 73% of our total origination volume over that period, compared to 58% of total origination volume in the United States, according to Inside Mortgage Finance. Further, Guild achieved a higher purchase mix than the industry average each year since 2007. We believe our focus on purchase loans makes our business more stable by making it less sensitive to interest rate changes and less dependent on refinance activity, which enhances our ability to generate more consistent returns through market cycles.

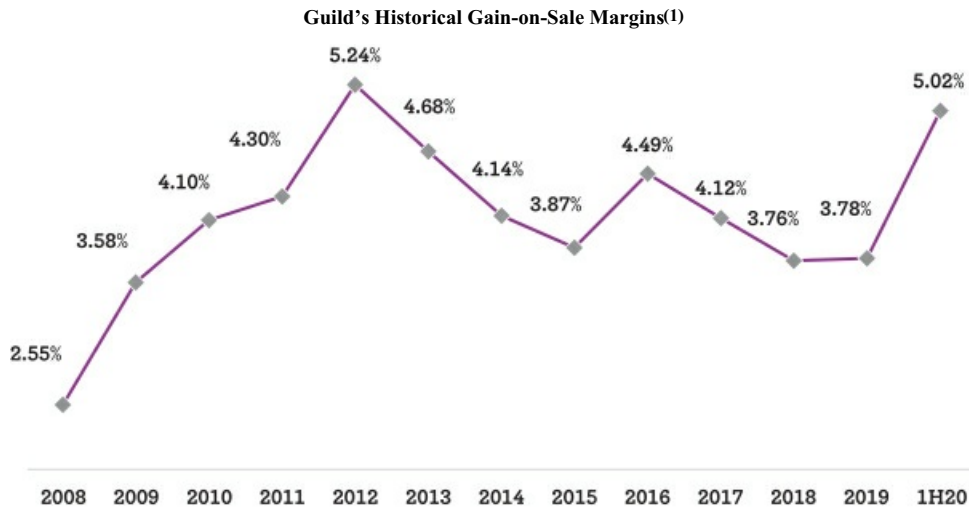
**Purchase Origination Volume As a Percentage of Total Originations**



Source: Inside Mortgage Finance Publications, Inc. Copyright © 2020. Used with permission.  
 (1) Average based on periods shown in the chart above.

We source a majority of our loans through an established referral network of realtors, builders and other partners (our “referral partners”) with whom we have developed longstanding relationships over years of positive interactions. This network provides us with direct and frequent leads for loans to homebuyers who are seeking a personalized experience and access to our diverse product offerings, including affordable lending solutions designed to serve the first-time homebuyer market. Our loan officers educate our clients

on the unique aspects of the products that we offer and help them to identify the product that will best suit their needs. This tailored and interactive approach to the lending process helped us achieve Money Magazine’s Best Mortgage Company for First Time Home Buyers award in 2020. Further, we believe our focus on service over price, and the value we provide to our clients, has enabled us to generate attractive gain-on-sale margins.



(1) Represents the components of loan origination fees and gain on sale of loans, net described under “—Our Components of Revenue” divided by total in-house origination to derive basis points.

***Proven Track Record of Navigating through Market Cycles and Executing on Growth Strategies***

We have demonstrated our ability to adapt and successfully operate through various market conditions and interest rate environments. Since 1960, we have operated through eight recessions and a wide range of housing market conditions, consistently evolving our risk management framework and operating culture in order to continue serving our clients. We have been profitable each year since 2008, and we believe our track record is largely due to our expertise in the mortgage market, nimble operating style and balanced business model.

Following the acquisition of the Company from its founder in 2007, we shifted our focus to actively growing our origination franchise and scaling our servicing portfolio. In the 12 years since then, we have grown annual origination volume by 19 times and our servicing portfolio dollar volume by 21 times, using a combination of organic and inorganic growth strategies. Through productivity gains from our evolving technology platform, recruiting new loan officers and executing on our targeted acquisition strategy, we have grown in our existing markets and also expanded into new geographies. The success of our acquisition strategy has also supported our profitability.

***Our Strategy is Tailored to Address Homebuyer Needs and Promote Deep Referral Network Relationships***

We believe that borrowers often prefer to work with people and companies that are present in their neighborhoods and are able to deliver customized solutions to fit their specific needs. Understanding these unique needs is the reason we feel it is vital to be in the communities we serve, living and working with our clients and members of our referral networks.

We provide an individualized lending approach, a broad product set and the operational and regulatory expertise required to meet our clients' needs. Through our decentralized fulfillment model, we perform underwriting and closing services on a regional basis, which allows us to recognize and adapt to the intricacies of each region and build relationships between our fulfillment team and our local loan officers. Our origination processes are designed to deliver reliable service and on-time closings.

We believe that our referral networks and local community presence position us to succeed in a highly fragmented market. Our local presence positions us to capture loan volume generated by these referral networks and provide tailored advice that acknowledges the fact that purchasing a home is an emotional life decision and borrowers have varied preferences with respect to the mortgage lending process. We provide our clients with the opportunity to engage with us in whatever manner they may prefer—whether that may be in person, online or over the phone. Our technology platform furthers our ability to deliver reliable service and on-time closings by creating milestones and swim lanes to provide clear accountability with respect to meeting closing deadlines.

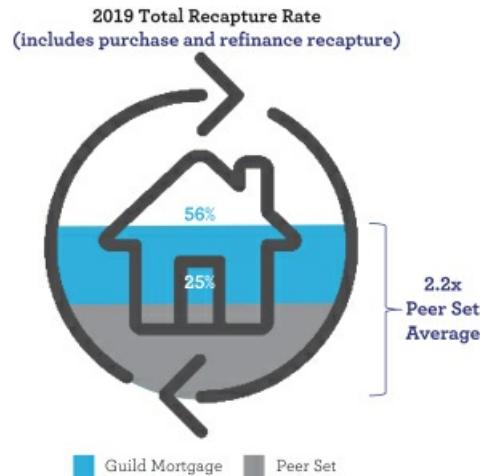
***Internally-Developed Technology Platform Underpins Loan Officer Productivity and Fosters Repeat Business***

We leverage our robust technology platform and coaching program to increase our loan officers' productivity and overall recapture rates.

Our technology platform provides loan officers with end-to-end support from client acquisition to loan closing and client retention. Our loan officers benefit from our custom-built technology platform and our data repository, which has been developed over the course of our long operating history. We continue to build our data repository through our ongoing origination activity, and we have added data from more than 525,000 transactions since January 1, 2010. By utilizing this data to further develop our platform and to curate suggested customer touchpoints, we foster a balanced combination of personalized and digital strategies for lead nurturing, as well as client education and communication, that we believe gives our loan officers a competitive edge.

In addition, our technology platform adds substantial value to loan officers that cannot be replicated or transferred to our peers. This helps us to generate strong loan officer loyalty and benefit from high retention rates among our top performing loan officers. The loan officers responsible for 71% of our production volume over the last five years are still with the Company today.

This technology-focused approach to managing client relationships, coupled with our loan officers' strong referral networks and other relationships within their communities, has contributed to the increase in our overall recapture rate from 37% for the year ended December 31, 2017 to 61% for the twelve months ended June 30, 2020. In addition, for the year ended December 31, 2019, Guild's portfolio recapture volume—calculated as the dollar volume of originations for existing retail clients who refinanced or received a new purchase mortgage during that period—totaled \$4.9 billion, which resulted in a 26% purchase recapture rate, a 64% refinance recapture rate and a 56% overall recapture rate—outperforming the average overall recapture rate of 25% for large independent mortgage lenders participating in the Mortgage Bankers Association and STRATMOR Peer Group Roundtables Program (Spring 2020). We believe our ability to achieve purchase and refinance recapture rates in excess of market averages is a testament to our innovative platform and business model.



Source: Company information and Mortgage Bankers Association and STRATMOR Peer Group Roundtables Program (Spring 2020), large independent mortgage lenders peer set.

We also empower our loan officers through the Company's coaching program, Elevate, which is designed to support loan officers at each stage of their careers and provides a roadmap to develop highly productive partnerships with referral networks. The program is taught by our highest producing loan officers and allows participants to learn effective solutions from their peers that are in the market originating mortgages on a day-to-day basis. The program also furthers our goal of creating a collaborative culture by engaging our national sales team to share best practices with their peers around the country. Participating loan officers have consistently achieved increased average productivity following participation in the program.

***Strong Culture Set by Experienced Management Team***

At the heart of our Company is our culture, grounded in strong values, innovation, creativity and collaboration. We believe our culture sets us apart and is the backbone of our success. It has enabled us to continuously innovate and evolve to navigate the dynamic mortgage market.

Guild is an inclusive organization and encourages open and honest dialogue across employees, clients and partners. We have a diverse leadership team that fills key roles in each of our business lines. Our leadership team has an average of 24 years of industry experience, has worked at Guild for an average of 21 years and includes top performers from the businesses that Guild has acquired. We have high employee retention, as well as a successful recruiting program, because we empower our employees, maintain a culture that supports collaboration and development and provide our employees with the tools and resources they need to be successful.

We also believe strongly in supporting the communities in which we operate. To that end, Guild and its employees give back to the neighborhoods and communities we serve through sustained investment of time and resources, including through our Guild Giving Foundation.

Further, our management team is well respected across the mortgage industry and has developed strong relationships with our financing counterparties, our referral networks and the investors to which we

sell the majority of the loans that we originate—Fannie Mae, Freddie Mac and Ginnie Mae. Because of these relationships, we often have unique opportunities to work on, and shape, pilot programs for new products. This allows us to stay at the leading edge of product development, provide our clients with a broad solution set and further develop our relationships with stakeholders critical to the success of our business.

#### **Our Growth Strategies**

We have increased our origination volume from \$1.4 billion for the year ended December 31, 2007 to \$27.8 billion for the twelve months ended June 30, 2020. Our strategy has proven to be scalable as we have further penetrated many of our existing markets and expanded our presence across the United States. We believe that we are well positioned to continue capturing additional origination business through our well-recognized brand, internally-developed technology platform and differentiated position in the purchase market.

#### ***Increase Our Market Share in Existing MSAs and Continue Building Our Team of Loan Officers***

We are a top-10 lender in 26 of the 50 largest metropolitan statistical areas (“MSAs”) in which we operate according to CoreLogic, and our share of total origination volume has grown by 14 times over the last 12 years through June 30, 2020, based on our origination data and data from Inside Mortgage Finance. Our hands-on approach in local communities has allowed us to continually capture increased business as we strengthen and broaden our relationships in the MSAs in which we operate. Our ability to improve the productivity of our existing loan officers through more effective use of our technology platform and our talent development programs further supports our growth efforts.

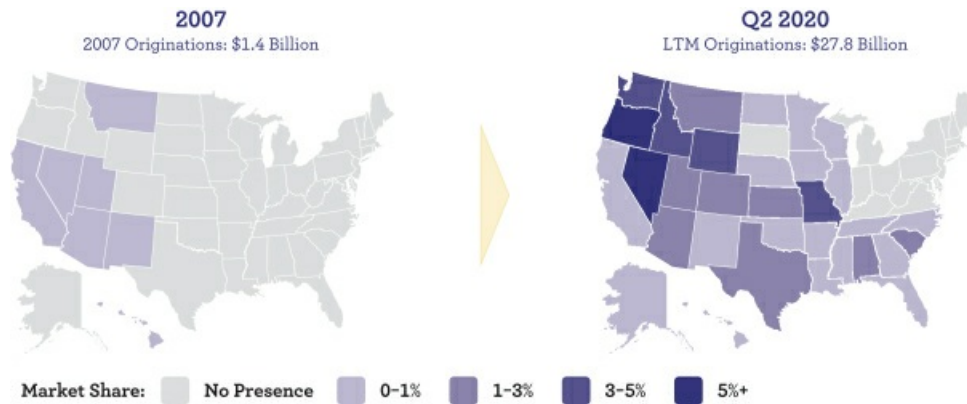
We believe we can continue to generate growth by adding loan officers to our team with recruiting efforts that leverage our reputation for providing the tools, data and support that allow loan officers to develop their business. We focus on recruiting the right loan officers to the Guild team, namely those who we believe will not only add incremental origination volume but will also fit well with our culture and further our mission to be a trusted partner for our clients. By maintaining our strong culture and continually developing our loan officers using our proprietary coaching program and technology platform, we have been able to efficiently scale our business.

#### ***Expand the Geographic Footprint of our Business***

Our retail operations cover 31 states, with our largest presence on the West Coast. By continuing to execute our growth strategy, we believe we can grow our geographic footprint to include all 50 states over the long term.



**Our Origination Footprint and MSA Market Share<sup>(1)</sup>**

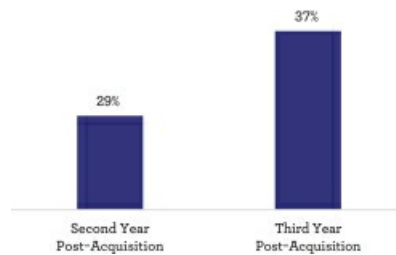


Source: CoreLogic.

(1) Indicates MSA market share only for states where the Company operates in-state retail locations.

Over the last 12 years through December 31, 2019, we acquired six businesses with 391 loan officers. To identify targets that fit best with Guild, we look for independent lenders who share our values and our commitment to innovation, creativity and collaboration. We prefer to partner with lenders that have a strong foothold in their market and a clearly defined approach to sustaining that success. We have also thoughtfully structured our past acquisitions to include an earn-out component designed to minimize up-front premium paid and ensure an attractive return on investment. Following an acquisition, we fully integrate each business operationally, on-boarding the acquired business to our platform, while allowing its management team to continue executing the strategy that has been successful for them in the past. After a target business has been integrated into the Guild platform, we strive to support growth organically in the same way we do in our existing MSAs. We also strive to generate synergies and support profitability by improving execution and increasing gain-on-sale margins for the businesses that we acquire. For the four businesses that we acquired at least three years ago, originations increased by an average of 37% in the third year following those acquisitions. We believe this demonstrates the soundness of our approach to acquisitions and our ability to successfully integrate acquired businesses into the Guild organization.

**Average Increase in Volume per Acquisition**



Given the fragmented nature of the mortgage market, we believe we can continue to generate meaningful growth through acquisitions. There were more than 900 independent mortgage lenders in the

United States as of December 31, 2019, according to a June 2020 report published by the CFPB. We believe this provides a large pool of potential targets for new acquisitions. Over the twelve months ended June 30, 2020, our share of mortgage originations accounted for 94 basis points of total residential mortgage originations in the United States, with our market share in the states where we have our strongest presence reaching more than 5%.

**Enhance Productivity and Ancillary Fee Opportunities through Continued Investment in our Technology Platform**

The mortgage industry is continually evolving, and our technology platform has been built to adapt with the market and our strategies. Our technology platform is the backbone of our regulatory efforts and the processes we use to effectively and efficiently onboard, underwrite, close and service mortgages. These functions are essential to providing outstanding client service and running our business efficiently. We continue to invest in our technology platform, and we believe our investment will continue to enhance our productivity and allow us to differentiate ourselves in the market place as it has to date, with the average number of loans closed per producer per month increasing from two during the year ended December 31, 2007 to ten in July of 2020. As of June 30, 2020, we employed 67 programmers and 92 other technology professionals who maintain and develop our systems.

**Monthly Loan Closings by Job Function(1)**



(1) Based on first-lien, retail funded units and average headcount over the period.

Additionally, using our data repository and adaptable technology platform, we have an opportunity to identify and offer our client base relevant ancillary products, such as title, property and casualty, life and umbrella insurance and other products and services complementary to the mortgages that we originate. Ancillary product offerings like these could increase the value of the services that we provide to our clients, further solidifying our position as a trusted partner in their financial decisions, and also create an opportunity to earn ancillary fee income through sourcing high-quality, timely and actionable referrals to insurance companies and other potential partners.

**Summary of Risk Factors**

You should consider carefully the risks described under the “*Risk Factors*” section beginning on page 28 and elsewhere in this prospectus. These risks could materially and adversely affect our business, financial condition, operating results, cash flow and prospects, which could cause the trading price of our Class A common stock to decline and could result in a partial or total loss of your investment. These risks include, among others, those related to:

- changes in macro-economic conditions and in U.S. residential real estate market conditions, including changes in prevailing interest rates or monetary policies and the effects of the ongoing COVID-19 pandemic;
- disruptions in the secondary home loan market and their effects on our ability to sell the loans that we originate;
- changes in certain U.S. government-sponsored entities and government agencies, including Fannie Mae, Freddie Mac, Ginnie Mae, the Federal Housing Administration (the “FHA”), the U.S. Department of Agriculture (the “USDA”) and the U.S. Department of Veterans Affairs (the “VA”), or their current roles;
- the effects of our existing and future indebtedness on our liquidity and our ability to operate our business;
- failure to maintain and improve the technological infrastructure that supports our origination and servicing platform;
- any cybersecurity breaches or other attacks involving our computer systems or those of our third-party service providers;
- our inability to secure additional capital, if needed, to operate and grow our business;
- the impact of operational risks, including employee or consumer fraud, the obligation to repurchase sold loans in the event of a documentation error, and data processing system failures and errors;
- failure to comply with, or material changes to, the various laws, regulations and practices, and interpretations thereof, applicable to our business;
- changes in accounting rules, tax legislation and other legislation;
- risks related to our being a public company; and
- risks related to our Class A common stock, our dual class common stock structure and this offering.

#### **Our Principal Stockholder**

Following the completion of the reorganization transactions and this offering, MCMI will own 100% of our issued and outstanding Class B common stock and will control approximately % of the combined voting power of our outstanding common stock. As a result, MCMI will control any action requiring the general approval of our stockholders, including the election of our Board of Directors, the adoption of amendments to our certificate of incorporation and bylaws and the approval of any merger or sale of substantially all of our assets. Because MCMI will control more than 50% of the combined voting power of our outstanding common stock, we will be a “controlled company” under the corporate governance rules for NYSE-listed companies. Therefore we will be permitted to, and we intend to, elect not to comply with certain corporate governance requirements of the NYSE. For more information on the implications of this distinction, see “*Risk Factors—Risks Related to our Class A Common Stock and this Offering*,” “*Management—Controlled Company*,” and “*Principal and Selling Stockholders*.”

Two members of our Board of Directors serve as members of the investment team at McCarthy Capital: Patrick Duffy, the Chairman of our Board of Directors, serves as the President and Managing Partner of McCarthy Capital and Mike Meyer serves as the Portfolio Director of McCarthy Capital. For more information, see “*Management*.”

### **Corporate Information**

Guild Mortgage Co. was incorporated in the State of California on August 10, 1960. The Issuer was incorporated in the State of Delaware on August 11, 2020, in connection with our reorganization under the laws of the State of Delaware. See “*Organizational Structure*.” Our principal executive office is located at 5887 Copley Drive, San Diego, California 92111, and our telephone number at that address is (858) 560-6330. Our website address is [www.guildmortgage.com](http://www.guildmortgage.com). Information contained on or accessible through our website is not incorporated by reference into this prospectus, and you should not consider that information to be part of this prospectus or in deciding whether to purchase shares of our Class A common stock.

### **Implications of Being an Emerging Growth Company**

We qualify as an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). As an emerging growth company, we may take advantage of specified reduced disclosure and other requirements that are otherwise applicable generally to public companies, including:

- presenting only two years of audited financial statements in addition to any required unaudited interim financial statements with correspondingly reduced “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” disclosure in this prospectus;
- not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the financial statements;
- reduced disclosure about our executive compensation arrangements in our periodic reports, proxy statements and registration statements;
- exemption from the requirements to hold non-binding advisory votes on executive compensation and stockholder approval of any golden parachute payments not previously approved; and
- exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, as amended (the “Sarbanes-Oxley Act”).

We may take advantage of these exemptions until we are no longer an emerging growth company. We will remain an emerging growth company until the earliest of (i) the end of the fiscal year following the fifth anniversary of the completion of this offering, (ii) the first fiscal year after our annual gross revenues exceed \$1.07 billion, (iii) the date on which we have, during the immediately preceding three-year period, issued more than \$1.0 billion in non-convertible debt securities, or (iv) the end of any fiscal year in which the market value of our common stock held by non-affiliates exceeds \$700.0 million as of the end of the second quarter of that fiscal year (and we have been a public company for at least 12 months and have filed one annual report on Form 10-K). We may choose to take advantage of some, but not all, of the available exemptions. We have taken advantage of certain reduced reporting obligations in this prospectus. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold stock.

In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this exemption and, therefore, while we are an emerging growth company we will not be subject to new or revised accounting standards at the same time that they become applicable to other public companies that are not emerging growth companies.

**Recent Developments**

**COVID-19 Pandemic**

*Business Operations and Liquidity*

We continue to closely monitor the economic impact resulting from the COVID-19 pandemic. Although we experienced record origination volume and increased profit margins in our origination segment during the six months ended June 30, 2020, the COVID-19 pandemic has had a negative impact on the financial results of our servicing segment. The federal government enacted the CARES Act, which allows borrowers with federally backed loans to request a temporary mortgage forbearance. As a result of the CARES Act forbearance requirements, we have recorded, and expect to record additional, increases in delinquencies in our servicing portfolio. As of June 30, 2020, the 60-plus day delinquency rate on our servicing portfolio was 3.5%, compared to a 60-plus day delinquency rate of 1.5% as of February 28, 2020. This increased delinquency rate on our servicing portfolio may require us to finance substantial amounts of advances of principal and interest, property taxes, insurance premiums and other expenses to protect investors' interests in the properties securing the loans. These advances and payments, coupled with increased servicing costs and lower servicing revenue, have negatively affected and will continue to negatively affect our cash position. Additionally, we are currently prohibited from collecting certain servicing-related fees, such as late fees, and initiating foreclosure proceedings. As a result, we expect the effects of the CARES Act forbearance requirements to reduce our servicing income and increase our servicing expenses.

As of August 31, 2020, approximately 4.70% of the loans in our servicing portfolio had elected the forbearance option compared to the industry average of 7.16%, as reported by the Mortgage Bankers Association. Of the 4.70% of the loans in our servicing portfolio that had elected forbearance as of August 31, 2020, approximately 27.6% remained current on their August payments. We believe our portfolio has performed better than the industry average because of our in-house servicing capabilities and timely response to the COVID-19 pandemic and that our performance is a testament to the strength of our client relationships. Our in-house servicing team and local loan officers continue to work with our clients to understand forbearance plans and determine the best paths forward for their unique circumstances. By maintaining relationships with our clients throughout the loan lifecycle, and supporting our clients during times of uncertainty, we position ourselves to capture future business.

**Servicing Portfolio Forbearance  
(as of period end)**



Source: Mortgage Bankers Association.

*Employee Safety*

We are also continuing to focus on the wellbeing and safety of our employees. Since March, we have moved to a remote working environment for the majority of our employees and, for those that are coming into our offices, we have instituted additional health and safety precautions, such as restricting visitors, providing masks and mandating more frequent sanitizing of our offices.

*Increased Liquidity*

During the three months ended June 30, 2020 (the “second quarter of 2020”), to support our increased loan origination volume, we increased the capacity of our existing loan funding facilities by \$165.0 million, of which \$90.0 million represented a temporary increase in capacity. Subsequent to June 30, 2020, we increased the capacity of all of our existing loan funding facilities by an aggregate amount equal to \$739.0 million, of which \$90.0 million represented a temporary increase in capacity. We added one additional loan funding facility during the second quarter of 2020 with a total facility size of \$100.0 million, for which we subsequently increased the capacity by \$100.0 million during the three months ended September 30, 2020 (the “third quarter of 2020”). As of the date of this prospectus, the aggregate available amount under our loan facilities was approximately \$2.9 billion.

During the second quarter of 2020, we renewed one of our MSR notes payable and increased the aggregate amount available under that MSR note payable by \$27.0 million. In the third quarter of 2020, we renewed another MSR note payable and increased the aggregate amount available under that MSR note payable by \$15.0 million. In addition, in September 2020, we drew down \$22.0 million under one of our MSR notes payable. See “—*Liquidity, Capital Resources and Cash Flows*” for further information regarding our funding facilities.

The extent to which the COVID-19 pandemic affects our business, results of operations and financial condition will ultimately depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken by governmental authorities and other third parties in response to the pandemic. See “*Risk Factors—The COVID-19 pandemic has had, and will likely continue to have, an adverse effect on our business, and its ultimate effect on our business and financial results will depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken or to be taken by government authorities in response to the pandemic.*”

***Preliminary Estimated Results as of and for the Three and Nine Months Ended September 30, 2020***

Our origination volume was \$            billion for the third quarter of 2020, an increase of approximately        % from our origination volume of \$            billion for the second quarter of 2020. Our origination market share grew by        % to        % for the nine months ended September 30, 2020 from        % for the nine months ended September 30, 2019. We also grew our servicing portfolio by        % to \$            billion of UPB as of September 30, 2020, from \$52.8 billion of UPB as of June 30, 2020.

For the third quarter of 2020, based on preliminary results, we expect to report net income between \$            million and \$            million and annualized return on equity between \$            million and \$            million, the midpoint of these ranges representing an approximately \$            million and \$            million increase from the second quarter of 2020, respectively. Over the same time period, we expect to report Adjusted EBITDA between \$            million and \$            million, Adjusted Net Income between \$            million and \$            million and annualized Adjusted Return on Equity between \$            million and \$            million. For information on how we use these non-GAAP measures and a reconciliation of them to their most comparable GAAP measures, see “*Summary Historical Consolidated Financial and*

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“Other Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures” in addition to the reconciliation tables provided below.

We believe the increases in net income for the third quarter of 2020 compared to the second quarter of 2020, were driven by . We expect to report that increased from for the second quarter of 2020 to a preliminary range of to for the third quarter of 2020. We believe that the elevated level of experienced during the third quarter of 2020 was impacted by and that increased also contributed to our improved performance with respect to this metric.

The estimated results and ranges of results as of and for the three and nine months ended September 30, 2020 that are provided above and in the tables below (the “preliminary estimated results”) are preliminary and may change. We have yet to complete our normal review procedures for the three and nine months ended September 30, 2020 and, as such, our final results for this period may differ from the preliminary estimated results. Any such changes could be material. The preliminary estimated results should not be viewed as a substitute for full interim financial information prepared in accordance with GAAP. The preliminary estimated results are not necessarily indicative of the results to be achieved for the remainder of 2020 or any future period. KPMG LLP has not audited, reviewed, compiled or performed any procedures with respect to the estimated results. Accordingly, KPMG LLP does not express an opinion or any other form of assurance with respect thereto.

We have presented the following preliminary estimated results and our actual results as of and for the three months and the nine months ended September 30, 2020 and 2019, respectively:

(in thousands)	As of September 30,		
	2020		2019
	Low	High	(Actual)
Cash, cash equivalents and restricted cash			
Warehouse lines of credit			
Notes payable			
Total stockholder’s equity			

(in thousands)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2020	2019	2020	2019
	(Actual)		(Actual)	
Loan origination volume				
Total gain-on-sale margin				

(in thousands)	Three Months Ended			Nine Months Ended		
	September 30,			September 30,		
	2020	High	2019	2020	High	2019
	Low		(Actual)	Low		(Actual)
Net income (loss)						
Adjusted Net Income						
Adjusted EBITDA						
Return on Equity(1)						
Adjusted Return on Equity(2)						

(1) For the three months ended September 30, 2020 and September 30, 2019 and the nine months ended September 30, 2020 and September 30, 2019, Adjusted Return on Equity is shown on an annualized basis.

(2) For the three months ended September 30, 2020 and September 30, 2019 and the nine months ended September 30, 2020 and September 30, 2019, return on equity is shown on an annualized basis.

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The following tables reconcile net income (loss) to Adjusted Net Income and Adjusted EBITDA and the calculation of Adjusted Return on Equity to return on equity, the most directly comparable financial measures calculated and presented in accordance with GAAP.

Reconciliation of Net Income (Loss) to Adjusted Net Income (in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2020		2019	2020		2019
	Low	High	(Actual)	Low	High	(Actual)
Net income (loss)						
Add adjustments:						
Change in fair value of MSRs due to model inputs and assumptions						
Change in fair value of contingent liabilities due to acquisitions						
Tax impact of adjustments						
Adjusted Net Income						

Reconciliation of Net Income (Loss) to Adjusted EBITDA (in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2020		2019	2020		2019
	Low	High	(Actual)	Low	High	(Actual)
Net income (loss)						
Add adjustments:						
Interest expense on non-funding debt						
Income tax provision						
Depreciation and amortization						
Change in fair value of MSRs due to model inputs and assumptions						
Change in fair value of contingent liabilities due to acquisitions						
Adjusted EBITDA						

Adjusted Return on Equity Calculation (in thousands, except where in percentages)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2020		2019	2020		2019
	Low	High	(Actual)	Low	High	(Actual)
Numerator: Adjusted Net Income						
Denominator: Average Stockholder's Equity						
Adjusted Return on Equity(1)						

Return on Equity(2)

- (1) For the three months ended September 30, 2020 and September 30, 2019 and the nine months ended September 30, 2020 and September 30, 2019, Adjusted Return on Equity is shown on an annualized basis.
- (2) For the three months ended September 30, 2020 and September 30, 2019 and the nine months ended September 30, 2020 and September 30, 2019, return on equity is shown on an annualized basis.



**THE OFFERING**

Issuer

Guild Holdings Company, a Delaware corporation.

Class A common stock offered by the selling stockholders      shares (or      shares if the underwriters exercise in full their option to purchase an additional      shares of Class A common stock from the selling stockholders).

Class A common stock to be outstanding immediately after this offering      shares (or      shares if the underwriters exercise in full their option to purchase an additional      shares of Class A common stock from the selling stockholders).

If, immediately after this offering, MCMI were to elect to convert all of its shares of our Class B common stock into shares of our Class A common stock,      shares of our Class A common stock would be outstanding (      % of which would be owned by non-affiliates of the Company).

Class B common stock to be outstanding immediately after this offering      shares (or      shares if the underwriters exercise in full their option to purchase an additional      shares of Class A common stock from the selling stockholders). Upon the completion of this offering, all of the outstanding shares of our Class B common stock will be held by MCMI. See “*Description of Capital Stock.*”

Voting rights

Each share of our Class A common stock entitles its holder to one vote per share and each share of our Class B common stock entitles its holder to 10 votes per share.

All classes of our common stock with voting rights generally vote together as a single class on all matters submitted to a vote of our stockholders.

Upon the completion of the reorganization transactions and this offering, the outstanding shares of our Class B common stock will be entitled to an aggregate of approximately      % of the combined voting power of our outstanding common stock, and the outstanding shares of our Class A common stock will be entitled to an aggregate of approximately      % of the combined voting power of our outstanding common stock.

Conversion rights

Each share of our Class B common stock is convertible at any time, at the option of the holder, into one share of our Class A common stock.

Each share of our Class B common stock will automatically convert into one share of our Class A common stock (a) immediately prior to any sale or other transfer of such share by a holder of such share, subject to certain limited exceptions, such as transfers to permitted transferees, or (b) if MCMI, the direct or indirect equityholders of MCMI and their permitted

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	transferees own less than 10% of our issued and outstanding shares of common stock. See “ <i>Description of Capital Stock</i> .”
Use of proceeds	We will not receive any proceeds from the sale of shares of shares of our Class A common stock by the selling stockholders in this offering. See “ <i>Use of Proceeds</i> .”
Dividend policy	We do not anticipate declaring or paying any regular cash dividends on our capital stock in the foreseeable future. Instead, we anticipate that most or all of our future earnings will be retained to support our operations and finance the growth and development of our business. Any future determination to declare and pay cash dividends, if any, will be made at the discretion of our Board of Directors and will depend on a variety of factors. See “ <i>Dividend Policy</i> .”
Controlled company	Upon completion of this offering, MCMI will continue to beneficially own more than 50% of the combined voting power of our outstanding common stock. As a result, we will be permitted, and intend, to avail ourselves of the “controlled company” exemptions under the rules of the NYSE, including exemptions from certain of the corporate governance listing requirements. See “ <i>Management—Controlled Company</i> .”
Listing	We intend to apply to list our Class A common stock on the NYSE under the symbol “GHLD.”
Directed Share Program	At our request, the underwriters have reserved for sale, at the initial public offering price, up to _____ shares of Class A common stock, or _____ % of the shares of Class A common stock offered by this prospectus, for sale to certain persons associated with us. The sales will be made at our direction through a directed share program. If these persons purchase Class A common stock, it will reduce the number of shares of Class A common stock available for sale to the general public. Any reserved shares of Class A common stock that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of Class A common stock offered by this prospectus. See “ <i>Underwriting—Directed Share Program</i> ” for more information.
Risk factors	You should read the “ <i>Risk Factors</i> ” section beginning on page 28 and the other information included in this prospectus for a discussion of factors to consider before deciding to invest in shares of our Class A common stock.

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Except as otherwise noted, all information in this prospectus (including, but not limited to, the number of shares of our Class A common stock and shares of our Class B common stock to be outstanding after the completion of this offering) assumes:

- the occurrence of the reorganization transactions;
- that the underwriters do not exercise their option to purchase up to                      additional shares of our Class A common stock from the selling stockholders;
- an initial public offering price of \$                      per share (the midpoint of the estimated public offering price range set forth on the front cover of this prospectus);
- the filing and effectiveness of our amended and restated certificate of incorporation and amended and restated bylaws upon the closing of this offering; and
- the exclusion of                      shares of our Class A common stock that will become available for issuance pursuant to future awards under the 2020 Plan, which we plan to adopt in connection with this offering.

**SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING DATA**

The following tables present summary historical consolidated financial and operating data of Guild Mortgage Co. as of the dates and for the periods indicated. The summary consolidated statements of operations data presented below for the years ended December 31, 2019 and December 31, 2018 and the summary consolidated balance sheet data as of December 31, 2019 and December 31, 2018 have been derived from Guild Mortgage Co.'s audited consolidated financial statements included elsewhere in this prospectus. The summary consolidated statements of operations data presented below for the six-month periods ended June 30, 2020 and June 30, 2019 and the summary consolidated balance sheet data as of June 30, 2020 have been derived from Guild Mortgage Co.'s unaudited condensed consolidated financial statements included elsewhere in this prospectus. This prospectus does not include financial statements of the Issuer because it has only been formed for the purpose of effecting the reorganization transactions and, until the consummation of the reorganization transactions, will hold no material assets and will not engage in any operations. See "Organizational Structure."

The summary consolidated historical financial and operating data are not necessarily indicative of the results to be expected in any future period. You should read the following summary historical financial and operating data in conjunction with the sections of this prospectus entitled "Selected Historical Consolidated Financial and Operating Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Guild Mortgage Co.'s audited and unaudited consolidated financial statements and related notes included elsewhere in this prospectus. The summary historical financial and operating data in this section are not intended to replace, and are qualified in their entirety by, Guild Mortgage Co.'s audited and unaudited consolidated financial statements and related notes included elsewhere in this prospectus.

	<b>Six Months</b>		<b>Year Ended</b>	
	<b>Ended June 30,</b>		<b>December 31,</b>	
	<b>2020</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
<b>Statements of Income (Loss) Data</b>				
<b>(in thousands)</b>				
<b>Revenue</b>				
Loan origination fees and gain on sale of loans, net	\$ 733,293	\$ 327,503	\$ 820,814	\$ 616,608
Loan servicing and other fees	76,310	68,437	142,705	123,681
Valuation adjustment of mortgage servicing rights	(204,810)	(160,222)	(255,219)	(17,050)
Interest income (expense), net	(492)	2,194	3,396	(326)
Other income (expense)	(4)	1,181	1,193	6
Net revenue	<u>604,297</u>	<u>239,093</u>	<u>712,889</u>	<u>722,919</u>
<b>Expense</b>				
Salaries, commissions and benefits	376,898	241,316	578,170	510,253
General and administrative	48,192	28,624	63,983	50,976
Occupancy, equipment and communication	26,955	26,942	53,678	52,483
Depreciation and amortization	3,146	3,824	7,333	7,180
Provision for foreclosure losses	1,860	774	3,895	4,434
Total expenses	<u>457,051</u>	<u>301,480</u>	<u>707,059</u>	<u>625,326</u>
Income (loss) before income tax (benefit) expense	147,246	(62,387)	5,830	97,593
Income tax (benefit) expense	36,465	(15,389)	253	24,260
Net income (loss)	<u>\$ 110,781</u>	<u>\$ (46,998)</u>	<u>\$ 5,577</u>	<u>\$ 73,333</u>

	<u>As of June 30,</u> <u>2020</u>	<u>As of December 31,</u> <u>2019</u> <u>2018</u>	
<b>Balance Sheet Data</b>			
<b>(in thousands)</b>			
Assets			
Cash, cash equivalents and restricted cash	\$ 148,462	\$ 106,735	\$ 62,755
Mortgage loans held for sale	1,982,521	1,504,842	966,171
Derivative asset	141,629	19,922	12,541
Mortgage servicing rights, net	336,687	418,402	511,852
Other assets	1,093,706	557,512	484,932
<b>Total assets</b>	<u><u>3,703,005</u></u>	<u><u>2,607,413</u></u>	<u><u>2,038,251</u></u>
Liabilities and stockholder's equity			
Warehouse lines of credit	1,689,291	1,303,187	839,734
Notes payable	188,000	218,000	160,000
Other liabilities	1,318,902	680,195	597,576
<b>Total liabilities</b>	<u><u>3,196,193</u></u>	<u><u>2,201,382</u></u>	<u><u>1,597,310</u></u>
<b>Total stockholder's equity</b>	<u><u>\$ 506,812</u></u>	<u><u>\$ 406,031</u></u>	<u><u>\$ 440,941</u></u>
<b>Non-GAAP Financial Measures</b>			
<p>To supplement Guild Mortgage Co.'s financial statements presented in accordance with GAAP and to provide investors with additional information regarding Guild Mortgage Co.'s GAAP financial results, we have presented in this prospectus Adjusted Net Income, Adjusted EBITDA and Adjusted Return on Equity, which are non-GAAP financial measures. These non-GAAP financial measures are not based on any standardized methodology prescribed by GAAP and are not necessarily comparable to similarly titled measures presented by other companies.</p>			
<p><i>Adjusted Net Income.</i> We define Adjusted Net Income as earnings before the change in the fair value measurements related to our mortgage servicing rights ("MSRs") and contingent liabilities related to completed acquisitions due to changes in valuation assumptions. The fair value of our MSRs is estimated based on a projection of expected future cash flows and the fair value of our contingent liabilities related to completed acquisitions is estimated based on a projection of expected future earn-out payments. Adjusted Net Income is also adjusted by applying an implied tax effect to these adjustments. The Company excludes the change in the fair value of its MSRs due to changes in model inputs and assumptions from Adjusted Net Income and Adjusted EBITDA because the Company believes this non-cash, non-realized adjustment to total revenues is not indicative of the Company's operating performance or results of operation but rather reflects changes in model inputs and assumptions (e.g., discount rates and prepayment speed assumptions) that impact the carrying value of the Company's MSRs from period to period.</p>			
<p><i>Adjusted EBITDA.</i> We define Adjusted EBITDA as earnings before interest (without adjustment for net warehouse interest related to loan fundings and payoff interest related to loan prepayments), taxes, depreciation and amortization exclusive of any change in the fair value measurements of the MSRs due to valuation assumptions and contingent liabilities from business acquisitions. The Company excludes the change in the fair value of its MSRs due to changes in model inputs and assumptions from Adjusted Net Income and Adjusted EBITDA because the Company believes this non-cash, non-realized adjustment to total revenues is not indicative of the Company's operating performance or results of operation but rather reflects changes in model inputs and assumptions (e.g., discount rates and prepayment speed assumptions) that impact the carrying value of the Company's MSRs from period to period.</p>			
<p><i>Adjusted Return on Equity.</i> We define Adjusted Return on Equity as Adjusted Net Income as a percentage of average beginning and ending stockholder's equity during the period. For periods of less than one year, Adjusted Return on Equity is shown on an annualized basis.</p>			

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We use these non-GAAP financial measures to evaluate our operating performance, to establish budgets and to develop operational goals for managing our business. These non-GAAP financial measures are designed to evaluate operating results exclusive of fair value adjustments that are not indicative of management's operating performance. Accordingly, we believe that these financial measures provide useful information to investors and others in understanding and evaluating our operating results, enhancing the overall understanding of our past performance and future prospects.

Our non-GAAP financial measures are not prepared in accordance with GAAP and should not be considered in isolation of, or as an alternative to, measures prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures rather than net income (loss), which is the most directly comparable financial measure calculated and presented in accordance with GAAP for Adjusted Net Income and Adjusted EBITDA, and return on equity, which is the most directly comparable financial measure calculated and presented in accordance with GAAP for Adjusted Return on Equity. These limitations include that these non-GAAP financial measures are not based on a comprehensive set of accounting rules or principles and many of the adjustments to the GAAP financial measures reflect the exclusion of items that are recurring and may be reflected in the Company's financial results for the foreseeable future. In addition, other companies may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison.

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The following tables reconcile Adjusted Net Income and Adjusted EBITDA to net income (loss), the most directly comparable financial measures calculated and presented in accordance with GAAP.

Reconciliation of Net Income (Loss) to Adjusted Net Income (\$ in thousands)	Six Months Ended June 30,		Twelve Months Ended June 30,	Years ended December 31,	
	2020	2019	2020	2019	2018
	Net income (loss)	\$110,781	\$ (46,998)	163,356	\$ 5,577
Add adjustments:					
Change in fair value of MSRs due to model inputs and assumptions	151,080	130,734	191,744	171,398	(26,178)
Change in fair value of contingent liabilities due to acquisitions	20,025	3,054	24,891	7,920	(2,642)
Tax impact of adjustments <sup>(1)</sup>	(43,718)	(34,183)	(55,351)	(45,816)	7,364
Adjusted Net Income	<u>\$238,168</u>	<u>\$ 52,607</u>	<u>\$324,640</u>	<u>\$139,079</u>	<u>\$ 51,877</u>

(1) Implied tax rate used is 25.5%.

Reconciliation of Net Income (Loss) to Adjusted EBITDA (\$ in thousands)	Six Months Ended June 30,		Twelve Months Ended June 30,	Years ended December 31,	
	2020	2019	2020	2019	2018
	Net income (loss)	\$ 110,781	\$ (46,998)	\$ 163,356	\$ 5,577
Add adjustments:					
Interest expense on non-funding debt	4,291	4,603	8,668	8,980	7,019
Income tax provision	36,465	(15,389)	52,107	253	24,260
Depreciation and amortization	3,146	3,824	6,655	7,333	7,180
Change in fair value of MSRs due to model inputs and assumptions	151,080	130,734	191,744	171,398	(26,178)
Change in fair value of contingent liabilities due to acquisitions	20,025	3,054	24,891	7,920	(2,642)
Adjusted EBITDA	<u>\$ 325,788</u>	<u>\$ 79,828</u>	<u>\$ 447,421</u>	<u>\$ 201,461</u>	<u>\$ 82,972</u>

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Adjusted Return on Equity Calculation (\$ in thousands, except where in percentages)	Six Months Ended June 30,		Twelve Months Ended June 30,	Years ended December 31,	
	2020	2019	2020	2019	2018
	Numerator: Adjusted Net Income	\$238,168	\$ 52,607	\$324,640	\$139,079
Denominator: Average Stockholder's Equity	456,422	407,199	440,134	423,486	429,244
Adjusted Return on Equity(1)	104.4%	25.8%	73.8%	32.8%	12.1%
Return on equity(2)	48.5%	(23.1%)	37.1%	1.3%	17.1%

(1) For the six months ended June 30, 2020 and June 30, 2019, Adjusted Return on Equity is shown on an annualized basis.

(2) For the six months ended June 30, 2020 and June 30, 2019, return on equity is shown on an annualized basis.

Reconciliation of Net Income (Loss) to Adjusted Net Income (in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2020	2019	(Actual)	2020	2019	(Actual)
	Low	High	(Actual)	Low	High	(Actual)
Net income (loss)						
Add adjustments:						
Change in fair value of MSRs due to model inputs and assumptions						
Change in fair value of contingent liabilities due to acquisitions						
Tax impact of adjustments						
Adjusted Net Income						



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Reconciliation of Net Income (Loss) to Adjusted EBITDA (in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2020		2019	2020		2019
	Low	High	(Actual)	Low	High	(Actual)
Net income (loss)						
Add adjustments:						
Interest expense on non-funding debt						
Income tax provision						
Depreciation and amortization						
Change in fair value of MSR's due to model inputs and assumptions						
Change in fair value of contingent liabilities due to acquisitions						
Adjusted EBITDA						
<b>Adjusted Return on Equity Calculation (in thousands, except where in percentages)</b>						
Numerator: Adjusted Net Income						
Denominator: Average Stockholder's Equity						
Adjusted Return on Equity <sup>(1)</sup>						

Return on Equity<sup>(2)</sup>

- (1) For the three months ended September 30, 2020 and September 30, 2019 and the nine months ended September 30, 2020 and September 30, 2019, Adjusted Return on Equity is shown on an annualized basis.
- (2) For the three months ended September 30, 2020 and September 30, 2019 and the nine months ended September 30, 2020 and September 30, 2019, return on equity is shown on an annualized basis.

The following table reconciles the valuation adjustment of mortgage servicing rights from the Company's consolidated statements of income to the change in fair value of MSR's due to model inputs and assumptions included in the reconciliation tables above.

Reconciliation of valuation adjustment of mortgage servicing rights to change in fair value of MSR's due to model inputs and assumptions (\$ in thousands)	Six Months Ended June 30,		Twelve Months Ended June 30,	Year ended December 31,	
	2020	2019	2020	2019	2018
	Valuation adjustment of mortgage servicing rights	\$ (204,810)	\$ (160,222)	\$ (299,807)	\$ (255,219)
Subtract adjustment:					
Change in fair value of MSR's due to collection/realization of cash flows	(53,730)	(29,488)	(108,063)	(83,821)	(43,228)
Change in fair value of MSR's due to model inputs and assumptions	<u>\$ (151,080)</u>	<u>\$ (130,734)</u>	<u>\$ (191,744)</u>	<u>\$ (171,398)</u>	<u>\$ 26,178</u>

## RISK FACTORS

Investing in our Class A common stock involves risks. You should carefully consider the risks and uncertainties described below, together with all of the other information included in this prospectus, including the financial statements and the related notes appearing at the end of this prospectus, before deciding to invest in our Class A common stock. Our business, financial condition, operating results, cash flow and prospects could be materially and adversely affected by any of these risks or uncertainties. In that case, the trading price of our Class A common stock could decline, and you could lose all or part of your investment. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of or that we currently see as immaterial may also adversely affect our business. Some statements in this prospectus, including statements included in the following risk factors, constitute forward-looking statements. Please refer to “*Cautionary Note Regarding Forward-Looking Statements.*”

### Risks Related to Our Business

***The COVID-19 pandemic has had, and will likely continue to have, an adverse effect on our business, and its ultimate effect on our business and financial results will depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken or to be taken by government authorities in response to the pandemic.***

The COVID-19 pandemic has negatively affected, and continues to negatively affect, the national economy and the local economies in the communities in which we operate and has created unprecedented economic, financial and health disruptions that have, and will likely continue to have, an adverse effect on our business. The pandemic has also caused significant volatility and disruption in the financial markets. In the event of a prolonged economic downturn, real estate transactions, the volume of mortgages we originate and the value of the homes that serve as collateral for the loans that we service may decrease significantly.

The COVID-19 pandemic is also affecting our mortgage servicing operations. The federal government enacted the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), which allows borrowers with federally backed loans to request a temporary mortgage forbearance. As a result of the CARES Act forbearance requirements, we have recorded, and expect to record additional, increases in delinquencies in our servicing portfolio, which may require us to finance substantial amounts of advances of principal and interest, property taxes, insurance premiums and other expenses to protect investors’ interests in the properties securing the loans. We expect that a borrower who has experienced a loss of employment or a reduction of income may not repay the forbore payments at the end of the forbearance period, or at all. Additionally, we are prohibited from collecting certain servicing-related fees, such as late fees, and initiating foreclosure proceedings. As a result, we expect the effects of the CARES Act forbearance requirements to reduce our servicing income, increase our servicing expenses and require significant cash outlays.

The COVID-19 pandemic may also affect our liquidity. We fund substantially all of the mortgage loans we close through borrowings under our loan funding facilities. Given the broad impact of COVID-19 on the financial markets, our future ability to borrow money to fund our current and future loan production and other cash needs is unknown. Our mortgage origination liquidity could also be affected if our lenders curtail access to uncommitted mortgage warehouse financing capacity or impose higher costs to access such capacity. Our liquidity may be further constrained as there may be less demand by investors to acquire our mortgage loans in the secondary market. In addition, we may be required to use significant amounts of cash to fund advances for loans subject to forbearance requirements or that are delinquent.

Our business operations may also be disrupted if significant portions of our workforce are unable to work effectively, including because of illness, quarantines, government actions or other restrictive measures in connection with the pandemic. As a result of the pandemic, a significant portion of our employees have been working remotely. Although some government authorities were in varying stages of

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lifting or modifying some of these measures, some have already, and others may in the future, reinstitute these measures or impose new, more restrictive measures, if the risks, or the perception of the risks, related to the COVID-19 pandemic worsen at any time. Such restrictive measures could also slow certain aspects of our operations that depend on third parties such as appraisers, closing agents and others for loan-related verifications.

The extent to which the COVID-19 pandemic impacts our business, results of operations, and financial condition will ultimately depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken by governmental authorities and other third parties in response to the pandemic.

***A disruption in the secondary home loan market or our ability to sell the loans that we originate could have a detrimental effect on our business.***

Demand in the secondary market for home loans and our ability to sell the mortgages that we originate depends on many factors that are beyond our control, including general economic conditions, the willingness of lenders to provide funding for and purchase home loans and changes in regulatory requirements. Our inability to sell the mortgages that we originate in the secondary market in a timely manner and on favorable terms could be detrimental to our business. In particular, we sell the majority of the mortgages that we originate to Fannie Mae, Freddie Mac and Ginnie Mae, and the gain recognized from these sales represents a significant portion of our revenues and net earnings. If it is not possible or economical for us to continue selling mortgages to the GSEs, or other loan purchasers, our business, prospects, financial condition and results of operations could be materially and adversely affected.

***Macroeconomic and U.S. residential real estate market conditions could materially and adversely affect our revenue and results of operations.***

Our business has been, and will continue to be, affected by a number of factors that are beyond our control, including the health of the U.S. residential real estate industry, which is seasonal, cyclical, and affected by changes in general economic conditions, including the effects of the COVID-19 pandemic. Furthermore, our clients' and potential clients' income, and thus their ability and willingness to make home purchases and mortgage payments, may be negatively affected by macroeconomic factors such as unemployment, wage deflation, changes in property values and taxes and the availability and cost of credit. As a result, these macroeconomic factors can adversely affect our origination volume.

Increased delinquencies could also increase the cost of servicing existing mortgages and could be detrimental to our business. Lower servicing fees could result in decreased cash flow, and also could decrease the estimated value of our MSRs, resulting in recognition of losses when we write down those values. In addition, an increase in delinquencies lowers the interest income we receive on cash held in collection and other accounts and increases our obligation to advance certain principal, interest, tax and insurance obligations owed by the delinquent mortgage loan borrower.

***We highly depend on certain U.S. government-sponsored entities and government agencies, and any changes in these entities or their current roles could materially and adversely affect our business, financial condition and results of operations.***

A substantial portion of the loans we originate are loans eligible for sale to Fannie Mae and Freddie Mac, and government insured or guaranteed loans, such as loans backed by the FHA, the VA and the USDA eligible for Ginnie Mae securities issuance. The future of the GSEs, Fannie Mae and Freddie Mac, is uncertain, including with respect to how long they will continue to be in existence, the extent of their roles in the market and what forms they will have, and whether they will be government agencies, government-sponsored agencies or private for-profit entities. If the operation of the GSEs is discontinued or reduced, if there is a significant change in their capital structure, financial condition, activity levels or roles in the primary or secondary mortgage markets or in their underwriting criteria or if we lose approvals with those

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agencies or our relationships with those agencies is otherwise adversely affected, our business, financial condition and results of operations could be adversely affected.

***Changes in prevailing interest rates or U.S. monetary policies may have a detrimental effect on our business. Our hedging strategies may not be successful in mitigating interest rate risk.***

Our profitability is directly affected by changes in interest rates. The market value of closed loans held for sale and interest rate locks generally change along with interest rates. As such, volatility in prevailing interest rates may have a detrimental effect on our financial performance and results of operations. Many factors beyond our control impact interest rates, including economic conditions, governmental monetary policies, inflation, recession, changes in unemployment, the money supply, and disorder and instability in domestic and foreign financial markets. Changes in monetary policies of U.S. government agencies could influence not only consumer demand for mortgages but also the fair value of our financial assets and liabilities.

We pursue hedging strategies to mitigate our exposure to adverse changes in interest rates, including with respect to loans held for sale and interest rate locks. Hedging interest rate risk, however, is a complex process, requiring sophisticated models and constant monitoring, and is not a perfect science. Due to interest rate fluctuations, hedged assets and liabilities will appreciate or depreciate in market value. The effect of this unrealized appreciation or depreciation will generally be offset by income or loss on the derivative instruments that are linked to the hedged assets and liabilities. If we engage in derivative transactions, we will be exposed to credit and market risk. If the counterparty fails to perform, credit risk exists to the extent of the fair value gain in the derivative. Market risk exists to the extent that interest rates change in ways that are significantly different from what we expected when we entered into the derivative transaction. In addition, we may not engage in hedging strategies with respect to all or a portion of our exposure to changes in interest rates at any given time, or may engage in hedging strategies to a degree or in a manner that is different from that of other companies in our industry. Failure to manage interest rate risk could have a material adverse effect on our business. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Quantitative and Qualitative Disclosures about Market Risk.*”

***Our servicing rights are subject to termination with or without cause.***

The servicing agreements under which we service mortgage loans for GSE and non-GSE loan purchasers require that we comply with certain servicing guidelines and abide by certain financial covenants. Under the terms of our master servicing agreements with the GSEs and non-GSEs that purchase the loans we originate, the loan purchasers generally retain the right to terminate us as servicer of the loans we service on their behalf, with or without cause. If we were to have our MSR terminated on a material portion of our servicing portfolio, or if our costs related to servicing mortgages were increased by the way of additional fees, fines or penalties or an increase in related compliance costs, this could materially and adversely affect our business.

***Our existing and any future indebtedness could adversely affect our ability to operate our business, our financial condition or the results of our operations.***

Our existing and any future indebtedness could have important consequences, including:

- requiring us to dedicate a substantial portion of our cash flow to payments on our indebtedness, which would reduce the amount of cash flow available to fund working capital, capital expenditures or other corporate purposes;
- increasing our vulnerability to general adverse economic, industry and market conditions;
- subjecting us to restrictive covenants that may reduce our ability to take certain corporate actions or obtain further debt or equity financing;
- limiting our ability to plan for and respond to business opportunities or changes in our business or industry; and

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- placing us at a competitive disadvantage compared to our competitors that have less debt or better debt servicing options.

Failure to make payments or comply with other covenants under our existing debt instruments could result in an event of default. If an event of default occurs and the lender accelerates the amounts due, we may need to seek additional financing, which may not be available on acceptable terms, in a timely manner or at all. In that event, we may not be able to make accelerated payments, and the lender could seek to enforce security interests in the collateral securing such indebtedness, which includes substantially all of our assets.

***Our mortgage loan origination and servicing activities rely on our loan funding facilities to fund mortgage loans and otherwise operate our business. If one or more of those facilities are terminated, we may be unable to find replacement financing at commercially favorable terms, or at all, which could be detrimental to our business.***

We fund substantially all of the mortgage loans we close through borrowings under our loan funding facilities and funds generated by our operations. Our borrowings are in turn generally repaid with the proceeds we receive from mortgage loan sales. We currently, and may in the future continue to, depend upon a handful of lenders to provide the primary funding facilities for our loans. As of the date of this prospectus, we had seven warehouse lines of credit pursuant to master repurchase agreements, which provide us with an aggregate maximum borrowing capacity of approximately \$2.9 billion. Additionally, as of June 30, 2020, we were party to (i) a term loan credit agreement with one of our warehouse banks, which agreement is collateralized by our Fannie Mae MSRs and provides for a term loan facility of \$100.0 million (which can be increased to up to \$150.0 million), (ii) a loan and security agreement with one of our warehouse banks, which agreement is collateralized by our Ginnie Mae MSRs and provides for a revolving facility of up to \$135.0 million (which can be increased to up to \$200.0 million) and (iii) a loan and security agreement with one of our warehouse banks, which agreement is collateralized by our Freddie Mac MSRs and provides for a revolving facility of up to \$50.0 million.

In the event that any of our loan funding facilities is terminated or is not renewed, or if the principal amount that may be drawn under our funding agreements were to decrease significantly, we may be unable to find replacement financing on commercially favorable terms, or at all, which could be detrimental to our business. Further, if we are unable to refinance or obtain additional funds for borrowing, our ability to maintain or grow our business could be limited.

Our ability to refinance existing debt and borrow additional funds is affected by a variety of factors, including:

- limitations imposed under existing and future financing facilities that contain restrictive covenants and borrowing conditions that may limit our ability to raise additional debt;
- a decline in liquidity in the credit markets;
- prevailing interest rates;
- the financial strength of the lenders from whom we borrow;
- the decision of lenders from whom we borrow to reduce their exposure to mortgage loans due to a change in such lenders' strategic plan, future lines of business or otherwise;
- the amount of eligible collateral pledged on advance facilities, which may be less than the borrowing capacity of the facility;
- the large portion of our loan funding facilities that is uncommitted;
- more stringent financial covenants in our refinanced facilities, with which we may not be able to comply; and
- accounting changes that impact calculations of covenants in our debt agreements.

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If the refinancing or borrowing guidelines become more stringent and those changes result in increased costs to comply or decreased origination volume, those changes could be detrimental to our business.

Our loan funding facilities contain covenants that include certain financial requirements, including maintenance of maximum adjusted leverage ratio, minimum net worth, minimum tangible net worth, minimum current ratio, minimum liquidity, positive quarterly income and other customary debt covenants, as well as limitations on additional indebtedness, dividends, sales of assets, and declines in the mortgage loan servicing portfolio's fair value. A breach of these covenants can result in an event of default under these facilities and as such allow the lenders to pursue certain remedies. In addition, our loan facilities include cross default or cross acceleration provisions that could result in most, if not all, facilities terminating if an event of default or acceleration of maturity occurs under a facility. If we are unable to meet or maintain the necessary covenant requirements or satisfy, or obtain waivers for, the continuing covenants, we may lose the ability to borrow under all of our financing facilities, which could be detrimental to our business.

***Our business depends on our ability to maintain and improve the technology infrastructure that supports our origination and servicing platform, and any significant disruption in service on our platform could harm our business, brand, operating results, financial condition and prospects.***

Our ability to service our clients depends on the reliable performance of our technology infrastructure. Interruptions, delays or failures in these systems, whether due to adverse weather conditions, natural disasters, power loss, computer viruses, cybersecurity attacks, physical break-ins, terrorism, hardware failures, errors in our software or otherwise, could be prolonged and could affect the security or availability of our platform and our ability to originate and service mortgages. Furthermore, we may incur significant expense maintaining, updating and adapting our technology infrastructure, and our disaster recovery planning may be insufficient to prevent or mitigate these and other events or occurrences. The reliability and security of our systems, and those of certain third parties, is important not only to facilitating our origination and servicing of mortgages, but also to maintaining our reputation and ensuring the proper protection of our confidential and proprietary information and the data of mortgage borrowers and other third parties that we possess or control or to which we have access. Operational failures or prolonged disruptions or delays in the availability of our systems could harm our business, brand, reputation, operating results, financial condition and prospects.

***Our risk management strategies may not be fully effective in mitigating our risk exposures in all market environments or against all types of risk.***

We have devoted significant resources to develop our risk management policies and procedures and expect to continue to do so in the future. Nonetheless, our risk management strategies may not be fully effective in mitigating our risk exposure in all market environments or against all types of risk, including market, credit, liquidity, operational, cybersecurity, legal, regulatory and compliance risks, as well as other risks that we may not have identified or anticipated. As our products and services change and grow and the markets in which we operate evolve, our risk management strategies may not always adapt to those changes in a timely or effective manner. Some of our methods of managing risk are based upon our use of observed historical market behavior and management's judgment. As a result, these methods may not predict future risk exposures, which could be different or significantly greater than the historical measures indicate. Although we employ a broad and diversified set of risk monitoring and risk mitigation techniques, those techniques and the judgments that accompany their application cannot anticipate every economic and financial outcome or the timing of such outcomes. Any of these circumstances could have an adverse effect on our business, financial condition and results of operations.

***Pressure from existing and new competitors may adversely affect our business, operating results, financial condition and prospects.***

We operate in a highly competitive industry that could become even more competitive due to economic, legislative, regulatory and technological changes. We face significant competition for clients

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from bank and non-bank competitors, including national and regional banks, mortgage banking companies, financial technology companies and correspondent lenders. Many of our competitors are significantly larger and have significantly more resources, greater name recognition and more extensive and established retail footprints than we do.

Our ability to compete successfully will depend on a number of factors, including, among other things, our ability to build and maintain long-term client relationships while ensuring high ethical standards and sound lending and servicing practices, the scope, relevance and pricing of products and services that we offer, our clients' satisfaction with our products and services, industry and general economic trends and our ability to keep pace with technological advances in the industry.

Our failure to compete effectively in our markets could restrain our growth or cause us to lose market share, which could have a material adverse effect on our business, prospects, financial condition and results of operations. We may also face a competitive disadvantage as a result of our concentration in the northwest United States and will be unable, as compared to our more geographically diversified peers, to spread our operating costs across a broader market. Furthermore, a cyclical decline in the industry's overall level of originations, or decreased demand for loans due to a higher interest rate environment, may lead to increased competition for remaining loan originations. Any increase in these competitive pressures could have an adverse effect on our business, prospects, financial condition and results of operations.

***Our failure to maintain or grow our historical referral relationships with our referral partners may materially and adversely affect our business, operating results, financial condition and prospects.***

A substantial portion of our mortgage origination leads are sourced through an established network of referral partners with which we have longstanding relationships. We rely on being a preferred provider to realtors, builders and other partners with whom we have relationships. Our failure to maintain or grow these relationships could significantly decrease our origination volume and materially and adversely affect our business, operating results, financial condition and prospects. In addition, changes in the real estate and home construction industries, or in the relationships between those industries and the mortgage industry, could adversely affect our business and operating results, financial condition and prospects. For example, in recent years, there has been an increase in products and services designed to facilitate home sales without the involvement of realtors, and if the role of realtors in the sales process declines, our business could be adversely affected if we are unable to adapt to that development in a manner that preserves our loan origination leads.

***If we are not able to continue the historical levels of growth in our market share in the mortgage origination and servicing industry, we may not be able to maintain our historical earnings trends.***

Since 2007, Guild Mortgage Co. has consummated six acquisitions that significantly contributed to our growth, particularly in new geographies. We are currently pursuing a growth strategy focused on growing market share in existing markets, as well as expanding opportunistically into new markets. This strategy may not sustain our historical rate of growth or our ability to grow at all. Our ability to execute our growth strategy depends on a variety of factors, such as economic conditions and competition, which are beyond our control, and access to capital and liquidity to fund such growth. Our ability to execute our growth strategy also depends on our ability to identify attractive acquisition targets, execute such transactions in a timely manner and successfully integrate acquired businesses, and we may not be able to do so in the future. In addition, we may issue equity in acquisition transactions, which would dilute our existing investors, and/or debt to finance such transactions, which would increase our leverage and expose us to additional risks relating to indebtedness. We may not be able to obtain the financing necessary to fund internal growth and we may not pursue growth through new acquisitions. Sustainable growth requires that we manage our risks by following prudent origination and servicing standards, hiring and retaining qualified loan officers and other employees, and successfully implementing strategic projects and initiatives. Our growth strategy may also change from time to time as a result of various internal and external factors. For example, natural disasters and other events beyond our control may also adversely

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affect our growth. If we are not able to continue our historical levels of growth, we may not be able to maintain these historical earnings trends. The absence of, or our inability to pursue and take advantage of, growth opportunities, or our inability to manage our growth successfully, could have a material adverse effect on our business, financial condition, results of our operations and prospects.

***We may be adversely affected by a decline in our ability to recapture loans from borrowers who refinance.***

The size of our servicing portfolio is subject to “run-off.” For example, mortgage loans we service may be repaid at maturity, prepaid prior to maturity, refinanced with a mortgage not serviced by us, liquidated through foreclosure, deed-in-lieu of foreclosure or other liquidation process, or repaid through standard amortization of principal. Due to this run-off, our ability to maintain the size of our servicing portfolio, and to generate new originations, depends in part on our ability to continue originating loans with respect to which we will maintain the servicing rights and recapturing loans from existing clients who are in the market to refinance. Clients who refinance their mortgages are not obligated to refinance their loans with us and may choose to do so with a different lender. If we are unsuccessful in maintaining or increasing our share of loan originations or in recapturing our existing loans that are refinanced, our servicing portfolio may become increasingly subject to run-off and/or our loan originations may decline. This could adversely affect our business, financial condition, results of operations and prospects.

***We are required to make servicing advances that can be subject to delays in recovery or may not be recoverable in certain circumstances.***

During any period in which our clients are not making payments on loans we service, including during defaults, delinquencies, forbearances and in certain circumstances where a client prepaes a loan, we generally are required under our servicing agreements to advance our own funds to pay principal and interest, property taxes and insurance premiums, legal expenses and other expenses. In addition, in the event a loan serviced by us defaults or becomes delinquent, or to the extent a mortgagee under such loan is allowed to enter into a forbearance by applicable law or regulation, the repayment to us of any advance related to such events may be delayed until the loan is repaid or refinanced or liquidation occurs. Any delay or impairment in our ability to collect an advance may materially and adversely affect our liquidity, and delays in reimbursements of us, or our inability to be reimbursed, for advances could be detrimental to our business. Market disruptions such as the COVID-19 pandemic and the response, including through the CARES Act and the temporary period of forbearance that is being offered for clients unable to pay on certain mortgage loans as a result of the COVID-19 pandemic, as well as any extension or expansion of such periods of forbearance or similar or additional actions, may also increase the number of defaults, delinquencies or forbearances related to the loans we service, increasing the advances we make for such loans, which we may not recover in a timely manner or at all. While we have in the past utilized prepayments and payoffs to make advances, such sources, and other sources of liquidity available to us, may not be sufficient in the future, and our business, financial condition and results of operations could be materially and adversely affected as a result of required advances. As of August 31, 2020, loans representing approximately 4.7% of the loans in our servicing portfolio were in forbearance.

***If we are unable to attract, integrate and retain qualified personnel, our ability to develop and successfully grow our business could be harmed.***

Our business depends on our ability to retain our key executives and management and to hire, develop and retain qualified loan officers and other employees. Our ability to expand our business depends on our being able to hire, train and retain sufficient numbers of employees to staff our in-house servicing centers, as well as other personnel. Our success in recruiting highly skilled and qualified personnel can depend on factors outside of our control, including the strength of the general economy and local employment markets and the availability of alternative forms of employment. Furthermore, the spread of COVID-19 may adversely affect our ability to recruit and retain personnel. If the services of any of our key personnel should



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become unavailable for any reason, we may not be able to identify and hire qualified persons on terms acceptable to us, which could have a material and adverse effect on our business, operating results, financial condition and prospects.

***We may acquire other businesses or technologies, which could divert our management's attention, result in additional dilution to our stockholders and otherwise disrupt our operations and harm our operating results, financial condition and prospects.***

We may determine to emphasize the growth of our business through the acquisition of complementary businesses and technologies rather than through internal development. The identification of suitable acquisition candidates can be difficult, time-consuming and costly, and we may not be able to successfully complete identified acquisitions or the acquisitions may cause diversion of management time and focus away from operating our business. Following any acquisition, we may face difficulty integrating acquired businesses, including technology, finance and accounting and sales and marketing functions; challenges retaining acquired employees; future write-offs of intangibles or other assets; and potential litigation, claims or other known and unknown liabilities.

Depending on the condition of any business or technology we may acquire, that acquisition may, at least in the near term, adversely affect our financial condition and operating results and, if not successfully integrated with our organization, may continue to have these effects over a longer period. We may not realize the anticipated benefits of any acquisitions and we may not be successful in overcoming these risks or any other problems encountered in connection with potential acquisitions. The greater our emphasis on acquisitions, the greater these risks will become. Our inability to overcome these risks could have an adverse effect on our profitability, return on equity and return on assets, our ability to implement our business strategy and enhance stockholder value, which, in turn, could have a material and adverse effect on our business, operating results, financial condition and prospects.

***Our MSRs are highly volatile assets with continually changing values. If our estimates of their value prove to be inaccurate, we may be required to write them down, which could adversely affect our business and financial condition.***

Our estimates of the fair value of our MSRs are based on the cash flows projected to result from the servicing of the related mortgage loans and continually fluctuate due to a number of factors, including prepayment rates and other market conditions that affect the number of loans that ultimately become delinquent or are repaid or refinanced. These estimates are calculated by a third party using complex internal financial models that account for a high number of variables that drive cash flows associated with MSRs and anticipate changes in those variables over the life of the MSR. As such, the accuracy of our estimates of the fair value of our MSRs are highly dependent upon the reasonableness of the results of such models and the variables and assumptions that we build into them. If loan delinquencies or prepayment speeds are higher than anticipated or other factors perform worse than modeled, the recorded value of certain of our MSRs may decrease, which could adversely affect our business, financial condition and results of operations.

***We may from time to time be subject to litigation, which may be extremely costly to defend, could result in substantial judgment or settlement costs and could subject us to other remedies.***

From time to time, we have been, and may continue to be, involved in various legal proceedings, including, but not limited to, actions related to our lending and servicing practices as well as alleged violations of the local, state and federal laws to which our business is subject. See “*Business—Legal and Regulatory Proceedings*.” Claims may be expensive to defend and may divert management’s time away from our operations, regardless of whether they are meritorious or ultimately lead to a judgment against us. We cannot assure you that we will be able to successfully defend or resolve any current or future litigation matters, and the resolution of such matters may result in significant financial payments by, or penalties imposed upon, us, restrictions on our business and operations, or other remedies, in which case those

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litigation matters could have a material and adverse effect on our business, operating results, financial condition and prospects.

***The success and growth of our business will depend upon our ability to adapt to and implement technological changes.***

The mortgage industry is continually undergoing rapid technological change with frequent introductions of new products and services. We seek to differentiate ourselves by the range of mortgage programs we offer and rely on our internally-developed technology to make our platform available to our loan officers, evaluate mortgage applicants and service loans. Our future success and growth depend, in part, upon our ability to develop new products and services that satisfy changing client demand and use technology to provide a desirable client experience and to create additional efficiencies in our operations. If we fail to predict demand and develop, commercially market and achieve acceptance of attractive products and services, our business and prospects could be adversely affected. In addition, the implementation of technological changes and upgrades to maintain current systems and integrate new ones may also cause service interruptions, transaction processing errors and system conversion delays, may cause us to fail to comply with applicable laws, and may cause us to incur additional expenses, which may be substantial. Failure to keep pace successfully with technological change affecting the mortgage industry and avoid interruptions, errors and delays could have material adverse effect on our business, financial condition or results of operations.

***Our corporate culture has contributed to our success and if we are unable to maintain it, our business, financial condition and results of operations could be harmed.***

We believe our corporate culture has been a critical component to the success of our business. As we develop the infrastructure of a public company and continue to grow, however, it may be difficult to maintain that culture, which could reduce our ability to innovate and operate effectively. Any failure to maintain the key aspects of our culture could result in decreased employee satisfaction and increased difficulty in recruiting and retaining employees and could compromise the quality of the service that we provide to our clients, all of which are important to our success and to the effective execution of our business strategy. In the event that we are unable to maintain our corporate culture, our business, financial condition and results of operations could be harmed.

***The current economic environment poses significant challenges and could adversely affect our business, financial condition and results of operations.***

We are operating in a challenging and uncertain economic environment. The mortgage industry continues to be affected by uncertainty in the real estate market, the credit markets, and the global financial market generally. The uncertainty in economic conditions has subjected us and other financial services companies to increased regulatory scrutiny. In addition, deterioration in local economic conditions in our markets could result in losses beyond that provided for in our allowance for credit losses and result in increased mortgage delinquencies, problem assets and foreclosures. This may also result in declining demand for products and services, which could adversely affect our business, financial condition and results of operations.

***Adverse events to our clients could occur, which can result in substantial losses that could adversely affect our financial condition.***

A client's ability or willingness to repay his or her mortgage may be adversely affected by numerous factors, including a loss of or change in employment or income, weak macro-economic conditions, increases in payment obligations to other lenders and deterioration in the value of the home that serves as collateral for the loan. Increases in delinquencies or defaults related to these and other factors may adversely affect our business, financial condition, liquidity and results of operations and may also cause decreased demand in the secondary market for loans originated through Guild. In addition, higher risk

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loans incur greater servicing costs because they require more frequent interaction with clients and closer monitoring and oversight. We may not be able to pass along these additional servicing costs associated with higher-risk loans to our clients and they could result in substantial losses that could adversely affect our financial condition.

***Our business could be materially and adversely affected by a cybersecurity breach or other vulnerability involving our computer systems or those of certain of our third-party service providers.***

Our systems and those of certain of our third-party service providers could be vulnerable to hardware and cybersecurity issues. Our operations depend upon our ability to protect our computer equipment against damage from fire, power loss, telecommunications failure or a similar catastrophic event. We could also experience a breach by intentional or negligent conduct on the part of employees or other sources. Any damage or failure that causes an interruption in our operations or those of our third-party service providers could have an adverse effect on our business, operating results, financial condition and prospects. In addition, our operations depend upon our ability to protect the computer systems and network infrastructure we use against damage from cybersecurity attacks by sophisticated third parties with substantial computing resources and capabilities and other disruptive problems caused by the internet or other users. These disruptions could jeopardize the security of information stored in and transmitted through our computer systems and network infrastructure, including personal or confidential information of our clients, employees and others, which may result in significant liability and damage our reputation.

It is difficult or impossible to defend against every risk being posed by changing technologies as well as criminals intent on committing cyber-crime and any measures we employ may not be successful in preventing, detecting or stopping attacks. The increasing sophistication and resources of cyber criminals and other non-state threat actors and increased actions by nation-state actors make keeping up with new threats difficult and could result in a breach of security. Controls employed by our information technology department and our third-party service providers, including cloud vendors, could prove inadequate. A breach of our security that results in unauthorized access to our data could expose us to a disruption or challenges relating to our daily operations, as well as to data loss, litigation, damages, fines and penalties, significant increases in compliance costs and reputational damage, any of which could have a material and adverse effect on our business, operating results, financial condition and prospects.

A number of the states, counties and cities in which we maintain branch offices have issued shelter-in-place and similar orders in response to the COVID-19 pandemic. As a result, a significant portion of our employees have been working remotely. This transition to a remote work environment may exacerbate certain risks to our business, including increasing the stress on, and our vulnerability to disruptions of, our technology infrastructure and computer systems, increased risk of phishing and other cybersecurity attacks, and increased risk of unauthorized dissemination of personal or confidential information.

To the extent we or our systems rely on third-party service providers, through either a connection to, or an integration with, those third-parties' systems, the risk of cybersecurity attacks and loss, corruption or unauthorized publication of our information or the confidential information of our clients, employees and others may increase. Third-party risks may include ineffective security measures, data location uncertainty and the possibility of data storage in inappropriate jurisdictions where laws or security measures may be inadequate.

Any or all of the issues described above could adversely affect our ability to attract new clients and continue our relationship with existing clients and could subject us to governmental or third-party lawsuits, investigations, regulatory fines or other actions or liability, thereby harming our business, operating results, financial condition and prospects.

***Potential changes in applicable technology and consumer outreach techniques could have a material and adverse effect on our business, operating results, financial condition and prospects.***

Changes in technology and consumer outreach techniques continue to shape the mortgage origination and servicing landscape. In recent years, consumers' behavior patterns, in particular their propensity to use online sources for research, product comparison and guidance, have changed and continue to change. Similarly, available technologies for reaching targeted groups of consumers also continues to evolve, as do laws and regulations relating to such technologies. We expect that we will incur costs in the future to adjust our systems to adapt to changing behaviors and technologies, as well as changing laws and regulations. In the future, technological innovations and changes in the way consumers engage with technology, and such laws and regulations, may materially and adversely affect our operating results, financial condition and prospects, if our business model and technological infrastructure do not evolve accordingly.

In addition, we derive a portion of our website traffic from consumers who search for mortgage lenders through internet search engines. An important factor in attracting consumers to our website is whether we are prominently displayed in response to certain internet searches. Search engines may revise their algorithms from time to time, which could cause our website to be listed less prominently in algorithmic search results and lead to decreased traffic to our website. We may also be listed less prominently as a result of other factors, such as new websites, changes we make to our website or technical issues with the search engine itself. If we are listed less prominently in, or removed altogether from, search result listings for any reason, the traffic to our websites would decline and we may not be able to replace this traffic. An attempt to replace this traffic may require us to increase our marketing expenditures, which would also increase our cost of client acquisition and harm our business, operating results, financial condition and prospects.

***Operating and growing our business may require additional capital, and if capital is not available to us, our business, operating results, financial condition and prospects may suffer.***

Operating and growing our business is expected to require further investments in our technology and operations. We may be presented with opportunities that we want to pursue, and unforeseen challenges may present themselves, any of which could cause us to require additional capital. If our cash needs exceed our expectations or we experience rapid growth, we could experience strain in our cash flow, which could adversely affect our operations in the event we were unable to obtain other sources of liquidity. If we seek to raise funds through equity or debt financing, those funds may prove to be unavailable, may only be available on terms that are not acceptable to us or may result in significant dilution to you or higher levels of leverage. If we are unable to obtain adequate financing or financing on terms satisfactory to us, when we require it, our ability to continue to pursue our business objectives and to respond to business opportunities, challenges or unforeseen circumstances could be significantly limited, and our business, operating results, financial condition and prospects could be materially and adversely affected.

***We are subject to certain operational risks, including, but not limited to, employee or customer fraud, the obligation to repurchase sold loans in the event of a documentation error, and data processing system failures and errors.***

Employee errors and employee and client misconduct could subject us to financial losses or regulatory sanctions and seriously harm our reputation. Misconduct by our employees could include, among other things, improper use of confidential information and fraud. It is not always possible to prevent employee errors and misconduct or documentation errors, and the precautions we take to prevent and detect this activity may not be effective in all cases. In addition, we rely heavily upon information supplied by third parties, including the information contained in credit applications, property appraisals, title information and valuation, employment and income documentation, in deciding which loans we will originate, as well as the terms of those loans. If any of the information upon which we rely is misrepresented, either fraudulently or inadvertently, and the misrepresentation is not detected prior to the mortgage being funded, the value of that mortgage may be significantly lower than expected, or we may fund a mortgage

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that we would not have funded or on terms we would not have extended. Whether a misrepresentation is made by the mortgage applicant or another third party, we generally bear the risk of loss associated with such misrepresentation. A loan subject to a material misrepresentation is typically unsellable or subject to repurchase if it is sold prior to detection of the misrepresentation. The sources of the misrepresentations are often difficult to identify, and it is often difficult to recover any of the monetary losses we may suffer. These risks could adversely affect our business, results of operation, financial condition and reputation.

***We are required to make significant estimates and assumptions in the preparation of our financial statements. These estimates and assumptions may not be accurate and they, as well as the accounting principles generally accepted in the United States, are subject to change.***

The preparation of our consolidated financial statements in conformity with GAAP requires our management to make significant estimates and assumptions that affect the reported amounts of our assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of income and expense during the reporting periods. Critical estimates are made by management in determining, among other things, estimates of fair value and allowance for credit losses. If our underlying estimates and assumptions prove to be incorrect or if events occur that require us to revise our previous estimates or assumptions, our business, operating results, financial condition and prospects may be materially and adversely affected.

In addition, changes in GAAP or in accounting interpretations or assumptions could impact our financial statements and our ability to timely prepare our financial statements. A change in these principles or interpretations could also have a significant effect on our reported financial results and could require us to alter our accounting systems in a manner that could increase our operating costs and affect the content of and our ability to timely prepare our financial statements. Our inability to timely prepare our financial statements in the future could materially and adversely affect our share price.

***Seasonality may cause fluctuations in our financial results.***

The mortgage origination industry can be seasonal. We typically experience an increase in our mortgage origination activity during the second and third quarters and reduced activity in the first and fourth quarters as home buyers tend to purchase their homes during the spring and summer in order to move to a new home before the start of the school year. Accordingly, our loan origination revenues varies from quarter to quarter and comparisons of sequential quarters may not be meaningful.

***If we fail to protect our brand and reputation, our ability to grow our business and increase the volume of mortgages we originate and service may be adversely affected.***

Maintaining strong brand recognition and a reputation for trustworthiness and for delivering a superior client experience is important to our business. If we fail to protect our brand and deliver on these expectations, or if negative public opinion relating to Guild or other mortgage industry participants resulting from actual or alleged conduct in mortgage origination, servicing or other activities, government oversight or regulation, litigation or other matters should occur, these events could harm our reputation and damage our ability to attract and retain clients or maintain our referral network, which could adversely affect our business.

We could be forced to incur greater expense marketing our brand or maintaining our reputation in the future to preserve our position in the market and, even with such greater expense, we may not be successful in doing so. Many of our competitors have more resources than we do and can spend more advertising their brands and services. If we are unable to maintain or enhance consumer awareness of our brand cost-effectively and maintain our reputation, or otherwise experience negative publicity, our business, operating results, financial condition and prospects could be materially and adversely affected.

***Employee litigation and unfavorable publicity could adversely affect our business.***

Our employees may, from time to time, bring lawsuits against us regarding employment issues. Any such employee litigation could be attempted on a class or representative basis. This litigation can be expensive and time-consuming regardless of whether the claims against us are valid or whether we are ultimately determined to be liable, and could divert management's attention from our business. We could also be adversely affected by negative publicity, litigation costs resulting from the defense of these claims and the diversion of time and resources from our operations.

***Failure to comply with fair lending laws and regulations could lead to a wide variety of sanctions that could have a material adverse effect on our business, financial condition and results of operations.***

Antidiscrimination statutes, such as the Fair Housing Act, the Equal Credit Opportunity Act (the "ECOA") and other fair lending laws and regulations prohibit creditors from discriminating against loan applicants and borrowers based on certain characteristics, such as race, religion and national origin. The Department of Justice and other federal agencies, including the CFPB, are responsible for enforcing these laws and regulations and have taken the position that these laws apply not only to intentional discrimination, but also to neutral practices that have a "disparate impact" on a group that shares a characteristic that a creditor may not consider in making credit decisions protected classes (i.e., creditor, servicing or marketing practices that have a disproportionate negative effect on a protected class of individuals). To the extent that this "disparate impact" theory continues to apply, we will be faced with significant administrative burdens in attempting to comply, and potential liability for failures to comply. A successful regulatory challenge to our performance under these fair lending laws and regulations could result in a wide variety of sanctions, including damages and civil money penalties. Such sanctions could have a material adverse effect on our business, financial condition and results of operations.

***We are subject to certain risks associated with adverse weather conditions and man-made or natural events.***

Weather conditions and man-made or natural events such as tornadoes, hurricanes, earthquakes, fires, floods, drought, power losses, telecommunications failures, strikes, health pandemics and similar events can adversely impact properties that collateralize loans we own or service, as well as properties where we do business and our business operations generally. Any uninsured loss related to such events could result in the loss of cash flow from, and the asset value of, the affected properties, and could adversely affect us disproportionately from other participants in the mortgage industry due to the geographic characteristics of our business, which could have an adverse effect on our business, financial condition, liquidity and results of operations.

***Exposure to additional income tax liabilities could affect our future profitability.***

We are subject to income taxes in the United States and various state jurisdictions. Our effective tax rate and profitability could be subject to volatility or adversely affected by a number of factors, including:

- changes in applicable tax laws and regulations, or their interpretation and application, including the possibility of retroactive effect;
- changes in accounting and tax standards or practice;
- changes in the mix of earnings and losses in state jurisdictions with differing tax rates;
- changes in the valuation of deferred tax assets and liabilities; and
- our operating results before taxes.

In addition, we may be subject to audits of our income, sales and other taxes by U.S. federal, state and local taxing authorities. Outcomes from these audits could have a material and adverse effect on our operating results, financial condition and prospects.

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### ***Changes in tax laws may adversely affect us, and the Internal Revenue Service (the “IRS”) or a court may disagree with our tax positions, which may result in adverse effects on our financial condition or the value of our common stock.***

The Tax Cuts and Jobs Act (the “TCJA”), enacted on December 22, 2017, significantly affected U.S. tax law, including by changing how the U.S. imposes tax on certain types of income of corporations and by reducing the U.S. federal corporate income tax rate to 21%. It also imposed new limitations on a number of tax benefits, including deductions for business interest, use of net operating loss carryforwards, taxation of foreign income and the foreign tax credit, among others.

The CARES Act, enacted on March 27, 2020, in response to the COVID-19 pandemic, further amended the U.S. federal tax code, including in respect of certain changes that were made by the TCJA, generally on a temporary basis.

It is possible that future tax law changes will increase the rate of the corporate income tax significantly, impose new limitations on deductions, credits or other tax benefits, or make other changes that may adversely affect our business, cash flows or financial performance. In addition, the IRS has yet to issue guidance on a number of important issues regarding the changes made by the TCJA and the CARES Act. In the absence of such guidance, we will take positions with respect to a number of unsettled issues. It is possible that the IRS or a court will not agree with the positions taken by us, in which case additional taxes, tax penalties and interest may be imposed that could adversely affect our business, cash flows or financial performance.

### ***If we are unable to adequately protect our intellectual property, our ability to compete could be harmed.***

We do not currently have any trademarks, patents or trademark or patent applications pending to protect our intellectual property rights, but we have developed systems and processes relating to our mortgage products and services. We rely on a combination of trade secret laws and contractual agreements, as well as our internal system access security protocols, to establish, maintain and protect our intellectual property rights and technology. Despite efforts to protect our intellectual property, these laws, agreements and systems may not be sufficient to effectively prevent unauthorized disclosure or unauthorized use of our trade secrets or other confidential information or to prevent third parties from misappropriating our technology and offering similar or superior functionality. Monitoring and protecting our intellectual property rights can be challenging and costly, and we may not be effective in policing or prosecuting such unauthorized use or disclosure.

Furthermore, legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain. Third parties also may take actions that diminish the value of our proprietary rights or our reputation or cause consumer confusion through the use of similar service names or domain names. Any of these results could harm our business, operating results, financial condition and prospects.

Although we enter into confidentiality and invention assignment agreements with our employees and enter into confidentiality agreements with third parties, including suppliers and other partners, we cannot guarantee that we have entered into agreements with each party that has or may have had access to our proprietary information, know-how and trade secrets. Moreover, it is possible that these agreements will be effective in controlling access to, distribution, use, misuse, misappropriation, reverse engineering or disclosure of our proprietary information, know-how and trade secrets. Further, these agreements may not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our products and platform capabilities. These agreements may be breached, and we may not have adequate remedies for any such breach.

***We may become subject to intellectual property disputes that are costly and may subject us to significant liability and increased costs of doing business.***

Third parties may be able to successfully challenge, oppose, invalidate, render unenforceable, dilute, misappropriate or circumvent our intellectual property rights. Our success depends, in part, on our ability to develop and commercialize our products and services without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. However, we may not be aware that our products or services are infringing, misappropriating or otherwise violating third-party intellectual property rights and such third parties may bring claims alleging such infringement, misappropriation or violation.

Actions we may take to enforce our intellectual property rights may be expensive and divert management's attention away from the ordinary operation of our business, and our inability to secure and protect our intellectual property rights could materially and adversely affect our brand and business, operating results, financial condition and prospects. Furthermore, enforcement actions, even if successful, may not result in an adequate remedy. In addition, many companies have the capability to dedicate greater resources to enforce their intellectual property rights and to defend claims that may be brought against them. If a third party is able to obtain an injunction preventing us from accessing such third-party intellectual property rights, or if we cannot license or develop alternative technology for any infringing aspect of our business, we could be forced to limit or stop sales of our products and platform capabilities or cease business activities related to that intellectual property.

Although we carry general liability insurance, our insurance may not cover potential claims of this type or may not be adequate to indemnify us for all liability that may be imposed. We cannot predict the outcome of lawsuits and cannot ensure that the results of any such actions will not have an adverse effect on our business, financial condition or results of operations. Claims could subject us to significant liability for damages and could result in our having to stop using technology found to be in violation of a third party's rights. Further, we might be required to seek a license for third-party intellectual property, which may not be available on reasonable royalty or other terms. Alternatively, we could be required to develop alternative non-infringing technology, which could require significant effort and expense. If we cannot license or develop technology for any infringing aspect of our business, we could be forced to limit our services, which could affect our ability to compete effectively. Any of these events or results could harm our business, operating results, financial condition and prospects.

#### **Risks Related to Regulatory Environment**

***Our mortgage loan origination and servicing activities are subject to a highly complex legal and regulatory framework, and non-compliance with or changes in laws and regulations governing our industry could harm our business, operating results, financial condition and prospects.***

The mortgage industry is subject to a highly complex legal and regulatory framework. In addition to the licensing requirements for each of the jurisdictions in which we originate loans, we must comply with a number of federal, state and local consumer protection and other laws including, among others, the Truth in Lending Act, the Real Estate Settlement Procedures Act, the ECOA, the Fair Credit Reporting Act, the Fair Housing Act, the Telephone Consumer Protection Act ("TCPA"), the Gramm-Leach-Bliley Act, the Electronic Fund Transfer Act, the Servicemembers Civil Relief Act, Military Lending Act, the Homeowners Protection Act, the Home Mortgage Disclosure Act, the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (the "SAFE Act"), the Federal Trade Commission Act, the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act"), the CARES Act, federal, state and local laws designed to discourage predatory lending and servicing practices, prohibit unfair, deceptive, or abusive acts or practices, protect customer privacy, and regulate debt collection and consumer credit reporting, and state foreclosure laws. These and other laws and regulations directly affect our business and require constant compliance monitoring and internal and external audits and examinations by federal and state regulators. Changes to the laws, regulations and guidelines relating to the origination and servicing of mortgages, including those already adopted and those to be adopted in response to the COVID-19



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pandemic, their interpretation or the manner in which they are enforced could render our current business practices non-compliant or make compliance more difficult or expensive.

It is possible that we are not, and will not in the future be, in full compliance with current and future laws and regulations, or interpretations of the foregoing. Our failure, or the failure of our loan officers, other employees, correspondent sellers or others with whom we have business relationships, to operate in compliance with any of the laws, regulations and guidelines relating to the origination and servicing of mortgages could result in, among other things, the loss of licenses and approvals required for us to engage in the business of originating and servicing mortgage loans, governmental investigations and enforcement actions, damage to our brand and reputation, civil and criminal liability and administrative penalties, which could have a material and adverse effect on our business, operating results, financial condition and prospects.

***We are subject to state licensing and operational requirements. Our failure to obtain and maintain the appropriate state licenses would prohibit us from originating or servicing mortgages in those states and adversely affect our operations.***

Because we are not a federally chartered depository institution, we do not benefit from exemptions to state mortgage lending, loan servicing or debt collection licensing and regulatory requirements. In most states in which we operate, a regulatory agency or agencies regulates and enforces laws relating to mortgage servicing companies and mortgage origination companies such as us. These rules and regulations generally require that we seek and maintain certain licenses and comply with certain business practice standards, including requirements as to the form and content of contracts and other documentation and the licensing of our employees. In most states, we are also subject to periodic examination by state regulatory authorities. Complying with this regulatory framework requires a meaningful dedication of management and financial resources. Changes to existing state legislation or the adoption of new state legislation, as well as our entry into new markets in states in which we had not previously operated, could increase our compliance costs. This could render business in any one state or states cost-prohibitive and could materially affect our business and our growth strategy. Any failure to comply with these licensing and operational requirements could have a material and adverse effect on our business, operating results, financial condition and prospects.

***Changes in the guidelines of the GSEs, FHA, VA, USDA and Ginnie Mae could adversely affect our business.***

We are required to follow specific guidelines and eligibility standards that impact the way we service and originate GSE and U.S. government agency loans, including guidelines and standards with respect to credit standards for mortgage loans, our staffing levels and other servicing practices and the servicing and ancillary fees that we may charge. A change in these guidelines could require us to expend additional resources to originate and service mortgages or make it more difficult for us to do so profitably or at all, which could have a material and adverse effect on our business, operating results, financial condition and prospects.

In addition, changes in the nature or extent of the guarantees provided by Fannie Mae, Freddie Mac, Ginnie Mae, the USDA or the VA, or the insurance provided by the FHA, or coverage provided by private mortgage insurers, could also have broad adverse market implications. Any future increases in guarantee fees or changes to their structure or increases in the premiums we are required to pay to the FHA or private mortgage insurers for insurance or to the VA or the USDA for guarantees could increase mortgage origination costs and insurance premiums for our clients. These industry changes could result in reduced demand for our mortgage services and consequently our origination volume and reduced profitability for us, which could materially and adversely affect our business, operating results, financial condition and prospects.

***The CFPB continues to be active in its monitoring of the loan origination and servicing sectors, and its issuance of new rules and regulations and enforcement of existing rules and regulations could result in enforcement actions, fines and penalties.***

As a non-depository lending and servicing institution, we are subject to the regulatory authority of the CFPB, including, without limitation, its authority to conduct investigations, bring enforcement actions, impose monetary penalties, require remediation of practices, pursue administrative proceedings or litigation, and obtain cease and desist orders for violations of applicable federal consumer financial laws. The CFPB has been active in investigations and enforcement actions and has issued civil money penalties to parties when the CFPB has determined that such parties have violated the laws and regulations it enforces. Our failure to comply with the federal consumer protection laws, rules and regulations to which we are subject, whether actual or alleged, could expose us to enforcement actions or potential litigation liabilities.

***We may not be able to maintain compliance with all current and potentially applicable U.S. federal and state laws and regulations with respect to data privacy and cybersecurity, and related actions by regulatory authorities or changes in legislation and regulation in the jurisdictions in which we operate could have a material adverse effect on our business.***

We are subject to a variety of laws and regulations with respect to data privacy and the collection, processing, storing, sharing, disclosing, using, transfer and protecting of personal information and other data. These laws and regulations constantly evolve and remain subject to significant change. Because we store, process and use data, including our clients' personal information, we are subject to complex and evolving federal, state and local laws and regulations regarding privacy, data protection and other matters. The application and interpretation of these laws and regulations are often uncertain. Compliance with existing and emerging privacy and cybersecurity regulations could result in increased compliance costs and lead to changes in business practices and policies, and any failure to protect the confidentiality of client information could result in enforcement actions and penalties or other remedies, adversely affect our reputation and result in private litigation against us, any of which could materially and adversely affect our business, operating results, financial condition and prospects.

***Our communications with potential and existing clients are subject to laws regulating telephone and email marketing practices.***

We make telephone calls and send emails and text messages to potential and existing clients. The United States regulates marketing by telephone and email and the laws and regulations governing the use of emails and telephone calls for marketing purposes continue to evolve, and changes in technology, the marketplace or consumer preferences may lead to the adoption of additional laws or regulations or changes in interpretation of existing laws or regulations. New laws or regulations, or changes to the manner in which existing laws and regulations are interpreted or enforced, may further restrict our ability to contact potential and existing customers by phone and email and could render us unable to communicate with consumers in a cost-effective fashion. The TCPA prohibits companies from making telemarketing calls to numbers listed in the Federal Do-Not-Call Registry and imposes other obligations and limitations on making phone calls and sending text messages to consumers. The Controlling the Assault of Non-Solicited Pornography and Marketing Act regulates commercial email messages and specifies penalties for the transmission of commercial email messages that do not comply with certain requirements, such as providing an opt-out mechanism for stopping future emails from senders. We may be required to comply with these and similar laws, rules and regulations. Failure to comply with obligations and restrictions related to telephone, text message and email marketing could subject us to lawsuits, fines, statutory damages, consent decrees, injunctions, adverse publicity and other losses that could harm our business.

***Changes in government regulation of the internet and other aspects of our business, as well as a failure to comply with existing or future regulations and laws, could adversely affect our operations.***

We are subject to regulations and laws specifically governing the internet and marketing over the internet. These laws and regulations, which continue to evolve, cover privacy and data protection, data security, anti-spam, pricing, content protection, copyrights, distribution, mobile and other communications, advertising practices, electronic contracts, consumer protections, internet neutrality, the provision of online payment services, unencumbered internet access to our services, the design and operation of websites and the characteristics and quality of offerings online. It is possible that these regulations and laws may be interpreted and applied differently across jurisdictions. In addition, it is not clear how existing laws and regulations governing issues such as property ownership, consumer protection, libel and personal privacy apply to the internet, as many of these laws were adopted prior to the advent of the internet and do not contemplate or address the unique issues they raise when applied to the internet. Any failure, or perceived failure, by us to comply with such regulations could result in damage to our reputation, a loss in business and proceedings or actions against us by governmental entities or others.

Future regulations, or changes in laws and regulations or their existing interpretations or applications, could also impose a significant burden by requiring us to change our business practices, raise compliance costs or other costs of doing business and materially adversely affect our business, financial condition and operating results. We cannot guarantee that we will be able to make the appropriate changes and modifications in a commercially reasonable manner, or at all.

**Risks Related to Our Organization and Structure**

***We will be controlled by MCMI, and MCMI's interests may conflict with our interests and the interests of our other stockholders.***

After giving effect to the reorganization transactions and this offering, MCMI will hold all of our issued and outstanding Class B common stock and will control approximately % of the combined voting power of our outstanding common stock. As a result, MCMI will be able to control any action requiring the general approval of our stockholders, including the election of our Board of Directors, the adoption of amendments to our certificate of incorporation and bylaws and the approval of any merger or sale of substantially all of our assets. So long as MCMI continues to directly or indirectly own a significant amount of our equity, even if such amount is less than a majority of the combined voting power of our outstanding common stock, MCMI will continue to be able to substantially influence the outcome of votes on all matters requiring approval by the stockholders, including our ability to enter into certain corporate transactions. The interests of MCMI could conflict with or differ from our interests or the interests of our other stockholders. For example, the concentration of ownership held by MCMI could delay, defer or prevent a change of control of our Company or impede a merger, takeover or other business combination that may otherwise be attractive to us or our other stockholders.

***We will be a "controlled company" within the meaning of the NYSE rules and, as a result, we will be permitted, and intend to elect, to rely on exemptions from certain corporate governance requirements that provide protection to stockholders of other companies.***

After giving effect to the reorganization transactions and the closing of this offering, MCMI will continue to control a majority of the combined voting power of our outstanding common stock, and, as a result, we will be a controlled company under the applicable rules of the NYSE. As a controlled company, we will be permitted, and intend, to elect not to comply with certain corporate governance requirements of the NYSE, including the requirements that:

- a majority of our Board of Directors consist of independent directors;
- we have a nominating and corporate governance committee that is composed entirely of independent directors; and
- we have a compensation committee that is composed entirely of independent directors.

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These requirements will not apply to us as long as we remain a controlled company. Accordingly, as an investor in our Class A common stock, you may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NYSE.

***Our directors and executive officers have significant control over our business.***

After giving effect to the reorganization transactions and the closing of this offering, our directors and executive officers will beneficially own, directly or indirectly, in the aggregate, approximately % of the outstanding shares of our Class A common stock and 100% of the outstanding shares of our Class B common stock (to the extent the Chairman of our Board of Directors may be deemed to beneficially own all of the shares of our Class B common stock beneficially owned by MCMI), representing an aggregate of approximately % of the combined voting power of our outstanding common stock. As a result, in addition to their day-to-day management roles, our executive officers and directors will be able to exercise significant influence on our business as stockholders, including influence over election of members of the Board of Directors and the authorization of other corporate actions requiring stockholder approval.

***We are a holding company and depend upon distributions from Guild Mortgage Co. to meet our obligations.***

We are a holding company with no material assets other than our ownership of equity interests in Guild Mortgage Co., which, following the completion of the reorganization transactions, will be our wholly owned subsidiary. See “*Organizational Structure*.” Our ability to pay dividends and to pay taxes and cover other expenses will depend on the financial results and cash flows of Guild Mortgage Co. As the sole member of Guild Mortgage Co., we intend to cause Guild Mortgage Co. to make distributions to us in amounts sufficient to meet our obligations. Certain laws and regulations, however, may result in restrictions on Guild Mortgage Co.’s ability to make distributions to us. To the extent that we need funds and Guild Mortgage Co. is restricted from making such distributions under applicable law or regulation or under the terms of any of its financing arrangements, we may not be able to obtain funds on terms acceptable to us or at all and as a result could suffer an adverse effect on our liquidity and financial condition.

### **Risks Related to Being a Public Company**

***We may incur significant additional costs and expenses, including costs and expenses associated with obligations relating to being a public company, which will require significant resources and management attention and may divert focus from our business operations, and we may generate losses in the future.***

We incur significant expenses in developing our technology, marketing and providing the products and services we offer and acquiring clients, and our costs may increase due to our continued new product development and general administrative expenses, such as legal and accounting expenses related to becoming and being a public company. We have not been required in the past to comply with the requirements of the SEC, to file periodic reports with the SEC or to have our consolidated financial statements completed, reviewed or audited and filed within a specified time. As a public company following completion of this offering, we will be required to file periodic reports containing our consolidated financial statements with the SEC within a specified time following the completion of quarterly and annual periods. As a public company, we will incur significant legal, accounting, insurance and other expenses. Compliance with these reporting requirements and other rules of the SEC and the rules of the NYSE will increase our legal and financial compliance costs and make some activities more time-consuming and costly. Furthermore, the need to establish the corporate infrastructure demanded of a public company may divert management’s attention from implementing our growth strategy, which could prevent us from successfully implementing our strategic initiatives and improving our business, operating results, financial condition and prospects. If we fail to manage these additional costs or increase our revenue, we may incur losses in the future.

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***Our quarterly operating results or other operating metrics may fluctuate significantly and may not meet expectations of research analysts, which could cause the trading price of our Class A common stock to decline.***

Our quarterly operating results and other operating metrics have fluctuated in the past and may in the future fluctuate as a result of a number of factors, many of which are outside of our control and may be difficult to predict. Period-to-period variability or unpredictability of our results could result in our failure to meet our expectations or those of any analysts that cover us or investors with respect to revenue or other operating results for a particular period. If we fail to meet or exceed such expectations for these or any other reasons, the market price of our Class A common stock could decline significantly, and we could face litigation, including securities class action litigation.

***If we fail to correct any material weakness that we identify in our internal control over financial reporting or otherwise fail to maintain effective internal control over financial reporting, we may not be able to report our financial results accurately and timely, in which case our business may be harmed, investors may lose confidence in the accuracy and completeness of our financial reports and the price of our Class A common stock may decline.***

Our management is responsible for establishing and maintaining adequate internal control over financial reporting and for evaluating and reporting on our system of internal control. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. As a public company, we will be required to comply with the Sarbanes-Oxley Act and other rules that govern public companies. In particular, we will be required to certify our compliance with Section 404 of the Sarbanes-Oxley Act beginning with our second annual report on Form 10-K, which will require us to furnish annually a report by management on the effectiveness of our internal control over financial reporting. In addition, unless we remain an emerging growth company and elect transitional relief available to emerging growth companies, our independent registered public accounting firm will be required to report on the effectiveness of our internal control over financial reporting, beginning as of that second annual report.

If we identify material weaknesses in our internal control over financial reporting in the future, if we cannot comply with the requirements of the Sarbanes-Oxley Act in a timely manner or attest that our internal control over financial reporting is effective, or if our independent registered public accounting firm cannot express an opinion as to the effectiveness of our internal control over financial reporting when required, we may not be able to report our financial results accurately and timely. As a result, investors, counterparties and consumers may lose confidence in the accuracy and completeness of our financial reports. As a result, access to capital markets and perceptions of our creditworthiness could be adversely affected, and the market price of our Class A common stock could decline. In addition, we could become subject to investigations by the stock exchange on which our securities are listed, the SEC or other regulatory authorities, which could require additional financial and management resources. These events could have a material and adverse effect on our business, operating results, financial condition and prospects.

***If we fail to implement and maintain effective disclosure controls and procedures, we may not be able to meet applicable reporting requirements, which could materially and adversely affect us.***

Upon completion of this offering, we will become subject to the informational requirements of the Exchange Act and will be required to file reports and other information with the SEC. As a publicly-traded company, we will be required to maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file with, or submit to, the SEC is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. They include controls and procedures designed to ensure that information required to be disclosed in reports filed with, or submitted to, the SEC is accumulated and communicated to management, including our

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principal executive and principal financial officers, to allow timely decisions regarding required disclosure. Effective disclosure controls and procedures are necessary for us to provide reliable reports, effectively prevent and detect fraud, and to operate successfully as a public company. Designing and implementing effective disclosure controls and procedures is a continuous effort that requires significant resources and devotion of time. We may discover deficiencies in our disclosure controls and procedures that may be difficult or time consuming to remediate in a timely manner. Any failure to maintain effective disclosure controls and procedures or to timely effect any necessary improvements thereto could cause us to fail to meet our reporting obligations (which could affect the listing of our Class A common stock on the NYSE). Additionally, ineffective disclosure controls and procedures could also adversely affect our ability to prevent or detect fraud, harm our reputation and cause investors to lose confidence in our reports filed with, or submitted to, the SEC, which would likely have a negative effect on the trading price of our Class A common stock.

***We are an “emerging growth company,” and the reduced disclosure requirements applicable to emerging growth companies may make our common stock less attractive to investors.***

We are an “emerging growth company,” as defined in the JOBS Act. We could continue to be considered an emerging growth company for up to five years, although we would lose that status sooner if our gross revenues exceed \$1.07 billion, if we issue more than \$1.0 billion in nonconvertible debt in a three-year period or if the fair value of our common stock held by non-affiliates exceeds \$700.0 million (and we have been a public company for at least 12 months and have filed one annual report on Form 10-K). For as long as we continue to be an emerging growth company, we intend to take advantage of an exemption from the provisions of Section 404(b) of the Sarbanes-Oxley Act requiring that our independent registered public accounting firm provide an attestation report on the effectiveness of our internal control over financial reporting. An attestation report by our auditor would require additional procedures by them that could detect problems with our internal control over financial reporting that are not detected by management. If our system of internal control over financial reporting is not determined to be appropriately designed or operating effectively, it could require us to restate financial statements, cause us to fail to meet reporting obligations and cause investors to lose confidence in our reported financial information, all of which could lead to a significant decline in the market price of our Class A common stock. In addition, we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. It is unclear whether investors will find our Class A common stock less attractive because we may rely on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and our stock price may be more volatile.

In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this exemption from new or revised accounting standards and, therefore, while we are an emerging growth company, we will not be subject to new or revised accounting standards at the same time that they become applicable to other public companies that are not emerging growth companies. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates, and we will incur additional costs in connection with complying with the accounting standards applicable to public companies at such time or times as they become applicable to us.

**Risks Related to our Class A Common Stock and this Offering**

***An active trading market for our Class A common stock may not develop, and you may not be able to resell your shares of our Class A common stock at or above the initial offering price.***

Prior to this offering, there has been no public market for our Class A common stock. We cannot predict the extent to which investor interest in us will lead to the development of a trading market on the NYSE or otherwise, or how liquid that market might become. If an active market does not develop, you may have difficulty selling any shares of our Class A common stock that you purchase in this offering. The initial public offering price for the shares of our Class A common stock has been determined by negotiations between us and the representatives of the underwriters, and may not be indicative of prices that will prevail in the open market following this offering. An inactive market may also impair our ability to raise capital by selling shares of our Class A common stock and may impair our ability to acquire or make investments in companies, products or technologies for which we may issue equity securities as consideration or for financing purposes.

Further, our directors, director nominees, officers, employees, business associates and related persons of Guild have the opportunity to purchase up to \_\_\_\_\_ shares of our Class A common stock, or up to \_\_\_\_\_% of the shares of our Class A common stock offered by this prospectus, for sale by the selling stockholders, at the initial public offering price, through a directed share program. To the extent these persons purchase shares in this offering, fewer shares may be actively traded in the public market because these stockholders will be restricted from selling the shares by a \_\_\_\_\_-day lock-up restriction, which would reduce the liquidity of the market for our Class A common stock.

***Sales of a substantial number of shares of our common stock by our existing stockholders in the public market could cause the price of our Class A common stock to fall.***

Sales of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur, could significantly reduce the market price of our Class A common stock. If our existing stockholders sell, or indicate an intention to sell, substantial amounts of our common stock (including shares of our Class B common stock that would convert to Class A common stock in connection with such sales) in the public market after the lock-up and legal restrictions on resale discussed in this prospectus expire, the trading price of our Class A common stock could substantially decline. Furthermore, after the reorganization transactions and the completion of this offering, 100% of our outstanding Class B common stock will be held by MCMI, and approximately \_\_\_\_\_% of our outstanding Class A common stock will be beneficially owned by our executive officers and directors, and we will have entered into a registration rights agreement with certain of these stockholders. If one or more of them were to sell a substantial portion of the shares they hold, it could cause our the price of our Class A common stock to decline.

Based on shares outstanding as of the date of this prospectus, on the closing of this offering, we will have outstanding a total of \_\_\_\_\_ shares of Class A common stock and \_\_\_\_\_ shares of Class B common stock. This includes the \_\_\_\_\_ shares of Class A common stock that are being sold in this offering, which may be resold in the public market immediately. The remaining \_\_\_\_\_ shares of our Class A common stock, which represent an aggregate of approximately \_\_\_\_\_% of our outstanding shares of Class A common stock after this offering, are currently, and will be following the closing of this offering, restricted as a result of securities laws or lock-up agreements but will be able to be sold, subject to any applicable volume limitations, under federal securities laws with respect to affiliate sales. The selling stockholders and each of our directors and executive officers have entered into lock-up agreements with the underwriters under which the holders of such securities have agreed that, subject to certain exceptions, without the prior written consent of Wells Fargo Securities, LLC, BofA Securities, Inc. and J.P. Morgan Securities LLC, they will not (i) transfer or dispose of any shares of the common stock, preferred stock or other capital stock of the Company, or any securities convertible into or exercisable or exchangeable for common stock, preferred stock or other capital stock of the Company; (ii) enter into any other agreement or

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transaction that transfers to another any of the economic consequences of ownership of any common stock of the Company or any securities convertible into or exercisable or exchangeable for common stock of the Company; or (iii) file any registration statement under the Securities Act with the SEC with respect to the offering of common stock or other capital stock or any securities convertible into or exercisable or exchangeable for any common stock or other capital stock of the Company (other than any registration statement filed pursuant to Rule 462(b) under the Securities Act to register securities to be sold to the underwriters pursuant to the underwriting agreement), or publicly announce any intention to do any of the foregoing. Shares of our Class A common stock purchased by any of our directors or executive officers in this offering would also be subject to the foregoing restrictions on transfer, as well as restrictions on disposition imposed by applicable law. The foregoing restrictions will remain in effect for \_\_\_\_\_ days following the date of this prospectus. Upon the expiration of the foregoing restrictions, our securityholders subject to a lock-up agreement will be able to sell our shares in the public market. In addition, the underwriters may, in their sole discretion, release all or some portion of the shares subject to lockup agreements prior to the expiration of the foregoing restrictions. For a description of these lock-up agreements, see the “*Shares Eligible for Future Sale*” and “*Underwriting*” sections of this prospectus.

In addition, as of the date of this prospectus, there were \_\_\_\_\_ shares of Class A common stock available for issuance pursuant to future awards under our equity incentive plans that will become eligible for sale in the public market to the extent permitted by the provisions of various vesting schedules, the lock-up agreements discussed above and Rules 144 and 701 under the Securities Act. Moreover, we intend to register all shares of Class A common stock that we may issue under our employee benefit plans. Once we register these shares, they can be freely sold in the public market upon issuance, subject to the lock-up agreements and the restrictions imposed on our affiliates under Rule 144.

***The market price for our Class A common stock may be subject to substantial fluctuations, which may make it difficult for you to sell your shares at the volumes, prices and times desired.***

The market price of our Class A common stock may be highly volatile, which may make it difficult for you to sell your shares at the volumes, prices and times desired. Some factors that may have a significant effect on the market price of our Class A common stock include:

- actual or anticipated fluctuations in our operating results or those of our competitors’;
- actual or anticipated changes in the growth rate of mortgage originations and mortgage servicing income or the growth rate of our businesses or those of companies that investors deem comparable to us;
- changes in economic or business conditions;
- changes in governmental regulation; and
- publication of research reports about us, our competitors, or our industry, or changes in, or failure to meet, estimates made by securities analysts or ratings agencies of our financial and operating performance, or lack of research reports by industry analysts or ceasing of analyst coverage.

***If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about us or our business, the price of our Class A common stock and trading volume could decline.***

The trading market for our Class A common stock will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We do not currently have and may never obtain research coverage by securities and industry analysts. If no securities or industry analysts commence coverage of the Company, the trading price for our Class A common stock would be negatively impacted. If we obtain securities or industry analyst coverage and if one or more of the analysts who cover us downgrades our Class A common stock or publishes inaccurate or unfavorable research about us or our



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business, our share price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, demand for our Class A common stock could decrease, which could cause our stock price and trading volume to decline. In addition, if our operating results fail to meet the expectations of securities analysts, our stock price would likely decline.

***You will experience immediate and substantial dilution in the book value of the shares you purchase in this offering.***

If you purchase shares of our Class A common stock in this offering, you will experience immediate and substantial dilution of \$ \_\_\_\_\_ per share, representing the difference between the initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range listed on the front cover of this prospectus, and our pro forma net tangible book value per share after giving effect to the reorganization transactions. See the “Dilution” section of this prospectus.

***Our issuance of capital stock in connection with financings, acquisitions, investments, our equity incentive plans or otherwise would dilute all other stockholders.***

We may issue capital stock in the future. Any such issuance would result in dilution to all other stockholders. In the future, we may issue stock, including as a grant of equity awards to employees, directors and consultants under our equity incentive plans, to raise capital through equity financings or to acquire or make investments in companies, products or technologies for which we may issue equity securities as consideration or for financing purposes. Any such issuances of capital stock in the future may cause stockholders to experience significant dilution of their ownership interests and the per share value of our Class A common stock to decline.

***We do not intend to pay dividends in the foreseeable future.***

We do not anticipate declaring or paying regular cash dividends on our Class A common stock in the foreseeable future. Instead, we anticipate that most or all of our future earnings will be retained to support our operations and finance the growth and development of our business. Any future determination to declare and pay cash dividends, if any, will be made at the discretion of our Board of Directors and will depend on a variety of factors, including applicable laws, our financial condition, results of operations, contractual restrictions, capital requirements, business prospects, general business or financial market conditions, and other factors our Board of Directors may deem relevant. Investors should not purchase our Class A common stock with the expectation of receiving cash dividends. See “Dividend Policy.”

***Certain provisions in our certificate of incorporation and bylaws and of Delaware law may prevent or delay an acquisition of Guild, which could decrease the trading price of our Class A common stock.***

Our certificate of incorporation and bylaws will contain, and Delaware law contains, provisions that are intended to deter coercive takeover practices and inadequate takeover bids by making such practices or bids unacceptably expensive to the bidder and to encourage prospective acquirers to negotiate with our Board of Directors rather than to attempt a hostile takeover. These provisions include, among others, those establishing:

- a dual class common stock structure, which provides MCMI with the ability to control the outcome of matters requiring stockholder approval, even if it beneficially owns significantly less than a majority of the shares of our outstanding common stock;
- the division of our Board of Directors into three classes of directors, with each class serving a staggered three-year term, which could have the effect of making the replacement of incumbent directors more time-consuming and difficult;
- the inability of our stockholders to call a special meeting;
- the ability of our stockholders to act by written consent only until MCMI and its affiliates cease to beneficially own a majority of the combined voting power of our capital stock;

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- rules regarding how stockholders may present proposals or nominate directors for election at stockholder meetings;
- the right of our Board of Directors to issue preferred stock without stockholder approval;
- the inability of stockholders to remove directors without cause after MCMI and its affiliates cease to beneficially own a majority of the combined voting power of our capital stock; and
- the ability of our directors, not our stockholders, to fill vacancies on the Board of Directors.

In addition, because we will not elect to be exempt from Section 203 of the Delaware General Corporation Law (the “DGCL”), this provision could also delay or prevent a change of control that you may favor. Section 203 of the DGCL provides that, subject to limited exceptions, a person that acquires, or is affiliated with a person that acquires, more than 15% of the outstanding voting stock of a Delaware corporation (an “interested stockholder”) must not engage in any business combination with that corporation, including by merger, consolidation or acquisitions of additional shares, for a three-year period following the date on which the person became an interested stockholder, unless (i) prior to such time, the board of directors of such corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder; (ii) upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of such corporation at the time the transaction commenced (excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) the voting stock owned by directors who are also officers or held in employee benefit plans in which the employees do not have a confidential right to tender or vote stock held by the plan); or (iii) on or subsequent to such time the business combination is approved by the board of directors of such corporation and authorized at a meeting of stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock of such corporation not owned by the interested stockholder.

We believe these provisions will protect our stockholders from coercive or otherwise unfair takeover tactics by requiring potential acquirers to negotiate with our Board of Directors and by providing our Board of Directors with more time to assess any acquisition proposal. These provisions are not intended to make Guild immune from takeovers. However, these provisions will apply even if the offer may be considered beneficial by some stockholders and could delay or prevent an acquisition that our Board of Directors determines is not in the best interests of Guild and its stockholders. These provisions may also prevent or discourage attempts to remove and replace incumbent directors.

***Our Board of Directors will have the ability to issue blank check preferred stock, which may discourage or impede acquisition attempts or other transactions.***

Our Board of Directors will have the power, subject to applicable law, to issue series of preferred stock that could, depending on the terms of the series, impede the completion of a merger, tender offer or other takeover attempt. For instance, subject to applicable law, a series of preferred stock may impede a business combination by including class voting rights, which would enable the holder or holders of such series to block a proposed transaction. Our Board of Directors will make any determination to issue shares of preferred stock based on its judgment as to our and our stockholders’ best interests. Our Board of Directors, in so acting, could issue shares of preferred stock having terms which could discourage an acquisition attempt or other transaction that some, or a majority, of the stockholders may believe to be in their best interests or in which stockholders would have received a premium for their stock over the then-prevailing market price of the stock.

***Our certificate of incorporation will contain an exclusive forum provision that may discourage lawsuits against us and our directors and officers.***

Our certificate of incorporation will provide that, unless the Board of Directors otherwise determines, the state courts in the State of Delaware or, if no state court located within the State of Delaware has

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jurisdiction, the federal court for the District of Delaware, will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of Guild, any action asserting a claim of breach of a fiduciary duty owed by any director or officer of Guild to Guild or Guild's stockholders, any action asserting a claim against Guild or any director or officer of Guild arising pursuant to any provision of the DGCL or Guild's certificate of incorporation or bylaws, or any action asserting a claim against Guild or any director or officer of Guild governed by the internal affairs doctrine under Delaware law (collectively, the "covered actions"). This exclusive forum provision will apply to all covered actions, including any covered action in which the plaintiff chooses to assert a claim or claims under federal law in addition to a claim or claims under Delaware law, although stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. This exclusive forum provision does not apply to actions that do not assert any covered Delaware state law claims, such as, for example, any action asserting solely federal securities law claims, and the enforceability of similar choice of forum provisions in other companies' organizational documents has been challenged in legal proceedings and it is possible that, in connection with claims arising under federal securities laws or otherwise, a court could find this exclusive forum provision to be inapplicable or unenforceable.

This exclusive forum provision may limit the ability of Guild's stockholders to bring a claim in a judicial forum that such stockholders find favorable for disputes with Guild or Guild's directors or officers, which may discourage such lawsuits against Guild and Guild's directors and officers. Alternatively, if a court were to find this exclusive forum provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings described above, Guild may incur additional costs associated with resolving such matters in other jurisdictions or forums, which could materially and adversely affect Guild's business, financial condition or results of operations.

### ***The dual class structure of our common stock may adversely affect the trading market for our Class A common stock.***

We cannot predict the potential effects our dual class structure may have on our Class A common stock, such as a lower or more volatile market price. In 2017, S&P Dow Jones and FTSE Russell announced that they would begin excluding most newly public companies with multiple classes of shares of common stock from being added to certain indices, including the Russell 2000, the S&P 500, the S&P MidCap 400 and the S&P SmallCap 600. As a result, our dual class capital structure would make us ineligible for inclusion in any of these indices, and mutual funds, exchange-traded funds and other investment vehicles that attempt to passively track these indices likely will not invest in our stock. Furthermore, we cannot assure you that other stock indices will not take a similar approach to S&P Dow Jones or FTSE Russell in the future. It is unclear what effect, if any, these policies will have on the valuations of publicly traded companies excluded from these indices. Given the sustained flow of investment funds into passive strategies that seek to track certain indices, however, it is possible that exclusion from such indices could make our Class A common stock less attractive to investors. As a result, the market price of our Class A common stock could be adversely affected.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “would” and “outlook,” or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts and are based on current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

There are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the following:

- any changes in macro-economic conditions and in U.S. residential real estate market conditions, including changes in prevailing interest rates or monetary policies and the effects of the ongoing COVID-19 pandemic;
- any disruptions in the secondary home loan market and their effects on our ability to sell the loans that we originate;
- any changes in certain U.S. government-sponsored entities and government agencies, including Fannie Mae, Freddie Mac, Ginnie Mae, the FHA, the USDA and the VA, or their current roles;
- the effects of any termination of our servicing rights;
- the effects of our existing and future indebtedness on our liquidity and our ability to operate our business;
- any failure to maintain and improve the technological infrastructure that supports our origination and servicing platform;
- any failure to maintain or grow our historical referral relationships with our referral partners;
- any failure to continue the historical levels of growth in our market share in the mortgage origination and servicing industry;
- any decline in our ability to recapture loans from borrowers who refinance;
- our inability to attract, integrate and retain qualified personnel;
- our failure to identify, develop and integrate acquisitions of other companies or technologies, or any diversion of our management’s attention due to the foregoing;
- the high volatility in, or any inaccuracies in the estimates of, the value of our MSRs;
- the costs of potential litigation and claims;
- the degree of business and financial risk associated with certain of our loans;
- any cybersecurity breaches or other attacks involving our computer systems or those of our third-party service providers;
- any changes in applicable technology and consumer outreach techniques;
- our inability to secure additional capital, if needed, to operate and grow our business;

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- the impact of operational risks, including employee or consumer fraud, the obligation to repurchase sold loans in the event of a documentation error, and data processing system failures and errors;
- the seasonality of the mortgage origination industry;
- any failure to protect our brand and reputation;
- the risks associated with adverse weather conditions and man-made or natural events;
- our exposure to additional income tax liabilities and changes in tax laws, or disagreements with the IRS regarding our tax positions;
- any failure to adequately protect our intellectual property and the costs of any potential intellectual property disputes;
- any non-compliance with the complex laws and regulations governing our industry and the related costs associated with maintaining and monitoring compliance;
- any changes in the laws and regulations governing our industry that would require us to change our business practices, raise compliance costs or other costs of doing business;
- our control by, and any conflicts of interest with, MCMI;
- the significant influence on our business that members of our board and management team will be able to exercise as stockholders;
- our dependence, as a holding company, upon distributions from Guild Mortgage Co. to meet our obligations;
- the risks related to our becoming a public company;
- the risks related to our status as an “emerging growth company” and a “controlled company”;
- the risks related to our Class A common stock, our dual class common stock structure and this offering; and
- the other risks, uncertainties and factors set forth in this prospectus, including those set forth under *‘Risk Factors.’*”

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this prospectus. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. Many of the important factors that will determine these results are beyond our ability to control or predict. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made, and, except as otherwise required by law, we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New factors emerge from time to time, and it is not possible for us to predict which will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

**ORGANIZATIONAL STRUCTURE**

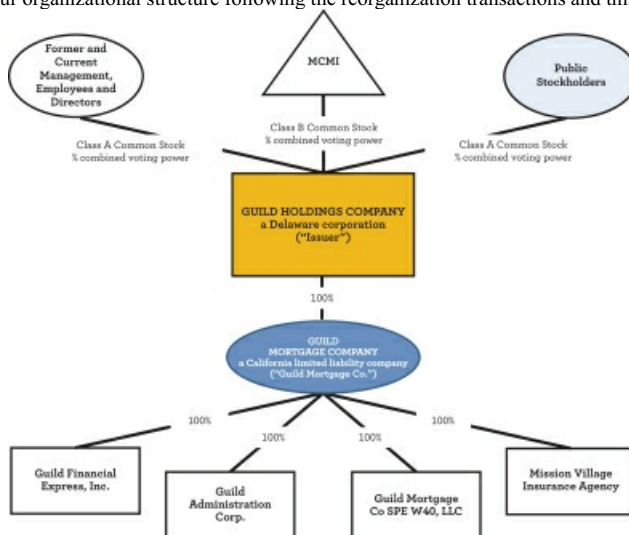
**The Reorganization Transactions**

Prior to the completion of this offering, we will consummate an internal reorganization, which we refer to as the “reorganization transactions.” Prior to the commencement of the reorganization transactions, all of Guild Mortgage Co.’s outstanding equity interests were owned by MCMC and certain other stockholders through their interests in Guild Investors, LLC. In connection with the reorganization transactions, the following steps have occurred or will occur:

- the Issuer was incorporated in Delaware as a wholly owned subsidiary of Guild Investors, LLC on August 11, 2020;
- Guild Mortgage Co. will pay a cash dividend to Guild Investors, LLC in an aggregate amount of approximately \$ million;
- Guild Investors, LLC will contribute 100% of the shares of Guild Mortgage Co. to the Issuer, making Guild Mortgage Co. a wholly owned subsidiary of the Issuer, and Guild Mortgage Co. will then be converted into a limited liability company;
- the Issuer will amend and restate its certificate of incorporation to authorize the issuance of two classes of common stock: Class A common stock and Class B common stock; and
- Guild Investors, LLC will be dissolved and its members will receive a pro rata liquidating distribution of shares of the Issuer’s common stock (with MCMC receiving shares of the Issuer’s Class B common stock and all other members receiving shares of the Issuer’s Class A common stock).

The reorganization transactions are intended, among other things, to provide for the Issuer in this offering to be a Delaware corporation and to simplify the organizational structure for Guild Mortgage Co.’s equityholders prior to this offering.

The following diagram depicts our organizational structure following the reorganization transactions and this offering.



\* This chart is provided for illustrative purposes only and does not purport to represent all legal entities within our organizational structure.

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Upon completion of the transactions described above and this offering:

- the Issuer will consolidate the financial results of Guild Mortgage Co. and its subsidiaries and all of our business operations will continue to be conducted through Guild Mortgage Co. and its consolidated subsidiaries;
- the Issuer will be a Delaware corporation and its authorized capital stock will consist of \_\_\_\_\_ shares of Class A common stock, par value \$0.01 per share, \_\_\_\_\_ shares of Class B common stock, par value \$0.01 per share, and \_\_\_\_\_ shares of preferred stock, par value \$0.01 per share;
- MCMI will hold all of the outstanding shares of the Issuer's Class B common stock, representing approximately \_\_\_\_\_ % of the combined voting power of the Issuer's outstanding capital stock (or \_\_\_\_\_ %, if the underwriters exercise in full their option to purchase an additional \_\_\_\_\_ shares of Class A common stock from the selling stockholders); and
- our public stockholders will collectively hold \_\_\_\_\_ shares of the Issuer's Class A common stock, representing an aggregate of \_\_\_\_\_ % of the combined voting power of the Issuer's outstanding common stock (or \_\_\_\_\_ shares and \_\_\_\_\_ %, if the underwriters exercise in full their option to purchase an additional \_\_\_\_\_ shares of Class A common stock from the selling stockholders).

The reorganization transactions, including the conversion of Guild Mortgage Co. from a corporation to a limited liability company, are not expected to result in any material U.S. federal income tax consequences to the Issuer and its subsidiaries under current law.

**USE OF PROCEEDS**

We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders in this offering (including any proceeds from the sale of shares of our Class A common stock that such selling stockholders may sell pursuant to the underwriters' option to purchase additional shares of our Class A common stock). The selling stockholders will receive all of the proceeds from the sale of shares of our Class A common stock in this offering.



## **DIVIDEND POLICY**

We do not anticipate declaring or paying any regular cash dividends on our Class A common stock in the foreseeable future. Instead, we anticipate that most or all of our future earnings will be retained to support our operations and finance the growth and development of our business. Any future determination to declare and pay cash dividends, if any, will be made at the discretion of our Board of Directors and will depend on a variety of factors, including applicable laws, our financial condition, results of operations, contractual restrictions, capital requirements, business prospects, general business or financial market conditions, and other factors our Board of Directors may deem relevant. As a Delaware corporation, we will be subject to certain restrictions on dividends under DGCL. Generally, a Delaware corporation may only pay dividends either out of “surplus” or out of the current or the immediately preceding year’s net profits. Surplus is defined as the excess, if any, at any given time, of the total assets of a corporation over its total liabilities and statutory capital. The value of a corporation’s assets can be measured in a number of ways and may not necessarily equal their book value.

Investors should not purchase our Class A common stock with the expectation of receiving cash dividends.

**CAPITALIZATION**

The following table sets forth our cash, cash equivalents and restricted cash and our capitalization as of June 30, 2020, on:

- an actual basis; and
- a pro forma basis to give effect to the reorganization transactions described under “Organizational Structure.”

The selling stockholders are selling all of the shares of our Class A common stock to be sold in this offering. We will not receive any of the proceeds from the sale of shares of our Class A common stock by the selling stockholders in this offering, including any proceeds from the sale of shares of our Class A common stock that such selling stockholders may sell pursuant to the underwriters’ option to purchase additional shares of our Class A common stock.

You should read the following table in conjunction with the financial statements and related notes included elsewhere in this prospectus and the sections of the prospectus titled “Selected Historical Consolidated Financial and Operating Data,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Description of Capital Stock.”

	<b>As of June 30, 2020</b>	
	<b>Actual</b>	<b>Pro Forma</b>
	<b>(in thousands)</b>	
Cash, Cash Equivalents and Restricted Cash	\$ 148,462	\$
Debt	\$1,883,455	\$
Stockholder’s Equity		
Common stock, par value \$100 per share; 2,000 shares authorized; 928 shares issued and outstanding, actual; no shares issued and outstanding, pro forma and pro forma as-adjusted	\$ 93	—
Class A common stock, par value \$0.01 per share; no shares authorized, issued and outstanding, actual; shares authorized, shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as-adjusted	—	
Class B common stock, par value \$0.01 per share; no shares authorized, issued and outstanding, actual; shares authorized, shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as-adjusted	—	
Additional paid-in capital	\$ 21,992	
Retained earnings	\$ 484,727	
Total Stockholder’s Equity	<u>\$ 506,812</u>	<u>\$</u>
Total Capitalization	<u>\$2,390,267</u>	<u>\$</u>

**DILUTION**

If you invest in shares of our Class A common stock in this offering, your ownership interest will be immediately diluted to the extent of the difference between the initial public offering price per share of our Class A common stock and the net tangible book value per share of our common stock.

Our pro forma net tangible book value as of June 30, 2020 would have been approximately \$ \_\_\_\_\_ million, or \$ \_\_\_\_\_ per share of our common stock, representing the amount of total tangible assets less our total liabilities (in the case of pro forma net tangible book value), divided by the total number of shares of common stock outstanding (in the case of pro forma net tangible book value per share), in each case, after giving effect to the reorganization transactions.

We will not receive any proceeds from the sale of the shares of our Class A common stock offered by the selling stockholders in this offering. Consequently, this offering will not result in any change to our pro forma net tangible book value per share, prior to giving effect to the payment of estimated fees and expenses in connection with this offering. Purchasing shares of our Class A common stock in this offering will result in pro-forma net tangible book value dilution to the investors purchasing in this offering of \$ \_\_\_\_\_ per share. Dilution per share to investors purchasing in this offering is determined by subtracting the pro forma net tangible book value per share from the initial public offering price per share of our Class A common stock paid by investors purchasing in this offering. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share <sup>(1)</sup>	\$ _____
Pro forma net tangible book value per share as of June 30, 2020 <sup>(2)</sup>	_____
Dilution per share to investors purchasing shares of our Class A common stock in this offering	\$ _____

- (1) Represents the midpoint of the estimated price range set forth on the front cover of this prospectus.
- (2) Reflects \_\_\_\_\_ outstanding shares of common stock on a pro forma basis after giving effect to the reorganization transactions, consisting of (i) \_\_\_\_\_ shares of our Class A common stock and (ii) \_\_\_\_\_ shares of our Class B common stock.

The dilution information discussed above is illustrative only and will change based on the actual initial public offering price.

The following table summarizes, as of June 30, 2020, on the pro forma basis described above, the total number of shares of common stock owned by existing stockholders and to be owned by investors purchasing in this offering, the total consideration paid and the average price per share paid or to be paid by existing stockholders holding shares of Class A common stock and shares of Class B common stock and investors purchasing shares of Class A common stock in this offering at an assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the estimated price range set forth on the front cover of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses.

	Shares of Common Stock Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders <sup>(1)</sup>		%	\$ _____	%	\$ _____
Investors in this offering					
<b>Total</b>		<b>100%</b>	<b>\$ _____</b>	<b>100%</b>	<b>\$ _____</b>

- (1) The total consideration provided by the existing stockholders is equal to the equity of Guild Mortgage Co. as of June 30, 2020.

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The table above assumes no exercise of the underwriters' option to purchase additional shares of our Class A common stock. If the underwriters exercise in full their option to purchase additional shares of our Class A common stock, the percentage of shares of our common stock held by existing stockholders would be decreased to \_\_\_\_\_ % of the total number of shares of our common stock outstanding after this offering, and the number of shares of common stock held by investors purchasing in this offering would be increased to \_\_\_\_\_ % of the total number of shares of our common stock outstanding after this offering.

In addition, following the completion of this offering, we may choose to raise capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent that capital is raised through the sale of equity or convertible debt securities, the issuance of such securities could result in further dilution to our stockholders.

**SELECTED HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING DATA**

The following tables present selected historical consolidated financial and operating data of Guild Mortgage Co. as of the dates and for the periods indicated. The selected consolidated statements of operations data presented below for the years ended December 31, 2019 and December 31, 2018 and the selected consolidated balance sheet data as of December 31, 2019 and December 31, 2018 have been derived from Guild Mortgage Co.'s audited consolidated financial statements included elsewhere in this prospectus. The selected consolidated statements of operations data presented below for the six-month periods ended June 30, 2020 and June 30, 2019 and the selected consolidated balance sheet data as of June 30, 2020 have been derived from Guild Mortgage Co.'s unaudited condensed consolidated financial statements included elsewhere in this prospectus. This prospectus does not include financial statements of the Issuer because it has only been formed for the purpose of effecting the reorganization transactions and, until the consummation of the reorganization transactions, will hold no material assets and will not engage in any operations. See “*Organizational Structure*.”

The selected consolidated historical financial and operating data are not necessarily indicative of the results to be expected in any future period. You should read the following selected historical financial and operating data in conjunction with the section of this prospectus entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and Guild Mortgage Co.’s audited and unaudited consolidated financial statements and related notes included elsewhere in this prospectus. The selected historical financial and operating data in this section are not intended to replace, and are qualified in their entirety by, Guild Mortgage Co.’s audited and unaudited financial statements and related notes included elsewhere in this prospectus.

	<b>Six Months</b>		<b>Year Ended</b>	
	<b>Ended June 30,</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
<b>2020</b>				
<b>Statements of Income (Loss) Data</b>				
<b>(in thousands)</b>				
Revenue				
Loan origination fees and gain on sale of loans, net	\$ 733,293	\$ 327,503	\$ 820,814	\$ 616,608
Loan servicing and other fees	76,310	68,437	142,705	123,681
Valuation adjustment of mortgage servicing rights	(204,810)	(160,222)	(255,219)	(17,050)
Interest income (expense), net	(492)	2,194	3,396	(326)
Other income (expense)	(4)	1,181	1,193	6
Net revenue	<u>604,297</u>	<u>239,093</u>	<u>712,889</u>	<u>722,919</u>
Expense				
Salaries, commissions and benefits	376,898	241,316	578,170	510,253
General and administrative	48,192	28,624	63,983	50,976
Occupancy, equipment and communication	26,955	26,942	53,678	52,483
Depreciation and amortization	3,146	3,824	7,333	7,180
Provision for foreclosure losses	1,860	774	3,895	4,434
Total expenses	<u>457,051</u>	<u>301,480</u>	<u>707,059</u>	<u>625,326</u>
Income (loss) before income tax (benefit) expense	147,246	(62,387)	5,830	97,593
Income tax (benefit) expense	36,465	(15,389)	253	24,260
Net income (loss)	<u>\$ 110,781</u>	<u>\$ (46,998)</u>	<u>\$ 5,577</u>	<u>\$ 73,333</u>

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	<u>As of June 30,</u> <u>2020</u>	<u>As of December 31,</u>	
		<u>2019</u>	<u>2018</u>
<b>Balance Sheet Data</b>			
<b>(in thousands)</b>			
Assets			
Cash, cash equivalents and restricted cash	\$ 148,462	\$ 106,735	\$ 62,755
Mortgage loans held for sale	1,982,521	1,504,842	966,171
Derivative assets	141,629	19,922	12,541
Mortgage servicing rights, net	336,687	418,402	511,852
Other assets	1,093,706	557,512	484,932
Total assets	<u>3,703,005</u>	<u>2,607,413</u>	<u>2,038,251</u>
Liabilities and equity			
Warehouse lines of credit	1,689,291	1,303,187	839,734
Notes payable	188,000	218,000	160,000
Other liabilities	1,318,902	680,195	597,576
Total liabilities	<u>3,196,193</u>	<u>2,201,382</u>	<u>1,597,310</u>
Total stockholder's equity	<u>\$ 506,812</u>	<u>\$ 406,031</u>	<u>\$ 440,941</u>

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

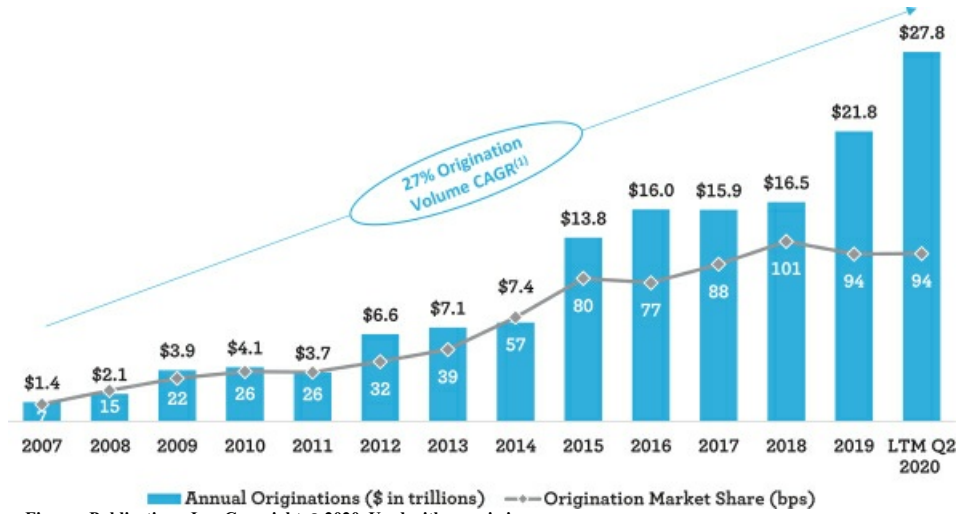
*The following Management's Discussion and Analysis of Financial Condition and Results of Operations is intended to highlight and supplement data and information presented elsewhere in this prospectus, including the consolidated financial statements and related notes, and should be read in conjunction with the sections "Prospectus Summary—Summary Historical Consolidated Financial and Operating Data," "Selected Historical Consolidated Financial and Operating Data," and the consolidated financial statements and notes thereto included elsewhere in this prospectus. The following discussion includes forward-looking statements that reflect our plans, estimates and assumptions and involve numerous risks and uncertainties, including, but not limited to, those described in the "Risk Factors" section of this prospectus. See also "Cautionary Note Regarding Forward-Looking Statements." Future results could differ significantly from the historical results presented in this section.*

Data as of and for the years ended December 31, 2019 and 2018 have been derived from Guild Mortgage Co.'s audited consolidated financial statements included elsewhere in this prospectus. Data as of and for the six-month periods ended June 30, 2020 and 2019 have been derived from Guild Mortgage Co.'s unaudited condensed consolidated financial statements included elsewhere in this prospectus. This prospectus does not include financial statements of the Issuer because it was formed for the purpose of effecting the reorganization transactions and, until the consummation of the reorganization transactions, will not hold any material assets and will not engage in any operations. See "Organizational Structure."

**Business and Executive Overview**

We started our business in 1960 and are among the longest-operating seller servicers in the United States. We are a growth-oriented mortgage company that employs a relationship-based loan sourcing strategy to execute our mission of delivering the promise of home ownership in neighborhoods and communities across the United States. Our business model is centered on providing a personalized mortgage-borrowing experience that is delivered by our knowledgeable loan officers and supported by our diverse product offerings. Throughout these individualized interactions, we work to earn our clients' trust and confidence as a financial partner that can help them find their way through life's changes and build for the future. Through steady organic growth and a series of targeted acquisitions, we grew our annual origination volume from \$1.4 billion for the year ended December 31, 2007 to \$27.8 billion for the twelve months ended June 30, 2020 and grew our servicing portfolio from \$2.5 billion of UPB as of December 31, 2007 to \$52.8 billion of UPB as of June 30, 2020. Unless otherwise indicated, the UPB of our servicing portfolio excludes any subserviced loans.

**Guild's Annual Origination Volume and Market Share**



Source: Inside Mortgage Finance Publications, Inc. Copyright © 2020. Used with permission.

- (1) CAGR is equal to the compound annual growth rate of Guild's annual origination volume for the year ended December 31, 2007 through the twelve months ended June 30, 2020.

**Servicing Portfolio Growth  
(UPB as of period end)(1)**



- (1) Excludes subservicing portfolio of \$1.1 billion as of June 30, 2020.



## Executive Summary of Results of Operations for Periods Presented

### *Six Months Ended June 30, 2020 Summary*

For the six months ended June 30, 2020, we originated \$14.6 billion of mortgage loans compared to \$8.6 billion for the six months ended June 30, 2019, representing a 69.5% increase for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Our servicing portfolio as of June 30, 2020 was \$52.8 billion of UPB compared to \$47.4 billion of UPB as of June 30, 2019, with the weighted average size of the portfolio increasing 9.8% over that time. We generated \$110.8 million of net income for the six months ended June 30, 2020 compared to \$47.0 million of net loss for the six months ended June 30, 2019. We generated \$238.2 million of Adjusted Net Income for the six months ended June 30, 2020 compared to \$52.6 million for the six months ended June 30, 2019, representing a 353.0% increase, and we generated \$325.8 million of Adjusted EBITDA for the six months ended June 30, 2020 compared to \$79.8 million for the six months ended June 30, 2019, representing a 308.0% increase. Please see “—*Non-GAAP Financial Measures*” for further information regarding our use of Adjusted Net Income and Adjusted EBITDA, including limitations related to such non-GAAP measures and a reconciliation of such measures to net income (loss), the nearest comparable financial measure calculated and presented in accordance with GAAP.

The above-described increase in net income, Adjusted Net Income and Adjusted EBITDA was primarily due to the increase in loan origination fees and gain on sale of loans, net of \$405.8 million or 123.9% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. The increase in loan origination fees and gain on sale of loans, net was driven by the increase in origination volume described above and increased profit margins on overall loan sales to investors, which increased 122 basis points or 32.1% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Our increased origination volume also resulted in an increase in variable salaries, commission and benefits expense of \$135.6 million or 56.2% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019.

Net income for the six months ended June 30, 2020 included a loss of \$204.8 million due to a decrease in the fair value of our MSRs resulting from the valuation model impact of a decrease in projected duration of cash flow collections during the period. According to the Mortgage Finance Forecast from the Mortgage Bankers Association (the “MBA Mortgage Finance Forecast”), average 30-year mortgage rates declined by approximately 80 basis points from June 30, 2019 to June 30, 2020. A decline of this nature generally results in higher prepayment speeds and a subsequent downward adjustment to the fair value of our MSRs for the loans that still exist in our portfolio. However, when rates decline, our origination volume generally increases as refinance opportunities increase.

Management believes that maintaining both an origination segment and a servicing segment provides us with a more balanced business model in both rising and declining interest rate environments, compared to other industry participants that predominately focus on either origination or servicing, instead of both. In addition, one of our business strategies is to seek to recapture mortgage transactions when our borrowers prepay their loans. During the twelve months ended June 30, 2020, we had a 26% purchase recapture rate, a 67% refinance recapture rate and a 61% overall recapture rate, compared to 24%, 49% and 40%, respectively, for the twelve months ended June 30, 2019. Recapture rate is calculated as the total UPB of our clients that originated a new mortgage with us in a given period, divided by the total UPB of our clients that paid off their existing mortgage and originated a new mortgage in the same period. This calculation excludes clients to whom we did not actively market due to contractual prohibitions or other business reasons.

### *Year Ended December 31, 2019 Summary*

For the year ended December 31, 2019, we originated \$21.8 billion of mortgage loans compared to \$16.5 billion for the year ended December 31, 2018, representing an increase of \$5.3 billion or 32.3% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. Our servicing

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portfolio as of December 31, 2019 was \$49.3 billion of UPB compared to \$45.5 billion of UPB as of December 31, 2018, with the weighted average size of the portfolio increasing 12.8% over that time. We generated \$5.6 million of net income for the year ended December 31, 2019 compared to \$73.3 million for the year ended December 31, 2018. We generated \$139.1 million of Adjusted Net Income for the year ended December 31, 2019 compared to \$51.9 million for the year ended December 31, 2018, representing a 168.1% increase, and we generated \$201.5 million of Adjusted EBITDA for the year ended December 31, 2019 compared to \$83.0 million for the year ended December 31, 2018, representing a 142.8% increase. Please see “—Non-GAAP Financial Measures” for further information regarding our use of Adjusted Net Income and Adjusted EBITDA, including limitations related to such non-GAAP measures and a reconciliation of such measures to net income, the nearest comparable financial measure calculated and presented in accordance with GAAP.

The above-described increase in Adjusted Net Income and Adjusted EBITDA was primarily due to the increase in loan origination fees and gain on sale of loans, net of \$204.2 million for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. Our increased origination volume also resulted in an increase in variable salaries, commission and benefits expense of \$67.9 million or 13.3% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. Additionally, our income from loan servicing and other fees increased by \$19.0 million or 15.4% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018, primarily driven by the 12.8% increase in the average size of our servicing portfolio for the year ended December 31, 2019 compared to that for the year ended December 31, 2018.

Net income for the year ended December 31, 2019 included a loss of \$255.2 million due to a decrease in the fair value of our MSR's resulting from the valuation model impact of a decrease in projected duration of cash flow collections during the period. According to the MBA Mortgage Finance Forecast, average 30-year mortgage rates declined by 110 basis points from December 31, 2018 to December 31, 2019. A decline of this nature generally results in higher prepayment speeds and a subsequent downward adjustment to the fair value of our MSR's for the loans that still exist in our portfolio. However, when rates decline, our origination volume generally increases as refinance opportunities increase. For the year ended December 31, 2019, we had a 26% purchase recapture rate, a 64% refinance recapture rate and a 56% overall recapture rate, compared to 24%, 40% and 34%, respectively, for the year ended December 31, 2018.

### **Recent Developments**

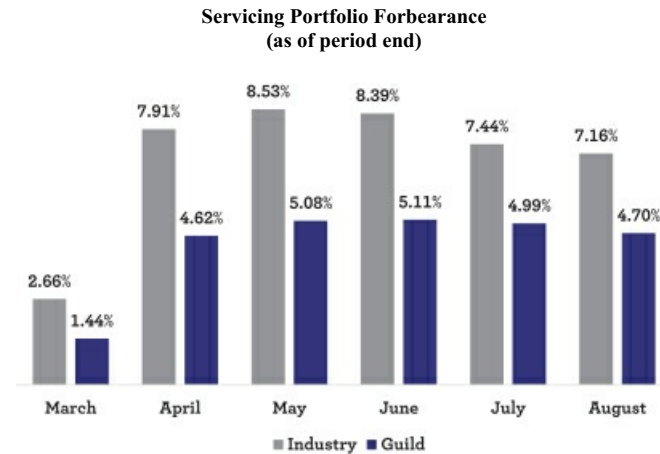
#### ***COVID-19 Pandemic***

##### ***Business Operations and Liquidity***

We continue to closely monitor the economic impact resulting from the COVID-19 pandemic. Although we experienced record origination volume and increased profit margins in our origination segment during the six months ended June 30, 2020, the COVID-19 pandemic has had a negative impact on the financial results of our servicing segment. The federal government enacted the CARES Act, which allows borrowers with federally backed loans to request a temporary mortgage forbearance. As a result of the CARES Act forbearance requirements, we have recorded, and expect to record additional, increases in delinquencies in our servicing portfolio. As of June 30, 2020, the 60-plus day delinquency rate on our servicing portfolio was 3.5%, compared to a 60-plus day delinquency rate of 1.5% as of February 28, 2020. This increased delinquency rate on our servicing portfolio may require us to finance substantial amounts of advances of principal and interest, property taxes, insurance premiums and other expenses to protect investors' interests in the properties securing the loans. These advances and payments, coupled with increased servicing costs and lower servicing revenue, have negatively affected and will continue to negatively affect our cash position. Additionally, we are currently prohibited from collecting certain servicing-related fees, such as late fees, and initiating foreclosure proceedings. As a result, we expect the effects of the CARES Act forbearance requirements to reduce our servicing income and increase our servicing expenses.

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As of August 31, 2020, approximately 4.70% of the loans in our servicing portfolio had elected the forbearance option compared to the industry average of 7.16%, as reported by the Mortgage Bankers Association. Of the 4.70% of the loans in our servicing portfolio that had elected forbearance as of August 31, 2020, approximately 27.6% remained current on their August payments. We believe our portfolio has performed better than the industry average because of our in-house servicing capabilities and timely response to the COVID-19 pandemic and that our performance is a testament to the strength of our client relationships. Our in-house servicing team and local loan officers continue to work with our clients to understand forbearance plans and determine the best paths forward for their unique circumstances. By maintaining relationships with our clients throughout the loan lifecycle, and supporting our clients during times of uncertainty, we position ourselves to capture future business.



Source: Mortgage Bankers Association.

### *Employee Safety*

We are also continuing to focus on the wellbeing and safety of our employees. Since March, we have moved to a remote working environment for the majority of our employees and, for those that are coming into our offices, we have instituted additional health and safety precautions, such as restricting visitors, providing masks and mandating more frequent sanitizing of our offices.

### *Increased Liquidity*

During the second quarter of 2020, to support our increased loan origination volume, we increased the capacity of our existing loan funding facilities by \$165.0 million, of which \$90.0 million represented a temporary increase in capacity. Subsequent to June 30, 2020, we increased the capacity of all of our existing loan funding facilities by an aggregate amount equal to \$739.0 million, of which \$90.0 million represented a temporary increase in capacity. We added one additional loan funding facility during the second quarter of 2020 with a total facility size of \$100.0 million, for which we subsequently increased the capacity by \$100.0 million during the third quarter of 2020. As of the date of this prospectus, the aggregate available amount under our loan facilities was approximately \$2.9 billion.

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During the second quarter of 2020, we renewed one of our MSR notes payable and increased the aggregate amount available under that MSR note payable by \$27.0 million. In the third quarter of 2020, we renewed another MSR note payable and increased the aggregate amount available under that MSR note payable by \$15.0 million. In addition, in September 2020, we drew down \$22.0 million under one of our MSR notes payable. See “—*Liquidity, Capital Resources and Cash Flows*” for further information regarding our funding facilities.

The extent to which the COVID-19 pandemic affects our business, results of operations and financial condition will ultimately depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken by governmental authorities and other third parties in response to the pandemic. See “*Risk Factors—The COVID-19 pandemic has had, and will likely continue to have, an adverse effect on our business, and its ultimate effect on our business and financial results will depend on future developments, which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken or to be taken by government authorities in response to the pandemic.*”

### **Description of Certain Components of Financial Data**

The primary components of our revenue and expenses are described below.

#### ***Our Components of Revenue***

***Loan origination fees and gain on sale of loans, net***— This represents all income recognized from the time when a loan is originated until the time when a loan is subsequently sold to an investor and includes cash and non-cash components. Each component is described below:

- *Gain (loss) on sale of loans* — Net proceeds from the difference between the quoted loan price committed to the client and the price received from the investor at loan sale, net of miscellaneous investor fees charged.
- *Origination fees* — Fees collected from the client, which typically include processing, underwriting, funding, credit report, tax service, flood certification and appraisal fees, net of any associated third-party costs.
- *The fair value of the MSRs at time of sale*— After a loan is sold to an investor, we record the value of the MSR at fair value. Fair value is estimated based on the present value of future cash flows. We utilize a third-party valuation service to determine this estimated value based on variables such as contractual servicing fees, ancillary fees, the cost to service, discount rate and estimated prepayment speeds.
- *Changes in the fair value of interest rate lock commitments (“IRLC”) and mortgage loans held for sale* —When the client accepts an interest rate lock, we record the estimated fair value of the loan. We also evaluate several factors to determine the likelihood of the loan closing and discount the value of any IRLCs we consider to have a lower probability of closing. The probability of the loan ultimately closing changes as the stage of the loan progresses from application to underwriting submission, loan approval and funding. Loans that close and are held for sale are commonly referred to as mortgage loans held for sale or “MLHS.” MLHS are also recorded at fair value. We typically determine the fair value of our MLHS based on investor committed pricing; however, we determine the fair value of any MLHS that is not allocated to a commitment based on current delivery trade prices.
- *Changes in the fair value of forward delivery commitments* — We enter into forward delivery commitments to hedge against changes in the interest rates associated with our IRLCs and MLHS.

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Our hedging policies are set by our risk management function and are monitored daily. Typically, when the fair value of an IRLC or MLHS increases, the fair value of any related forward contract decreases.

- *Investor reserve provision* — At the time a loan is sold to an investor, we make certain representations and warranties. If defects are subsequently discovered in these representations and warranties that cause a loan to no longer satisfy the applicable investor eligibility requirements, we may be required to repurchase that loan. We are also required to indemnify several of our investors for borrowers' prepayments and defaults. We estimate the potential for these losses based on our recent and historical loan repurchase and indemnification experience and as our success rate on appeals. We also screen market conditions for any indications of a rise in delinquency rates, which may result in a heightened exposure to loss.

**Loan servicing and other fees** — Loan servicing and other fees consist of:

- *Loan servicing income* — This represents the contractual fees that Guild earns by servicing loans for various investors. Fees are calculated based on a percentage of the outstanding principal balance and is recognized into revenue as related payments are received.
- *Other ancillary fees* — We may also collect other ancillary fees from the client, such as late fees and nonsufficient funds fees.
- *Impound interest* — We are required to pay interest to our clients annually based on the average escrow account balances that we hold in trust for the payment of their property taxes and insurance.

**Valuation adjustment of mortgage servicing rights** — We have elected to recognize MSRs at fair value. This requires that we periodically reevaluate the valuation of our MSRs following our initial analysis at the time of sale. A third party conducts a monthly valuation of our MSRs, and we record any changes to the fair value of our MSRs that result from changes in valuation model inputs or assumptions and collections of servicing cash flows in accordance with such third-party analysis. Changes in the fair value of our MSRs result in an adjustment to the value of our MSRs. See "Quantitative and Qualitative Disclosure about Market Risk—Fair Value Risk—MSRs" and "Critical Accounting Policies—Mortgage Servicing Rights" for additional information regarding the valuation of our MSRs.

**Interest income** — Interest income consists primarily of interest earned on MLHS.

**Interest expense** — Interest expense consists primarily of interest paid on funding and non-funding debt facilities collateralized by our MLHS and MSRs. We define funding debt as all other debt related to operations, such as warehouse lines of credit and our early buyout facility, which we use to repurchase certain delinquent GNMA loans. Non-funding debt includes the note agreements collateralized by our MSRs (our "MSR notes payable"). See "Description of Certain Indebtedness" for further details about our indebtedness. We also record related bank charges and payoff as interest expense. Payoff interest expense is equal to the difference between what we collect in interest from our clients and what we remit in interest to the investors who purchase the loans that we originate. In most cases, we are required to remit a full month of interest to those investors, regardless of the date on which the client prepays during the payoff month, resulting in additional interest expense.

**Other income** — Other income typically includes dividend and fair value adjustments related to marketable securities that are generally immaterial to our operating results.

### **Our Components of Expenses**

**Salaries, commissions and benefits** — Salaries, commissions and benefits expense includes all payroll, incentive compensation and employee benefits paid to our employees, as well as expenses incurred in connection with our use of employment and temporary help agencies. Our loan officers are paid incentive compensation based on origination volume, resulting in a variable pay structure that fluctuates.

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**General and administrative** — General and administrative expense primarily includes costs associated with professional services, attendance at conferences and meetings, office expenses, liability insurance, business licenses and other miscellaneous costs.

In addition, within general and administrative expense, we record any adjustments to the fair value of the contingent liabilities related to our completed acquisitions. The purchase and sale agreements with respect to each of the six acquisitions that we have completed provided for contingent future consideration commonly known as “earn-out payments.” These payments are estimated based on the present value of future cash flows during the earn-out period. The earn-out periods for our acquisitions span from three to five years, and the earn-out periods for three of our acquisitions are still ongoing.

**Occupancy, equipment and communication** — Occupancy, equipment and communication includes expenses related to the commercial office spaces we lease, as well as telephone and internet service and miscellaneous leased equipment used for operations. See “*Contractual Obligations*” for a summary of future lease obligations.

**Depreciation and amortization** — We depreciate furniture and equipment on a straight-line basis for a period of up to five years and we record amortization expense related to our leasehold improvements on rented space. That amortization expense is recognized over the shorter of the lease term or the useful life of the asset. We also record costs related to the maintenance of software, which consist of both internal and external costs incurred in connection with software development and testing, as well as any costs associated with the implementation of new software. These costs are amortized over a three-year period.

**Provision for foreclosure losses** — We may incur a loss on government loans related to unreimbursed interest and costs associated with foreclosure. We reserve for government loans based on historical loss experience as well as for loan-specific issues related to foreclosure.

**Income tax (benefit) expense** — We are subject to federal and state income tax. We record this expense based on our effective federal and state tax rates. These effective rates are adjusted for permanent non-deductible differences and reconciliation differences from prior years. We also evaluate material temporary differences to determine whether any additional adjustments to this expense are required.

### **Future Public Company Expenses**

In connection with our becoming and being a public company, we expect our expenses to increase, including, but not limited to, our legal, accounting and insurance expenses. Although we do not anticipate any increase in these expenses to have a material effect on our overall results of operations, our historical results of operations may not be indicative of our future results of operations. If we fail to manage these additional costs or to maintain or increase our revenue, we may incur losses in the future.

**Key Performance Indicators**

Management reviews several key performance indicators to evaluate our business results, measure our performance and identify trends to inform our business decisions. Summary data for these key performance indicators is listed below. Please refer to the “—Components of Results of Operations” for additional metrics that management reviews in conjunction with the consolidated financial statements.

(\$ and units in thousands)	Six Months Ended		Change	% Change
	June 30,			
	2020	2019		
<b>Origination Data</b>				
\$ Total in-house origination <sup>(1)</sup>	\$14,558,875	\$ 8,542,837	\$6,016,038	70.4%
# Total in-house origination	52	33	19	59.0%
\$ Retail in-house origination	\$14,186,728	\$ 8,265,074	\$5,921,654	71.6%
# Retail in-house origination	50	31	19	60.9%
\$ Retail brokered origination <sup>(2)</sup>	\$ 42,423	\$ 69,963	\$ (27,540)	(39.4)%
Total origination	\$14,601,298	\$ 8,612,800	\$5,988,498	69.5%
Gain on sale margin (bps) <sup>(3)</sup>	502	380	122	32.1%
30-year conventional conforming par rate <sup>(4)</sup>	3.2%	4.0%	(0.8)%	(20.0)%
<b>Servicing Data</b>				
UPB (period end) <sup>(5)</sup>	\$52,794,328	\$47,399,200	\$5,395,128	11.4%
Loans serviced (period end)	249	229	20	8.5%
MSR multiple (period end) <sup>(6)</sup>	2.2	2.9	(0.7)	(24.9)%
Weighted average coupon	4.0%	4.3%	(0.3)%	(7.2)%
Loan payoff <sup>(7)</sup>	\$ 8,223,361	\$ 2,730,731	\$5,492,629	201.1%
Loan delinquency rate 60-plus days (period end)	3.5%	1.2%	2.3%	191.7%

(1) Includes retail and correspondent loans and excludes brokered loans.

(2) Brokered loans are defined as loans we originate in the retail channel that are processed by us, but underwritten and closed by another lender. These loans are typically for products we choose not to offer in house.

(3) Represents the components of loan origination fees and gain on sale of loans, net described under “—Our Components of Revenue” divided by total in-house origination to derive basis points.

(4) Represents the average 30-year conventional conforming note rate published monthly according to the MBA Mortgage Monthly Finance Forecast.

(5) Excludes subserviced portfolio of \$1.1 billion and \$0.8 billion as of June 30, 2020 and June 30, 2019, respectively.

(6) Represents a metric used to determine the relative value of our MSRs in relation to our annualized retained servicing fee. It is calculated by dividing (a) the fair market value of our MSRs as of a specified date by (b) the weighted average annualized retained servicing fee for our servicing portfolio as of such date. We exclude purchased MSRs from this calculation because our servicing portfolio consists primarily of originated MSRs and, consequently, purchased MSRs do not have a material impact on our weighted average service fee.

(7) Represents the gross amount of UPB paid off from our servicing portfolio.

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(\$ and units in thousands)	Year Ended December 31,		Change	% Change
	2019	2018		
<b>Origination Data</b>				
\$ Total in-house origination <sup>(1)</sup>	\$21,711,668	\$16,409,729	\$5,301,939	32.3%
# Total in-house origination	81	66	15	22.9%
\$ Retail in-house origination	\$20,938,310	\$15,736,212	\$5,202,098	33.1%
# Retail in-house origination	77	62	15	24.0%
\$ Retail brokered origination <sup>(2)</sup>	\$ 136,106	\$ 105,145	\$ 30,961	29.4%
<b>Total originations</b>	<b>\$21,847,774</b>	<b>\$16,515,324</b>	<b>\$5,332,450</b>	<b>32.3%</b>
Gain on sale margin (bps) <sup>(3)</sup>	378	376	2	0.6%
30-year conventional conforming par rate <sup>(4)</sup>	3.7%	4.8%	(1.1)%	(22.9)%
<b>Servicing Data</b>				
UPB (period end) <sup>(5)</sup>	\$49,326,579	\$45,496,129	\$3,830,450	8.4%
Loans serviced (period end)	237	221	16	7.2%
MSR multiple (period end) <sup>(6)</sup>	2.9	3.9	(1.0)	(26.1)%
Weighted average coupon	4.2%	4.3%	(0.1)%	(2.0)%
Loan payoffs <sup>(7)</sup>	\$ 9,374,095	\$ 3,701,085	\$5,673,010	153.3%
Loan delinquency rate 60-plus days (period end)	1.6%	1.4%	0.2%	14.3%

- (1) Includes retail and correspondent loans and excludes brokered loans.
- (2) Brokered loans are defined as loans we originate in the retail channel that are processed by us, but underwritten and closed by another lender. These loans are typically for products we choose not to offer in house.
- (3) Represents the components of loan origination fees and gain on sale of loans, net described under “—Our Components of Revenue” divided by total in-house origination to derive basis points.
- (4) Represents the 30-year average conventional conforming note rate published monthly according to the MBA Mortgage Monthly Finance Forecast.
- (5) Excludes subserviced portfolio of \$1.3 billion and \$0.8 billion as of December 31, 2019 and December 31, 2018, respectively.
- (6) Represents a metric used to determine the relative value of our MSR in relation to our annualized retained servicing fee. It is calculated by dividing (a) the fair market value of our MSR as of a specified date by (b) the weighted average annualized retained servicing fee for our servicing portfolio as of such date. We exclude purchased MSR from this calculation because our servicing portfolio consists primarily of originated MSR and, consequently, purchased MSR do not have a material impact on our weighted average service fee.
- (7) Represents the gross amount of UPB paid off from our servicing portfolio.

**Non-GAAP Financial Measures**

To supplement Guild Mortgage Co.’s financial statements presented in accordance with GAAP and to provide investors with additional information regarding Guild Mortgage Co.’s GAAP financial results, we have presented in this prospectus Adjusted Net Income, Adjusted EBITDA and Adjusted Return on Equity, which are non-GAAP financial measures. These non-GAAP financial measures are not based on any standardized methodology prescribed by GAAP and are not necessarily comparable to similarly titled measures presented by other companies.

**Adjusted Net Income.** We define Adjusted Net Income as earnings before the change in the fair value measurements related to our MSR and contingent liabilities related to completed acquisitions due to changes in valuation assumptions. The fair value of our MSR is estimated based on a projection of expected future cash flows and the fair value of our contingent liabilities related to completed acquisitions is estimated based on a projection of expected future earn-out payments. Adjusted Net Income is also adjusted by applying an implied tax effect to these adjustments. The Company excludes the change in the fair value of its MSR due to changes in model inputs and assumptions from Adjusted Net Income and



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Adjusted EBITDA because the Company believes this non-cash, non-realized adjustment to total revenues is not indicative of the Company's operating performance or results of operation but rather reflects changes in model inputs and assumptions (e.g., discount rates and prepayment speed assumptions) that impact the carrying value of the Company's MSR from period to period.

**Adjusted EBITDA.** We define Adjusted EBITDA as earnings before interest (without adjustment for net warehouse interest related to loan fundings and payoff interest related to loan prepayments), taxes, depreciation and amortization exclusive of any change in the fair value measurements of the MSR due to valuation assumptions and contingent liabilities from business acquisitions. The Company excludes the change in the fair value of its MSR due to changes in model inputs and assumptions from Adjusted Net Income and Adjusted EBITDA because the Company believes this non-cash, non-realized adjustment to total revenues is not indicative of the Company's operating performance or results of operation but rather reflects changes in model inputs and assumptions (e.g., discount rates and prepayment speed assumptions) that impact the carrying value of the Company's MSR from period to period.

**Adjusted Return on Equity.** We define Adjusted Return on Equity as Adjusted Net Income as a percentage of average beginning and ending stockholder's equity during the period. For periods of less than one year, Adjusted Return on Equity is shown on an annualized basis.

We use these non-GAAP financial measures to evaluate our operating performance, to establish budgets and to develop operational goals for managing our business. These non-GAAP financial measures are designed to evaluate operating results exclusive of fair value adjustments that are not indicative of management's operating performance. Accordingly, we believe that these financial measures provide useful information to investors and others in understanding and evaluating our operating results, enhancing the overall understanding of our past performance and future prospects.

Our non-GAAP financial measures are not prepared in accordance with GAAP and should not be considered in isolation of, or as an alternative to, measures prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures rather than net income (loss), which is the most directly comparable financial measure calculated and presented in accordance with GAAP for Adjusted Net Income and Adjusted EBITDA, and return on equity, which is the most directly comparable financial measure calculated and presented in accordance with GAAP for Adjusted Return on Equity. These limitations include that these non-GAAP financial measures are not based on a comprehensive set of accounting rules or principles and many of the adjustments to the GAAP financial measures reflect the exclusion of items that are recurring and may be reflected in the Company's financial results for the foreseeable future. In addition, other companies may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison.

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The following tables reconcile Adjusted Net Income and Adjusted EBITDA to net income (loss) and Adjusted Return on Equity to return on equity, the most directly comparable financial measures calculated and presented in accordance with GAAP.

Reconciliation of Net Income (Loss) to Adjusted Net Income (\$ in thousands)	Six Months Ended June 30,		Twelve Months Ended June 30,	Years ended December 31,	
	2020	2019	2020	2019	2018
	Net income (loss)	\$ 110,781	\$ (46,998)	\$ 163,356	\$ 5,577
Add adjustments:					
Change in fair value of MSRs due to model inputs and assumptions	151,080	130,734	191,744	171,398	(26,178)
Change in fair value of contingent liabilities due to acquisitions	20,025	3,054	24,891	7,920	(2,642)
Tax impact of adjustments <sup>(1)</sup>	(43,718)	(34,183)	(55,351)	(45,816)	7,364
Adjusted Net Income	<u>\$ 238,168</u>	<u>\$ 52,607</u>	<u>\$ 324,640</u>	<u>\$ 139,079</u>	<u>\$ 51,877</u>

(1) Implied tax rate used is 25.5%.

Reconciliation of Net Income (Loss) to Adjusted EBITDA (\$ in thousands)	Six Months Ended June 30,		Twelve Months Ended June 30,	Years ended December 31,	
	2020	2019	2020	2019	2018
	Net income (loss)	\$ 110,781	\$ (46,998)	\$ 163,356	\$ 5,577
Add adjustments:					
Interest expense on non-funding debt	4,291	4,603	8,668	8,980	7,019
Income tax provision	36,465	(15,389)	52,107	253	24,260
Depreciation and amortization	3,146	3,824	6,655	7,333	7,180
Change in fair value of MSRs due to model inputs and assumptions	151,080	130,734	191,744	171,398	(26,178)
Change in fair value of contingent liabilities due to acquisitions	20,025	3,054	24,891	7,920	(2,642)
Adjusted EBITDA	<u>\$ 325,788</u>	<u>\$ 79,828</u>	<u>\$ 447,421</u>	<u>\$ 201,461</u>	<u>\$ 82,972</u>

Adjusted Return on Equity Calculation (\$ in thousands, except where in percentages)	Six Months Ended June 30,		Twelve Months Ended June 30,	Years ended December 31,	
	2020	2019	2020	2019	2018
	Numerator: Adjusted Net Income	\$238,168	\$ 52,607	\$324,640	\$139,079
Denominator: Average Stockholder's Equity	456,422	407,199	440,134	423,486	429,244
Adjusted Return on Equity <sup>(1)</sup>	<u>104.4%</u>	<u>25.8%</u>	<u>73.8%</u>	<u>32.8</u>	<u>12.1%</u>
Return on equity <sup>(2)</sup>	48.5%	(23.1%)	37.1%	1.3%	17.1%

(1) For the six months ended June 30, 2020 and June 30, 2019, Adjusted Return on Equity is shown on an annualized basis.

(2) For the six months ended June 30, 2020 and June 30, 2019, return on equity is shown on an annualized basis.

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Reconciliation of Net Income (Loss) to Adjusted Net Income <i>(in thousands)</i>	Three Months Ended September 30,			Nine Months Ended September 30,		
	2020		2019	2020		2019
	Low	High	(Actual)	Low	High	(Actual)
Net income (loss)						
Add adjustments:						
Change in fair value of MSRs due to model inputs and assumptions						
Change in fair value of contingent liabilities due to acquisitions						
Tax impact of adjustments						
Adjusted Net Income						
<b>Reconciliation of Net Income (Loss) to Adjusted EBITDA <i>(in thousands)</i></b>	<b>Three Months Ended September 30,</b>			<b>Nine Months Ended September 30,</b>		
	<b>2020</b>		<b>2019</b>	<b>2020</b>		<b>2019</b>
	<b>Low</b>	<b>High</b>	<b>(Actual)</b>	<b>Low</b>	<b>High</b>	<b>(Actual)</b>
Net income (loss)						
Add adjustments:						
Interest expense on non-funding debt						
Income tax provision						
Depreciation and amortization						
Change in fair value of MSRs due to model inputs and assumptions						
Change in fair value of contingent liabilities due to acquisitions						
Adjusted EBITDA						
<b>Adjusted Return on Equity Calculation <i>(in thousands, except where in percentages)</i></b>	<b>Three Months Ended September 30,</b>			<b>Nine Months Ended September 30,</b>		
	<b>2020</b>		<b>2019</b>	<b>2020</b>		<b>2019</b>
	<b>Low</b>	<b>High</b>	<b>(Actual)</b>	<b>Low</b>	<b>High</b>	<b>(Actual)</b>
Numerator: Adjusted Net Income						
Denominator: Average Stockholder's Equity						
Adjusted Return on Equity <sup>(1)</sup>						

### Return on Equity<sup>(2)</sup>

- (1) For the three months ended September 30, 2020 and September 30, 2019 and the nine months ended September 30, 2020 and September 30, 2019, Adjusted Return on Equity is shown on an annualized basis.
- (2) For the three months ended September 30, 2020 and September 30, 2019 and the nine months ended September 30, 2020 and September 30, 2019, return on equity is shown on an annualized basis.

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The following table reconciles the valuation adjustment of mortgage servicing rights from the Company's consolidated statements of income to the change in fair value of MSR due to model inputs and assumptions included in the reconciliation tables above.

Reconciliation of valuation adjustment of mortgage servicing rights to change in fair value of MSR due to model inputs and assumptions (\$ in thousands)	Six Months Ended June 30,		Twelve Months Ended June 30,	Year ended December 31,	
	2020	2019	2020	2019	2018
	Valuation adjustment of mortgage servicing rights	\$ (204,810)	\$ (160,222)	\$ (299,807)	\$ (255,219)
Subtract adjustment:					
Change in fair value of MSR due to collection/realization of cash flows	(53,730)	(29,488)	(108,063)	(83,821)	(43,228)
Change in fair value of MSR due to model inputs and assumptions	<u>\$ (151,080)</u>	<u>\$ (130,734)</u>	<u>\$ (191,744)</u>	<u>\$ (171,398)</u>	<u>\$ (26,178)</u>

### Results of Operations for the Six Months Ended June 30, 2020 and 2019

Consolidated Statement of Income (\$ in thousands)	Six Months Ended June 30,		\$ Change	% Change
	2020	2019		
Loan origination fees and gain on sale of loans, net	\$ 733,293	\$ 327,503	\$ 405,790	123.9%
Loan servicing and other fees	76,310	68,437	7,873	11.5%
Valuation adjustment of mortgage servicing rights	(204,810)	(160,222)	(44,588)	27.8%
Interest income	26,949	25,327	1,622	6.4%
Interest expense	(27,441)	(23,133)	(4,308)	18.6%
Other (expense) income	(4)	1,181	(1,185)	NM
Net revenue	<u>604,297</u>	<u>239,093</u>	<u>365,204</u>	<u>152.7%</u>
Salaries, commission and benefits	376,898	241,316	135,582	56.2%
Occupancy, equipment and communication	26,955	26,942	13	0.0%
General and administrative	48,192	28,624	19,568	68.4%
Provision for foreclosure losses	1,860	774	1,086	140.3%
Depreciation and amortization	3,146	3,824	(678)	(17.7)%
Total expense	<u>457,051</u>	<u>301,480</u>	<u>155,571</u>	<u>51.6%</u>
Income (loss) before income tax (benefit) expense	147,246	(62,387)	209,663	NM
Income tax (benefit) expense	36,465	(15,389)	51,854	NM
Net income (loss)	<u>\$ 110,781</u>	<u>\$ (46,998)</u>	<u>\$ 157,779</u>	<u>NM</u>

Net income totaled \$110.8 million for the six months ended June 30, 2020 compared to a net loss of \$47.0 million for the six months ended June 30, 2019. This change was primarily driven by increased revenue earned from loan origination fees and gain on sale of loans, net of \$405.8 million or 123.9% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. According to the MBA Mortgage Finance Forecast, average 30-year mortgage rates declined approximately 80 basis points from June 30, 2019 to June 30, 2020, which led to an increase in refinance activity. Refinance activity represented 59% of origination volume in the U.S. mortgage market during the six months ended June 30, 2020 compared to 29% of the origination volume during the six months ended June 30, 2019, according to Inside Mortgage Finance. As consumer demand for refinancing increased, our profit margins

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increased. Our origination volume increased 69.5% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Our income from loan servicing and other fees increased by \$7.9 million or 11.5% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. These increases in loan origination fees and gain on sale of loans, net and loan servicing and other fees were partially offset by a loss associated with the decrease in the fair value of our MSRs resulting from the valuation model impact of a decrease in projected duration of cash flow collections during the period, as described further below. In a declining mortgage interest rate environment, it is typical for us to experience downward MSR valuation adjustments due to the increased likelihood of prepayments for the loans that still exist in our MSR portfolio. However, when rates decline, originations tend to increase as refinance opportunities increase.

Salaries, commission and benefits expense increased by \$135.6 million or 56.2% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This increase resulted from increased variable incentive compensation paid to our origination teams and our hiring of additional employees to support the increases in our origination and servicing volumes. Revenue increased 152.7%, while salaries, commission and benefits expense increased 56.2% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Occupancy costs remained relatively unchanged for the comparative period. General and administrative expense increased by \$19.6 million or 68.4% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019 due to an upward adjustment to the fair value of the contingent liabilities related to our completed acquisitions and increases in certain third-party expenses that typically increase directionally as origination and servicing volumes expand.

### Revenue

#### *Loan Origination Fees and Gain on Sale of Loans, Net*

The table below provides additional details regarding our loan origination fees and gain on sale of loans, net for the periods presented.

(\$ in thousands)	Six Months Ended		\$ Change	% Change
	2020	2019		
Gain on sale of loans	\$442,106	\$239,075	\$ 203,030	84.9%
Fair value of originated MSRs	114,771	44,442	70,329	158.2%
Fair value adjustment to MLHS and IRLCs	167,200	24,536	142,664	581.4%
Changes in fair value of forward commitments	(23,509)	(5,563)	(17,946)	322.6%
Origination fees	43,778	28,667	15,112	52.7%
Provision for investor reserves	(11,053)	(3,655)	(7,398)	202.4%
Total loan origination fees and gain on sale of loans, net	<u>\$733,293</u>	<u>\$327,503</u>	<u>\$ 405,790</u>	<u>123.9%</u>

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The table below provides additional detail regarding our origination volume and other key performance indicators for the periods presented.

(\$ and units in thousands)	Six Months Ended June 30,		Change	% Change
	2020	2019		
Loan origination volume by type:				
Conventional conforming	\$ 9,937,145	\$ 4,910,943	\$ 5,026,202	102.3%
Government	3,538,359	2,386,261	1,152,098	48.3%
State housing	828,566	795,730	32,836	4.1%
Non-agency	254,805	449,904	(195,099)	(43.4)%
Total in-house originations <sup>(1)</sup>	\$14,558,875	\$ 8,542,837	\$ 6,016,038	70.4%
Brokered loans	\$ 42,423	\$ 69,963	\$ (27,540)	(39.4)%
Total originations	\$14,601,298	\$ 8,612,800	\$ 5,988,498	69.5%
In-house loans closed	52	33	19	59.0%
Average loan amount	\$ 280	\$ 260	\$ 20	7.7%
Purchase	45.0%	78.4%	(33.4)%	(42.6)%
Refinance	55.0%	21.6%	33.4%	154.5%
Service retained <sup>(2)</sup>	85.1%	58.7%	26.4%	45.0%
Service released <sup>(3)</sup>	14.9%	41.3%	(26.4)%	63.9%
Gain on sale margin (bps) <sup>(4)</sup>	502	380	122	32.1%
Total Locked Volume	\$25,177,631	\$11,272,052	\$13,905,579	123.4%
Weighted average loan-to-value	81.0%	85.8%	(4.8)%	(5.6)%
Weighted average credit score	746	721	25	3.5%
Weighted average note rate	3.5%	4.7%	(1.2)%	(24.6)%
Days application to close	44	38	6	15.8%
Days close to purchase by investors	16	17	(1)	(5.9)%
Purchase recapture rate	26.3%	24.5%	1.8%	7.3%
Refinance recapture rate	66.6%	53.9%	12.7%	23.6%

(1) Includes retail and correspondent loans and excludes brokered loans.

(2) Represents loans sold for which we continue to act as the servicer.

(3) Represents loans sold for which we do not continue to act as the servicer.

(4) Represents the components of loan origination fees and gain on sales of loans, net described under “—Our Components of Revenue” divided by total in-house origination to derive basis points.

Gain on sale of loans increased by \$203.0 million or 84.9% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019 due to a \$6.0 billion or 73.0% increase in loan sales for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019.

The fair value of our originated MSRMs increased by \$70.3 million or 158.2% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This increase was caused by an increase in the percentage of our loans sold for which we continued to act as the servicer (i.e., on a “service retained” basis). During the six months ended June 30, 2020, we retained 85.1% of our origination volume compared to 58.7% of our origination volume for the six months ended June 30, 2019.

Adjustments to the fair value of our MLHS and IRLCs, net of any related changes in the fair value of our forward delivery commitments, resulted in a net gain of \$143.7 million for the six months ended June 30, 2020 compared to a net gain of \$19.0 million for the six months ended June 30, 2019. This increased gain primarily resulted from decreased interest rates and increased origination volume. Additionally, in response to our increased origination volume, our origination fee income increased by \$15.1 million or 52.7% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019.

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Our provision for investor reserves increased by \$7.4 million or 202.4% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This increase resulted from our increased origination volume, as well as from our decision to increase our investor loss reserve because of the potential effects of the COVID-19 pandemic. As interest rates declined and prepayment speeds increased over this period, early pay-off fees increased by 65%. Early pay-off fees are equal to the amount of the gain on sale premium received from the investors who purchase our loans that we must return to those investors when loans sold to them are repaid before a specified point in time. In addition, we experienced a 9% increase in investor repurchase and indemnity claims on loans sold to investors for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Each of these factors, increased early pay-off fees and increased repurchase and indemnity claims on loans sold to investors, influenced our decision to increase our provision for investor reserves as indicated above.

### *Loan Servicing and Other Fees*

The table below provides additional details regarding our loan servicing and other fees are described below for the periods presented.

(\$ in thousands)	Six Months Ended June 30,		\$ Change	% Change
	2020	2019		
Servicing fee income	\$74,178	\$66,109	\$ 8,069	12.2%
Other ancillary fees	2,636	2,899	(263)	(9.1)%
Loan modification fees	361	361	—	0.0%
Interest on impound accounts	(865)	(932)	67	(7.2)%
Total loan servicing and other fees	<u>\$76,310</u>	<u>\$68,437</u>	<u>\$ 7,873</u>	<u>11.5%</u>

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The table below provides additional details regarding our servicing portfolio composition and key performance indicators as of and for the periods presented.

(\$ and units in thousands)	Six Months Ended		Change	% Change
	June 30,			
	2020	2019		
Beginning UPB of servicing portfolio <sup>(1)</sup>	\$49,326,579	\$45,496,129	\$ 3,830,450	8.4%
New UPB origination additions <sup>(2)</sup>	14,558,875	8,542,837	6,016,038	70.4%
Less:				
UPB originations sold service released <sup>(3)</sup>	2,248,721	3,437,426	(1,188,705)	(34.6)%
Loan prepayments	8,223,361	2,730,731	5,492,629	201.1%
Loan principal reductions	692,900	628,976	63,924	10.2%
Loan foreclosures	29,821	42,175	(12,355)	(29.3)%
Ending UPB of servicing portfolio	<u>\$52,794,328</u>	<u>\$47,399,200</u>	<u>\$ 5,395,128</u>	<u>11.4%</u>
Average UPB of servicing portfolio	\$51,112,291	\$46,547,435	\$ 4,564,856	9.8%
Weighted average servicing fee	0.31%	0.29%	0.02%	3.7%
Weighted average note rate	4.0%	4.3%	(0.3)%	(7.2)%
Weighted average prepayment speed <sup>(4)</sup>	22.5%	16.6%	5.8%	35.2%
Weighted average credit score	723	719	4	0.5%
Weighted average loan age (in months)	27.8	29.2	(1.4)	(4.8)%
Weighted average loan-to-value	83.4%	84.4%	(1.0)%	(1.2)%
MSR multiple (period end) <sup>(5)</sup>	2.2	2.9	(0.7)	(24.9)%
Loans serviced (period end)	249	229	20	8.5%
Loans delinquent 60-plus days (period end)	9.2	3.3	5.9	177.6%
Loan delinquency rate 60-plus days (period end)	3.5%	1.2%	2.2%	191.7%

- (1) We purchased two servicing portfolios totaling \$1.1 billion and \$0.8 billion as of June 30, 2020 and 2019, respectively, that are currently being subserviced by a third party and are excluded from these numbers.
- (2) Includes all in-house loans originated in period, irrespective if it is eventually sold, service retained or service released.
- (3) Represents loans sold for which we do not continue to act as the servicer of the loan.
- (4) Represents the percentage of UPB that will pay off ahead of time in each period, calculated as an annual rate.
- (5) Represents a metric used to determine the relative value of our MSR in relation to our annualized retained servicing fee. It is calculated by dividing (a) the fair market value of our MSRs as of a specified date by (b) the weighted average annualized retained servicing fee for our servicing portfolio as of such date. We exclude purchased MSRs from this calculation because our servicing portfolio consists primarily of originated MSRs and, consequently, purchased MSRs do not have a material impact on our weighted average service fee.

Total loan servicing and other fees increased by \$7.9 million or 11.5% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019, which is consistent with our average servicing portfolio growth of 9.8% for the twelve months ended June 30, 2020. We expect, however, that our servicing fee income will decline due to certain of our clients electing to accept forbearance relief under the CARES Act. Those clients are currently not making their mortgage payments and the duration of the CARES Act forbearance period is uncertain. We have experienced a decline in other ancillary fee income of \$0.3 million or 9.1% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019, reflecting our inability to resume charging late fees until the termination of the CARES Act forbearance period.



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### *Valuation Adjustment of Mortgage Servicing Rights*

The below table presents our MSR valuation adjustment for the periods presented.

(\$ in thousands)	Six Months Ended June 30,		\$ Change	% Change
	2020	2019		
MSR valuation adjustment	\$(204,810)	\$(160,222)	\$ (44,588)	27.8%

The fair value of our MSR's declined by \$204.8 million for the six months ended June 30, 2020 compared to a decline of \$160.2 million for the six months ended June 30, 2019. The fair value of our MSR's generally declines as interest rates decline and prepayments increase. According to the MBA Mortgage Finance Forecast, average 30-year mortgage rates declined by 50 basis points during the six months ended June 30, 2020. Additionally, due to the COVID-19 pandemic, our 60-plus day delinquency rate on our servicing portfolio increased to 3.5% as of June 30, 2020 from 1.2% as of June 30, 2019. Both of these factors resulted in a reduction in the fair value of our MSR's.

### *Interest Income*

Interest income increased by \$1.6 million or 6.4% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Although our origination volume increased by 69.5% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019, our interest earned on loans funded only increased by 6.4% over the comparative period. This was primarily due to a decline in our average note rate on loans originated of 3.5% for the six months ended June 30, 2020 compared to 4.7% for the six months ended June 30, 2019.

### *Interest Expense*

Interest expense increased by \$4.3 million or 18.6% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Although interest rates declined, we incurred additional interest expense related to our warehouse lines of credit. Interest expense related to our warehouse lines of credit increased by \$1.1 million or 8.3% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This expense was incurred in connection with additional borrowings to support our increased origination volume.

Interest expense also includes costs incurred for payments of interest with respect to our MSR notes payable and our early buyout facility. As of June 30, 2020, our outstanding borrowing under the MSR notes payable and early buy out facility totaled \$222.1 million compared to \$153.0 million as of June 30, 2019.

Payoff interest expense increased by \$2.6 million or 136.5% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Most of this increase was due to increased payoff volume. When a client pays off their loan with us, the client pays interest only up until the date of payoff. As a seller-servicer, however, we are required to remit the full month of interest to the investors who purchase the loans we originate, despite the fact that the client will not pay a full month of interest for that month. Our loan prepayments increased by \$5.5 billion or 201.1% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019.

### *Other Income*

Changes in other income for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019 were immaterial to the overall results of operations.

**Expenses**

(\$ in thousands)	Six Months Ended June 30,		\$ Change	% Change
	2020	2019		
Salaries, commission and benefits	\$376,898	\$241,316	\$ 135,582	56.2%
Occupancy, equipment and communication	26,955	26,942	13	0.0%
General and administrative	48,192	28,624	19,568	68.4%
Provision for foreclosure losses	1,860	774	1,086	140.3%
Depreciation and amortization	3,146	3,824	(678)	(17.7)%
Total expenses	<u>\$457,051</u>	<u>\$301,480</u>	<u>\$ 155,571</u>	<u>51.6%</u>

**Salaries, Commission and Benefits**

Salaries, commission and benefits expense increased by \$135.6 million or 56.2% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This increase resulted from increased variable incentive compensation paid to our origination teams and our hiring of additional employees to support the increases in our origination and servicing volumes.

A breakdown of the components of salaries, commissions and benefits expense is provided below.

Salaries, Commission and Benefits (\$ in thousands)	Six Months Ended June 30,		\$ Change	% Change
	2020	2019		
Commission	\$210,710	\$116,884	\$ 93,826	80.3%
Salaries	117,068	96,997	20,071	20.7%
Benefits	49,120	27,435	21,685	79.0%
Total Salaries, Commission and Benefits Expense	<u>\$376,898</u>	<u>\$241,316</u>	<u>\$ 135,582</u>	<u>56.20%</u>

Commission expense increased by \$93.8 million or 80.3% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Commission expense includes variable incentive compensation that is paid to producers based on loan closings and variable incentive compensation paid to sales managers based on branch expense management. The variable incentive compensation that is paid to producers based on loan closings increased for the six months end June 30, 2020 compared to that for the six months ended June 30, 2019 because of the increase in our origination during this period. The variable incentive compensation paid to sales managers based on branch expense management increased by \$28.5 million or 137% because loan origination volume increased during this period, despite branch fixed costs remaining unchanged, which created an opportunity for sales managers to earn additional variable compensation based on branch expense management.

Salaries expense increased by \$20.1 million or 20.7% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Salary expense increased because the Company hired additional temporary employees and paid increased variable bonus and overtime to support the increase in our origination and servicing volumes during this period.

Benefits expense increased by \$21.7 million or 79% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This increase resulted mostly from increased employment taxes related to increased personnel expenses.

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### *Occupancy, Equipment and Communication*

Occupancy, equipment and communication expense remained unchanged for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. A breakdown of the components of occupancy, equipment and communication expense is provided below.

<b>Occupancy, Equipment and Communication Expense</b> <b>(\$ in thousands)</b>	<b>Six Months Ended</b>		<b>\$ Change</b>	<b>% Change</b>
	<b>2020</b>	<b>2019</b>		
Occupancy	\$ 16,279	\$ 16,706	(427)	(2.6)%
Equipment	3,240	3,350	(110)	(3.3)%
Communication	7,436	6,885	551	8.0%
Total Occupancy, Equipment and Communication Expense	<u>\$ 26,955</u>	<u>\$ 26,942</u>	<u>13</u>	<u>0.0%</u>

Occupancy costs remained unchanged for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Occupancy costs generally consist of fixed costs and remain consistent except for the typical increase in building rental expense each year, which is usually aligned with inflation, and except for any increases associated with new acquisitions, expansion into new territories and entry into new material building leases. We incurred a slight decrease in occupancy and equipment costs for the six months ended June 30, 2020, compared to that for the six months ended June 30, 2019, because, as more of our employees were working remotely, we did not renew some of our leased office space. Our communication expense increased by approximately \$0.6 million for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This increase was primarily due to most of our employees working remotely because of COVID-19-related restrictive measures.

### *General and Administrative*

General and administrative expense increased by \$19.6 million or 68.4% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. A breakdown of general and administrative expense is provided below.

<b>General and Administrative Expense</b> <b>(\$ in thousands)</b>	<b>Six Months Ended</b> <b>June 30,</b>		<b>\$ Change</b>	<b>% Change</b>
	<b>2020</b>	<b>2019</b>		
Contingent Liability fair value adjustment	20,024	3,054	16,970	555.6%
Professional Fees	12,192	10,441	1,751	16.8%
Advertising	8,839	8,505	335	3.9%
Office supplies, travel and entertainment	4,488	5,138	(650)	(12.7)%
Miscellaneous	2,649	1,486	1,163	78.3%
Total General and Administrative Expense	<u>48,192</u>	<u>28,624</u>	<u>19,568</u>	<u>68.4%</u>

Approximately \$17.0 million of this \$19.6 million increase in general and administrative expense resulted from an adjustment to the fair value of the contingent liabilities related to our completed acquisitions.

Professional fees increased by 16.8% or \$1.8 million for the for the six months ended June 30, 2020 compared to those for the six months ended June 30, 2019. This increase in professional fees arose primarily from an increase in fees paid to third party quality control vendors to support the growth in our origination and servicing volume during the period.

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Office supplies, travel and entertainment expense decreased by \$0.7 million or 12.7% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This decrease was primarily due to our employees working remotely as a result of COVID-19-related restrictive measures.

Miscellaneous expense increased by \$1.2 million or 78.3% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This increase was due to higher miscellaneous loan level fees arising from our increased origination and servicing volume during the period.

### Provision for Foreclosure Losses

Provision for foreclosure losses expense increased by \$1.1 million or 140.3% during the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. Although we have seen a decrease in overall foreclosure starts and sales due to the CARES Act's foreclosure moratorium, we have elected to increase our foreclosure loss reserves in anticipation of an increase in foreclosures after that moratorium is lifted. We estimate that, had the CARES Act's foreclosure moratorium not been in effect, the number of our loans in foreclosure would have been higher during the six months ended June 30, 2020. Additionally, we expect that the increase in foreclosure proceedings after the CARES Act's foreclosure moratorium is lifted will likely create a backlog and slow the judicial foreclosure process, which, in turn, will increase the length of foreclosure periods and result in higher foreclosure losses expense. For these reasons, we increased our provision for foreclosure losses accordingly.

### Depreciation and Amortization

Depreciation and amortization decreased by \$0.7 million or 17.7% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019 primarily due to fewer equipment purchases and leasehold improvements for the period.

## Results of Operations for the Years Ended December 31, 2019 and 2018

Consolidated Statement of Operations (\$ in thousands)	Year Ended December 31,		\$ Change	% Change
	2019	2018		
Loan origination fees and gain on sale of loans, net	\$ 820,814	\$616,608	\$ 204,206	33.1%
Loan servicing and other fees	142,705	123,681	19,024	15.4%
Valuation adjustment of mortgage servicing rights	(255,219)	(17,050)	(238,169)	1,396.9%
Interest income	58,787	43,676	15,111	34.6%
Interest expense	(55,391)	(44,002)	(11,389)	25.9%
Other income	1,193	6	1,187	NM
Net revenue	712,889	722,919	(10,030)	(1.4)%
Salaries, commission and benefits	578,170	510,253	67,917	13.3%
Occupancy, equipment and communication	53,678	52,483	1,195	2.3%
General and administrative	63,983	50,976	13,007	25.5%
Provision for foreclosure losses	3,895	4,434	(539)	(12.2)%
Depreciation and amortization	7,333	7,180	153	2.1%
Total expense	707,059	625,326	81,733	13.1%
Income (loss) before income tax (benefit) expense	5,830	97,593	(91,763)	(94.0)%
Income tax (benefit) expense	253	24,260	(24,007)	(99.0)%
Net income	\$ 5,577	\$ 73,333	\$ (67,756)	(92.4)%

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Net income totaled \$5.6 million for the year ended December 31, 2019 compared to \$73.3 million for the year ended December 31, 2018. According to the MBA Mortgage Finance Forecast, average 30-year mortgage rates declined approximately 110 basis points during the year ended December 31, 2019, which led to an increase in refinance activity. Refinance activity represented 27.8% of origination volume in the U.S. mortgage market during the year ended December 31, 2018 compared to 41.5% of origination volume during the year ended December 31, 2019, according to Inside Mortgage Finance. As consumer demand for refinancing increased, our profit margins increased. Our origination volume increased by \$5.3 billion or 32.3% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. Our loan servicing and other fees income increased by \$19.0 million or 15.4% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018.

Salaries, commission and benefits expense increased by \$67.9 million or 13.3% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. This increase primarily resulted from increased variable incentive compensation paid to our origination teams. Revenue, excluding the loss associated with the adjustment to the fair value of our MSR, increased by \$228.1 million or 30.8%, while salaries, commission and benefits expense increased by \$67.9 million or 13.3% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. General and administrative expense increased by \$13.0 million or 25.5% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018, which was primarily due to an upward adjustment to the fair value of the contingent liabilities related to our completed acquisitions. During the year ended December 31, 2019, we recorded \$7.9 million of expense related to earn-out valuation adjustments compared to \$2.6 million of income related to earn-out valuation adjustments during the year ended December 31, 2018. Depreciation and amortization expenses are generally fixed costs but slightly increased during this period in connection with our purchase of new equipment to support staffing increases.

### Revenue

#### *Loan Origination Fees and Gain on Sale of Loans, Net*

The table below provides additional detail regarding the loan origination fees and gain on sale of loans, net is described below for the periods presented.

(\$ in thousands)	Year Ended December 31,		\$ Change	% Change
	2019	2018		
Gain on sale of loans	\$601,672	\$454,272	\$ 147,400	32.4%
Fair value of originated MSR	141,742	124,795	16,948	13.6%
Fair value adjustment to MLHS and IRLCs	14,241	(2,943)	17,184	NM
Changes in fair value of forward commitments	5,295	(9,806)	15,101	NM
Origination fees	68,067	56,776	11,291	19.9%
Provision for investor reserves	(10,203)	(6,486)	(3,717)	57.3%
Total loan origination fees and gain on sale of loans, net	<u>\$820,814</u>	<u>\$616,608</u>	<u>\$ 204,206</u>	<u>33.1%</u>

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The table below provides additional detail regarding the composition of our origination volume and other key performance indicators for the periods presented.

(\$ and units in thousands)	Year Ended December 31,		Change	% Change
	2019	2018		
Loan origination volume by type:				
Conventional conforming	\$12,524,685	\$ 9,501,056	\$3,023,629	31.8%
Government	6,543,065	4,457,888	2,085,177	46.8%
State housing	1,711,012	1,515,396	195,616	12.9%
Non-agency	932,906	935,389	(2,483)	(0.3)%
Total in-house originations <sup>(1)</sup>	\$21,711,668	\$16,409,729	\$5,301,939	32.3%
Brokered loans	\$ 136,106	\$ 105,145	\$ 30,961	29.4%
Total originations	\$21,847,774	\$16,515,324	\$5,332,450	32.3%
In-house loans closed	81	66	15	22.9%
Average loan amount	\$ 270	\$ 250	\$ 20	8.0%
Purchase	64.9%	84.7%	(19.8)%	(23.4)%
Refinance	35.1%	15.3%	19.8%	129.4%
Service retained <sup>(2)</sup>	66.5%	73.2%	(6.7)%	(9.2)%
Service released <sup>(3)</sup>	33.5%	26.8%	6.7%	25.0%
Gain on sale margin (bps) <sup>(4)</sup>	378	376	2	0.6%
Total locked volume	\$25,598,331	\$18,813,759	\$6,784,572	36.1%
Weighted average loan-to-value	84.9%	85.8%	(0.9)%	(1.0)%
Weighted average credit score	732	717	15	2.1%
Weighted average note rate	4.2%	4.9%	(0.7)%	(14.3)%
Days application to close	41	41	0	—%
Days close to purchase by investors	17	20	(3)	(15.0)%
Purchase recapture rate	25.6%	24.1%	1.4%	6.0%
Refinance recapture rate	63.9%	40.0%	23.9%	59.7%

(1) Includes retail and correspondent loans and excludes brokered loans.

(2) Represents loans sold for which we continue to act as the servicer.

(3) Represents loans sold for which we do not continue to act as the servicer.

(4) Represents the components of loan origination fees and gain on sales of loans, net described under “—Our Components of Revenue” divided by total in-house origination to derive basis points.

### Loan Origination and Gain on Sale of Loans, Net

Gain on sale of loans increased by \$147.4 million or 32.4% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018 due to a \$4.8 billion or 29.3% increase in loan sales for the year ended December 31, 2019 compared to that for the year ended December 31, 2018.

The fair value of our originated MSRs increased by \$16.9 million or 13.6% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. This increase was caused by an increase in our origination volume; however, this increase in origination volume was slightly offset by an increase in the percentage of our loans sold for which we did not continue to act as the servicer (i.e., on a “service released” basis). During the year ended December 31, 2019, we released 34% of our origination volume compared to 27% of our origination volume for the year ended December 31, 2018.

Adjustments to the recorded fair value of our MLHS and IRLCs, net of any related changes in the recorded fair value of our forward delivery commitments, resulted in a gain of \$19.5 million for the year ended December 31, 2019 compared to a loss of \$12.7 million for the year ended December 31, 2018. This gain resulted from decreased interest rates and increased origination volume. Additionally, in response to our increased origination volume, our origination fee income increased by \$11.3 million or 19.9% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018.

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Our provision for investor reserves increased by \$3.7 million or 57.3% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. This increase resulted from our increased origination volume, as well as an increase in the borrower prepayment fees paid to investors.

### Loan Servicing and Other Fees

The table below provides additional details regarding our loan servicing and other fees are described below for the periods presented.

(\$ in thousands)	Year Ended December 31,		\$ Change	% Change
	2019	2018		
Servicing fee income	\$ 138,201	\$ 119,647	\$ 18,554	15.5%
Other ancillary fees	5,999	4,878	1,121	23.0%
Loan modification fees	635	739	(104)	(14.1)%
Interest on impound accounts	(2,130)	(1,583)	(547)	34.6%
Total servicing fees	<u>\$ 142,705</u>	<u>\$ 123,681</u>	<u>\$ 19,024</u>	<u>15.4%</u>

The table below provides additional details regarding our servicing portfolio composition and key performance indicators for the period presented.

(\$ and units in thousands)	Year Ended December 31,		Change	% Change
	2019	2018		
Beginning UPB of servicing portfolio <sup>(1)</sup>	\$45,496,129	\$38,553,331	\$6,942,798	18.0%
New UPB origination additions <sup>(2)</sup>	21,711,668	16,409,729	5,301,939	32.3%
Less:				
UPB originations sold service released <sup>(3)</sup>	\$ 7,122,271	\$ 4,527,584	\$2,594,687	57.3%
Loan prepayments	9,374,095	3,701,085	5,673,010	153.3%
Loan principal reductions	1,300,240	1,163,639	136,601	11.7%
Loan foreclosures	84,613	75,073	9,540	12.7%
Ending UPB of servicing portfolio	<u>\$49,326,579</u>	<u>\$45,496,129</u>	<u>\$3,830,450</u>	<u>8.4%</u>
Average UPB of servicing portfolio	\$47,411,354	\$42,024,730	\$5,386,624	12.8%
Weighted average servicing fee	0.30%	0.29%	0.01%	3.9%
Weighted average note rate	4.20%	4.28%	(0.08)%	(2.0)%
Weighted average prepayment speed <sup>(4)</sup>	17.5%	11.4%	6.1%	53.4%
Weighted average credit score	721	720	1	0.1%
Weighted average loan age (in months)	29.6	26.7	2.9	10.8%
Weighted average loan-to-value	84.2%	84.3%	(0.1)%	(0.1)%
MSR multiple (period end) <sup>(5)</sup>	2.9	3.9	(1.0)	(26.1)%
Loans serviced (period end)	237	221	16	7.2%
Loans delinquent 60-plus days (period end)	4.4	3.5	0.9	25.7%
Loan delinquency rate 60-plus days (period end)	1.6%	1.4%	0.2%	14.3%

(1) We purchased two servicing portfolios totaling \$1.3 billion and \$0.8 billion at December 31, 2019 and 2018, respectively, that are currently being subserviced by a third party and are excluded from these numbers.

(2) Includes all in-house loans originated in period, irrespective if it is eventually sold, service retained or service released.

(3) Represents loans sold for which we do not continue to act as the servicer of the loan.

(4) Represents the percentage of UPB that will pay off ahead of time in each period, calculated as an annual rate.

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- (5) Represents a metric used to determine the relative value of our MSR in relation to our annualized retained servicing fee. It is calculated by dividing (a) the fair market value of our MSRs as of a specified date by (b) the weighted average annualized retained servicing fee for our servicing portfolio as of such date. We exclude purchased MSRs from this calculation because our servicing portfolio consists primarily of originated MSRs and, consequently, purchased MSRs do not have a material impact on our weighted average service fee.

Total loan servicing and other fees increased \$19.0 million or 15.4% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018, which is consistent with our average MSR growth of 12.8% for the year ended December 31, 2019.

### *Valuation Adjustment of Mortgage Servicing Rights*

The below table presents our MSR valuation adjustment for the periods presented.

(\$ in thousands)	Year Ended December 31,		\$ Change	% Change
	2019	2018		
MSR valuation adjustment	\$(255,219)	\$(17,050)	\$(238,169)	1,396.9%

The fair value of our MSRs declined by \$255.2 million for the year ended December 31, 2019 compared to a decline of \$17.1 million for the year ended December 31, 2018. The fair value of our MSRs generally declines as interest rates decline and prepayments increase. According to the MBA Mortgage Finance Forecast, average 30-year mortgage rates declined by 110 basis points during the year ended December 31, 2019. Additionally, our 60-plus day delinquency rate on our servicing portfolio increased to 1.6% as of December 31, 2019 from 1.4% as of December 31, 2018. Both of these factors resulted in a reduction in the fair value of our MSRs.

### *Interest Income*

Interest income increased by \$15.1 million or 34.6% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. This is comparable to our origination volume increase of 32.3% for the comparative period.

### *Interest Expense*

Interest expense increased \$11.4 million or 25.9% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. Interest expense related to warehouse lines of credit increased by \$5.5 million or 19.8% for the year ended December 31, 2019 compared to the year ended December 31, 2018. This expense was incurred in connection with additional borrowings to support our increased origination volumes.

Payoff interest expense increased by \$3.4 million or 124.1% for the year ended December 31, 2019 compared to the year ended December 31, 2018. Most of this increase was due to increased payoff volume. Our loan prepayments increased by \$5.7 billion or 153% for the year ended December 31, 2019 compared to the year ended December 31, 2018.



**Expense**

(\$ in thousands)	Year Ended December 31,		\$ Change	% Change
	2019	2018		
Salaries, commission and benefits	\$578,170	\$510,253	\$ 67,917	13.3%
Occupancy, equipment and communication	53,678	52,483	1,195	2.3%
General and administrative	63,983	50,976	13,007	25.5%
Provision for foreclosure losses	3,895	4,434	(539)	(12.2)%
Depreciation and amortization	7,333	7,180	153	2.1%
Total expenses	<u>\$707,059</u>	<u>\$625,326</u>	<u>\$ 81,733</u>	<u>13.1%</u>

**Salaries, Commission and Benefits**

Salaries, commission and benefits expense increased by \$67.9 million or 13.3% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. A breakdown of the components of salaries, commissions and benefits expense is provided below.

Salaries, Commission and Benefits (\$ in thousands)	Year Ended December 31,		\$ Change	% Change
	2019	2018		
Commission	\$303,736	\$221,041	\$ 82,695	37.4%
Salaries	211,868	222,703	(10,835)	(4.9)%
Benefits	62,566	66,509	(3,943)	(5.9)%
Total salaries, commission and benefits expense	<u>\$578,170</u>	<u>\$510,253</u>	<u>\$ 67,917</u>	<u>13.3%</u>

Commission expense increased by \$82.7 million or 37.4% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. This increase in commission expense resulted from an increase in our loan origination volume of 32.3% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018.

Although our loan origination volume increased for the year ended December 31, 2019 compared to that for the year ended December 31, 2018, our salaries expense decreased by \$10.8 million or 4.9% because of a reduction in staff for the year ended December 31, 2019 compared to that for the year ended December 31, 2018.

Benefits expense decreased by \$3.9 million or 5.9% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. This decrease resulted from a decrease in our group insurance expense for salaried employees arising from the decreased staffing referenced above.

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### Occupancy, Equipment and Communication

Occupancy, equipment and communication expense increased by \$1.2 million or 2.3% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. A breakdown of the components of occupancy, equipment and communication expense is provided below.

Occupancy, Equipment and Communication Expense (\$ in thousands)	Year Ended December 31,		\$ Change	% Change
	2019	2018		
Occupancy	\$33,428	\$32,127	\$ 1,301	4.0%
Equipment	6,494	6,927	(433)	(6.3)%
Communication	13,756	13,429	327	2.4%
Total occupancy, equipment and communication expense	<u>\$53,678</u>	<u>\$52,483</u>	<u>\$ 1,195</u>	<u>2%</u>

Occupancy costs increased by \$1.3 million or 4.0% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. Occupancy costs generally consist of fixed costs and remain consistent except for the typical increase in building rental expense each year, which is usually aligned with inflation, and except for any increases associated with new acquisitions, expansion into new territories and entry into new material building leases. The increase in our occupancy costs for the year ended December 31, 2019 compared to that for the year ended December 31, 2018 was related to our addition of twelve branch offices in connection with an acquisition during the period.

### General and Administrative

General and administrative expense increased by \$13.0 million or 25.5% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. A breakdown of general and administrative expense is provided below.

General and Administrative Expense (\$ in thousands)	Year Ended December 31,		\$ Change	% Change
	2020	2019		
Contingent liability fair value adjustment	\$ 7,919	\$ (2,643)	\$ 10,562	NM
Professional fees	23,434	20,015	3,419	17.1%
Advertising	17,620	16,778	842	5.0%
Office supplies, travel and entertainment	10,452	12,272	(1,820)	(14.8)%
Miscellaneous	4,558	4,554	4	0.1%
Total general and administrative expense	<u>\$63,983</u>	<u>\$50,976</u>	<u>\$ 13,007</u>	<u>25.5%</u>

Approximately \$10.6 million of this \$13.0 million increase in general and administrative expense resulted from an adjustment to the fair value of the contingent liabilities related to our completed acquisitions.

Professional fees increased by 17.1% or \$3.4 million for the for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. This increase in professional fees arose primarily from a \$3.0 million accrual relating to state tax matters and an increase in fees paid for services to support the growth in our origination and servicing volume during the period.

Office supplies, travel and entertainment expense decreased by \$1.8 million or 14.8% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. This decrease was primarily due to the fact that we did not have an annual branch manager meeting in 2019, which reduced our meeting and travel expenses by approximately \$1.5 million.

Advertising expense increased by \$0.8 million or 5.0% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. This increase was due to increased loan origination volume during period.

**Provision for Foreclosure Losses**

Provision for foreclosure losses expense declined by \$0.5 million or 12.2% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. We reserve for government loans based on historical loss experience as well as for loan-specific issues related to foreclosure. Our specific reserves decreased by \$0.7 million for the year ended December 31, 2019 compared to that for the year ended December 31, 2018, which represented the majority of the decrease in expenses.

**Depreciation and Amortization**

Depreciation and amortization expense increased by \$0.2 million for the year ended December 31, 2019 compared to that for the year ended December 31, 2018.

**Summary Results by Segment for the Six Months ended June 30, 2020 and 2019 and the Years Ended December 31, 2019 and 2018**

Our operations are comprised of two distinct but related reportable segments that we refer to as our origination and servicing segments. We operate our origination segment from approximately 200 office locations. Our licensed sales professionals and support staff cultivate deep relationships with our referral partners and clients and provide a customized approach to the loan transaction, whether it is a purchase or a refinance. Although our origination and servicing segments are separated for this presentation, management sees the two segments as intricately related and interdependent. We believe that our servicing segment provides a steady stream of revenue to support our origination segment and that, more importantly, our servicing segment positions us to build longstanding client relationships that drive repeat and referral business back to the origination segment to recapture our clients' future mortgage transactions. In particular, the growth of our servicing segment is dependent on the continued growth of our origination volume because our servicing portfolio consists primarily of originated MSR's.

We measure the performance of our segments primarily based on their net income (loss) and cost to produce. See below for an overview and discussion of each of our segments' results for the six months ended June 30, 2020 and June 30, 2019 and the years ended December 31, 2019 and December 31, 2018. These results do not include unallocated corporate costs.

**Origination**

(\$ and units in thousands)	For the Six Months Ended		For the Years Ended	
	June 30, 2020	June 30, 2019	December 31, 2019	December 31, 2018
Funded loans	\$ 14,558,875	\$ 8,542,837	\$ 21,711,668	\$ 16,409,729
Funded loans	52	33	81	66
Loan origination fees and gain on sale	\$ 730,459	\$ 325,482	\$ 817,293	\$ 614,004
Interest income (expense)	6,410	6,804	9,702	9,422
Other income (expense)	25	25	38	33
Net revenue	736,894	332,311	827,033	623,459
Salaries, commission and benefits	350,043	230,685	548,056	480,280
Occupancy, equipment and communication	24,155	24,045	48,115	46,986
Production technology	9,370	9,198	18,625	12,271
General and administrative	27,777	11,080	24,403	21,148
Depreciation and amortization	2,601	3,335	6,417	6,392
Total expenses	413,946	278,343	645,616	567,077
Net income allocated to origination	\$ 322,948	\$ 53,968	\$ 181,417	\$ 56,382

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### *Six months ended June 30, 2020 and 2019*

The origination segment's net income increased by \$269.0 million or 498.4% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This change was primarily driven by increased revenue earned from loan origination fees and gain on sale of loans, net of \$405.0 million or 124.4% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. According to the MBA Mortgage Finance Forecast, average 30-year mortgage rates declined approximately 80 basis points from June 30, 2019 to June 30, 2020, which led to an increase in refinance activity. Refinance activity represented 59% of the origination volume in the U.S. mortgage market during the six months ended June 30, 2020 compared to 29% of the origination volume in the U.S. mortgage market during the six months ended June 30, 2019, according to Inside Mortgage Finance. As consumer demand for refinancing increased, our profit margins increased. Our total origination volume increased by 69.5% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019.

Salaries, commission and benefits expense increased by \$119.4 million or 51.7% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019 due to increased variable incentive compensation paid to our origination teams and our hiring of additional employees to support the increases in our origination and servicing volumes. For the six months ended June 30, 2020, revenue increased by 121.7%, while salaries, commission and benefits expense increased by 51.7% compared to that for the six months ended June 30, 2019. Other attributable expenses, other than salaries, commission and benefits expense, increased by \$16.2 million or 34.1% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. The majority of this increase related to a \$17.0 million increase in the adjustment to the fair value of the contingent liabilities related to our completed acquisitions.

### *Years ended December 31, 2019 and 2018*

The origination segment's net income increased by \$125.0 million or 221.8% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. This change was primarily driven by increased revenue earned from gain on sale of loans of \$203.3 million or 33.1% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. According to the MBA Mortgage Finance Forecast, average 30-year mortgage rates declined approximately 110 basis points during the year ended December 31, 2019, which led to an increase in refinance activity. Refinance activity represented 27.8% of the origination volume in the U.S. mortgage market during the year ended December 31, 2018 compared to 41.5% of the origination volume during the year ended December 31, 2019, according to Inside Mortgage Finance. As consumer demand for refinancing increased, our profit margins increased. Our origination volume increased 32.3% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018.

Salaries, commission and benefits expense increased by \$67.8 million or 14.1% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018 due to increased variable incentive compensation paid to our origination teams and our hiring of additional employees to support the increases in our origination and servicing volumes. For the year ended December 31, 2019, revenue increased by 32.7%, while salaries, commission and benefits expense increased by 14.1%, compared to that for the year ended December 31, 2018. Other attributable expenses, other than salaries, commission and benefits expense, increased by \$10.8 million or 12.4% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. The majority of this increase related to a \$10.6 million increase in the adjustment to the fair value of the contingent liabilities related to our completed acquisitions.

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*Servicing*

(\$ and units in thousands)	For the Six Months Ended		For the Years Ended	
	June 30, 2020	June 30, 2019	December 31, 2019	December 31, 2018
UPB of servicing portfolio (period end)	\$ 52,794,328	\$ 47,399,280	\$ 49,326,579	\$ 45,496,129
Loans serviced (period end)	249	229	237	221
Loan servicing and other fees	\$ 76,310	\$ 68,437	\$ 142,705	\$ 123,681
Loan origination fees and gain on sale, net	2,834	2,021	3,521	2,604
Total revenue	79,144	70,458	146,226	126,285
Valuation adjustment to MSRs	(204,810)	(160,222)	(255,219)	(17,050)
Interest expense	(2,611)	(7)	2,674	(2,728)
Net revenue	(128,277)	(89,771)	(106,319)	106,507
Salaries, commission and benefits	9,217	7,443	15,538	13,716
Occupancy, equipment and communication	1,215	873	2,078	1,893
General and administrative	3,520	2,492	5,145	4,498
Technology costs	3,453	2,586	5,162	4,068
Provision for foreclosure losses	1,860	774	3,895	4,434
Depreciation and amortization	214	154	326	112
Total expenses	19,479	14,322	32,144	28,721
Net income (loss) allocated to servicing	\$ (147,756)	\$ (104,093)	\$ (138,463)	\$ 77,786

*Six months ended June 30, 2020 and 2019*

Our loan servicing segment's net loss increased by \$43.7 million or 41.9% for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. This change was primarily driven by \$204.8 million in adjustments to the fair value of our MSRs during the six months ended June 30, 2020 compared to \$160.2 million in adjustments to the fair value of our MSRs during the six months ended June 30, 2019. The fair value of our MSRs generally declines as interest rates decline and as prepayments increase. According to the MBA Mortgage Finance Forecast, average 30-year mortgage rates declined by 50 basis points during the six months ended June 30, 2020. Additionally, due to the COVID-19 pandemic, our 60-plus day delinquency rate on our servicing portfolio increased to 3.5% as of June 30, 2020 from 1.2% as of June 30, 2019. Both of these factors resulted in a reduction in the fair value of our MSRs. Our income from loan servicing and other fees increased by 11.5% for the six months ended June 30, 2020 compared to the six months ended June 30, 2019, which was consistent with our average servicing portfolio growth of 9.8% for the six months ended June 30, 2020 compared to the six months ended June 30, 2019.

*Years ended December 31, 2019 and 2018*

Our servicing segment incurred a net loss of \$138.5 million for the year ended December 31, 2019 compared to net income of \$77.8 million for the year ended December 31, 2018. This change was primarily driven by \$255.2 million in adjustments to the fair value of our MSRs during the year ended December 31, 2019 compared to \$17.1 million in adjustments to the fair value of our MSRs during the year ended December 31, 2018. The fair value of our MSRs generally declines as interest rates decline and as prepayments increase. According to the MBA Mortgage Finance Forecast, average 30-year mortgage rates declined by 110 basis points during the year ended December 31, 2019. Additionally, our 60-plus day delinquency rate on our servicing portfolio increased to 1.6% as of December 31, 2019 from 1.4% as of December 31, 2018. Both of these factors resulted in a reduction in the fair value of our MSRs. Our income

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from loan servicing and other fees increased by \$19.0 million or 15.4% for the year ended December 31, 2019 compared to that for the year ended December 31, 2018, which was consistent with our average servicing portfolio growth during this period.

### **Liquidity, Capital Resources and Cash Flows**

Historically, our primary sources of liquidity have included:

- cash flows from our operations, including:
  - sale of whole loans into the secondary market;
  - loan origination fees;
  - servicing fee income; and
  - interest income on MLHS;
- borrowings on warehouse lines of credit to originate mortgage loans; and
- borrowings on our MSR notes payable.

Historically, our primary uses of funds have included:

- cash flows from our operations, including but not limited to:
  - origination of MLHS;
  - payment of interest expense; and
  - payment of expenses;
- repayments on warehouse lines of credit;
- distributions to shareholders; and
- acquisitions of other mortgage businesses.

We are also subject to contingencies which may have a significant effect on the use of our cash.

In order to originate and aggregate loans for sale into the secondary market, we use our own working capital and borrow or obtain money on a short-term basis, primarily through committed and uncommitted loan funding facilities that we have established with large global banks.

Our loan funding facilities are primarily in the form of master repurchase agreements, which we refer to as “warehouse lines of credit.” Loans financed under these facilities are generally financed at approximately 97% to 98% of the principal balance of the loan (although certain types of loans are financed at lower percentages of the principal balance of the loan), which requires us to fund the balance from cash generated from our operations. Once closed, the underlying residential mortgage loan that is held for sale is pledged as collateral for the borrowing or advance that was made under these loan funding facilities. In most cases, the loans will remain in one of the loan funding facilities for only a short time, generally less than one month, until the loans are pooled and sold. During the time the loans are held for sale, we earn interest income from the borrower on the underlying mortgage loan. This income is partially offset by the interest and fees we must pay under the loan funding facilities.

When we sell a pool of loans in the secondary market, the proceeds received from the sale of the loans are used to pay back the amounts we owe on the loan funding facilities. We rely on the cash generated from the sale of loans to fund future loans and repay borrowings under our loan funding facilities. Delays or failures to sell loans in the secondary market could have an adverse effect on our liquidity position.

As discussed in *Note 9, Warehouse Lines of Credit* to the condensed consolidated financial statements included elsewhere in this prospectus, as of June 30, 2020, we had seven different loan funding facilities in

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different amounts and with various maturities. As of the date of this prospectus, the aggregate available amount under our loan facilities was approximately \$2.9 billion, with combined outstanding balances as of August 31, 2020 of approximately \$1.9 billion.

As discussed in *Note 10, Notes Payable* to the condensed consolidated financial statements included elsewhere in this prospectus, as of June 30, 2020, we had three different MSR notes payable in different amounts with different maturities. As of August 31, 2020, the aggregate available amount under our MSR notes payable was \$415.0 million, with combined outstanding balances of \$186.0 million and unutilized capacity of \$229.0 million. The borrowing capacity under our MSR notes payable is restricted by the valuation of our servicing portfolio. We aim to operate with advance rates on our MSR notes payable of approximately 35% over the long-term.

The amount of financing advanced on each individual loan under our loan funding facilities is determined by agreed upon advance rates but may be less than the stated rate due to fluctuations in the market value of the mortgage loans securing the financings. If the lenders providing the funds under our loan funding facilities determine that the value of the loans serving as collateral for our borrowings under those facilities has decreased, they can initiate a margin call to require us to provide additional collateral or reduce the amount outstanding with respect to those loans. Our inability or unwillingness to satisfy such a request could result in the termination of the related facilities and a potential default under our other loan funding facilities. In addition, a large unanticipated margin call could have a material adverse effect on our liquidity.

The amount owed and outstanding under our loan funding facilities fluctuates significantly based on our origination volume, the amount of time it takes us to sell the loans we originate and the amount of loans we are self-funding with cash. We may from time to time post surplus cash as additional collateral to buy-down the effective interest rates of certain loan funding facilities or to self-fund a portion of our loan originations. As of June 30, 2020, we had posted \$132.0 million in cash as additional collateral. We have the ability to draw back this additional collateral at any time, unless a margin call has been made or a default has occurred under the relevant facilities.

We also have an early buyout facility that allows us to purchase certain delinquent GNMA loans that we service and finance them on the facility until the loan is cured or subsequently sold. The capacity of this uncommitted facility is \$75.0 million and, at June 30, 2020, the outstanding balance on the facility was \$34.1 million.

Our loan funding facilities and MSR notes payable generally require us to comply with certain operating and financial covenants and the availability of funds under these facilities are subject to, among other conditions, our continued compliance with these covenants. These financial covenants include, but are not limited to, maintaining a certain (i) minimum tangible net worth, (ii) minimum liquidity and (iii) a maximum ratio of total liabilities or total debt to tangible net worth and satisfying certain pre-tax net income requirements. A breach of these covenants could result in an event of default under our funding facilities, which would allow the related lenders to pursue certain remedies. In addition, each of these facilities includes cross default or cross acceleration provisions that could result in all of our funding facilities terminating if an event of default or acceleration of maturity occurs under any one of them. We believe we were in compliance with all of these covenants as of June 30, 2020, December 31, 2019 and December 31, 2018.

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Our debt obligations are summarized below by facility as of June 30, 2020:

<b>Facility (\$ in thousands)</b>	<b>Outstanding Indebtedness</b>	<b>Total Facility Size(1)</b>	<b>Maturity Date(1)</b>
Warehouse lines of credit	\$ 450,965	\$ 800,000	October 22, 2020
	118,652	250,000	August 31, 2021
	429,619	700,000	February 19, 2021
	141,452	200,000	June 2, 2021
	140,434	299,000	November 10, 2020
	282,677	500,000(2)	July 15, 2021
	93,833	200,000	April 29, 2021
Early buyout facility	34,080	75,000	February 28, 2024(3)
MSR notes payable	63,000	150,000(4)	September 30, 2022
	85,000	200,000(5)	June 4, 2022
	\$ 40,000	\$ 65,000	July 15, 2021

- (1) Total facility size and maturity date include contractual changes through the date of this prospectus.
- (2) Amounts drawn on the MSR notes payable with this lender reduce the facility size available under the warehouse line of credit with this lender by an equal and offsetting amount.
- (3) Each buyout transaction carries a maximum term of four years from the date of repurchase.
- (4) Facility provides for committed amount of \$100.0 million, which can be increased up to \$150.0 million.
- (5) Facility provides for committed amount of \$135.0 million, which can be increased up to \$200.0 million.

The investors to whom we sell mortgage loans we originate in the secondary market require us to abide by certain operating and financial covenants. These covenants include maintaining (i) a certain minimum net worth, (ii) a certain minimum liquidity, (iii) a certain minimum of total liquid assets, (iv) a certain maximum ratio of adjusted net worth to total assets and (v) fidelity bond and mortgage servicing errors and omissions coverage. A breach of these covenants could result in an event of default and could disallow us to continue selling mortgage loans to one or all of these investors in the secondary market which, in turn, could have a significant impact on our liquidity and results of operations. We believe we were in compliance with all of these covenants as of June 30, 2020, December 31, 2019 and December 31, 2018.

When we sell loans in the secondary market, we have the option to sell them service released or service retained. The decision whether to sell a loan that we originated service released or service retained is based on factors such as execution and price, liquidity needs and the desire to retain the related client relationship. When we sell a loan service retained, we continue to act as the servicer for the life of the loan. We rely on income from loan servicing and other fees over the life of the loan to generate cash. Certain investors have different rules for the servicer to follow should a loan go into default. As the servicer, we may be legally obligated to make cash payments to the investor who purchased the loan, should the borrower discontinue making payments on the loan. This could have a negative impact to our cash and liquidity, however, we may be able to use other borrower prepayments to cover delinquencies. Should delinquencies significantly increase, or prepayments significantly decrease, we could be forced to use our own cash or borrow on other types of financing in order to make the required monthly payments to the investors who



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have purchased loans from us. We may also be contractually required to repurchase or indemnify loans with origination defects. See “—*Contractual Obligations*” for further details regarding repurchases and indemnifications.

### Cash Flows

Our cash flows for the six months ended June 30, 2020 and June 30, 2019 and the years ended December 31, 2019 and December 31, 2018 are summarized below.

(\$ in thousands)	Six Months Ended June 30,		Years Ended December 31,	
	2020	2019	2019	2018
Net cash used in operating activities	\$ (283,778)	\$ (301,051)	\$ (424,707)	\$ (31,765)
Net cash used in investing activities	(15,649)	(2,338)	(13,488)	(25,638)
Net cash used in financing activities	341,154	317,702	482,175	47,236
Net increase (decrease) in cash, cash equivalents and restricted cash	<u>\$ 41,727</u>	<u>\$ 14,313</u>	<u>\$ 43,980</u>	<u>\$ (10,167)</u>

#### Operating activities

Our cash flows from operating activities are primarily influenced by changes in the levels of inventory of loans held for sale, as shown below.

(\$ in thousands)	Six Months Ended June 30,		Years Ended December 31,	
	2020	2019	2019	2018
Loans held for sale	\$ (433,767)	\$ (358,340)	\$ (533,610)	\$ (12,583)
Other operating sources	149,989	57,289	108,903	(19,182)
Net cash used in operating activities	<u>\$ (283,778)</u>	<u>\$ (301,051)</u>	<u>\$ (424,707)</u>	<u>\$ (31,765)</u>

Cash used in operating activities decreased for the six months ended June 30, 2020 compared to that for the six months ended June 30, 2019. The increase in cash used for loans held for sale was partially offset by cash provided by other operating sources, which was primarily driven by increases in net income from operations for the six months ended June 30, 2020 compared to a net loss from operations for the six months ended June 30, 2019.

Cash used in operating activities increased for the year ended December 31, 2019 compared to that for the year ended December 31, 2018. The increase in cash used for loans held for sale was partially offset by cash provided by other operating sources, which was primarily due to an increase in the projected duration of the cash flows to be earned with respect to our MSR.

#### Investing activities

Our investing activities primarily consist of purchases of property and equipment and acquisitions. Cash used in investing activities for the six months ended June 30, 2020 decreased compared to that for the six months ended June 30, 2019, which was primarily due to certain payments made to the Company's parent entity. Cash used in investing activities for the year ended December 31, 2019 decreased compared to that for the year ended December 31, 2018, which was primarily due to decreased acquisition expense.

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### Financing activities

Our cash flows from financing activities are primarily influenced by changes in the levels of warehouse lines of credit used to fund loan originations.

	Six Months Ended June 30,		Years Ended December 31,	
	2020	2019	2019	2018
<b>(\$ in thousands)</b>				
Warehouse lines of credit	\$ 386,104	\$ 338,052	\$ 463,453	\$ 3,740
Other financing sources	(44,950)	(20,350)	18,722	43,496
Net cash used in financing activities	<u>\$ 341,154</u>	<u>\$ 317,702</u>	<u>\$ 482,175</u>	<u>\$ 47,236</u>

Cash used in other financing sources for the six months ended June 30, 2020 increased compared to that for the six months ended June 30, 2019. This increase in cash flows used in other financing sources was primarily driven by the increase in net repayments on our MSR notes payable from \$7.0 million during the six months ended June 30, 2019 to \$30.0 million during the six months ended June 30, 2020. Cash provided by other financing sources for the year ended December 31, 2019 decreased from the year ended December 31, 2018. This decrease in cash flows provided by other financing sources was primarily driven by the increase in repayments on our MSR notes payable from \$5.0 million during the year ended December 31, 2018 to \$29.3 million during the year ended December 31, 2019.

### Balance Sheet Analysis

The following is a summary of key balance sheet items as of the dates presented.

	June 30, 2020	December 31, 2019	December 31, 2018
<b>(\$ in thousands)</b>			
<b>Assets</b>			
Cash and cash equivalents	\$ 148,462	\$ 106,735	\$ 62,755
Mortgage loans held for sale	1,982,521	1,504,842	966,171
Mortgage servicing rights, net	336,687	418,402	511,852
GNMA loans subject to repurchase right	948,922	404,344	321,049
Other	286,413	173,090	176,424
Total assets	<u>\$3,703,005</u>	<u>\$ 2,607,413</u>	<u>\$ 2,038,251</u>
<b>Liabilities and Stockholder's Equity</b>			
Warehouse lines of credit	\$1,689,291	\$ 1,303,187	\$ 839,734
Notes payable	188,000	218,000	160,000
GNMA loans subject to repurchase right	952,776	412,490	333,018
Deferred income taxes	79,711	86,278	112,254
Other	286,415	181,427	152,304
Total liabilities	<u>3,196,193</u>	<u>2,201,382</u>	<u>1,597,310</u>
Stockholder's equity	<u>506,812</u>	<u>406,031</u>	<u>440,941</u>
Total liabilities and stockholder's equity	<u>\$3,703,005</u>	<u>\$ 2,607,413</u>	<u>\$ 2,038,251</u>

### June 30, 2020 and December 31, 2019

Total assets increased by \$1.1 billion from \$2.6 billion as of December 31, 2019 to \$3.7 billion as of June 30, 2020. This increase was primarily due to the increase in MLHS of \$0.5 billion and the increase in GNMA loans for which we have repurchase rights of \$0.5 billion. The increase in MLHS was the result of an

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increase in our origination volume during the second half of the month of June 2020 compared to that during the second half of the month of June 2019. The increase in our inventory of loans for which we have repurchase rights resulted from increased delinquency on loans in forbearance under the CARES Act. As of June 30, 2020, approximately \$0.6 billion of our inventory of loans for which we have repurchase rights was related to loans in forbearance under the CARES Act.

Total liabilities increased by \$1.0 billion from \$2.2 billion as of December 31, 2019 to \$3.2 billion as of June 30, 2020. This increase was primarily due to a \$0.4 billion increase in the balances under our warehouse lines of credit and a \$0.5 billion increase in GNMA loans for which we have repurchase rights. The increase in the balances under our warehouse lines of credit resulted from the increase in our origination volume during the second half of the month of June 2020 compared to that during the second half of the month of June 2019.

### *December 31, 2019 and December 31, 2018*

Total assets increased \$0.6 billion from \$2.0 billion as of December 31, 2018 to \$2.6 billion as of December 31, 2019. This increase was primarily due to the increase in MLHS of \$0.5 billion. The increase in MLHS resulted from the increase in our origination volume during the month ended December 31, 2019 of \$1.7 billion compared to the origination volume for the month ended December 31, 2018 of \$1.1 billion.

Total liabilities increased by \$0.6 billion from \$1.6 billion as of December 31, 2018 to \$2.2 billion as of December 31, 2019. This increase was primarily due to a \$0.4 billion increase in the balances under our warehouse lines of credit. The increase in the balances under our warehouse lines of credit resulted from the increase in our origination volume during the month ended December 31, 2019 of \$1.7 billion compared to origination volume for the month ended December 31, 2018 of \$1.1 billion.

### **Contractual Obligations**

Our contractual obligations primarily consist of non-cancellable leases of real property for our branch offices across the country and our MSR notes payable. Payment obligations under these agreements are summarized below:

<b>(\$ in thousands)</b>	<b>Payments Due by Period</b>			
	<b>(As of December 31, 2019)</b>			
	<b>Less than 1 year</b>	<b>2-3 years</b>	<b>4-5 years</b>	<b>More than 5 years</b>
Operating lease commitments	\$ 26,620	\$ 39,823	\$ 22,985	\$ 34,467
MSR notes payable	3,900	74,100	—	—
Total	<u>\$ 30,520</u>	<u>\$ 113,923</u>	<u>\$ 22,985</u>	<u>\$ 34,467</u>

### ***Repurchase and indemnification obligations***

In the ordinary course of business, we are exposed to liability with respect to certain representations and warranties that we make to the investors who purchase the loans that we originate. Under certain circumstances, we may be required to repurchase mortgage loans, or indemnify the purchaser of such loans for losses incurred, if there has been a breach of these representations and warranties, or in the case of early payment defaults. In addition, in the event of an early payment default, we are contractually obligated to refund certain premiums paid to us by the investors who purchased the related loan. See *Note 15, Commitments and Contingencies* to the consolidated financial statements included elsewhere in this prospectus.

### ***Interest rate lock commitments, loan sale and forward commitments***

We enter into IRLCs with clients who have applied for residential mortgage loans and who meet certain credit and underwriting criteria. These commitments expose us to market risk if interest rates

change during the period of time in which the loan is not economically hedged or committed to be sold to an investor. We are also exposed to credit loss if a loan for which we entered into an IRLC is originated and is not sold to an investor and the related client does not perform. The collateral upon extension of credit typically consists of a first deed of trust in the mortgagor's residential property. Commitments to originate loans do not necessarily reflect future cash requirements as some commitments are expected to expire without being drawn upon. Total commitments to originate loans, adjusted for pull-through, were approximately \$4.3 billion, \$1.8 billion, \$1.2 billion and \$0.6 billion, as of June 30, 2020, June 30, 2019, December 31, 2019 and December 31, 2018, respectively.

### **Quantitative and Qualitative Disclosure about Market Risk**

#### ***Interest Rate and Prepayment Risk***

As a mortgage lender, we are subject to risks associated with fluctuations in interest rates that occur due to various economic factors, such as government monetary and housing policy, real estate values, global events such as the recent COVID-19 pandemic and other market dynamics. Changes to interest rates can adversely affect our origination and servicing segments. In a rising interest rate environment, the fair value of our MSRs typically increases as the projected duration of the cash flows earned from the associated income from loan servicing and other fees extends. However, at the same time, our origination volumes may decline in response to a rising interest rate environment, resulting in a decrease to the revenue we earn from loan origination fees and gain on sale of loans, net, due to decreased origination volume and market price compression. Conversely, in a declining interest rate environment, the fair value of our MSRs typically decreases due to the likelihood that the loan will be prepaid earlier than previously expected, resulting in a shorter projected duration for those cash flows. However, at the same time, our origination volume typically increases in response to a declining interest rate environment and margins on the revenue we earn from gain on sale of loans widen, resulting in additional profits from our origination segment. We believe that maintaining a balance between the origination and servicing segments allows us to partially mitigate exposure to both increases and decreases in interest rates.

We also have exposure to interest rate risk related to the IRLCs we enter into with our clients and the loans that we temporarily hold for sale to secondary market participants. We actively engage in risk management policies to mitigate these risks. We operate under stringent hedging policies designed to mitigate the effects of any fluctuations in interest rates on our financial position related to IRLCs and MLHS. We hedge our IRLCs and MLHS with forward to be announced trades ("TBA trades").

#### ***Credit Risk***

We define credit risk as the risk of loss or default by a borrower. Generally, the investors who purchase the loans that we originate assume this risk. However, we do make certain standard representations and warranties related to our underwriting of the borrower's credit, the underlying collateral and other loan documentation based on our investors' eligibility criteria, and we are subject to repurchase and indemnification requirements with respect to eligibility violations and early payment defaults.

We estimate liabilities for probable losses related to these repurchase and indemnification obligations. We record a liability based on a loan-level analysis that considers the current collateral value, estimated sale proceeds and selling costs. In addition, we record liabilities related to probable future obligations based on recent and historical repurchase experience, and our success rate in appealing repurchase requests.

#### ***Counterparty and Concentration Risk***

We are reliant on our warehouse lines of credit and other financing facilities to finance our operations. If these financing arrangements are not renewed, it could have a significant impact on our ability to fund loans for our clients. We seek to manage this exposure by maintaining multiple warehouse lines of credit

with reputable financial institutions and by maintaining excess capacity on all of our facilities. Similarly, we mitigate concentration risk with respect to the trading partners with whom we execute TBA trades by maintaining multiple trade lines with various counterparties.

**Fair Value Risk**

We record the value of our MSRs, IRLCs, MLHS, the contingent liabilities related to our completed acquisitions and our inventory of loans for which we have repurchase rights at fair value. We remeasure the fair value of these assets and liabilities on a monthly or quarterly basis by evaluating certain observable information, which may include current market pricing, recent trade activity and industry data.

- **MSRs** — To determine the fair value of our MSRs when they are created, we use a valuation model that calculates the present value of the future cash flows related to them. Our MSR valuation model incorporates assumptions that market participants would use in estimating future net servicing income, including estimates of contractual service fees, ancillary income and late fees, the cost of servicing, the discount rate, float value, the inflation rate, estimated prepayment speeds and default rates. A third party conducts a monthly valuation of our MSRs, and we record any changes to the fair value of our MSRs that result from changes in valuation model inputs or assumptions and collections of servicing cash flows in accordance with such third-party analysis and GAAP. Changes in economic and other relevant conditions could cause the assumptions used in valuing our MSRs, such as those with respect to prepayment speeds, to be incorrect, and such changes could result in fluctuations in the recorded value of our MSRs.
- **IRLCs** — We determine the fair value of our IRLCs based upon the estimated fair value of the underlying mortgage loan, including the expected net future cash flows related to servicing that mortgage loan, net of estimated incentive compensation, and adjusted for: (i) estimated costs to complete and originate the loan and (ii) an adjustment to reflect the estimated percentage of IRLCs that will result in a closed mortgage loan under the original terms of the agreement (the “pull-through rate”). We estimate the pull-through rate based on changes in pricing and actual borrower behavior using a historical analysis of loan closing data and “fallout” data with respect to the number of commitments that have historically remained unexercised.
- **MLHS** — We determine the fair value of our MLHS based on either: (i) the fair value of securities backed by similar mortgage loans, adjusted for certain other factors, including credit risk and the value attributable to the related servicing rights, (ii) our investors’ current commitments to purchase loans from us or (iii) recent observable market trades for similar loans, adjusted for credit risk and other individual loan characteristics.
- **Forward delivery commitments** — We determine the fair value of our forward delivery commitments is based upon the current agency mortgage-backed security market TBA pricing specific to the related loan program, delivery coupon and delivery date of the trade. We also enter into best efforts sales commitments for certain loans at the time the borrower commitment is made. These best efforts sales commitments are valued by comparing the committed price to the counterparty against the current market price of the IRLC or MLHS.
- **Contingent liability related to acquisitions** — Upon completion of an acquisition, we recognize the estimated fair value of any related earn-out payments. We estimate the fair value of contingent liabilities related to completed acquisitions using a discounted cash flow analysis. Our valuation of these liabilities fluctuates in response to changes to the inputs for that analysis, such as market conditions.
- **GNMA loans subject to repurchase right** — Under ASC 860, until the related delinquency conditions are satisfied, our options to repurchase certain delinquent GNMA loans are treated as conditional options, for which we do not record a related asset. After the related delinquency criteria are met, an option is then considered to be unconditional and we record a related asset at a fair value equal to the remaining UPB on the related loan.

**Critical Accounting Policies**

The preparation of our financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Certain of these estimates significantly influence the portrayal of our financial condition and results, and they require us to make difficult, subjective or complex judgments. Although we believe that the judgments, estimates and assumptions used in the preparation of our consolidated financial statements were appropriate given the circumstances at the time they were made, actual results could materially differ from those estimates. Our critical accounting policies primarily relate to our fair value estimates. See *Note 2, Fair Value of Financial Instruments* to the consolidated financial statements included elsewhere in this prospectus. Below is a summary of our assets recorded at fair value compared to our total assets and stockholder’s equity as of December 31, 2019 and 2018.

Level/Description (\$ in thousands)	June 30, 2020			December 31, 2019			December 31, 2018		
	Carrying Value of Assets	Percentage of		Carrying Value of Assets	Percentage of		Carrying Value of Assets	Percentage of	
	Total Assets	Stockholder’s Equity		Total Assets	Stockholder’s Equity		Total Assets	Stockholder’s Equity	
Level One: Prices determined using quote prices in active markets for identical assets or liabilities	\$ 61	NM	NM	\$ 93	NM	NM	\$ 107	NM	NM
Level Two: Prices determined using other significant observable inputs that other market participants would use in pricing an asset or liability and are developed based on market data obtained from sources independent of us.	1,982,521	54%	391%	1,504,842	58%	371%	966,171	47%	219%
Level Three: Prices determined using significant unobservable inputs that reflect our judgements about the factors that market participants use in pricing an asset or liability and are based on the best information available in the circumstances.	478,316	13%	94%	438,324	17%	108%	524,393	26%	119%
Total assets measured at or based on fair value	2,460,898	66%	486%	1,943,259	75%	479%	1,490,671	73%	338%
Total assets	3,703,005			2,607,413			2,038,251		
Total stockholder’s equity	\$ 506,812			\$ 406,031			\$ 440,941		

As shown above, our consolidated balance sheet is substantially comprised of assets and liabilities that are measured at or based on their fair values. As of June 30, 2020, 66% of our total assets were carried at fair value and 13% of these assets were “Level Three” assets for which fair value is not readily observable and reflects the application of our subjective judgment. As of December 31, 2019, 75% of our total assets were carried at fair value compared to 73% as of December 31, 2018. In addition, 17% of our total assets as of December 31, 2019 and 26% of our total assets as of December 31, 2018 were “Level Three” assets. Changes in the inputs used to measure the fair value of these assets can have significant effects on their reported balances.

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As a result of the difficulty in observing certain significant inputs affecting our fair value assets and liabilities, we are required to make subjective judgments regarding the fair values of these items. Different persons in possession of the same facts may reasonably arrive at different conclusions as to the inputs used in valuing these assets and liabilities and their fair values. Such differences may result in significantly different fair value measurements. Likewise, due to the general illiquidity of some of these assets, subsequent transactions with respect to them may be at values significantly different from those we record.

Due to the difficulty and complexity in measuring certain of our fair value assets and liabilities, we engage third parties to assist management in determining their values. We have also established controls in which management reviews and discusses these valuations with our accounting department and any third parties that we have engaged for this purpose to ensure accuracy over financial reporting. We re-measure the fair value of these assets and liabilities on a monthly or quarterly basis by evaluating certain observable information, which may include current market pricing, recent trade activity, and industry data.

### ***Mortgage Loans Held for Sale***

MLHS are classified within “Level Two” of the valuation hierarchy because we determine their fair value based on secondary market pricing for loans with similar characteristics. We determine the fair value of our MLHS based on either: (i) the fair value of securities backed by similar mortgage loans, adjusted for certain other factors, including credit risk and the value attributable to the related servicing rights, (ii) our investors’ current commitments to purchase loans or (iii) recent observable market trades for similar loans, adjusted for credit risk and other individual loan characteristics.

### ***Mortgage Servicing Rights***

MSRs are classified within Level Three of the valuation hierarchy because we determine their fair value based on unobservable inputs and because there is no active market for MSRs. To determine the fair value of our MSRs when they are created, we use a valuation model that calculates the present value of the future cash flows related to them. Our MSR valuation model incorporates assumptions that market participants would use in estimating future net servicing income, including estimates of contractual service fees, ancillary income and late fees, the cost of servicing, the discount rate, float value, the inflation rate, estimated prepayment speeds and default rates. A third party conducts a monthly valuation of our MSRs, and we record any changes to the fair value of our MSRs that result from changes in valuation model inputs or assumptions and collections of servicing cash flows in accordance with such third-party analysis and GAAP. Changes in economic and other relevant conditions could cause the assumptions used in valuing our MSRs, such as those with respect to prepayment speeds, to be incorrect and such changes could result in fluctuations in the recorded value of our MSRs.

### ***Derivative Instruments***

IRLCs are classified within Level Three of the valuation hierarchy because we determine their value based upon unobservable inputs and because there is no active market for IRLCs. We determine the fair value of our IRLCs based upon the estimated fair value of the underlying mortgage loan, including the expected net future cash flows related to servicing that mortgage loan, net of estimated incentive compensation, and adjusted for: (i) estimated costs to complete and originate the loan and (ii) an adjustment to reflect the estimated percentage of IRLCs that will result in a closed mortgage loan under the original terms of the agreement (the “pull-through rate”). We estimate the pull-through rate based on changes in pricing and actual borrower behavior using a historical analysis of loan closing data and “fallout” data with respect to the number of commitments that have historically remained unexercised.

### ***Forward delivery commitments***

Forward delivery commitments are classified within Level Two of the valuation hierarchy. We determine the fair value of our forward delivery commitments based upon the current agency mortgage-

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backed security market TBA pricing specific to the related loan program, delivery coupon and delivery date of the trade. We also enter into best efforts sales commitments for certain loans at the time the borrower commitment is made. These best efforts sales commitments are valued by comparing the committed price to the counterparty against the current market price of the IRLC or MLHS.

### ***Accounting Developments***

Effective January 1, 2019, the Company adopted ASU 2014-09 Revenue from Contracts with Customers (Topic 606) using the modified retrospective approach. Adopting this standard did not have a material impact to our consolidated financial statements and related disclosures, and therefore there was no material cumulative effect of initial application reflected in the opening balance of retained earnings.

Refer to *Note 1 – Business, Basis of Presentation, and Accounting Policies* to the consolidated financial statements included elsewhere in this prospectus for a discussion of ASC 606 and other recent accounting developments and their expected effects on Guild.



## BUSINESS

### Company Overview

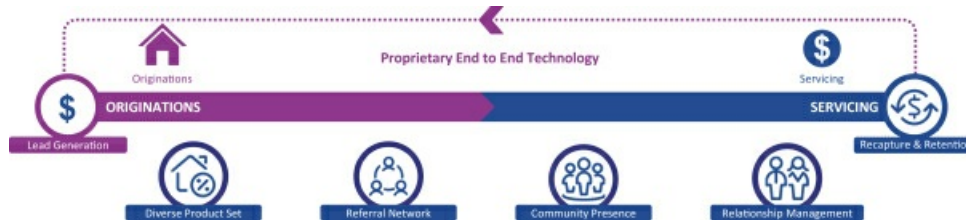
We are a growth-oriented mortgage company that employs a relationship-based loan sourcing strategy to execute on our mission of delivering the promise of home ownership in neighborhoods and communities across the United States. Our business model is centered on providing a personalized mortgage-borrowing experience that is delivered by our knowledgeable loan officers and supported by our diverse product offerings. Throughout these individualized interactions, we work to earn our clients' trust and confidence as a financial partner that can help them find their way through life's changes and build for the future.

We believe our business would be difficult to replicate. Guild was established in 1960 and we are among the longest-operating seller-servicers in the United States. Over the course of our operating history, we have navigated numerous economic cycles and market dislocations. We have also expanded our retail origination footprint to 31 states within the United States, and we have developed end-to-end technology systems, a reputable brand, industry expertise and many durable relationships with our clients and members of our referral network.

We have adapted to changes in market conditions by remaining dedicated to what matters most to our business: building relationships with our clients and referral partners in an effort to create "clients for life." We have made it a priority to extend the lifecycle of our client relationships with a persistent focus on the client experience to drive our long-term performance. As a result of our client-focused strategy, during the twelve months ended June 30, 2020, we had an overall recapture rate of 61%. Recapture rate is calculated as the total UPB of our clients that originated a new mortgage with us in a given period, divided by the total UPB of our clients that paid off their existing mortgage and originated a new mortgage in the same period. This calculation excludes clients to whom we did not actively market due to contractual prohibitions or other business reasons.

Our business model benefits from the complementary relationship between our origination and servicing segments which, together, have propelled our performance through interest rate and market cycles.

### Our Business Model



- Our origination strategy focuses on increasing purchase-mortgage business and providing a superior personalized mortgage-borrowing experience that encourages our clients to return to us. This strategy allows us to generate consistent origination volume through differing market environments, contributes to our servicing segment and facilitates business from repeat clients.
- Our in-house servicing platform creates opportunities to extend our relationship with clients and generate refinance and purchase volume that replenishes run-off from our servicing portfolio. In coordination with our portfolio recapture team, our loan officers handle recapture activity for their existing client base directly, rather than outsourcing that function through a call center. This approach creates a continuous client relationship that we believe encourages repeat business. In addition, our scalable servicing platform provides a recurring stream of revenue that is complementary to our origination business.

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In 2007, seeing an opportunity to expand the Company’s sales and production strategy and grow its market share, a management-led partnership that included a majority investment from McCarthy Capital acquired the Company from its founder. Our senior leadership team continues to own a meaningful percentage of our business. Upon completion of this offering, our senior leadership team will own approximately % of our Class A common stock (or %, if the underwriters exercise in full their option to purchase an additional shares of Class A common stock from the selling stockholders). As a result, we believe that the economic interests of senior leadership are substantially aligned with those of our stockholders.

Following the acquisition of the Company from its founder in 2007, we embarked on a growth strategy focused on prudently expanding our geographic footprint beyond the West Coast. Through steady organic growth and a series of targeted acquisitions, we grew our annual origination volume from \$1.4 billion for the year ended December 31, 2007 to \$27.8 billion for the twelve months ended June 30, 2020, and grew our servicing portfolio from \$2.5 billion of UPB as of December 31, 2007 to \$52.8 billion of UPB as of June 30, 2020. Unless otherwise indicated, the UPB of our servicing portfolio excludes any subserviced loans. Furthermore, we grew our share of the U.S. residential mortgage origination market from 7 basis points for the year ended December 31, 2007 to 94 basis points for the twelve months ended June 30, 2020, based on our origination data and market data from Inside Mortgage Finance. We expect to continue to expand our business in the geographic areas in which we already serve our clients, as well as in new markets throughout the United States.

**Guild’s Annual Origination Volume and Market Share**



Source: Inside Mortgage Finance Publications, Inc. Copyright © 2020. Used with permission.





(1) CAGR is equal to the compound annual growth rate of Guild’s annual origination volume for the year ended December 31, 2007 through the twelve months ended June 30, 2020.

Our productivity today, and our ability to scale in the future, is made possible by our purpose-built technology platform that provides end-to-end solution for prospecting, application gathering, underwriting, compliance, quality control, servicing and client retention. Most of our core systems have been developed in-house, using decades of expertise and feedback directly from our loan officers, and we continuously monitor and upgrade our platform to increase the effectiveness of our tools and interfaces.

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Altogether, our technology platform is designed to improve productivity, efficiency and profitability and to create an individualized experience that earns repeat and referral business.

Our homegrown platform and integrated technology stack includes several key components:

	Overview & Key Features	Benefits
	<ul style="list-style-type: none"> <li>A Partner Mobile Application providing an easy referral process, on-demand pre-approval letter and real-time milestone tracking</li> </ul>	<ul style="list-style-type: none"> <li>Enables seamless interaction between Guild's sales teams and our large referral network</li> </ul>
	<ul style="list-style-type: none"> <li>A sales platform that supports marketing automation, email and calendar sync, lead and loan activity tracking/reporting, co-branded marketing, portfolio, servicing and retention campaigns, automated workflow and task assignment, texting and video emails and predictive analytics and third-party data integration</li> </ul>	<ul style="list-style-type: none"> <li>Provides a comprehensive view of the client lifecycle, creating lead generation strategies and work streams that help loan officers anticipate client needs for refinance and new purchase opportunities</li> </ul>
	<ul style="list-style-type: none"> <li>Our loan origination system with loan application review, quick scenario builders &amp; loan comparisons, interest rate commitment process, underwriting review (integrated income, employment and asset verification), document management and risk mitigation controls</li> </ul>	<ul style="list-style-type: none"> <li>Facilitates application review, underwriting, and closing process with built-in controls and operational efficiencies</li> </ul>
	<ul style="list-style-type: none"> <li>A web and mobile-friendly consumer portal interface that provides web and mobile online application, custom needs list and document collection, customer messaging and stream and asset and income verification</li> </ul>	<ul style="list-style-type: none"> <li>Facilitates borrower communication, messaging, and document collection</li> </ul>
	<ul style="list-style-type: none"> <li>Consumer portal for account information, communication, alerts and loan administration purposes which operates on the same platform as our loan origination system</li> </ul>	<ul style="list-style-type: none"> <li>Enables operational scalability, a superior customer experience and enhanced efficiencies</li> </ul>

Fully integrated system creates efficiency and ensures reliable and timely data

Our experienced loan officers use this end-to-end technology platform and our custom-built client relationship management system, Guild 360, to find new clients, close new loans and enhance and expand existing client relationships. Guild 360 provides a comprehensive view of the client lifecycle, identifying lead generation opportunities in an effort to anticipate client needs for refinancings and new purchases. In addition to improving the productivity of our own employees, our technology has empowered the five businesses we acquired at least two years ago to increase origination volume by an average of 29% in the second year post-acquisition.

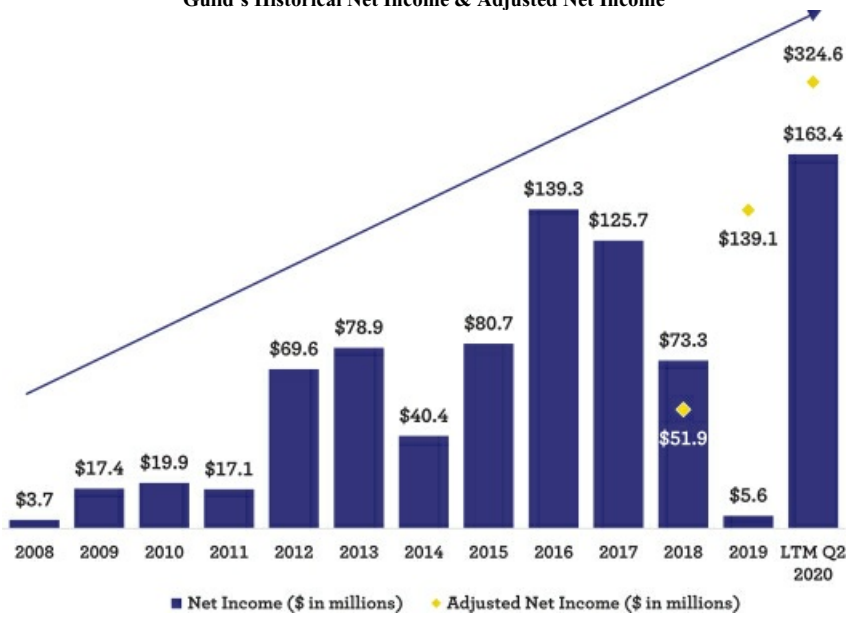
We recognize that the mortgage borrowing process is not one-size-fits-all. We understand that preferences with respect to how and when mortgage borrowers would like to interact with their lender are varied: sometimes, clients want to self-serve on the internet, while at other times, they prefer to speak in person or talk over the phone. For example, according to a 2019 survey of recent and prospective homebuyers conducted by PricewaterhouseCoopers, although digital interactions are more popular earlier on in the lending process, borrowers prefer in-person or over-the-phone interaction during later stages of the borrowing process. Our business model provides clients with both a comprehensive digital interface and an experienced team that delivers high-tech, high-touch client service, allowing clients to engage with us in whatever format and frequency provides them the most comfort and convenience.

Our business has generated a profit each year since 2008, and our net income has grown substantially over this time period. For the six months ended June 30, 2020, our total net revenue was \$604.3 million, net income was \$110.8 million, annualized return on equity was 48.5% and Adjusted Net Income was \$238.2 million. For the same period, Adjusted EBITDA was \$325.8 million and annualized Adjusted Return on Equity was 104.4%. For the fiscal year ended December 31, 2019, our total net revenue was \$712.9 million, net income was \$5.6 million, return on equity was 1.3%, Adjusted Net Income was \$139.1 million, Adjusted EBITDA was \$201.5 million and Adjusted Return on Equity was 32.8%. For information on how we

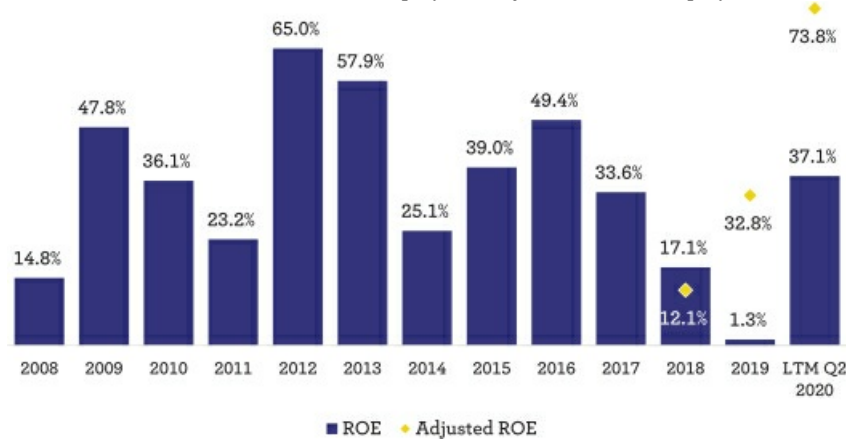
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use these non-GAAP measures and a reconciliation of them to their most comparable GAAP measures, see “*Summary Historical Consolidated Financial and Other Data*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures.*”

**Guild’s Historical Net Income & Adjusted Net Income**



**Guild's Historical Return on Equity and Adjusted Return on Equity**

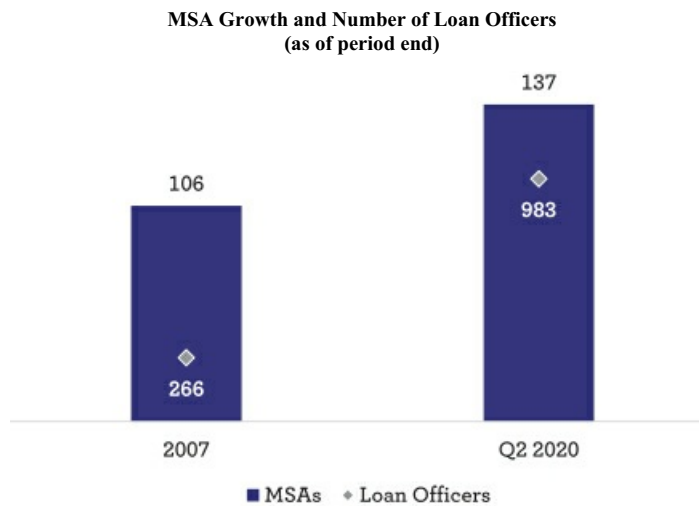


***Our Business Segments and Credit Function***

***Origination Segment***

***Retail Channel***

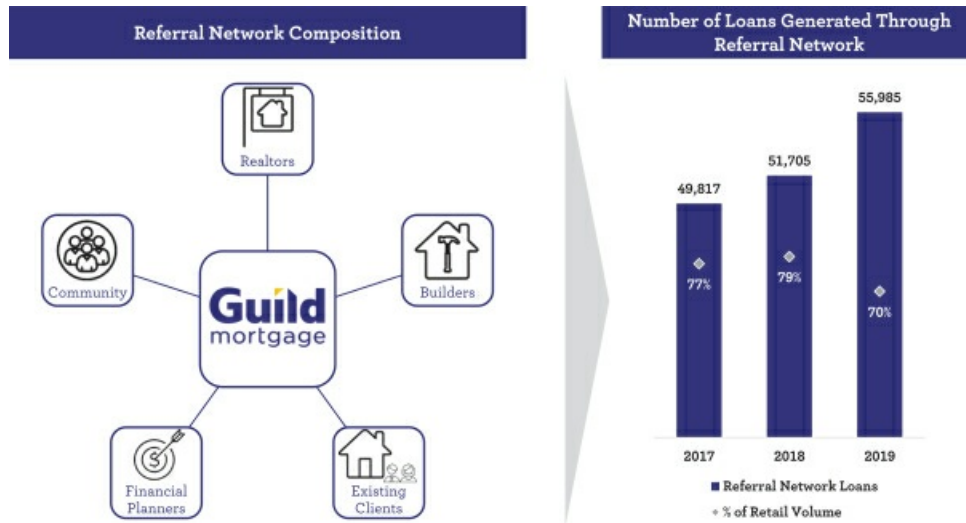
We have historically focused on growing the retail channel of our origination segment because we believe it has generally provided the highest margins of our business lines and, accordingly, an opportunity to drive strong returns for our stockholders. Since 2007, we have expanded our retail footprint significantly, growing retail originations from \$916.2 million for the year ended December 31, 2007 to \$26.9 billion for the twelve months ended June 30, 2020 and loan officer headcount from 266 as of December 31, 2007 to 983 as of June 30, 2020. As of June 30, 2020, our retail channel operated in 31 states with 2,974 full-time employees, including 983 loan officers.



Source: CoreLogic and Company information.

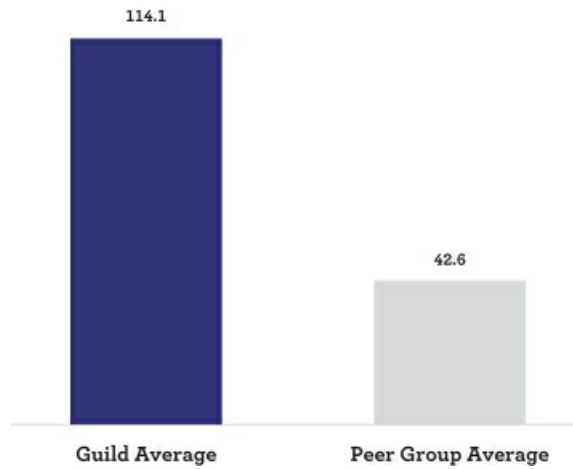
Our success in the retail market is tied to the expertise of our loan officers and the strength of our referral partner network. Our referral partner network has provided us with leads that generated 49,817, 51,705 and 55,985 loans in 2017, 2018 and 2019, respectively, representing 77%, 79% and 70%, respectively, of our retail volume by number of loans. Further, 42% of our refinance activity for the six months ended June 30, 2020 was generated from refinancing loans that were not originally in our portfolio. We have built our referral network through a track record of providing our clients with a personalized mortgage-borrowing experience that is delivered by a knowledgeable loan officer and supported by our diverse product offerings, as well as educating our clients and responding to their needs throughout the origination process. Guild and its loan officers build relationships and trust with our referral network partners through consistent and reliable execution. Our referral network relationships have been cultivated over years and are bolstered by our strong presence in the communities we serve. Further, our referral network relationships enhance our ability to generate repeat business and recapture volume.

**Guild's Referral Network**



Over the ten years beginning January 1, 2010 and ending December 31, 2019, we produced more consistent retail channel profitability than our peers, on average, according to data from the Mortgage Bankers Association and STRATMOR. Over the same period, our retail channel was profitable each year while generating average annual profitability of 114 basis points, compared to our peer group, as defined by the PGR/MBA large independent mortgage lenders peer set, which generated average annual profitability of 42 basis points (each calculated based on retail channel net income in basis points of annual origination volume).

**Retail Channel Profitability from 2010 to 2019(1)**



Source: Company information and Mortgage Bankers Association and STRATMOR Peer Group Roundtables Program (Spring 2020), large independent mortgage lenders peer set.

(1) Retail channel net income in basis points of origination volume.

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Our regional managers have autonomy to manage their regions based on their unique dynamics. Guild provides centralized support for certain operational and compliance functions, as well as servicing, but we believe our teams that are on the ground in the markets we serve are best equipped to run their businesses on a day-to-day basis. For example, regional managers are able to adjust local pricing to ensure competitiveness in their geographic areas. This combination of centralized support and a local, flexible execution strategy has helped Guild compete effectively within our local regions, yielding more in-depth coverage and penetration.

We believe our focus on the retail channel provides us with multiple benefits, including access to more consistent purchase volume as well as attractive gain-on-sale margins relative to other channels through which other lenders may choose to operate. Because we generate strong purchase volume, we are less susceptible to interest rate movements, and are able to generate more consistent gain-on-sale margins. We have chosen to operate our business with a capital light strategy, which is enabled by our focus on the retail channel.

### *Correspondent Channel*

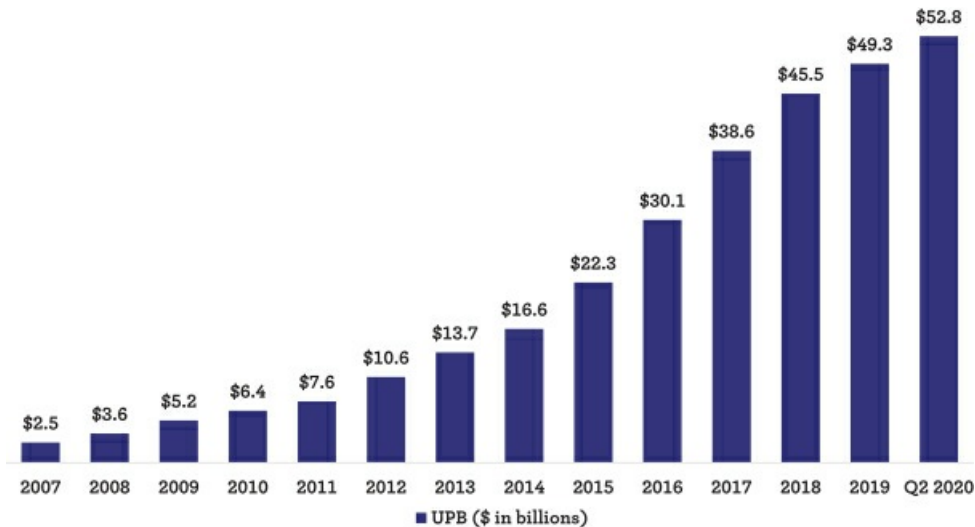
In addition to the retail channel of our origination segment, we maintain an active correspondent channel that sources loans primarily from small community banks and credit unions. Our correspondent channel consists of approximately 158 correspondent partners and accounted for approximately 4% of total origination volume production in each of the last three years ended December 31, 2019. We are able to offer a diverse product set through the correspondent channel, and similar to the retail channel, rely on our differentiated client service to generate origination volume. We began correspondent originations in 2011.

We also utilize our correspondent channel to support our growth efforts. As we work to expand into new geographies, the correspondent channel serves as an entry point to begin building our brand, reputation and customer base. We have successfully utilized this strategy in the past.

### *Servicing Segment*

We are a licensed mortgage servicer in 48 states and Washington D.C. We have purposefully developed our in-house servicing platform and have invested significant resources expanding and upgrading its technology and infrastructure over time. Through these expansions and upgrades, our servicing practices and our embedded compliance controls have improved over time.

**Servicing Portfolio Growth  
(UPB as of period end)<sup>(1)</sup>**



(1) Excludes subservicing portfolio of \$1.1 billion as of June 30, 2020.

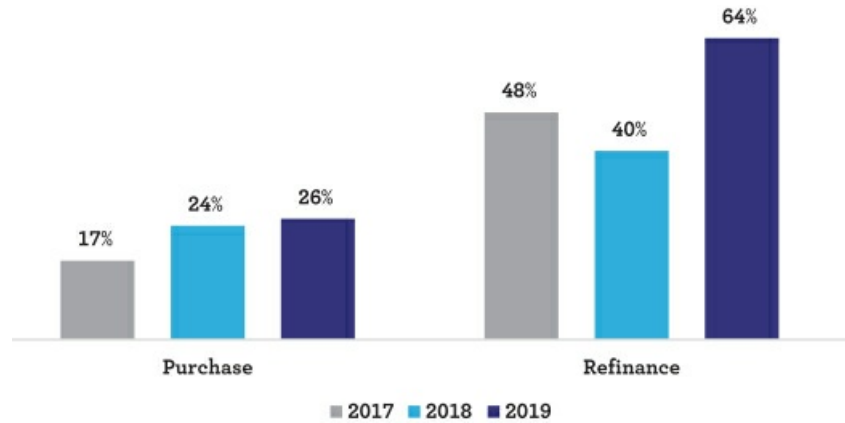


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Our servicing segment is based out of our servicing center in San Diego, California and, as of June 30, 2020, consisted of approximately 216 employees. Loan servicing acts as the primary point of contact for borrowers post-closing. The segment aims to provide timely and accurate responses to borrower inquiries, consistent with Guild’s service-oriented culture that supports lasting client relationships.

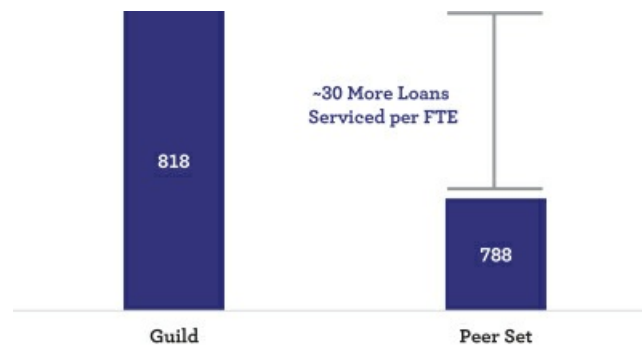
In addition, we leverage our technology platform and data repository to continuously screen our servicing portfolio in an effort to anticipate borrower actions and capitalize on recapture opportunities. When a refinance opportunity is identified, the portfolio recapture team sends that opportunity to the loan officer who originated the existing loan and maintains the client relationship. For select refinance opportunities, our consumer direct team will originate the opportunity directly. Focusing on this function and effective use of our data warehouse, we have improved our servicing segment’s purchase recapture rate from 17% in 2017 to 26% in 2019 and refinance recapture rate from 48% in 2017 to 64% in 2019.

**Servicing Segment Recapture Rates**



Our in-house servicing platform is also highly scalable. Our homegrown technology platform fully integrates our servicing segment with our origination segment and underwriting group. To maintain quality and consistency, many of the servicing platform’s functions are fully automated, such as on-boarding, escrow analysis and billing. In addition, we believe that the existing platform has sufficient excess capacity to support future growth. Through automation, scale and prudent management, we are able to service more loans per employee, and in 2019, we serviced 30 more loans per full-time employee than our peers participating in the Mortgage Bankers Association’s 2020 Servicing Operations Study (2019 data), mid-size independent mortgage servicers and banks peer set, on average.

**2019 Loans Serviced per Full-Time Employee**



Source: Mortgage Bankers Association 2020 Servicing Operations Study (2019 data), mid-size independent mortgage servicers and banks peer set.

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Further, our servicing segment's size enables us to generate attractive unit economics by spreading overhead and other fixed costs across our portfolio. For example, our cost to service per loan was approximately 42% lower than that of our peers participating in the Mortgage Bankers Association's 2020 Servicing Operations Study (2019 data), mid-size independent mortgage servicers and banks peer set, on average, and we believe future growth will incrementally benefit unit economics for our servicing segment.

### ***Credit Function***

Our loan products are underwritten using a disciplined approach that focuses on credit risk and responsible lending. The loan products we offer include loans eligible for sale or securitization to secondary market participants such as the GSEs, Ginnie Mae, state housing agencies and other private or institutional investors. The underwriting guidelines for these products are established by the entities that will purchase, insure or guaranty the loans (i.e., Fannie Mae, Freddie Mac, the United States Department of Housing and Urban Development ("HUD"), the VA, the USDA, private mortgage insurers and institutional and private investors).

Our credit function is designed to ensure the salability of the loans that we originate to secondary market investors, as well as to address other risks arising due to loan performance, natural disasters, fraud, prepay speeds and contractual obligations. Our underwriters have significant industry experience and are trained to make prudent underwriting decisions. Further, our technology platform is regularly updated to incorporate new investor guidelines as well as state and federal regulations. These controls are designed to ensure integrity over data and qualification requirements, facilitate the manufacturing of quality loan originations and minimize underwriting defects. In addition, Guild's quality control program monitors for adherence to investor requirements and our internal policies and procedures through data gathered during pre- and post-closing credit, collateral and compliance reviews.

### **Market Opportunity**

We believe our proven growth strategy, deep referral network and personalized client service position us to capitalize on opportunities resulting from the following market conditions.

#### ***Large Addressable Market***

Mortgage loans are the largest class of consumer debt in the United States. According to the New York Federal Reserve, there was approximately \$10.2 trillion of residential mortgage debt outstanding as of June 30, 2020.

From 2007 through the year ended December 31, 2019, annual first-lien residential mortgage originations in the United States have averaged approximately \$1.8 trillion and, over that period, conventional conforming or government mortgages accounted for approximately 82% of first-lien residential mortgage originations in the United States, according to Inside Mortgage Finance. Guild's product offerings include both conventional conforming and government-eligible loans, and such loans have constituted over 90% of our cumulative origination volume from 2007 through June 30, 2020.

U.S. Annual Origination Volume



Source: Inside Mortgage Finance Publications, Inc. Copyright © 2020. Used with permission.

***Demographic Trends and Borrower Preferences Support our Focus on Mortgage Purchase Volume and First-Time Homebuyers***

From 2007 through the year ended December 31, 2019, annual purchase-mortgage volume in the United States averaged \$0.8 trillion and on average accounted for approximately 47% of annual first-lien residential mortgage volume, according to Inside Mortgage Finance.

**U.S. Annual Purchase Loan Volume**



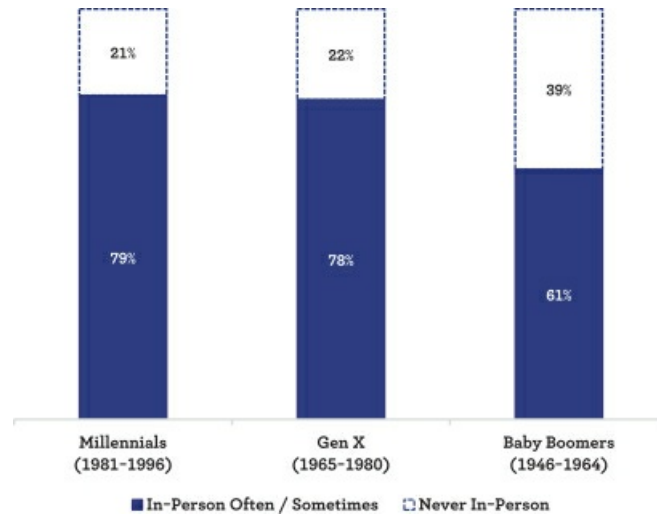
Source: Inside Mortgage Finance Publications, Inc. Copyright © 2020. Used with permission.

Over the same period, first-time home buyers accounted for 46% of annual mortgage purchase volume, according to a March 2020 study published by the CFPB.

Over the next decade, according to Inside Mortgage Finance, approximately 45 million people will turn 34, the median age of a first-time home buyer, potentially generating increased demand for mortgage purchase loans. Our focus on purchase-mortgage business and personalized client service could position us to capitalize on this market opportunity, because younger generations of first-time and repeat homebuyers often choose to communicate with their lenders in-person.

According to a 2019 Ellie Mae study, 79% of Millennial and 78% of Generation X consumers reported meeting with their lender in person often or sometimes.

Frequency of In-Person Communication With Lender



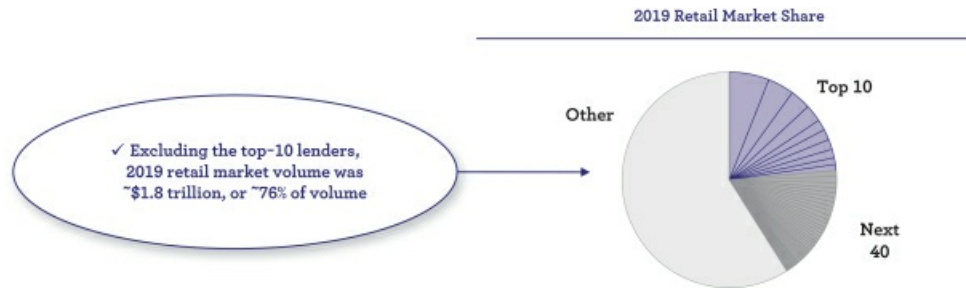
Source: Ellie Mae.

***The Mortgage Industry is Highly Fragmented***

According to Inside Mortgage Finance, since 2010, non-bank lenders have increased their share of annual first-lien residential mortgage originations from approximately 16% to more than 50%, and the aggregate share of loans originated by the top 10 originators fell from 73% to 42%, as the largest national banks reduced their presence in the mortgage sector. Further, the top five companies in the retail mortgage market comprised only 17.3% of total originations in 2019, according to Inside Mortgage Finance. This market fragmentation creates significant opportunity for us to continue to grow.

We believe that our employees' local presence in the communities that we serve and our long-standing referral networks position us to succeed in a large, fragmented market. We believe that many borrowers, and first-time homebuyers in particular, rely on recommendations from real estate professionals, homebuilders, current and past homeowners, financial planners and other members within their communities to identify their mortgage lender. Our local presence positions us to capture origination volume generated by such referral networks and to provide expertise and advice to borrowers that is specific to the communities in which they are looking to purchase homes.

## 2019 Retail Market Share



Source: Inside Mortgage Finance Publications, Inc. Copyright © 2020. Used with permission.

### ***Considerable Barriers to Entry***

The residential mortgage industry is characterized by high barriers to entry. Mortgage lenders must obtain approval from Freddie Mac, Fannie Mae and Ginnie Mae and maintain various state licenses in order to originate, sell and service conventional conforming and federal and GSE-backed loans. In addition, sophisticated technology, origination and servicing processes and regulatory expertise are required to build and manage a successful mortgage business.

Over the course of our long operating history, we have developed strong relationships with Freddie Mac, Fannie Mae and Ginnie Mae, as well as state regulatory authorities. We have also invested heavily in our technology and in developing our infrastructure and internal processes. Furthermore, our management team has an average of 24 years of experience managing through various market and regulatory environments. We believe these long-standing relationships, and the time and resources we have dedicated to developing our brand and infrastructure, provide a competitive advantage and position our business for continued success.

### **Our Strengths**

#### ***Differentiated Access to Purchase Loans Enables Durable Origination Volume and Attractive Margins***

Our strategy has generated significant origination volume, including a high percentage of purchase money volume. Over the five years ended December 31, 2019, we have originated more than \$84.1 billion of total volume, including \$61.4 billion of purchase volume. Our purchase volume represents 73% of our total origination volume over that period, compared to 58% of total origination volume in the United States, according to Inside Mortgage Finance. Further, Guild achieved a higher purchase mix than the industry average each year since 2007. We believe our focus on purchase loans makes our business more stable by making it less sensitive to interest rate changes and less dependent on refinance activity, which enhances our ability to generate more consistent returns through market cycles.

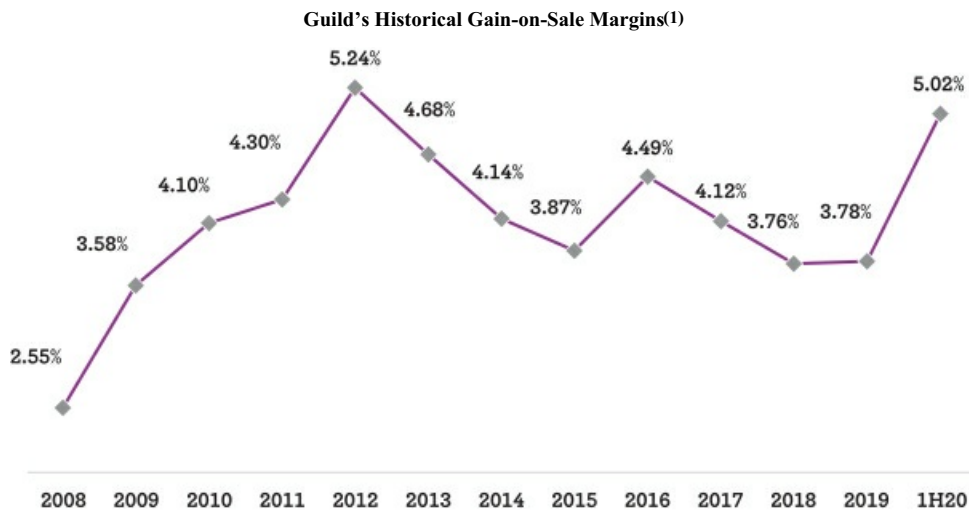
**Purchase Origination Volume As a Percentage of Total Originations**



Source: Inside Mortgage Finance Publications, Inc. Copyright © 2020. Used with permission.

(1) Average based on periods shown in the chart above.

We source a majority of our loans through an established network of referral partners with whom we have developed longstanding relationships over years of positive interactions. This network provides us with direct and frequent leads for loans to homebuyers who are seeking a personalized experience and access to our diverse product offerings, including affordable lending solutions designed to serve the first-time homebuyer market. Our loan officers educate our clients on the unique aspects of the products that we offer and help them to identify the product that will best suit their needs. This tailored and interactive approach to the lending process helped us achieve Money Magazine’s Best Mortgage Company for First Time Home Buyers award in 2020. Further, we believe our focus on service over price, and the value we provide to our clients, has enabled us to generate attractive gain-on-sale margins.



(1) Represents the components of loan origination fees and gain on sale of loans, net described under “— Our Components of Revenue” divided by total in-house origination to derive basis points.

***Proven Track Record of Navigating through Market Cycles and Executing on Growth Strategies***

We have demonstrated our ability to adapt and successfully operate through various market conditions and interest rate environments. Since 1960, we have operated through eight recessions and a wide range of housing market conditions, consistently evolving our risk management framework and operating culture in order to continue serving our clients. We have been profitable each year since 2008, and we believe our track record is largely due to our expertise in the mortgage market, nimble operating style and balanced business model.

Following the acquisition of the Company from its founder in 2007, we shifted our focus to actively growing our origination franchise and scaling our servicing portfolio. In the 12 years since then, we have grown annual origination volume by 19 times and our servicing portfolio dollar volume by 21 times, using a combination of organic and inorganic growth strategies. Through productivity gains from our evolving technology platform, recruiting new loan officers and executing on our targeted acquisition strategy, we have grown in our existing markets and also expanded into new geographies. The success of our acquisition strategy has also supported our profitability.

***Our Strategy is Tailored to Address Homebuyer Needs and Promote Deep Referral Network Relationships***

We believe that borrowers often prefer to work with people and companies that are present in their neighborhoods and are able to deliver customized solutions to fit their specific needs. Understanding these unique needs is the reason we feel it is vital to be in the communities we serve, living and working with our clients and members of our referral networks.

We provide an individualized lending approach, a broad product set and the operational and regulatory expertise required to meet our clients’ needs. Through our decentralized fulfillment model, we perform underwriting and closing services on a regional basis, which allows us to recognize and adapt to the intricacies of each region and build relationships between our fulfillment team and our local loan officers. Our origination processes are designed to deliver reliable service and on-time closings.

We believe that our referral networks and local community presence position us to succeed in a highly fragmented market. Our local presence positions us to capture loan volume generated by these referral



networks and provide tailored advice that acknowledges the fact that purchasing a home is an emotional life decision and borrowers have varied preferences with respect to the mortgage lending process. We provide our clients with the opportunity to engage with us in whatever manner they may prefer—whether that may be in person, online or over the phone. Our technology platform furthers our ability to deliver reliable service and on-time closings by creating milestones and swim lanes to provide clear accountability with respect to meeting closing deadlines.

***Internally-Developed Technology Platform Underpins Loan Officer Productivity and Fosters Repeat Business***

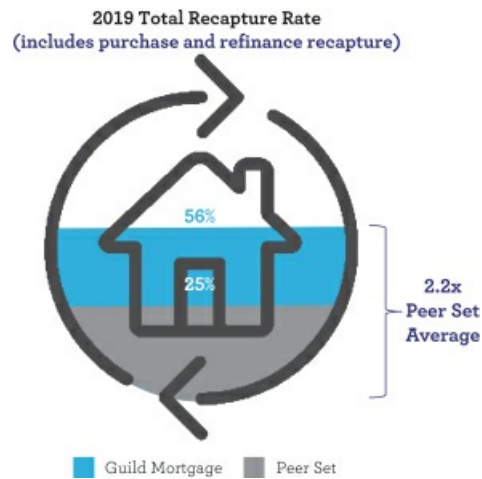
We leverage our robust technology platform and coaching program to increase our loan officers' productivity and overall recapture rates.

Our technology platform provides loan officers with end-to-end support from client acquisition to loan closing and client retention. Our loan officers benefit from our custom-built technology platform and our data repository, which has been developed over the course of our long operating history. We continue to build our data repository through our ongoing origination activity, and we have added data from more than 525,000 transactions since January 1, 2010. By utilizing this data to further develop our platform and to curate suggested customer touchpoints, we foster a balanced combination of personalized and digital strategies for lead nurturing, as well as client education and communication, that we believe gives our loan officers a competitive edge. As a result of our continued focus on loan officer productivity, we have been successful in increasing our average monthly lead generation per loan officer as illustrated below.



In addition, our technology platform adds substantial value to loan officers that cannot be replicated or transferred to our peers. This helps us to generate strong loan officer loyalty and benefit from high retention rates among our top performing loan officers. The loan officers responsible for 71% of our production volume over the last five years are still with the Company today.

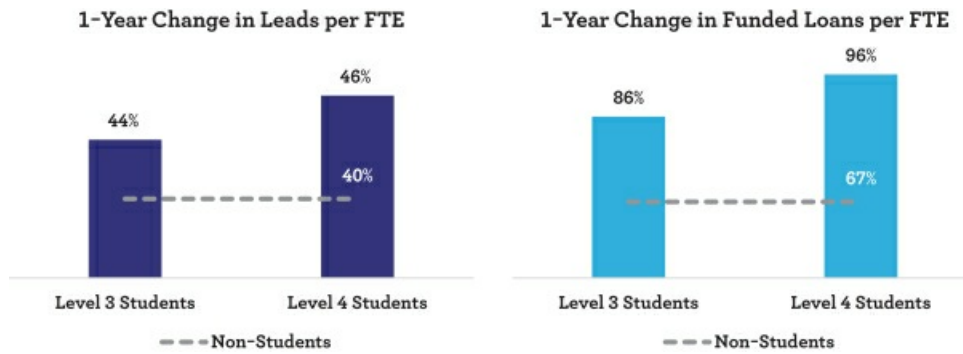
This technology-focused approach to managing client relationships, coupled with our loan officers' strong referral networks and other relationships within their communities, has contributed to the increase in our overall recapture rate from 37% for the year ended December 31, 2017 to 61% for the twelve months ended June 30, 2020. In addition, for the year ended December 31, 2019, Guild's portfolio recapture volume—calculated as the dollar volume of originations for existing retail clients who refinanced or received a new purchase mortgage during that period—totaled \$4.9 billion, which resulted in a 26% purchase recapture rate, a 64% refinance recapture rate and a 56% overall recapture rate—outperforming the average overall recapture rate of 25% for large independent mortgage lenders participating in the Mortgage Bankers Association and STRATMOR Peer Group Roundtables Program (Spring 2020). We believe our ability to achieve purchase and refinance recapture rates in excess of market averages is a testament to our innovative platform and business model.



Source: Company information and Mortgage Bankers Association and STRATMOR Peer Group Roundtables Program (Spring 2020), large independent mortgage lenders peer set.

We also empower our loan officers through the Company’s coaching program, Elevate, which is designed to support loan officers at each stage of their careers and provides a roadmap to develop highly productive partnerships with referral networks. The program is taught by our highest producing loan officers and allows participants, grouped into levels from one to four based on level of experience, to learn effective solutions from their peers that are in the market originating mortgages on a day-to-day basis. The program also furthers our goal of creating a collaborative culture by engaging our national sales team to share best practices with their peers around the country. Participating loan officers have consistently achieved increased average productivity following participation in the program.

**Loan Officer Productivity Following Coaching Program(1)**



(1) Graphic shows average change in leads and funded loans per student and non-student beginning in February 2019 at the start of the training program. “FTE” stands for full-time employee.

***Strong Culture Set by Experienced Management Team***

At the heart of our Company is our culture, grounded in strong values, innovation, creativity and collaboration. We believe our culture sets us apart and is the backbone of our success. It has enabled us to continuously innovate and evolve to navigate the dynamic mortgage market.

Guild is an inclusive organization and encourages open and honest dialogue across employees, clients and partners. We have a diverse leadership team that fills key roles in each of our business lines. Our leadership team has an average of 24 years of industry experience, has worked at Guild for an average of 21 years and includes top performers from the businesses that Guild has acquired. We have high employee retention, as well as a successful recruiting program, because we empower our employees, maintain a culture that supports collaboration and development and provide our employees with the tools and resources they need to be successful.

We also believe strongly in supporting the communities in which we operate. To that end, Guild and its employees give back to the neighborhoods and communities we serve through sustained investment of time and resources, including through our Guild Giving Foundation.

Further, our management team is well respected across the mortgage industry and has developed strong relationships with our financing counterparties, our referral networks and the investors to which we sell the majority of the loans that we originate—Fannie Mae, Freddie Mac and Ginnie Mae. Because of these relationships, we often have unique opportunities to work on, and shape, pilot programs for new products. This allows us to stay at the leading edge of product development, provide our clients with a broad solution set and further develop our relationships with stakeholders critical to the success of our business.

***Our Growth Strategies***

We have increased our origination volume from \$1.4 billion for the year ended December 31, 2007 to \$27.8 billion for the twelve months ended June 30, 2020. Our strategy has proven to be scalable as we have further penetrated many of our existing markets and expanded our presence across the United States. We believe that we are well positioned to continue capturing additional origination business through our well-recognized brand, internally-developed technology platform and differentiated position in the purchase market.

***Increase Our Market Share in Existing MSAs and Continue Building Our Team of Loan Officers***

We are a top-10 lender in 26 of the 50 largest MSAs in which we operate according to CoreLogic, and our share of total origination volume has grown by 14 times over the last 12 years through June 30, 2020, based on our origination data and data from Inside Mortgage Finance. Our hands-on approach in local communities has allowed us to continually capture increased business as we strengthen and broaden our relationships in the MSAs in which we operate. Our ability to improve the productivity of our existing loan officers through more effective use of our technology platform and our talent development programs further supports our growth efforts.

We believe we can continue to generate growth by adding loan officers to our team with recruiting efforts that leverage our reputation for providing the tools, data and support that allow loan officers to develop their business. We focus on recruiting the right loan officers to the Guild team, namely those who we believe will not only add incremental origination volume but will also fit well with our culture and further our mission to be a trusted partner for our clients. By maintaining our strong culture and continually developing our loan officers using our proprietary coaching program and technology platform, we have been able to efficiently scale our business.

Similar to our other key business functions, our recruiting efforts are integrated into our technology platform. Through Scout, our recruiting program that is housed in Guild 360, we have created a database of potential new loan officers using data from the Nationwide Multistate Licensing System and Registry and CoreLogic to identify those loan officers that operate in areas where we may seek to expand and that have

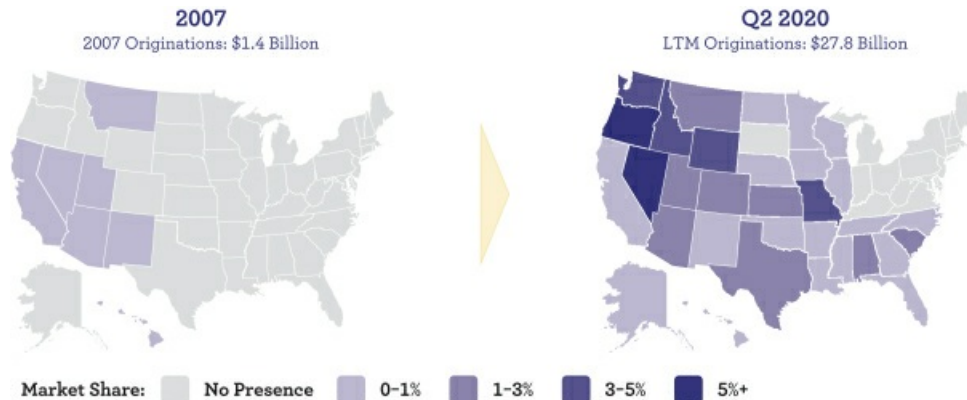
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established access to purchase loans. Through our centralized recruiting function, our team of internal recruiters leverages our technology platform to seek to continue building our loan officer team and growing our origination volume and market share.

**Expand the Geographic Footprint of our Business**

Our retail operations cover 31 states, with our largest presence on the West Coast. By continuing to execute our growth strategy, we believe we can grow our geographic footprint to include all 50 states over the long term.

**Our Origination Footprint and MSA Market Share<sup>(1)</sup>**

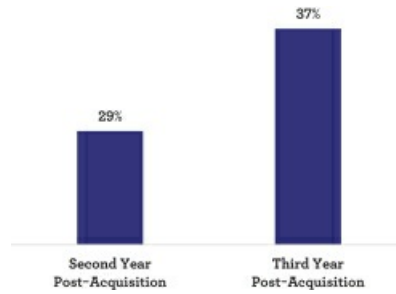


Source: CoreLogic.

(1) Indicates MSA market share only for states where the Company operates in-state retail locations.

Over the last 12 years through December 31, 2019, we acquired six businesses with 391 loan officers. To identify targets that fit best with Guild, we look for independent lenders who share our values and our commitment to innovation, creativity and collaboration. We prefer to partner with lenders that have a strong foothold in their market and a clearly defined approach to sustaining that success. We have also thoughtfully structured our past acquisitions to include an earn-out component designed to minimize up-front premium paid and ensure an attractive return on investment. Following an acquisition, we fully integrate each business operationally, on-boarding the acquired business to our platform, while allowing its management team to continue executing the strategy that has been successful for them in the past. After a target business has been integrated into the Guild platform, we strive to support growth organically in the same way we do in our existing MSAs. We also strive to generate synergies and support profitability by improving execution and increasing gain-on-sale margins for the businesses that we acquire. For the four businesses that we acquired at least three years ago, originations increased by an average of 37% in the third year following those acquisitions. We believe this demonstrates the soundness of our approach to acquisitions and our ability to successfully integrate acquired businesses into the Guild organization.

**Average Increase in Volume per Acquisition**



Given the fragmented nature of the mortgage market, we believe we can continue to generate meaningful growth through acquisitions. There were more than 900 independent mortgage lenders in the United States as of December 31, 2019, according to a June 2020 report published by the CFPB. We believe this provides a large pool of potential targets for new acquisitions. Over the twelve months ended June 30, 2020, our share of mortgage originations accounted for 94 basis points of total residential mortgage originations in the United States, with our market share in the states where we have our strongest presence reaching more than 5%.

**Acquisition History**

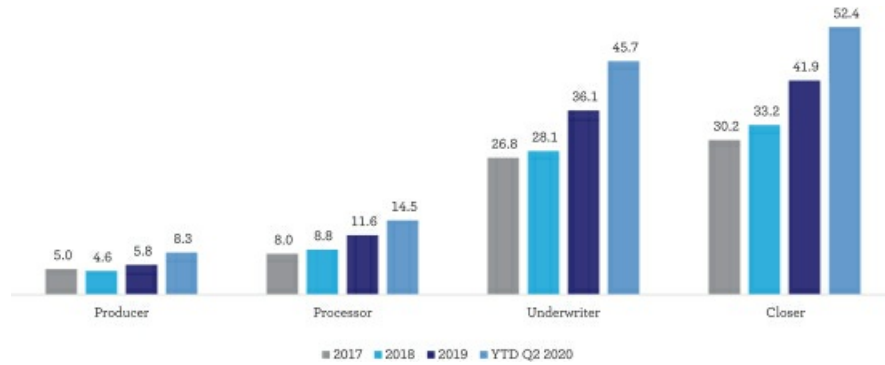




***Enhance Productivity and Ancillary Fee Opportunities through Continued Investment in our Technology Platform***

The mortgage industry is continually evolving, and our technology platform has been built to adapt with the market and our strategies. Our technology platform is the backbone of our regulatory efforts and the processes we use to effectively and efficiently onboard, underwrite, close and service mortgages. These functions are essential to providing outstanding client service and running our business efficiently. We continue to invest in our technology platform, and we believe our investment will continue to enhance our productivity and allow us to differentiate ourselves in the market place as it has to date, with the average number of loans closed per producer per month increasing from two during the year ended December 31, 2007 to ten in July of 2020. Additionally, as of August 31, 2020, we had 156 loan officers that were expected to originate more than \$50 million of loans in 2020. 41% of those loan officers originated less than \$30 million during their first full calendar year with Guild. We believe that growth, as well as our ability to retain our loan officers over the long-term, is a result of our technology platform and our unique support tools designed to improve loan officer productivity. As of June 30, 2020, we employed 67 programmers and 92 other technology professionals who maintain and develop our systems.

**Monthly Loan Closings by Job Function(1)**



(1) Based on first-lien, retail funded units and average headcount over the period.

Additionally, using our data repository and adaptable technology platform, we have an opportunity to identify and offer our client base relevant ancillary products, such as title, property and casualty, life and umbrella insurance and other products and services complementary to the mortgages that we originate. Ancillary product offerings like these could increase the value of the services that we provide to our clients, further solidifying our position as a trusted partner in their financial decisions, and also create an opportunity to earn ancillary fee income through sourcing high-quality, timely and actionable referrals to insurance companies and other potential partners.

**Competition**

The mortgage lending market is highly competitive. We compete with large financial institutions and with other independent residential mortgage loan producers and servicers, such as Quicken Loans, loanDepot, Fairway Independent Mortgage Corporation, Caliber Home Loans, Guaranteed Rate, Movement Mortgage and CrossCountry Mortgage. Competition in our industry can occur on the basis of the variety of product offerings made available, speed and convenience of execution in loan origination, interest rates and fees, client experience, technical knowledge, marketing and referral relationships. We aim to differentiate our products and services on the basis of our loan officers’ ability, leveraging our technology platform to match customers with the loan programs that best suit their needs and providing a customer-focused and seamless borrowing experience, starting from origination and continuing through servicing.

**Intellectual Property**

We rely on a combination of trade secret laws and contractual agreements to establish, maintain and protect our intellectual property rights and technology. We enter into confidentiality and invention assignment agreements with our employees and enter into confidentiality agreements with third parties, including suppliers and other partners.

**Seasonality and Cyclicity**

Consumer demand for home loans can fluctuate seasonally, generally causing an increase in our mortgage origination activity and revenues during the second and third quarters and reduced activity and revenues in the first and fourth quarters as home buyers tend to purchase their homes during the spring and summer in order to move to a new home before the start of the school year. Demand also fluctuates in response to shifts in numerous other variables, including, but not limited to, national and regional economic conditions, interest rates and property valuations.

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### ***Employees***

As of June 30, 2020, Guild Mortgage Co. had approximately 3,775 full-time equivalent employees. None of our employees is represented by any collective bargaining unit or is a party to a collective bargaining agreement.

### ***Facilities***

Our principal executive office is located in San Diego, California. In addition to our San Diego office, we operate from approximately 200 branch offices and 124 satellite offices located in 31 states. We lease our principal executive office and each of our branch and satellite offices. The square footage of our principal executive office is 141,696 square feet and the average square footage of our branch and satellite offices is approximately 3,800 square feet and approximately 1,750 square feet, respectively.

### ***Regulation***

The mortgage industry is subject to a highly complex legal and regulatory framework. Our business is subject to extensive regulation and oversight by federal, state and local governmental authorities, including the CFPB and various state licensing, supervisory and administrative agencies. From time to time, we also receive requests from such governmental authorities for records, documents and information relating to the policies, procedures and practices of our loan servicing, origination and collection activities. In addition, we are also subject to periodic reviews and audits from the GSEs, Ginnie Mae, the CFPB, HUD, the USDA, the VA, state regulatory agencies and others. The legal and regulatory environment in which we operate is also constantly evolving as statutes, regulations and practices, and interpretations thereof, that are in place may be amended or otherwise change, and new statutes, regulations and practices may be enacted, adopted or implemented.

These and other laws and regulations directly affect our business and require constant compliance monitoring and internal and external audits and examinations by federal and state regulators. We work diligently to assess and understand the implications of the complex regulatory environment in which we operate and strive to meet the requirements of this constantly changing environment. We dedicate substantial resources to regulatory compliance while at the same time striving to meet the needs and expectations of our customers, clients and other stakeholders. Notwithstanding these efforts, there can be no assurance that we will be able to remain in compliance with these requirements. See “*Risks Related to Regulatory Environment*” under the section titled “*Risk Factors*.”

#### ***Federal Regulation***

We are subject to a number of federal consumer protection laws, including:

- the Real Estate Settlement Procedures Act (the “RESPA”), and Regulation X thereunder, which, among other things, (i) require certain disclosures to borrowers regarding the costs of mortgage loans, the administration of tax and insurance escrows, the transferring of servicing of mortgage loans, the response to consumer complaints, and payments between lenders and vendors of certain settlement services; and (ii) prohibit giving or accepting anything of value for the referral of real estate settlement services;
- the Truth in Lending Act (the “TILA”), and Regulation Z thereunder, which, among other things, (i) require certain disclosures to borrowers about their mortgage loans, right to rescind some transactions, notices of sale, transfers of ownership of mortgage loans, new servicing rules involving payment processing, and adjustable rate mortgage change notices and periodic statements; (ii) require a reasonable and good faith determination by the lender that the borrower has the ability to repay the loan; (iii) require home ownership counseling for certain mortgage applicants and (iv) impose restrictions on loan originator compensation;
- the ECOA, and Regulation B thereunder, which prohibit discrimination on the basis of age, race, color, sex, religion, marital status, national origin, receipt of public assistance or the exercise of



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- any right under the Consumer Credit Protection Act in the extension of credit and require certain disclosures to credit applicants;
- the Fair Housing Act, which prohibits discrimination in housing on the basis of race, color, sex, national origin, religion, familial status or disability;
- Regulation N (the Mortgage Acts and Practices Advertising Rule), which prohibits deceptive claims in mortgage advertising and other commercial communications;
- certain provisions of the Dodd-Frank Act, including the Consumer Financial Protection Act, which, among other things, prohibit unfair, deceptive or abusive acts or practices;
- the Federal Trade Commission Act, the FTC Credit Practices Rules and the FTC Telemarketing Sales Rule, which forbids unfair or deceptive acts or practices and certain related practices;
- the TCPA, Telemarketing Sales Rules and related laws that regulate communications via telephone, text, automatic telephone dialing systems, and artificial and prerecorded voices;
- the Controlling the Assault of Non-Solicited Pornography and Marketing Act, which establishes requirements for those who send unsolicited commercial email;
- the Fair Credit Reporting Act, as amended by the Fair and Accurate Credit Transactions Act, and Regulation V, which, among other things, regulate the use and reporting of information related to the credit history of borrowers;
- the Home Mortgage Disclosure Act, and Regulation C thereunder, which require financial institutions to report certain loan origination data;
- the Gramm-Leach-Bliley Act, and Regulation P thereunder, which require the maintenance of privacy with respect to certain consumer data and periodic communications with consumers on privacy matters;
- the Homeowners Protection Act, which requires the cancellation of private mortgage insurance once certain equity levels are reached, sets disclosure and notification requirements, and requires the return of unearned premiums;
- the SAFE Act, which requires all states to enact laws requiring each person who originates residential mortgage loans to be individually licensed or registered as a mortgage loan originator;
- federal anti-money laundering laws, including the Bank Secrecy Act and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act, and the implementing regulations and sanctions programs of the United States Department of the Treasury;
- the Electronic Fund Transfer Act of 1978, and Regulation E, thereunder, which provide certain protections for consumers engaging in electronic fund transfers;
- federal financial protection statutes applicable to certain eligible service members, including the Military Lending Act and Servicemembers Civil Relief Act; and
- the Bankruptcy Code and bankruptcy injunctions and stays, which can restrict collection of debts.

We are also subject to a variety of regulatory and contractual obligations imposed by Fannie Mae, Freddie Mac, Ginnie Mae, the VA, the FHA and others.

In addition, the CFPB was established on July 21, 2010 under Title X of the Dodd-Frank Act to ensure that consumers receive clear and accurate disclosures regarding financial products and to protect consumers from deceptive or abusive acts or practices, among other things. The CFPB influences the regulation of residential mortgage loan originations and servicing in several ways. The CFPB has rulemaking authority with respect to many of the federal consumer protection laws applicable to mortgage originators and servicers, such as us, including the TILA, RESPA and the ECOA. The CFPB has been active

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and continues to amend rules and regulations within its purview. For example, the CFPB has issued rules and regulations that have expanded the scope of data required to be collected and reported for loan applicants and imposed requirements relating to repayment ability and qualified mortgage standards. These rules impose significant compliance burdens, for example, by requiring us to collect and submit data to regulators and to retain evidence of compliance, and any failures to comply, including any inadvertent errors, could result in the CFPB or other regulators imposing fines on, or taking other enforcement actions relating to, us.

The CFPB's jurisdiction includes those persons originating, brokering or servicing residential mortgage loans and those persons performing loan modification or foreclosure relief services in connection with such loans. The CFPB has broad supervisory and enforcement powers with regard to non-depository institutions, such as us, that engage in the origination and servicing of home loans. The CFPB has conducted routine examinations of our business and we expect it to conduct future examinations. The CFPB can also bring enforcement actions, impose monetary penalties, require remediation of practices, pursue administrative proceedings or litigation and obtain cease and desist orders for violations of applicable federal consumer financial laws. The CFPB has been active in investigations and enforcement actions and has issued civil money penalties to parties when the CFPB has determined that such parties have violated the laws and regulations it enforces.

### *State Regulation*

The SAFE Act requires all states to have laws that require mortgage loan originators employed by non-depository institutions, such as us, to be individually licensed to offer mortgage loan products. As a result, we are subject to various state licensing requirements. These state licensing requirements generally require individual loan originators to register in a nationwide mortgage licensing system, submit information for a character and fitness review, submit to a criminal background check, complete a minimum number of hours of pre-licensing education, complete an annual minimum number of hours of continuing education and successfully complete an examination. Upon issuance of a license, we become subject to regulatory oversight, supervision and enforcement activity to determine compliance with applicable law. To conduct our residential mortgage operations in the United States, we are licensed in 48 states and the District of Columbia.

In addition to the above, state laws and regulations, among other things:

- require the filing of reports with regulators and compliance with state regulatory capital requirements;
- impose maximum terms, amounts and interest rates, and limit other charges;
- impose consumer privacy rights and other obligations that may require us to notify customers, employees, state attorneys general, regulators and others in the event of a security breach;
- regulate servicing activities, including disclosures, payment processing, loss mitigation and foreclosure, servicing fees and escrow account administration;
- prohibit various forms of "predatory" lending and place obligations on lenders to substantiate that a client will derive a tangible benefit from the proposed home financing transaction and/or have the ability to repay the loan;
- regulate whether and under what circumstances we may offer insurance and other ancillary products in connection with a lending transaction and
- provide for additional consumer protections.

State laws and regulations, and interpretations thereof, vary from state to state, and these laws, regulations and interpretations may change and/or may be vague or interpreted only rarely.

Additionally, our business is subject to numerous state laws that are continuously changing, including laws related to mobile- and internet-based businesses, data privacy (including the California Consumer

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Privacy Act and similar or other data privacy laws enacted by other states) and advertising laws. One of our subsidiaries, Mission Village Insurance Agency, is also subject to certain laws and regulations governing insurance activities.

State attorneys general, state licensing regulators and state and local consumer protection offices also have the authority to investigate consumer complaints, commence investigations and other formal and informal proceedings, and take enforcement actions and impose remedies on or regarding our operations and activities.

See also “*Risks Related to Regulatory Environment*” under the section titled “*Risk Factors*.”

### ***Legal and Regulatory Proceedings***

We are, and from time to time may become, involved in legal and regulatory proceedings or subject to claims arising in the ordinary course of our business. We operate within highly regulated industries on a federal, state and local level and are routinely subject to various examinations and legal and regulatory proceedings in the normal and ordinary course of business. With the exception of the below-described matter, we are not presently a party to any legal or regulatory proceedings that in the opinion of our management, if determined adversely to us, would individually or taken together have a material adverse effect on our business, results of operations and financial condition.

#### *United States of America, ex rel. Kevin G. Dougherty, et al. v. Guild Mortgage Company*

On May 18, 2016, the U.S. Department of Justice (“DOJ”), on behalf of HUD (together, for purposes of the description of this matter, the “government”), filed a Complaint-in-Intervention (“Intervention Complaint”) in a pending *qui tam* action against Guild Mortgage Co. under the False Claims Act (“FCA”), 31 U.S.C. §§ 3729-3733. The Intervention Complaint, filed in the U.S. District Court for the District of Columbia, alleges FCA violations in connection with the underwriting and origination of certain residential mortgage loans that Guild Mortgage Co. endorsed for FHA insurance. The Intervention Complaint alleges violations of Sections 3729 (a)(1)(A) and (B) of the FCA, breach of common law fiduciary duty, and breach of contract. The government’s claims arise from Guild Mortgage Co.’s origination of residential mortgage loans, which Guild Mortgage Co. subsequently endorsed for FHA insurance between January 1, 2006 and December 31, 2011.

On August 10, 2016, Guild Mortgage Co. filed motions to dismiss the government’s Intervention Complaint and the Relator’s Third Amended Complaint. In March 2018, the Court stayed the case pending the Ninth Circuit’s determination of the appeal in *Rose v. Stephens Institute* (No. 17-15111). On August 24, 2018, the ruling in the *Rose* case was issued and the Court lifted its self-imposed stay. On March 4, 2019, the government filed an amended complaint, which Guild Mortgage Co. responded to on March 22, 2019, reasserting that the claims were without merit. Guild Mortgage Co.’s motion to dismiss was denied by the court in September 2019.

This lawsuit is in the discovery phase. The ultimate outcome of this action, including any monetary awards against us, is uncertain. We are incurring defense costs and other expenses in connection with this lawsuit. We are confident in the compliance processes we have in place for FHA-related mortgage lending and our other mortgage lending activities.

**MANAGEMENT****Executive Officers and Board of Directors upon Completion of this Offering**

The following tables set forth information as of the date of this prospectus regarding individuals who are expected to serve as our executive officers and as members of our Board of Directors following the completion of this offering. Upon completion of this offering, we expect that our Board of Directors will consist of \_\_\_\_\_ members.

**Executive Officers**

<b>Name</b>	<b>Age</b>	<b>Position</b>
Mary Ann McGarry	62	Chief Executive Officer
Terry Schmidt	59	President
Amber Elwell	38	Senior Vice President, Chief Financial Officer
David Neylan	45	Executive Vice President, Chief Operating Officer
Barry Horn	77	Executive Vice President, National Production Manager
Lisa Klika	42	Senior Vice President, Chief Compliance Officer and Secretary

**Board of Directors**

<b>Name</b>	<b>Age</b>	<b>Position</b>	<b>Committee Memberships</b>
Patrick Duffy	49	Chairman of the Board of Directors	
Mary Ann McGarry	62	Director	
Terry Schmidt	59	Director	
Mike Meyer	62	Director	

Mary Ann McGarry, 62, is the Chief Executive Officer and a Director of the Issuer. Mary Ann has held these positions since August 2020. Mary Ann has served as Guild Mortgage Co.'s Chief Executive Officer since December 2007. From 1988 and until the completion of this offering and the reorganization transactions, Mary Ann also served as a member of Guild Mortgage Co.'s board of directors. Prior to becoming its Chief Executive Officer, Mary Ann served in a number of leadership positions at Guild Mortgage Co., including as its President, Chief Financial Officer and Chief Operating Officer. Mary Ann joined Guild Mortgage Co. in 1984 as an internal audit supervisor. Prior to joining Guild Mortgage Co., Mary Ann worked as an accountant at Peat, Marwick, Mitchell & Co. Mary Ann currently serves as a member of the board of directors of the Mortgage Bankers Association, an association representing the real estate finance industry, and the Guild Giving Foundation, a non-profit organization, and a member of Fannie Mae's advisory council. Mary Ann earned a bachelor of business administration degree in accounting with a minor in computer science from the University of San Diego.

Terry L. Schmidt, 59, is the President and a Director of the Issuer. Terry has held these positions since August 2020. As President, Terry oversees the Company's finance, human resources, capital markets and compliance departments. Terry has served as Guild Mortgage Co.'s President since January 2020. From 2006 and until the completion of this offering and the reorganization transactions, Terry also served as a member of Guild Mortgage Co.'s board of directors. Prior to serving as Guild Mortgage Co.'s President, Terry served in a number of leadership positions at Guild Mortgage Co., including as its Chief Financial Officer and its Controller. Terry joined Guild Mortgage Co. in 1985, as a member of its internal audit department. Terry is currently a member of the California Mortgage Bankers Association, an association representing the California residential and commercial real estate finance industry, a member of the board of directors of the Guild Giving Foundation, a non-profit organization, and a member of the Mortgage Bankers Association, an association representing the real estate finance industry. Terry earned a bachelor of business administration degree in accounting from the University of San Diego and is a certified mortgage banker.

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Desiree “Amber” Elwell, 38, is the Senior Vice President, Chief Financial Officer of the Issuer. Amber has held this position since August 2020. As Chief Financial Officer, she is responsible for the accounting, finance, treasury, payroll and facilities functions. Amber has served as Guild Mortgage Co.’s Senior Vice President, Chief Financial Officer since January 2020. Prior to serving as Guild Mortgage Co.’s Chief Financial Officer, Amber served in various finance positions at Guild Mortgage Co., including as Guild Mortgage Co.’s Senior Vice President, Finance from 2015 to 2020 and its Vice President, Finance from 2010 to 2015. Amber earned a bachelor of business administration degree in finance from Texas Christian University and a master of business administration degree from the University of California, Irvine. She is a certified public accountant and a certified mortgage banker.

David M. Neylan, 45, is the Executive Vice President, Chief Operating Officer of the Issuer. David has held this position since August 2020. As Chief Operating Officer, he is responsible for production operations, loan administration, and the correspondent and consumer-direct lending divisions of the Company. He also oversees the Company’s customer retention efforts. David has served as Guild Mortgage Co.’s Executive Vice President, Chief Operating Officer since January 2020. Prior to serving as Guild Mortgage Co.’s Chief Operating Officer, David held a number of leadership positions at Guild Mortgage Co., including as its Senior Vice President, Business Development from August 2014 to December 2019. Prior to joining Guild Mortgage Co. in 2007, David managed the local branch, regional and national origination divisions at CMG Mortgage Inc, a provider of mortgage banking services. David is currently a member of the board of directors of the California Mortgage Bankers Association, an association representing the California residential and commercial real estate finance industry, and a member of the Mortgage Bankers Association, an association representing the real estate finance industry. David earned a bachelor of science degree from the Marshall School of Business, University of Southern California.

Lisa I. Klika, 42, is the Senior Vice President, Chief Compliance Officer and Secretary of the Issuer. Lisa has held this position since August 2020. As Chief Compliance Officer, she oversees all regulatory compliance, quality control, and audit functions. Lisa has served as Guild Mortgage Co.’s Senior Vice President, Chief Compliance Officer since 2016. Lisa joined Guild Mortgage Co. in 2003 as a compliance analyst and served in a number of quality assurance roles before being promoted to Vice President in 2007 and then to Senior Vice President in 2013. Lisa is currently a member of the board of directors of the Mortgage Compliance Professionals Association of America, an organization for mortgage compliance professionals, a member of the Mortgage Bankers Association, an association representing the real estate finance industry, and an affiliate member and industry advisory council member of the American Association of Residential Mortgage Regulators, a residential mortgage industry association. Lisa earned a bachelor of science degree in exercise and sport science from Oregon State University and a master’s degree in executive leadership from the University of San Diego School of Business.

Barrett (“Barry”) H. Horn, 77, is the Executive Vice President, National Production of the Issuer. He has held this position since August 2020. In this role, Barry oversees retail production and focuses on strategic planning and retail sales operations. Barry joined Guild Mortgage Co. as a Senior Vice President in 2008, when Guild Mortgage Co. acquired Liberty Financial Group, a full-service mortgage banking company based in Washington for which Barry was the founder and served as Chairman and Chief Executive Officer. Since 2014, Barry has served as Guild Mortgage Co.’s Executive Vice President, National Production. Prior to joining Guild Mortgage Co., Barry also served as the Executive Vice President of Worldwide Sales at Attachmate Corporation, a software company, as the Chief Executive Officer of Saltmine LLC, a web development and consulting company, and in several executive sales positions over the course of his 16 years at IBM Corporation, a technology company. Barry currently serves as the chairman of the board of trustees of Northwest University, a private liberal arts university, Liberty Road Foundation, a nonprofit organization, and Vossler Media Group, a creative agency and production company. Barry earned a bachelor of arts degree in business administration degree from Taylor University.

Patrick J. Duffy, 49, has served as a Director and as the Chairman of the Board of Directors of the Issuer since August 2020. From 2018 and until the completion of this offering and the reorganization transactions, Patrick served as a member of the board of directors of Guild Mortgage Co. Patrick is the President and Managing Partner of McCarthy Capital, which he joined in 2007. Patrick serves as a director

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on the boards of various McCarthy Capital entities and portfolio companies including Altair Global Services, LLC, a global relocation services company, Life Care Companies, LLC, a manager and developer of senior living communities, ReAlign Insurance Holdings, LLC and certain of its subsidiaries, and Sigilo, LLC (dba Spreetail), an e-commerce company. Patrick also currently serves on the board of directors of the Children's Scholarship Fund of Omaha. Patrick earned a bachelor of science degree from the Marshall School of Business, University of Southern California, and a juris doctor degree from Creighton University School of Law. We believe Patrick is qualified to serve as a member of our Board of Directors because of his extensive experience in business, finance and investing in and advising companies.

Michael ("Mike") C. Meyer, 62, has served as a Director of the Issuer since August 2020 and as a member of the board of directors of Guild Mortgage Co. since 2013. From 2015 until the completion of this offering and the reorganization transactions, Mike served as the Chairman of the board of directors of Guild Mortgage Co. Since 2013, Mike has served as an operating partner and as Portfolio Director for McCarthy Capital. From 1995 to 2014, Mike served in a variety of finance and operational management executive positions at Tenaska, Inc., an energy company. From 1987 to 1995, Mike served at the U.S. Treasury Department in the Office of the Comptroller of the Currency as a National Bank Examiner. Mike earned both a bachelor of science in business administration degree and a master of business administration degree from Creighton University. Mike currently serves on the board of directors of Bridges Holding Company, an investment advisory firm. Mike previously served on the board of directors of Bridges Investment Fund, a general equity fund. We believe Mike is qualified to serve as a member of our Board of Directors because of his extensive experience in finance, banking, and operational management.

### **Controlled Company**

We intend to apply to list the shares of our Class A common stock offered in this offering on the NYSE. As MCMI will continue to control more than 50% of the combined voting power of our outstanding common stock upon the completion of this offering, we will be considered a "controlled company" for the purposes of the NYSE's rules and corporate governance standards. As a "controlled company," we will be permitted, and we intend, to elect not to comply with certain corporate governance requirements, including (i) those that would otherwise require our Board of Directors to have a majority of independent directors, (ii) those that would require that we establish a compensation committee composed entirely of independent directors and (iii) those that would require we have a nominating and corporate governance committee composed entirely of independent directors.

### **Election of Directors**

At the completion of this offering, we expect that our Board of Directors will initially be divided into three classes, each of which is expected to be composed initially of two or three directors. The directors designated as Class I directors will have terms expiring at the first annual meeting of stockholders following the completion of this offering, which we expect to hold in . The directors designated as Class II directors will have terms expiring at the following year's annual meeting of stockholders, which we expect to hold in , and the directors designated as Class III directors will have terms expiring at the following year's annual meeting of stockholders, which we expect to hold in . Commencing with the first annual meeting of stockholders following the completion of this offering, directors for each class will be elected at the annual meeting of stockholders held in the year in which the term for that class expires and thereafter will serve for a term of three years. At any meeting of stockholders for the election of directors at which a quorum is present, the election will be determined by a plurality of the votes cast by the stockholders entitled to vote in the election.

- Our Class I directors will initially be .
- Our Class II directors will initially be .
- Our Class III directors will initially be .

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We expect our bylaws will provide that the authorized number of directors may only be changed by a resolution adopted by a majority of our Board of Directors.

### **Director Independence**

We intend to avail ourselves of the “controlled company” exception under the rules of the NYSE, which exempts us from certain requirements, including the requirements that we have a majority of independent directors on our Board of Directors and that we have compensation and nominating and corporate governance committees composed entirely of independent directors. We will, however, remain subject to the requirement that we have an audit committee composed entirely of independent members by the end of the transition period for companies listing in connection with an initial public offering.

If at any time we cease to be a “controlled company” under the rules of the NYSE, the Board of Directors will take all action necessary to comply with the applicable rules of the NYSE, including appointing a majority of independent directors to the Board of Directors and establishing certain committees composed entirely of independent directors, subject to permitted phase-in periods.

Based upon information requested from and provided by each director concerning his or her background, employment and affiliations, including family relationships, our Board of Directors has determined that \_\_\_\_\_ are “independent” as defined under the rules of the NYSE. Our Board of Directors also determined that \_\_\_\_\_, who serve on our Audit Committee, satisfy the independence standards for that committee established by the SEC and the rules of the NYSE. In making such determinations, our Board of Directors considered the relationships that each such non-employee director has with our Company and all other facts and circumstances our Board of Directors deemed relevant in determining independence, including the beneficial ownership of our capital stock by each non-employee director and any institutional stockholder with which he or she is affiliated.

### **Board Committees**

Our Board of Directors has established standing committees in connection with the discharge of its responsibilities. These committees include the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. Our Board of Directors may also establish such other committees as it deems appropriate, in accordance with applicable law and our corporate governance documents. Following this offering, a copy of each committee’s charter will be posted on the investor relations section of our website, [www.guildmortgage.com](http://www.guildmortgage.com). Information contained on or accessible through our website is not incorporated by reference into this prospectus, and you should not consider such information to be part of this prospectus or in deciding whether to purchase shares of our Class A common stock.

#### ***Audit Committee***

The Audit Committee’s primary responsibilities will include:

- overseeing management’s establishment and maintenance of adequate systems of internal accounting and financial controls;
- reviewing the effectiveness of our legal and regulatory compliance programs;
- overseeing our financial reporting process, including the filing of financial reports; and
- selecting independent auditors, evaluating their independence and performance and approving audit fees and services performed by them.

The members of our Audit Committee are \_\_\_\_\_. Our Board of Directors has determined that \_\_\_\_\_ is an “audit committee financial expert” as defined by applicable SEC rules.

***Compensation Committee***

The Compensation Committee's responsibilities include:

- ensuring that our executive compensation programs are appropriately competitive, supporting organizational objectives and stockholder interests and emphasizing pay-for-performance linkage;
- evaluating and approving compensation and setting performance criteria for compensation programs for our chief executive officer and other executive officers; and
- overseeing the implementation and administration of our compensation plans.

The members of our Compensation Committee are . None of our executive officers serves as a member of our Board of Directors or Compensation Committee, or other committee serving an equivalent function, of any entity that has one or more executive officers who serve as members of our Board of Directors or a committee of our Board of Directors.

***Nominating and Corporate Governance Committee***

The Nominating and Corporate Governance Committee's responsibilities include:

- recommending nominees for our Board of Directors and its committees;
- recommending the size and composition of our Board of Directors and its committees;
- reviewing our corporate governance guidelines and proposed amendments to our certificate of incorporation and bylaws; and
- reviewing and making recommendations to address stockholder proposals.

The members of our Nominating and Corporate Governance Committee are .

***Code of Business Conduct and Ethics***

Prior to the completion of this offering, our Board of Directors intends to adopt a code of business conduct and ethics, or "Code of Ethics," which will apply to all of our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer and persons performing similar functions. The Code of Ethics will be available on our website at [www.guildmortgage.com](http://www.guildmortgage.com). If we amend or grant any waiver from a provision of our Code of Ethics that applies to any of our executive officers, we will publicly disclose such amendment or waiver on our website and as required by applicable law.



## EXECUTIVE COMPENSATION

This section provides a discussion of the compensation paid or awarded to our principal executive officer and our two other most highly compensated executive officers as of December 31, 2019. We refer to these individuals as our named executive officers. For fiscal year 2019 our named executive officers were:

<u>Name</u>	<u>Title</u>
Mary Ann McGarry	Chief Executive Officer
Terry L. Schmidt	President
Barrett (“Barry”) H. Horn	Executive Vice President, National Product Manager

This discussion contains forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt may differ materially from currently planned programs as summarized in this discussion. As an “emerging growth company,” as defined in the JOBS Act, we are not required to include a Compensation Discussion and Analysis section and have elected to comply with the reduced disclosure requirements applicable to emerging growth companies.

### Overview

Our current executive compensation program is intended to align executive compensation with our business objectives and to enable us to attract, retain and reward executive officers who contribute to our long-term success. The compensation paid or awarded to our executive officers is generally based on an assessment of each individual’s performance compared against the business objectives established for the fiscal year as well as our historical compensation practices. For fiscal year 2019, the material elements of our compensation program were base salary and short-term cash incentive compensation.

We expect that our executive compensation program will evolve to reflect our status as a new publicly traded company, while still supporting our overall business and compensation objectives. Therefore, the compensation reported in the Summary Compensation Table below for fiscal year 2019 is not necessarily indicative of how we will compensate our named executive officers in the future. We expect that we will continue to review, evaluate and modify our compensation framework and that the compensation program following this offering may vary significantly from our historical practices. In connection with this offering, we have retained Meridian Compensation Partners, an independent a compensation consultant to perform a market-based review of our executive compensation program and to advise regarding the design of our post-offering executive compensation program.

### Compensation of Named Executive Officers

#### *Base Salary*

Base salaries are intended to provide a level of compensation sufficient to attract and retain an effective management team, when considered in combination with the other components of our executive compensation program. The relative levels of base salary for our named executive officers are designed to reflect each named executive officer’s scope of responsibility and accountability with the Company. Please see the “Salary” column of the Summary Compensation Table below for the base salary amounts received by each named executive officer in fiscal year 2019.

#### *Short-Term Cash Incentive Compensation*

Historically, we have generally provided our senior leadership team with short-term incentive compensation based on achievement of pre-established performance goals.

During fiscal year 2019, Ms. McGarry and Ms. Schmidt participated in an annual cash incentive program. Under the terms of the program, an incentive pool is funded based on the level of achievement of

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return on average equity, which is defined as the Company's pre-tax profit and loss (with an adjustment to add back any book entry to recapture or impairment of servicing rights), divided by the average of the book value of the Company for the fiscal year as reflected on the Company's balance sheet as of the last day of each calendar quarter during fiscal year 2019. The funding level is determined in accordance with the matrix set forth below. The funded incentive pool is then allocated among the participants in accordance with the percentage allocation set forth in each participant's executive compensation agreement.

Tier	ROAE	Incentive Pool
0	Less than 15.00%	\$750,000
1	15.00%—19.99%	\$875,000
2	20.00%—24.99%	\$1,750,000
3	25.00%—29.99%	\$2,625,000
4	30.00%	\$3,500,000
5	Greater than 30.00%	\$3,500,000 plus an additional amount to be mutually determined by the Chief Executive Officer and Chairman of the Board of Directors

For fiscal year 2019, the actual level of return on average equity was 38% and the incentive pool was funded at \$3,500,000. Ms. McGarry's allocation of the pool was 44.5% and Ms. Schmidt's allocation of the pool was 36.7%.

During fiscal year 2019, Mr. Horn was eligible to receive two forms of short-term cash incentive compensation, a volume override bonus and a quarterly bonus. The volume override bonus is paid on a monthly basis, subject to Mr. Horn's continued employment through the entire applicable month, and is calculated as 0.6 basis points of the adjusted gross loan amount involved in each in-house loan closing, which is defined as company closed and funded residential mortgage loans in the applicable month that are not unfunded, plus certain loans closed under the Company's direct lending channel. The quarterly bonus is calculated as 0.95% of the total adjusted regional contribution, which is defined as the total region income, marketing income and operation center contributions, minus region expense, acquisition payouts and corporate costs, and is paid in quarterly draws, subject to Mr. Horn's continued employment through the entire applicable quarter, equal to 75% of the cumulative year-to-date calculated bonus amount, for each of the first three calendar quarters, plus a final payment for the fourth quarter equal to 100% of the calculated bonus amount not previously paid in the fiscal year. For fiscal year 2019, Mr. Horn received an aggregate volume override bonus of \$887,465, based on the aggregate adjusted gross loan amount involved in in-house closings of \$14,791,075,172, and cumulative quarterly bonuses of \$1,032,744, based on the total adjusted regional contribution of \$108,709,876.

### Profits Interests

Our named executive officers did not receive any equity-based awards in fiscal year 2019. Certain of our named executive officers had received awards of profits interests in prior years, and all such awards were fully vested as of December 31, 2019. As of December 31, 2019, Ms. McGarry and Ms. Schmidt held fully vested Class B Units of Guild Management LLC, which was an equity holder of Guild Investors, LLC, our former parent entity (the "Profits Interests"). The Profits Interests are subject to specified hurdle amounts that function like option exercise prices because the Profits Interests do not participate in distributions by Guild Management LLC until distributions to other equity holders of Guild Management LLC have exceeded the relevant hurdle amounts. See "Outstanding Equity Awards at Fiscal Year-End" below for further information regarding the outstanding Profits Interests held by Ms. McGarry and Ms. Schmidt as of December 31, 2019.

In connection with the reorganization transactions, Guild Management LLC will be dissolved and its members, including holders of the Profits Interests, will receive a pro rata liquidating distribution of shares of the Issuer's common stock (with holders of Profits Interests receiving shares of the Issuer's Class A

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common stock). The shares of the Issuer's Class A common stock to be distributed to Ms. McGarry and Ms. Schmidt in respect of their Profits Interests are included in the total number of shares of the Issuer's Class A common stock to be held by Ms. McGarry and Ms. Schmidt after this offering that is shown in the section of this prospectus entitled "*Principal and Selling Stockholders.*"

### ***Retirement and Deferred Compensation Plans***

The Company maintains a 401(k) plan, which is a U.S. tax-qualified retirement plan offered to all eligible employees, including our named executive officers, that permits eligible employees to elect to defer a portion of their compensation on a pre-tax basis. In 2019, participants in the 401(k) plan, including our named executive officers, were eligible for company matching contributions equal to 40% of the participant's contributions up to a maximum of 6% of eligible compensation under the plan. We do not maintain any defined benefit pension plans.

The Company maintains the Compensation Deferral Plan for Executives (the "Deferred Compensation Plan"), a nonqualified deferred compensation plan that was frozen effective as of December 31, 2007. Ms. McGarry and Ms. Schmidt participate in the Deferred Compensation Plan and in 2007 their accounts under the Deferred Compensation Plan became notionally invested in phantom units, a reference security that notionally tracked the value of Class A units in Guild Management LLC, an equityholder of Guild Investors, LLC, our former parent entity. Each time a cash dividend was paid with respect to Class A units during 2019, a corresponding dividend was notionally credited with respect to the phantom units held in Ms. McGarry's and Ms. Schmidt's accounts. Ms. McGarry and Ms. Schmidt are able to direct the notional investment of the dividend amounts into various investment alternatives offered under the Deferred Compensation Plan, which alternatives generally track the investment alternatives available under the 401(k) plan. In connection with the offering, it is expected that the phantom units held by Ms. McGarry and Ms. Schmidt will be converted into notional cash balances based on the then-current fair market value of the phantom units, and that Ms. McGarry and Ms. Schmidt will be permitted to notionally invest the converted cash balances in the investment alternatives made available under the Deferred Compensation Plan.

### **IPO Equity Award Grants**

In connection with this offering, we intend to grant restricted stock unit awards under our 2020 Omnibus Incentive Plan (a description of which is included below) to non-employee directors (as described below under "*Non-Employee Director Compensation*") and certain employees, including our named executive officers. The approximate aggregate grant date value of such awards is expected to be \$ . The number of restricted stock units that will be issued will be equal to the grant date value of each award divided by our public offering price. In particular, it is anticipated that Ms. McGarry, Ms. Schmidt and Mr. Horn will each receive an award of restricted stock units with a grant date value of \$ , \$ , and \$ , respectively, which corresponds to , , and shares of our Class A common stock, respectively, based on the midpoint of estimated price range set forth on the front cover of this prospectus. The restricted stock units granted to the named executive officers will vest in installments, with 25% vesting on each of the second and third anniversaries of the grant date and 50% vesting on the fourth anniversary of the grant date, in each case, generally subject to continued employment through the applicable vesting date.

**Summary Compensation Table**

The following table shows the compensation earned by our named executive officers for the fiscal year ending December 31, 2019.

<b>Name and Principal Position</b>	<b>Year</b>	<b>Salary (\$)</b>	<b>Non-Equity Incentive Plan Compensation (\$)</b>	<b>All Other Compensation (\$)<sup>(1)</sup></b>	<b>Total (\$)</b>
Mary Ann McGarry <i>Chief Executive Officer</i>	2019	600,000	1,558,002	488,021	2,646,023
Terry Schmidt <i>President</i>	2019	425,000	1,284,767	488,073	2,197,840
Barry Horn <i>Executive Vice President, National Production Manager</i>	2019	375,000	2,358,888	13,918	2,747,806

- (1) The amounts reported in this column represent: (i) for Ms. McGarry, \$472,507 of dividend equivalents credited in 2019 with respect to phantom units notionally held under the Deferred Compensation Plan (Ms. McGarry's account under the Deferred Compensation Plan is fully vested and has been notionally invested in phantom units since 2007), \$6,840 of company matching contributions under the 401(k) plan, and \$8,674 relating to attendance at a President's Club sales trip, (ii) for Ms. Schmidt, \$472,507 of dividend equivalents credited in 2019 with respect to phantom units notionally held under the Deferred Compensation Plan (Ms. Schmidt's account under the Deferred Compensation Plan is fully vested and has been notionally invested in phantom units since 2007), \$6,840 of company matching contributions under the 401(k) plan, and \$8,726 relating to attendance at a President's Club sales trip, and (iii) for Mr. Horn, \$6,840 of company matching contributions under the 401(k) plan, and \$7,078 relating to attendance at a President's Club sales trip.

**Narrative Disclosure to Summary Compensation Table**

***Executive Compensation Agreements with Ms. McGarry and Ms. Schmidt***

Ms. McGarry is party to an executive compensation agreement with the Company effective as of January 1, 2019, which provides for an initial one-year term ending on January 1, 2020, subject to automatic renewal for successive one-year terms, unless the Company and Ms. McGarry mutually agree to terminate the agreement or Ms. McGarry's employment is terminated by the Company or Ms. McGarry. Pursuant to the executive compensation agreement, Ms. McGarry is eligible to receive an annual base salary equal to \$600,000 and an annual bonus in accordance with the annual bonus program for partners described above under "*Compensation of Named Executive Officers—Short-Term Cash Incentive Compensation.*" Under the terms of the executive compensation agreement, upon Ms. McGarry's termination of employment, Ms. McGarry is entitled to receive a prorated bonus for the calendar year of termination based on actual performance and, if the termination of employment is initiated by the Company, subject to Ms. McGarry's execution of a waiver and release in a form acceptable to the Company, a cash payment of \$600,000, in 24 monthly installments of \$25,000 beginning 30 days after the last day of Ms. McGarry's employment with the Company. The executive compensation agreement also includes a one-year post-termination employee no hire and employee nonsolicitation covenant.

Ms. Schmidt is also party to an executive compensation agreement with the Company effective as of January 1, 2019, which provides for an initial one-year term ending on January 1, 2020, subject to automatic renewal for successive one-year terms, unless the Company and Ms. Schmidt mutually agree to terminate the agreement or Ms. Schmidt's employment is terminated by the Company or Ms. Schmidt. Pursuant to the executive compensation agreement, Ms. Schmidt is eligible to receive an annual base

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salary equal to \$425,000 and an annual bonus in accordance with the annual bonus program for partners described above under “*Compensation of Named Executive Officers–Short-Term Cash Incentive Compensation.*” Under the terms of the executive compensation agreement, upon Ms. Schmidt’s termination of employment, Ms. Schmidt is entitled to receive a prorated bonus for the calendar year of termination based on actual performance and, if the termination of employment is initiated by the Company, subject to Ms. Schmidt’s execution of a waiver and release in a form acceptable to the Company, a cash payment of \$425,000, in 24 monthly installments of \$17,708.33 beginning 30 days after the last day of Ms. Schmidt’s employment with the Company. The executive compensation agreement also includes a one-year post-termination employee no hire and employee nonsolicitation covenant.

### **Employment Agreement with Mr. Horn**

Mr. Horn is party to an employment agreement with the Company dated as of January 1, 2016. Pursuant to the employment agreement, Mr. Horn is eligible to receive a base salary of \$31,250 per month and the volume override and quarterly bonuses described above under “*Compensation of Named Executive Officers–Short-Term Cash Incentive Compensation.*” The employment agreement does not provide for any payments upon termination of Mr. Horn’s employment with the Company.

### **Outstanding Equity Awards at Fiscal Year-End**

The following table sets forth information regarding outstanding equity compensation awards held as of December 31, 2019 by our named executive officers. Such awards were in the form of Profits Interests, which do not relate to the common stock of the Issuer.

<b>Name</b>	<b>Number of securities underlying unexercised options exercisable (#)</b>	<b>Option exercise price (\$(1))</b>	<b>Option expiration date</b>
Mary Ann McGarry			
<i>Profits Interests</i>	3,666	(2)	N/A
<i>Profits Interests</i>	7,500	(3)	N/A
<i>Profits Interests</i>	6,166	(4)	N/A
<i>Profits Interests</i>	2,500	(5)	N/A
Terry Schmidt			
<i>Profits Interests</i>	2,999	(2)	N/A
<i>Profits Interests</i>	6,832	(3)	N/A
<i>Profits Interests</i>	5,499	(4)	N/A
<i>Profits Interests</i>	2,500	(5)	N/A

- (1) Each Profits Interest is granted with a hurdle amount, which functions similarly to an option exercise price because the Profits Interests do not participate in distributions to equity holders of Guild Management LLC up to that amount.
- (2) These Profits Interests had a hurdle amount of \$12,650,000.
- (3) These Profits Interests had a hurdle amount of \$32,938,000.
- (4) These Profits Interests had a hurdle amount of \$66,588,000.
- (5) These Profits Interests had a hurdle amount of \$118,476,000.

### **Non-Employee Director Compensation**

In 2019, the Issuer had not yet been formed and did not have a Board of Directors. Prior to this offering, we did not maintain a formal director compensation policy.

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In preparing for this offering, we worked with Meridian Compensation Partners, our independent compensation consultant, to design a compensation program for our non-employee directors that will become effective upon the completion of this offering. Following the completion of this offering, our non-employee directors will be compensated for service on our Board of Directors pursuant to our program described below.

### ***Annual Cash Retainer***

Each non-employee member of our Board of Directors will receive a \$50,000 annual cash retainer. The chairman of the Board of Directors, chairpersons and members of each committee of the Board of Directors will also receive the additional annual cash retainers described below:

- ***Chairman.*** The Chairman of our Board of Directors will receive an annual cash retainer of \$25,000.
- ***Audit Committee Members.*** The chairperson of the Audit Committee will receive an annual cash retainer of \$25,000 and all other committee members will receive an annual cash retainer of \$10,000.
- ***Compensation Committee Members.*** The chairperson of the Compensation Committee will receive an annual cash retainer of \$15,000 and all other committee members will receive an annual cash retainer of \$7,500.
- ***Nominating and Corporate Governance Committee Chairperson.*** The chairperson of the Nominating and Corporate Governance Committee will receive an annual cash retainer of \$10,000 and all other committee members will receive an annual cash retainer of \$5,000.

### ***Equity Retainer***

***Annual RSU Retainer.*** On an annual basis, each non-employee director will be eligible to receive an annual grant of a number of restricted stock units with a grant date value equal to \$100,000 (\$150,000 in the case of the Chairman of our Board of Directors), which will be granted on the date of our annual shareholder meeting and will vest, generally subject to continued service on the Board of Directors, on the date of the following year's annual shareholder meeting.

***Initial RSU Grant.*** Upon completion of this offering, each non-employee director will receive an initial grant of restricted stock units with a grant date value equal to \$100,000, which will vest, generally subject to continued service on the Board of Directors, on the first anniversary of the completion of this offering.

After the completion of this offering, if a new director is appointed other than at an annual meeting of shareholders, the director will receive an initial award of restricted stock units with a grant date value equal to \$100,000 prorated for the portion of the director compensation year for which such new director will be serving, which will vest, generally subject to continued service on the Board of Directors, on the date of the next annual meeting of shareholders following such director's appointment.

## **2020 Omnibus Incentive Plan**

In connection with this offering, our Board of Directors intends to adopt, and our current shareholders are expected to approve, our 2020 Omnibus Incentive Plan (the "2020 Plan"), prior to the effective date of this offering. The 2020 Plan is expected to have the terms substantially as set forth below.

***Purpose.*** The purpose of our 2020 Plan is to give the Company a competitive advantage in attracting, retaining and motivating officers, employees, directors and/or consultants and to enable the Company to provide incentives for future performance of services directly linked to the profitability of the Company's businesses and increases in Company shareholder value.

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**Stock Awards and Eligibility.** The 2020 Plan provides for the grant of incentive stock options (“ISOs”), nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards and other forms of equity-based compensation. Additionally, the 2020 Plan provides for the grant of cash-denominated awards. ISOs may be granted only to employees. All other awards may be granted to current and prospective directors, officers, employees, and consultants of the Company and its affiliates.

**Class A Common Stock Subject to the 2020 Plan.** The maximum number of shares of our Class A common stock that may be granted pursuant to awards under our 2020 Plan is . The maximum number of shares of our Class A common stock that may be granted pursuant to ISOs is

The shares of our Class A common stock covered by any award that is forfeited, terminates, expires, lapses without being exercised or is settled for cash will again become available for issuance under the 2020 Plan. With respect to any award, if the exercise price and/or tax withholding obligations are satisfied by delivering shares to us (by actual delivery or attestation), or if the exercise price and/or tax withholding obligations are satisfied by withholding shares otherwise issuable pursuant to the award, the share reserve shall nonetheless be reduced by the gross number of shares subject to the award.

**Director Compensation Limitations.** No non-employee director may receive compensation in such capacity during any calendar year that exceeds \$500,000 (calculating the value of any equity compensation awards for such purpose based on the grant date fair value of such awards for financial reporting purposes). For purposes of the preceding sentence, an equity-based award shall be deemed received upon grant (and not upon vesting or settlement) and any deferred cash compensation shall be deemed received when earned (and not when paid).

**Administration.** Our 2020 Plan will be administered by our Board of Directors directly, or if the Board of Directors elects, by the Compensation Committee (or such other committee of the Board of Directors as our Board of Directors may from time to time designate) (the “Committee”), provided that, subject to law, all powers of the Committee may be exercised by the full Board of Directors. Among other things, the Committee will have the authority to select individuals to whom awards may be granted, determine the types of awards (as well as the number of shares of common stock to be covered by such award) granted, and determine and modify the terms and conditions of any such award.

**Stock Options and Stock Appreciation Rights.** Stock options entitle the participant to purchase a specified number of shares of Class A common stock at a price equal to the per share exercise price of the stock options. Stock appreciation rights entitle the participant to receive an amount in cash or shares with a value equal to the product of (i) the difference between the fair market value of one share of Class A common stock on the exercise date and the per share exercise price, multiplied by (ii) the number of shares of Class A common stock subject to the stock appreciation rights. The exercise price of a stock option or stock appreciation right award will be determined by the Committee and provided in the applicable award agreement, and will not be less than the fair market value (as defined in the 2020 Plan) of a share of Class A common stock on the grant date. In no event may any stock appreciation right or stock option granted under the 2020 Plan be amended (other than as described below under “Plan and Award Adjustments”) to decrease the exercise price, be canceled in exchange for cash or other awards if the exercise price of such stock appreciation right or stock option exceeds the fair market value of a share of Class A common stock on the date of such cancellation, be canceled in exchange for any new stock appreciation right or stock option with a lower exercise price, or otherwise be subject to any action that would be treated, under the applicable stock exchange listing standards or for accounting purposes, as a “repricing,” unless such amendment, cancellation or action is approved by the Company’s stockholders. The term of each stock appreciation right and stock option is fixed by the Committee, but cannot be more than 10 years after the grant date. The effect of a participant’s termination of service on any award held by the participant will be described in the applicable award agreement for the award.

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A stock option that is intended to qualify as an ISO may not be granted to an eligible individual who at grant owns more than 10% of the total combined voting power of all classes of stock of the Company, unless at the time the exercise price of such ISO is at least 110% of the fair market value of a share and is not exercisable after the fifth anniversary of the grant date. In addition, the aggregate fair market value of the shares at grant for which ISOs become exercisable by a participant during any calendar year may not exceed \$100,000.

**Restricted Stock.** Shares of restricted stock are actual shares of our Class A common stock issued to a participant. The Committee may require that restricted stock vest based on either the continued service of the participant, the attainment of performance goals or a combination of both. Except as provided in the applicable award agreement, a participant holding shares of restricted stock will have all the rights of a stockholder holding shares of Class A common stock, including, if applicable, the right to vote the shares and the right to receive any dividends, except that, unless otherwise determined by the Committee, cash dividends shall be payable in cash and shall be held subject to vesting of the underlying restricted stock and stock dividends shall be payable in restricted stock and shall be held subject to the vesting of the underlying restricted stock.

**Restricted Stock Units.** Restricted stock units are awards denominated in shares that will be settled, subject to the applicable award's terms and conditions, in a specified number of shares of our Class A common stock or cash equal to the fair market value of the number of shares of Class A common stock. The Committee may require that restricted stock units vest based on either the continued service of the participant, the attainment of performance goals or a combination of both. Restricted stock units will be settled upon vesting or at a later time if permitted pursuant to a deferred compensation arrangement. A participant holding restricted stock units shall have no rights as a shareholder with respect to the shares of Class A common stock unless and until the shares are actually delivered to the participant in settlement of the units. Certain restricted stock unit awards may be eligible for dividends or dividend equivalents, which, unless otherwise determined by the Committee, shall be held subject to the vesting of the underlying restricted stock units.

**Other Stock-Based Awards.** Other stock-based awards are awards under the 2020 Plan not otherwise specifically described in the 2020 Plan that are valued by reference to, or otherwise relate to, shares of our Class A common stock, and which are subject to terms and conditions consistent with the terms of the 2020 Plan that are determined by the Committee.

**Cash Awards.** Cash awards are awards under the 2020 Plan that are denominated and payable in cash and which are subject to such terms and conditions consistent with the terms of the 2020 Plan as are determined by the Committee.

**Transferability of Awards.** Unless otherwise determined by the Committee, awards generally are not transferable other than by will or by the laws of descent or distribution.

**Plan and Award Adjustments.** In the event of (i) a merger, consolidation, acquisition of property or shares, stock rights offering, liquidation, disposition for consideration of an equity interest in a subsidiary or affiliate, or similar event affecting the Company; or (ii) a stock dividend, stock split, reverse stock split, reorganization, share combination, or recapitalization or similar event affecting the capital structure of the Company, or a disaffiliation, separation or spinoff, or other extraordinary dividend, the Committee or our Board of Directors may (or, in certain cases, will) in its discretion, in the case of events described in clause (i) and (ii), make such substitutions or adjustments as it deems appropriate and equitable to: (A) the aggregate number and kind of shares or other securities reserved for issuance and delivery under the 2020 Plan; (B) the various maximum limitations on the grants to individuals of certain types of awards; (C) the number and kind of shares or other securities subject to outstanding awards; (D) financial goals or results relating to a performance goal; and (E) the exercise price of outstanding awards. In the case of certain



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corporate transactions, such an adjustment may consist of cancellation of outstanding awards in exchange for payments of cash, property or a combination of both having an aggregate value equal to the value of such awards, which in the case of an option may be the excess, if any of the deal consideration per share over the per share exercise price.

Upon a change in control of the Company, participants will be granted replacement awards by the acquiring or surviving company that are of the same type held prior to the change in control. Performance awards will be converted into replacement time-based awards for the remainder of the applicable performance period (or such shorter period determined by the Committee), with the number of underlying shares determined based on the greater of actual performance through the latest practicable date prior to the change in control and target performance. Replacement awards will generally continue to vest on the same schedule as the original awards, except that, if a participant's employment is terminated by the Company without cause and not due to the participant's death or disability, within the 24 months following the change in control, then the participant's replacement awards will become vested in full. In the event an acquiring or surviving company refuses to issue replacement awards, or if the acquiring or surviving company is not a publicly held company, then all awards under the 2020 Plan will become vested in full upon the change in control, with performance awards vesting at the greater of actual performance through the latest practicable date prior to the change-in-control and target performance. The terms "cause," "good reason" and "change in control" are defined in the 2020 Plan.

***Termination and Amendment.*** Our 2020 Plan will automatically terminate ten years from the date of completion of this offering, unless terminated earlier by our Board of Directors. The Committee may amend, alter, suspend or terminate our 2020 Plan at any time, provided that no amendment, alteration or discontinuation may materially impair the rights of any participant with respect to a previously granted award without the participant's consent.

**PRINCIPAL AND SELLING STOCKHOLDERS**

The following table sets forth information with respect to the beneficial ownership of our capital stock, as of (i) immediately prior to the completion of this offering and (ii) following the sale of shares of our Class A common stock in this offering, by:

- each person, or group of affiliated persons, known by us to beneficially own more than 5% of any class or series of our capital stock (other than directors and named executive officers);
- each of our directors;
- each of our named executive officers;
- all of our executive officers and directors as a group; and
- the selling stockholders.

The numbers of shares of our Class A common stock and shares of our Class B common stock beneficially owned, percentages of beneficial ownership and percentages of combined voting power of our outstanding common stock before and after this offering that are set forth below are based on the number of shares to be issued and outstanding prior to and after this offering, in each case, after giving effect to the reorganization transactions and assuming an initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the estimated price range set forth on the front cover of this prospectus. See “*Organizational Structure.*” In addition, the percentage ownership assumes no purchase of shares of our Class A common stock through the directed share program and that the underwriters’ option to purchase additional shares is not exercised.

The number of shares beneficially owned by each stockholder is determined under rules of the SEC and includes voting or investment power with respect to securities. Under these rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared voting power or investment power. In computing the number of shares beneficially owned by an individual or entity and the percentage ownership of that person, shares of common stock subject to options, warrants or other rights held by such person that are currently exercisable or will become exercisable within 60 days are considered outstanding, although these shares are not considered outstanding for purposes of computing the percentage ownership of any other person.

Unless otherwise indicated, the address of all listed stockholders is c/o Guild Holdings Company, 5887 Copley Drive, San Diego, California 92111. Each of the stockholders listed has sole voting and investment power with respect to the shares beneficially owned by the stockholder unless noted otherwise, subject to community property laws where applicable.

Name and Address of Beneficial Owner	Class A Common Stock Beneficially Owned (1)				Class B Common Stock Beneficially Owned (1)				Combined Voting Power (2)	
	Before This Offering		After This Offering		Before This Offering		After This Offering		Before This Offering	After This Offering
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Percentage	Percentage
<b>5% Stockholders</b>										
Entities Associated With McCarthy Partners, LLC(3)						100%		100%		
<b>Directors and Named Executive Officers</b>										
Mary Ann McGarry					—	—	—	—		
Terry Schmidt					—	—	—	—		
Barry Horn					—	—	—	—		
Patrick Duffy(4)										
Mike Meyer						—		—		

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Name and Address of Beneficial Owner	Class A Common Stock Beneficially Owned (1)				Class B Common Stock Beneficially Owned (1)				Combined Voting Power (2)	
	Before This Offering		After This Offering		Before This Offering		After This Offering		Before This Offering	After This Offering
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Percentage	Percentage
<b>All directors and executive officers as a group (  persons)</b>										
<b>Selling Stockholders</b>										
David Battany					—	—	—	—		
Catherine Blocker					—	—	—	—		
Theresa Chery					—	—	—	—		
Gemma Currier					—	—	—	—		
Amber Elwell					—	—	—	—		
Kat Foster					—	—	—	—		
Shayla Gifford										
Lisa Klika										
Erin Langevin										
James Madsen										
Robert Meyers										
Charles Nay										
David Neylan										
John Pecoraro										
Mike Rish										
Linda Scott										

\*Less than 1%.

- (1) Each holder of shares of our Class B common stock is entitled to 10 votes per share and each holder of shares of our Class A common stock is entitled to one vote per share, in each case on all matters submitted to our stockholders for a vote. See “*Description of Capital Stock*.”
- (2) Percentage of voting power represents the combined voting power with respect to all shares of our Class A common stock and shares of our Class B common stock, voting together as a single class. See “*Description of Capital Stock*.”
- (3) Represents the shares of our Class B common stock held by MCMI. McCarthy Partners, LLC exercises voting and investment control over the shares of our Class B common stock held by MCMI. In his capacity as the President of McCarthy Partners, LLC, Mr. Duffy may be deemed to exercise voting and investment control over the shares of our Class B common stock held by MCMI.
- (4) Includes the shares of our Class B common stock held by MCMI and over which McCarthy Partners, LLC exercises voting and investment control. In his capacity as the President of McCarthy Partners, LLC, Mr. Duffy may be deemed to exercise voting and investment control over the shares of our Class B common stock held by MCMI.

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Other than compensation arrangements for our executive officers and directors that are described elsewhere in this prospectus, below we describe transactions since January 1, 2017 to which we were or will be a participant and in which:

- The amounts involved exceeded or will exceed \$120,000; and
- Any of our directors, executive officers or holders of more than 5% of our outstanding voting securities, or any member of the immediate family of, or person sharing the household with, the foregoing persons, had or will have a direct or indirect material interest.

### McCarthy Capital Mortgage Investors, LLC

Two members of our Board of Directors serve as members of the investment team at McCarthy Capital, the private equity firm that controls our majority stockholder, MCMI: Patrick Duffy, the Chairman of our Board of Directors, serves as the President and Managing Partner of McCarthy Capital and Mike Meyer serves as the Portfolio Director of McCarthy Capital.

### Reorganization Transactions

In connection with the reorganization transactions, we will enter into certain agreements with certain of our investors, including MCMI and , which will effect the reorganization transactions. Pursuant to the reorganization transactions, Guild Mortgage Co. will become a wholly owned subsidiary of the Issuer. See “*Organizational Structure*” for more information.

### Registration Rights Agreement

In connection with the reorganization transactions and prior to the consummation of this offering, we intend to enter into a registration rights agreement with MCMI and certain of our other stockholders, including (the “Registration Rights Agreement”), pursuant to which each of MCMI and the other stockholders party thereto will be entitled to certain rights to require the registration of the sale of certain or all of the shares of our Class A common stock (or, in the case of MCMI, the shares of our Class A common stock received upon conversion of shares of our Class B common stock) that they beneficially own. Among other things, under the terms of the Registration Rights Agreement:

- if we propose to file certain types of registration statements under the Securities Act with respect to an offering of equity securities, subject to certain conditions and exceptions, we will be required to use our reasonable best efforts to offer the stockholders party to the Registration Rights Agreement the opportunity to register the sale of all or part of their shares on the terms and conditions set forth in the Registration Rights Agreement (customarily known as “piggyback rights”); and
- MCMI has the right, subject to certain conditions and exceptions, to request that we file (i) registration statements with the SEC for one or more underwritten offerings of all or some of the shares of our Class A common stock received upon conversion of shares of our Class B common stock that it beneficially owns and/or (ii) a shelf registration statement that includes all or some of the shares of our Class A common stock received upon conversion of shares of our Class B common stock that it beneficially owns as soon as we become eligible to register the sale of our securities on Form S-3 under the Securities Act, and we are required to cause any such registration statements to be filed with the SEC, and to become (and remain) effective, as promptly as reasonably practicable.

All expenses of registration under the Registration Rights Agreement, including the legal fees of one counsel retained by or on behalf of the stockholders party thereto, will be paid by us. The registration rights granted in the Registration Rights Agreement are subject to customary restrictions such as blackout periods, minimums and limitations on the number of shares to be included in an underwritten offering. The Registration Rights Agreement also contains customary indemnification and contribution provisions. The Registration Rights Agreement is governed by Delaware law.

### **Payments Made in Connection with the Retirement of Certain Former Executives**

On November 15, 2014, Steven Hops, Guild Mortgage Co.'s former Senior Vice President, Business Development, retired. Other executives of the Company, consisting of Mary Ann McGarry, at that time Guild Mortgage Co.'s President and Chief Operating Officer, Terry Schmidt, at that time Guild Mortgage Co.'s Chief Financial Officer, Catherine Blocker, Guild Mortgage Co.'s Executive Vice President, Production Operations, Theresa Cherry, Guild Mortgage Co.'s Regional Senior Vice President, Mike Rish, Guild Mortgage Co.'s Senior Vice President, Secondary/Capital Markets, and Rhona Kaninau, Guild Mortgage Co.'s former Senior Vice President, Loan Administration, exercised their right to purchase Mr. Hops' units in Guild Management, LLC, one of our former indirect parents. The purchase was funded by Guild Mortgage Co. and in return, Guild Mortgage Co. received a note receivable from Guild Management, LLC for approximately \$2.5 million. The note is due in 2024, the outstanding balance on it (including interest), as of June 30, 2020, is \$2.6 million, and it is included within other assets on Guild Mortgage Co.'s consolidated balance sheets. Additionally, in connection with Mr. Hops' retirement, Guild Management, LLC, one of our former indirect parents, purchased all of the units of Guild Investors, LLC held by Mr. Hops in return for a note receivable for approximately \$4.68 million (which was subsequently amended by the parties to be for approximately \$4.63 million) from Guild Management, LLC to Mr. Hops. Under the terms of a settlement agreement subsequently entered into between Guild Management, LLC and Mr. Hops, all payments due in respect of the note were completed by March 1, 2019 and the note is no longer outstanding.

On January 1, 2019, Rhona Kaninau, Guild Mortgage Co.'s former Senior Vice President, Loan Administration, retired, which triggered a repurchase of her units of one of our former indirect parents, Guild Management, LLC, and a payout under the Deferred Compensation Plan. Guild Investors, LLC sold shares of Guild Mortgage Co. to Ms. Kaninau in exchange for her units of Guild Management, LLC. Ms. Kaninau, in turn, sold those shares back to Guild Mortgage Co. in exchange for a promissory note of \$8.0 million that is to be paid in equal installments, with certain exceptions, over 16 quarters. During the year ended December 31, 2019 and the six-month periods ended June 30, 2019 and June 30, 2020, Guild Mortgage Co. made payments of \$1.6 million, \$0.5 million and \$0.5 million, respectively, to Ms. Kaninau, and \$7.5 million, \$6.6 million and \$6.1 million of principal outstanding remained as of June 30, 2019, December 31, 2019 and June 30, 2020, respectively. Ms. Kaninau also participated in the Deferred Compensation Plan. Upon her retirement, Guild Mortgage Co. distributed \$2.0 million, the value of Ms. Kaninau's deferred compensation, to her.

### **Sale of Units by Guild Investors, LLC to Guild Management III, LLC**

On April 1, 2017, Guild Investors, LLC, our former parent company, sold units to Guild Management III, LLC for \$2.3 million in consideration, of which \$1.2 million was advanced by Guild Mortgage Co. in exchange for notes receivable from our parent company's members, including Barry Horn, Guild Mortgage Co.'s Executive Vice President, National Production. These members fully paid back the notes and \$0.1 million in accrued interest before December 31, 2019. At December 31, 2018 and December 31, 2017, these members owed \$0.2 million and \$1.1 million, respectively, on these notes which is included within other assets on Guild Mortgage Co.'s consolidated balance sheets as of those dates. The approximate dollar value of Mr. Horn's note receivable was \$0.4 million and the total amount of accrued interest paid by Mr. Horn was less than \$0.02 million.

### **Indemnification Agreements**

We intend to enter into an indemnification agreement with each of our directors and officers. These agreements will require us to indemnify these individuals to the fullest extent permitted under the DGCL against liabilities that may arise by reason of their service to us, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. See "*Description of Capital Stock—Limitations on Liability, Indemnification of Officers and Directors and Insurance.*"

**Directed Share Program**

At our request, the underwriters have reserved up to \_\_\_\_\_ shares of our Class A common stock, or up to \_\_\_\_\_ % of the shares of Class A common stock offered by this prospectus for sale by the selling stockholders, at the initial public offering price, to directors, director nominees, officers, employees, business associates and related persons of Guild. The sales will be made at our direction by \_\_\_\_\_ and its affiliates through a directed share program. If purchased by these persons, these shares will be subject to a \_\_\_\_\_ day lock-up restriction. The number of shares of Class A common stock available for sale to the general public will be reduced to the extent these individuals purchase such reserved shares. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus.

**Policies and Procedures for Related Party Transactions**

We will have a policy that all material transactions with a related party, as well as all material transactions in which there is an actual, or in some cases, perceived, conflict of interest, will be subject to prior review and approval by our Audit Committee and its independent members, who will determine whether such transactions or proposals are fair and reasonable to Guild and its stockholders. In general, potential related-party transactions will be identified by our management and discussed with our Audit Committee at its meetings.

Proposals, including, where applicable, financial and legal analyses, alternatives and management recommendations, will be provided to our Audit Committee with respect to each issue under consideration, and decisions will generally be made by our Audit Committee with respect to the foregoing related-party transactions after opportunity for discussion and review of materials. When applicable, our Audit Committee will request further information and, from time to time, will request guidance or confirmation from internal or external counsel or auditors.

All related party transactions described in this section occurred prior to adoption of this policy, and as such, these transactions were not subject to the approval and review procedures set forth in the policy.

## DESCRIPTION OF CERTAIN INDEBTEDNESS

The following is a summary of the material terms of certain indebtedness of Guild and our subsidiaries. The summary is qualified in its entirety by reference to the full text of the agreements governing the terms of such indebtedness, which are filed as exhibits to the registration statement of which this prospectus is a part.

### Amended and Restated Term Loan Credit Agreement

Guild Mortgage Co. is party to that certain Amended and Restated Term Loan Credit Agreement by and among Guild Mortgage Co. and Guild Investors, LLC, as borrowers, and the lenders and other parties party thereto (the “Term Loan Credit Agreement”). The Term Loan Credit Agreement provides for a term loan facility in the aggregate principal amount of \$100.0 million (which amount can be increased up to \$150.0 million in certain specified circumstances), is secured by Guild Mortgage Co.’s Fannie Mae MSRs, and has a scheduled maturity date of September 30, 2022. Guild Mortgage Co. and Guild Investors, LLC may, from time to time, upon prior written notice, prepay in whole or in part the term loan (subject to certain conditions). Beginning on October 1, 2020, Guild Mortgage Co. and Guild Investors, LLC are required to make periodic amortization payments on the first business day of each January, April, July and October in respect of the principal balance of the term loan in an amount equal to five percent of the aggregate principal amount of the term loan outstanding as of September 18, 2020.

The Term Loan Credit Agreement contains customary representations and warranties, as well as affirmative and negative covenants, including financial covenants requiring Guild Mortgage Co. and Guild Investors, LLC to maintain (i) a leverage ratio, defined as the ratio of the total liabilities of Guild Mortgage Co., Guild Investors, LLC and their subsidiaries to the total net worth of Guild Mortgage Co., Guild Investors, LLC and their subsidiaries, of less than or equal to 12.5 to 1.0, (ii) an aggregate tangible net worth of at least \$175.0 million (subject to certain exceptions), (iii) an aggregate liquidity of not less than the greater of (A) \$45.0 million and (B) an amount equal to three percent of the average daily amount of the total marginable assets of Guild Mortgage Co. and Guild Investors, LLC over the immediately preceding three-month period (subject to certain conditions) and (iv) a minimum net income, on a combined basis, for each quarterly period ending on each March 31, June 30, September 30 and December 31, of at least \$1.00 (subject to certain exceptions).

### Fifth Amended and Restated Loan and Security Agreement

Guild Mortgage Co. is party to that certain Fifth Amended and Restated Loan and Security Agreement by and among Guild Mortgage Co., as borrower, and the lenders and other parties party thereto (the “Fifth Amended and Restated Loan Agreement”). The Fifth Amended and Restated Loan Agreement provides for a revolving facility in the aggregate amount of up to \$135.0 million (which amount can be increased up to \$200.0 million in certain specified circumstances), is secured by Guild Mortgage Co.’s Ginnie Mae MSRs, and has a maturity date of June 6, 2022. Guild Mortgage Co. may, upon prior written notice, terminate or permanently reduce the revolving credit commitments. In addition, Guild Mortgage Co. has the right, at any time and from time to time, to prepay the principal amount of any revolving loans in full or in part.

The Fifth Amended and Restated Loan Agreement contains customary representations and warranties, as well as affirmative and negative covenants, including financial covenants requiring Guild Mortgage Co. to (i) maintain a tangible net worth of not less than the amount required to satisfy, among other things, the minimum net worth requirement(s) for all types of programs in which Guild Mortgage Co. is approved to participate by Ginnie Mae and/or for Guild Mortgage Co. to maintain Ginnie Mae issuer status in Ginnie Mae programs, (ii) maintain liquid assets of not less than the minimum liquid assets requirements for all program types in which Guild Mortgage Co. is approved to participate by Ginnie Mae and/or for Guild Mortgage Co. to maintain Ginnie Mae issuer status in Ginnie Mae programs and (iii) not permit, as of any date, the servicing portfolio delinquency rate to be greater than (A) until April 1, 2021, ten percent (or, with the exemption of certain loans from the calculation of such rate, six percent) and (B) on and after April 1, 2021, six percent.

### **Amended and Restated Loan and Security Agreement**

Guild Mortgage Co. is party to that certain Amended and Restated Loan and Security Agreement by and among Guild Mortgage Co., as borrower, and the lender party thereto (the “Amended and Restated Loan Agreement”). The Amended and Restated Loan Agreement provides for a revolving facility in the aggregate amount of up to \$65.0 million, is secured by Guild Mortgage Co.’s Freddie Mac MSRs, and provides for a scheduled maturity date of July 14, 2021. The Amended and Restated Loan Agreement contains customary representations and warranties, as well as affirmative and negative covenants, including financial covenants requiring Guild Mortgage Co. to (i) ensure that Guild Investors, LLC maintains a tangible net worth of not less than \$200.0 million, (ii) ensure that Guild Investors, LLC maintains a ratio of indebtedness to tangible net worth of no greater than 15.0 to 1.0, (iii) ensure that Guild Investors, LLC has cash and cash equivalents (subject to certain exceptions) in an amount of at least \$40.0 million (of which at least \$15.0 million must be cash) and (iv) not permit Guild Investors, LLC’s net income to be (A) less than \$1.00 (subject to certain exceptions) for any two consecutive fiscal quarters or (B) a loss of more than \$10.0 million (subject to certain exceptions) for any fiscal quarter.

### **Warehouse Lines of Credit**

Guild Mortgage Co. has seven warehouse lines of credit pursuant to master repurchase agreements providing an aggregate borrowing capacity as of the date of this prospectus of approximately \$2.9 billion. The warehouse lines mature between September 2020 and March 2024. At December 31, 2019, the weighted average interest rate for the seven warehouse lines of credit was 4.04%. All warehouse lines of credit are collateralized by underlying mortgages and related documents. Existing balances on the warehouse lines are repaid through the sale proceeds from the collateralized loans held by Guild Mortgage Co. The agreements governing the warehouse lines include certain customary representations and warranties, as well as affirmative and negative covenants, including with respect to maintenance of a maximum adjusted leverage ratio, minimum net worth, minimum tangible net worth, minimum current ratio, minimum liquidity and positive quarterly income and limitations on additional indebtedness, dividends, the sale of assets, and any declines in the fair value of Guild Mortgage Co.’s mortgage loan servicing portfolio.



## DESCRIPTION OF CAPITAL STOCK

The following description summarizes certain important terms of our capital stock, as they are expected to be in effect upon the consummation of this offering. We expect to adopt an amended and restated certificate of incorporation and amended and restated bylaws in connection with this offering, and this description summarizes the provisions that are expected to be included in such documents. This description is not complete and is qualified by reference to the full text of our certificate of incorporation and bylaws, the forms of which are filed as exhibits to the registration statement of which this prospectus is a part. You should read our certificate of incorporation and bylaws, as well as the applicable provisions of the DGCL.

### General

Following the reorganization transactions and the closing of this offering, our authorized capital stock will consist of \_\_\_\_\_ shares of Class A common stock, par value \$0.01 per share, \_\_\_\_\_ shares of Class B common stock, par value \$0.01 per share, and \_\_\_\_\_ shares of preferred stock, par value \$0.01 per share.

After the consummation of the reorganization transactions and this offering, we expect to have \_\_\_\_\_ shares of our Class A common stock issued and outstanding (or \_\_\_\_\_ shares if the underwriters exercise in full their option to purchase an additional \_\_\_\_\_ shares of Class A common stock from the selling stockholders), \_\_\_\_\_ shares of our Class B common stock issued and outstanding (or \_\_\_\_\_ shares if the underwriters exercise in full their option to purchase additional shares of Class A common stock from the selling stockholders) and no shares of our preferred stock issued and outstanding.

### Common Stock

#### *Voting*

The holders of shares of our Class A common stock and shares of our Class B common stock will vote together as a single class on all matters submitted to stockholders for their vote or approval, except (i) as required by applicable law or (ii) any amendment (including by merger, consolidation, reorganization or similar event) to our certificate of incorporation that would affect the rights of holders of shares of our Class A common stock in a manner that is disproportionately adverse compared to the rights of holders of shares of our Class B common stock, or vice versa, in which case the holders of shares of our Class A common stock or the holders of shares of our Class B common stock, as applicable, will vote together as a class. Holders of shares of our Class A common stock are entitled to one vote on all matters submitted to stockholders for their vote or approval and holders of shares of our Class B common stock are entitled to 10 votes on all matters submitted to stockholders for their vote or approval.

Upon the completion of this offering, MCMI will own 100% of the issued and outstanding shares of our Class B common stock and will control approximately \_\_\_\_\_ % of the combined voting power of our outstanding common stock. Accordingly, MCMI will control our business policies and affairs and can control any action requiring the general approval of our stockholders, including the election of our Board of Directors, the adoption of amendments to our certificate of incorporation and bylaws and the approval of any merger or sale of substantially all of our assets. This concentration of ownership and voting power may also delay, defer or prevent a change of control of the Company or impede a merger, takeover or other business combination that may otherwise be attractive to us or our other stockholders.

#### *Dividends*

The holders of shares of our Class A common stock and the holders of shares of our Class B common stock are entitled to receive dividends when, as and if declared by our Board of Directors out of legally available funds. Under our certificate of incorporation, dividends may not be declared or paid in respect of shares of our Class B common stock unless they are declared or paid in the same amount and same type of cash or property (or combination thereof) in respect of shares of our Class A common stock, and vice versa.

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With respect to stock dividends, holders of shares of our Class B common stock must receive shares of our Class B common stock while holders of shares of our Class A common stock must receive shares of our Class A common stock.

### ***Liquidation or Dissolution***

Upon our liquidation or dissolution, the holders of shares of our Class A common stock and the holders of shares of our Class B common stock will be entitled to share ratably in those of our assets that are legally available for distribution to stockholders after payment of liabilities and subject to the prior rights of any holders of preferred stock then outstanding.

### ***Conversion, Transferability and Exchange***

Our certificate of incorporation will provide that each share of our Class B common stock is convertible at any time, at the option of the holder, into one share of our Class A common stock. Our certificate of incorporation will further provide that each share of our Class B common stock will automatically convert into one share of our Class A common stock immediately prior to any transfer of such share except for certain transfers described in our certificate of incorporation, including (i) transfers to or among certain direct or indirect equityholders of MCMI (the “McCarthy Stockholders”), (ii) transfers following which the transferred shares of our Class B common stock continue to be held by MCMI or a permitted transferee and, in each case, the McCarthy Stockholders or the direct or indirect equityholders of such permitted transferee immediately prior to such transfer or transfers continue to hold a majority of the beneficial interests of MCMI or such permitted transferee, as applicable, following such transfer or transfers, (iii) transfers to family members, trusts solely for the benefit of MCMI, any McCarthy Stockholder or permitted transferee or their respective family members and other tax and estate planning vehicles, (iv) transfers to partnerships, corporations, and other entities controlled by, or a majority of which is beneficially owned by, MCMI, any McCarthy Stockholder or permitted transferee, their respective family members or other permitted entities, (v) certain transfers to charitable trusts or organizations that are exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (vi) transfers to an individual mandated under a qualified domestic relations order or (vii) transfers to a legal or personal representative in the event of death or disability. In addition, each share of our Class B common stock will automatically convert into one share of our Class A common stock if MCMI, the McCarthy Stockholders and their permitted transferees own less than 10% of the aggregate number of shares of our issued and outstanding common stock. Except as set forth above, shares of our Class B common stock will not be automatically converted into shares of our Class A common stock at a certain specified time or otherwise.

Among other exceptions described in our certificate of incorporation, MCMI, the McCarthy Stockholders and their permitted transferees will be permitted to pledge shares of our Class B common stock that they hold from time to time without causing an automatic conversion to shares of our Class A common stock, as applicable, provided that any pledged shares are not transferred to or registered in the name of the pledgee.

Shares of our Class A common stock are not subject to any conversion right.

### ***Other Provisions***

Holders of our common stock will have no preemptive or subscription rights, and there are no redemption or sinking fund provisions applicable to the common stock. After this offering, all outstanding shares of our common stock will be fully paid and non-assessable. The rights, preferences and privileges of the holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

### **Preferred Stock**

Under the terms of our certificate of incorporation, our Board of Directors will be authorized, subject to limitations prescribed by the DGCL and by our certificate of incorporation, to issue up to \_\_\_\_\_ shares of

preferred stock in one or more series without further action by the holders of our common stock. Our Board of Directors will have the discretion, subject to limitations prescribed by the DGCL and by our certificate of incorporation, to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of our preferred stock.

#### **Anti-Takeover Effects of Various Provisions of Delaware Law, Our Certificate of Incorporation and Our Bylaws**

Provisions of the DGCL and our certificate of incorporation and bylaws could make it more difficult to acquire or obtain control of Guild by means of a tender offer, a proxy contest or otherwise, or to remove incumbent officers and directors. These provisions, which are summarized below, may discourage certain types of coercive takeover practices and takeover bids that our Board of Directors may consider inadequate and to encourage persons seeking to acquire control of the Company to first negotiate with our Board of Directors. Guild believes that the benefits of increased protection of its ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure it outweigh the disadvantages of discouraging takeover or acquisition proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

#### ***Delaware Anti-Takeover Statute***

As a Delaware corporation, Guild will be subject to Section 203 of the DGCL regarding corporate takeovers. In general, Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a period of three years following the time the person became an interested stockholder, unless:

- prior to the date of the transaction, the board of directors of such corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time such transaction commenced, excluding, for purposes of determining the number of shares outstanding, (i) shares owned by persons who are directors and also officers of the corporation and (ii) shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or subsequent to such time the business combination is approved by the board of directors of such corporation and authorized at a meeting of stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock of such corporation not owned by the interested stockholder.

In this context, a “business combination” includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. An “interested stockholder” is a person who, together with affiliates and associates, owns or, within three years prior to the determination of interested stockholder status owned, 15% or more of a corporation’s outstanding voting stock. The existence of this provision would be expected to have an anti-takeover effect with respect to transactions not approved in advance by our Board of Directors, including discouraging attempts that might result in a premium over the market price for the shares of our Class A common stock held by our stockholders.

A Delaware corporation may “opt out” of Section 203 with an express provision in its original certificate of incorporation or an express provision in its certificate of incorporation or bylaws resulting from amendments approved by holders of at least a majority of the corporation’s outstanding voting shares. We will not elect to “opt out” of Section 203. However, following this offering and subject to certain

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restrictions, we could subsequently elect to “opt out” of Section 203 by such an amendment to our certificate of incorporation or bylaws.

### ***Classified Board***

Our certificate of incorporation and bylaws will provide that our Board of Directors will be divided into three classes, each of which is expected to be composed initially of two or three directors. The directors designated as Class I directors will have terms expiring at the first annual meeting of stockholders following the completion of this offering, which we expect to hold in . The directors designated as Class II directors will have terms expiring at the following year’s annual meeting of stockholders, which we expect to hold in , and the directors designated as Class III directors will have terms expiring at the following year’s annual meeting of stockholders, which we expect to hold in . Commencing with the first annual meeting of stockholders following the completion of this offering, directors for each class will be elected at the annual meeting of stockholders held in the year in which the term for that class expires and thereafter will serve for a term of three years. At any meeting of stockholders for the election of directors at which a quorum is present, the election will be determined by a plurality of the votes cast by the stockholders entitled to vote in the election. Under the classified board provisions, it may take two elections of directors for any individual or group to gain control of our Board of Directors. Accordingly, these provisions could discourage a third party from initiating a proxy contest, making a tender offer or otherwise attempting to gain control of Guild.

### ***Removal of Directors***

Our certificate of incorporation will provide that until MCMI, the McCarthy Stockholders and their permitted transferees beneficially own less than a majority of the combined voting power of our outstanding common stock, any director may be removed with or without cause by the affirmative vote of holders of at least a majority of the voting power of the then-outstanding shares of voting stock. After MCMI, the McCarthy Stockholders and their permitted transferees cease to beneficially own a majority of the combined voting power of our outstanding common stock, our certificate of incorporation will provide that our stockholders may remove our directors only for cause by an affirmative vote of holders of at least a majority of the voting power of the then-outstanding shares of voting stock.

### ***Amendments to Certificate of Incorporation and Bylaws***

Our certificate of incorporation will provide that it may be amended or altered in any manner provided by the DGCL. Our bylaws may be adopted, amended, altered or repealed by stockholders upon the approval of at least two-thirds of the voting power of all of the then-outstanding shares of stock entitled to vote at an election of directors. Additionally, our certificate of incorporation and bylaws will provide that our bylaws may be adopted, amended, altered or repealed by the Board of Directors.

### ***Size of Board and Vacancies***

Our certificate of incorporation and our bylaws will provide that the number of directors on our Board of Directors will be fixed exclusively by our Board of Directors and any vacancies on our Board of Directors resulting from any increase in the authorized number of directors or the death, resignation, retirement, disqualification, removal from office or other cause will be filled by a majority of the Board of Directors then in office, whether or not less than a quorum. Our certificate of incorporation and our bylaws will provide that any director appointed to fill a vacancy on our Board of Directors will hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which he or she been appointed expires and until such director’s successor shall have been duly elected and qualified.

### ***Special Stockholder Meetings***

Our bylaws will provide that only the Chairman of the Board of Directors, the Chief Executive Officer or an officer at the request of a majority of the members of the Board of Directors pursuant to a resolution

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approved by the Board of the Directors may call special meetings of Guild stockholders, and stockholders may not call special stockholder meetings.

### ***Stockholder Action by Written Consent***

Our certificate of incorporation will provide that until MCMI, the McCarthy Stockholders and their permitted transferees beneficially own less than a majority of the combined voting power of our outstanding common stock, stockholder action can be taken by written consent in lieu of a meeting. After MCMI, the McCarthy Stockholders and their permitted transferees cease to beneficially a majority of the combined voting power of our outstanding common stock, our certificate of incorporation will expressly prohibit the right of our stockholders to act by written consent. From and after that point in time, stockholder action must take place at the annual or a special meeting of Guild stockholders.

### ***Requirements for Advance Notification of Stockholder Nominations and Proposals***

Our bylaws will establish advance notice procedures with respect to stockholder proposals and nomination of candidates for election as directors, as well as minimum qualification requirements for stockholders making the proposals or nominations. Additionally, our bylaws will require that candidates nominated by stockholders for election as a director disclose their qualifications and make certain representations, including that (i) they are not a party to any undisclosed voting commitment, any voting commitment that could interfere with their ability to fulfill their fiduciary duties as a director of Guild, should they be elected, or any undisclosed agreement pursuant to which they would receive compensation, reimbursement or indemnification in connection with their service as a director of Guild, (ii) they will be in compliance, should they be elected, with Guild's corporate governance guidelines and Guild's conflict of interest, confidentiality and stock ownership and trading policies and (iii) they will abide by the procedures for the election of directors in our bylaws.

### ***No Cumulative Voting***

The DGCL provides that stockholders will not have the right to cumulate votes in the election of directors unless the company's certificate of incorporation provides otherwise. Our certificate of incorporation will not provide for cumulative voting.

### ***Undesignated Preferred Stock***

The authority that our Board of Directors will possess to issue preferred stock could potentially be used to discourage attempts by third parties to obtain control of Guild through a merger, tender offer, proxy contest or otherwise by making such attempts more difficult or more costly. Our Board of Directors may issue preferred stock with voting rights or conversion rights that, if exercised, could adversely affect the voting power of the holders of common stock.

### **Corporate Opportunities**

Our certificate of incorporation provides that, to the fullest extent permitted by law, we have, on behalf of ourselves, our stockholders and any of our and their respective affiliates, renounced any interest or expectancy in, or in being notified of or offered an opportunity to participate in, any business opportunity that may be presented to our directors that are not our employees or to any of their affiliates, partners or other representatives, and that no such person has any duty to communicate or offer such business opportunity to us or any of our affiliates or stockholders or shall be liable to us or any of our affiliates or stockholders for breach of any duty, as a director or otherwise, by reason of the fact that such person pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to us or any of our affiliates or stockholders, unless, in the case of any such person who is a director of our Company, such business opportunity is expressly offered to such director solely in his or her capacity as a director of our Company.

## **Limitations on Liability, Indemnification of Officers and Directors and Insurance**

### ***Elimination of Liability of Directors***

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties as directors, and our certificate of incorporation will include such an exculpation provision. Our certificate of incorporation will provide that, to the fullest extent permitted by the DGCL, no director will be personally liable to us or to our stockholders for monetary damages for breach of fiduciary duty as a director. While our certificate of incorporation will provide directors with protection from awards for monetary damages for breaches of their duty of care, it will not eliminate this duty. Accordingly, our certificate of incorporation will have no effect on the availability of equitable remedies such as an injunction or rescission based on a director's breach of his or her duty of care. The provisions of our certificate of incorporation described above apply to an officer of Guild only if he or she is a director of Guild and is acting in his or her capacity as director, and do not apply to officers of Guild who are not directors.

### ***Indemnification of Directors, Officers and Employees***

Our certificate of incorporation and our bylaws will require us to indemnify any person who was or is a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding by reason of the fact that he or she is or was a director or officer of Guild, or is or was serving at the request of Guild as a director, officer, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by Guild, against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) incurred or suffered by such person in connection with such proceeding if the person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of Guild and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

We will be authorized under our certificate of incorporation and our bylaws to purchase and maintain insurance to protect Guild and any current or former director, officer, employee or agent of Guild or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not Guild would have the power to indemnify such person against such expense, liability or loss under the DGCL.

We intend to enter into an indemnification agreement with each of our directors and officers. The indemnification agreements will provide that we will indemnify each indemnitee to the fullest extent permitted by the DGCL from and against all loss and liability suffered and expenses, judgments, fines and amounts paid in settlement incurred in connection with defending, investigating or settling any threatened, pending or completed action, suit or proceeding related to the indemnitee's service with the Company. Additionally, we will agree to advance to the indemnitee expenses incurred in connection therewith.

The limitation of liability and indemnification provisions in these indemnification agreements and our certificate of incorporation and bylaws may discourage stockholders from bringing a lawsuit against our directors for breach of fiduciary duty. These provisions also may reduce the likelihood of derivative litigation against our directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. In addition, your investment in our Class A common stock may be adversely affected to the extent we pay the costs of settlement and damage awards under these indemnification provisions.

### **Exclusive Forum**

Our certificate of incorporation will provide that, unless the Board of Directors otherwise determines, the state courts located within the State of Delaware or, if no state court located in the State of Delaware has

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jurisdiction, the federal court for the District of Delaware will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of Guild, any action asserting a claim of breach of a fiduciary duty owed by any director or officer of Guild to Guild or our stockholders, any action asserting a claim against Guild or any director or officer of Guild arising pursuant to any provision of the DGCL or our certificate of incorporation or bylaws, or any action asserting a claim against Guild or any director or officer of Guild governed by the internal affairs doctrine. Under our certificate of incorporation, to the fullest extent permitted by law, this exclusive forum provision will apply to all actions asserting covered Delaware state law claims, including any other claims, such as federal securities law claims, that a stockholder chooses to bring in the same action, although stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. This exclusive forum provision does not apply to actions that do not assert any covered Delaware state law claims, such as, for example, any action asserting solely federal securities law claims, and the enforceability of similar choice of forum provisions in other companies' organizational documents has been challenged in legal proceedings and it is possible that, in connection with claims arising under federal securities laws or otherwise, a court could find this exclusive forum provision to be inapplicable or unenforceable.

### **Authorized but Unissued Shares**

Our authorized but unissued shares of common stock and preferred stock will be available for future issuance without your approval. We may use additional shares for a variety of purposes, including future public offerings to raise additional capital, to fund acquisitions and as employee compensation. The existence of authorized but unissued shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of Guild by means of a proxy contest, tender offer, merger or otherwise.

### **Registration Rights**

In connection with the reorganization transactions and prior to the consummation of this offering, we intend to enter into the Registration Rights Agreement, pursuant to which each of MCMI and the other stockholders party thereto will be entitled to require the registration of the sale of certain or all shares of our Class A common stock (or, in the case of MCMI, shares of our Class A common stock received upon conversion of shares of our Class B common stock) that they beneficially own. See "*Certain Relationships and Related Party Transactions—Registration Rights Agreement*" for more information.

### **Transfer Agent and Registrar**

The transfer agent and registrar for our Class A common stock will be Computershare Trust Company, N.A.

### **Listing**

We intend to apply to list our Class A common stock on the NYSE under the symbol "GHLD."

## SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there was no public market for our Class A common stock. Future sales of substantial amounts of our common stock in the public market, or the perception that such sales may occur, could adversely affect the market price of the Class A common stock. Although we intend to apply to list our Class A common stock on the NYSE, we cannot assure you that there will be an active public market for the Class A common stock.

After the reorganization transactions and upon the closing of this offering, we will have outstanding an aggregate of \_\_\_\_\_ shares of our Class A common stock. Of these \_\_\_\_\_ shares, \_\_\_\_\_ shares of our Class A common stock sold in this offering will be freely tradable without restriction or further registration under the Securities Act, except for any shares purchased by our “affiliates,” as that term is defined in Rule 144 under the Securities Act and any shares purchased in this offering by participants in our directed share program who are subject to lock-up restrictions, whose sales would be subject to the restrictions described below. After the reorganization transactions and upon the closing of this offering, we will also have outstanding an aggregate of \_\_\_\_\_ shares of our Class B common stock, which are subject to conversion into shares of our Class A common stock as described in the section of this prospectus entitled “*Description of Capital Stock*.”

The remaining shares of our Class A common stock outstanding upon completion of this offering will be “restricted securities,” as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which are summarized below.

Subject to the lock-up agreements described below and the provisions of Rules 144 and 701 under the Securities Act, these restricted securities will be available for sale in the public market as follows:

<u>Date</u>	<u>Number of Shares</u>
On the date of this prospectus	
_____ days after the date of this prospectus	

### Lock-Up Agreements

We, the selling stockholders and each of our directors and executive officers have agreed that, without the prior written consent of Wells Fargo Securities, LLC, BofA Securities, Inc. and J.P. Morgan Securities LLC, as the representatives for the several underwriters, we and they will not, subject to limited exceptions, during the \_\_\_\_\_ -day restricted period:

(i) issue (in the case of us), offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any shares of the common stock or any securities convertible into or exercisable or exchangeable for common stock (including, without limitation, common stock, preferred stock or such other securities that may be deemed to be beneficially owned in accordance with the rules and regulations of the SEC or that may be issued upon exercise of a stock option or warrant), whether now owned or hereafter acquired;

(ii) enter into any swap or other agreement, arrangement, or transaction that transfers to another, in whole or in part, directly or indirectly, any of the economic consequences of ownership of any common stock or any securities convertible into or exercisable or exchangeable for common stock; or

(iii) in the case of us, file any registration statement under the Securities Act with the SEC with respect to the offering of any common stock or other capital stock or any securities convertible into or exercisable or exchangeable for any common stock or other capital stock (other than any registration statement filed pursuant to Rule 462(b) under the Securities Act to register securities to be sold to the underwriters pursuant to the underwriting agreement), nor publicly disclose the intention to make any filing;



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whether any transaction described in clause (i) or (ii) above is to be settled by delivery of common stock, other capital stock or other securities convertible into or exercisable or exchangeable for common stock or other capital stock, in cash or otherwise, or publicly announce any intention to do any of the foregoing. Shares of our Class A common stock purchased by any of our directors or executive officers in this offering would also be subject to the foregoing restrictions on transfer, as well as restrictions on disposition imposed by applicable law.

These agreements are subject to certain exceptions, as described in the section of this prospectus entitled “*Underwriting*.”

Upon the expiration of the lock-up period described above, substantially all of the shares subject to such lock-up restrictions will become eligible for sale, subject to the limitations discussed above.

### **Rule 144**

#### ***Affiliate Resales of Restricted Securities***

In general, beginning 90 days after the effective date of the registration statement for this offering, a person who is an affiliate of ours, or who was an affiliate at any time during the 90 days before a sale, who has beneficially owned shares of our Class A common stock for at least six months would be entitled to sell in “broker’s transactions” or certain “riskless principal transactions” or to market makers, a number of shares within any three-month period that does not exceed the greater of:

- 1% of the total number of then-outstanding shares of the class of security sold, which will equal, immediately after this offering, approximately shares of our Class A common stock; or
- the average weekly trading volume in the class of security sold on the \_\_\_\_\_ during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Affiliate resales under Rule 144 are also subject to the availability of current public information about us.

#### ***Non-Affiliate Resales of Restricted Securities***

In general, beginning 90 days after the effective date of the registration statement for this offering, a person who is not an affiliate of ours at the time of sale, and has not been an affiliate at any time during the three months preceding a sale, and who has beneficially owned shares of our Class A common stock for at least six months but less than a year, is entitled to sell such shares subject only to the availability of current public information about us. If such person has held our shares for at least one year, such person can resell under Rule 144(b)(1) without regard to any Rule 144 restrictions, including the 90-day public company requirement and the current public information requirement.

Non-affiliate resales are not subject to the manner of sale, volume-limitation or notice-filing provisions of Rule 144.

### **Rule 701**

In general, under Rule 701, any of our employees, directors, officers, consultants or advisors who purchased shares from us in connection with a compensatory stock or option plan or other written agreement before the effective date of a registration statement under the Securities Act are entitled to sell such shares 90 days after such effective date in reliance on Rule 144. An affiliate of ours can resell shares in reliance on Rule 144 without having to comply with the holding-period requirement, and a non-affiliate of ours can resell shares in reliance on Rule 144 without having to comply with the current public information and holding-period requirements.

The SEC has indicated that Rule 701 will apply to typical stock options granted before we become subject to the reporting requirements of the Exchange Act, along with the shares acquired upon exercise of such options, including exercises after we become subject to the reporting requirements of the Exchange Act.

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### ***Equity Plans***

We intend to file one or more registration statements on FormS-8 under the Securities Act to register all shares of our Class A common stock issued or issuable under the 2020 Plan. We expect to file that registration statement or registration statements after the date of this prospectus, permitting the resale of such shares by non-affiliates in the public market without restriction under the Securities Act and the sale by affiliates in the public market, subject to compliance with the resale provisions of Rule 144, in each case subject to the lock-up agreements described above.

### **Registration Rights**

Upon the closing of this offering, MCMI and the holders of                      outstanding shares of our Class A common stock will be entitled to various rights with respect to the registration of their shares of our Class A common stock (or, in the case of MCMI, shares of our Class A common stock received upon conversion of shares of our Class B common stock) under the Securities Act. Registration of these shares under the Securities Act would result in these shares becoming fully tradable without restriction under the Securities Act immediately upon the effectiveness of the registration statement for this offering, except for shares held by affiliates. See “*Certain Relationships and Related Party Transactions—Registration Rights Agreement*” for additional information. Shares covered by a registration statement will be eligible for sale in the public market upon the expiration or release from the terms of the lock-up agreements described above.

**MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS  
FOR NON-U.S. HOLDERS OF CLASS A COMMON STOCK**

The following is a general discussion of material U.S. federal income tax considerations with respect to the ownership and disposition of shares of our Class A common stock applicable to non-U.S. holders (as defined below) who acquire such shares in this offering and hold such shares as a capital asset within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the “Code”) (generally, property held for investment). For purposes of this discussion, a “non-U.S. holder” means a beneficial owner of our Class A common stock (other than an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes) that is not, for U.S. federal income tax purposes, any of the following:

- an individual citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in the United States or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) such trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person for U.S. federal income tax purposes.

This discussion is based on current provisions of the Code, the U.S. Treasury regulations promulgated thereunder, judicial opinions, published positions of the IRS and other applicable authorities, each as in effect as of the date hereof. All of these authorities are subject to change and differing interpretations, possibly with retroactive effect, and any such change or differing interpretation could result in U.S. federal income tax consequences different from those discussed below. This discussion does not apply to holders that are not non-U.S. holders as defined above. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular non-U.S. holder in light of such non-U.S. holder’s individual circumstances or that may be applicable to non-U.S. holders subject to special treatment under the U.S. federal income tax laws (such as, for example, insurance companies, tax-exempt organizations, banks or other financial institutions, brokers or dealers in securities, traders that elect mark-to-market treatment, “controlled foreign corporations,” “passive foreign investment companies,” partnerships (or other entities or arrangements treated as partnerships) for U.S. federal income tax purposes or other “flow-through” entities or investors therein, certain former citizens or former long-term residents of the United States, non-U.S. holders that hold our Class A common stock as part of a straddle, hedge, constructive sale or conversion transaction or other integrated transaction, and certain U.S. expatriates). This discussion also does not address any considerations under U.S. federal tax laws other than those pertaining to the income tax, nor does it address any considerations under any state, local or non-U.S. tax laws. In addition, this discussion does not address any aspects of the unearned income Medicare contribution tax or any considerations with respect to any withholding required pursuant to the Foreign Account Tax Compliance Act of 2010 (including the U.S. Treasury regulations promulgated thereunder, any intergovernmental agreements entered in connection therewith and any laws, regulations or practices adopted in connection with any such agreement). Prospective investors should consult with their own tax advisors as to the particular tax consequences to them of the ownership and disposition of shares of our Class A common stock, including with respect to the applicability and effect of any U.S. federal, state, local or non-U.S. income or other tax laws or any tax treaty, and any changes (or proposed changes) in tax laws or interpretations thereof.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our Class A common stock, the tax treatment of a person treated as a partner in such partnership will generally depend on the status of the partner and the activities of the partnership. Persons

who are, for U.S. federal income tax purposes, treated as partners in a partnership holding our Class A common stock should consult their tax advisors as to the particular U.S. federal income tax consequences applicable to them.

**THIS DISCUSSION IS FOR GENERAL INFORMATION PURPOSES ONLY AND IS NOT INTENDED TO CONSTITUTE A COMPLETE DESCRIPTION OF ALL TAX CONSEQUENCES RELATING TO THE ACQUISITION, OWNERSHIP AND DISPOSITION OF OUR CLASS A COMMON STOCK. PROSPECTIVE HOLDERS OF OUR CLASS A COMMON STOCK SHOULD CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF OUR CLASS A COMMON STOCK, INCLUDING WITH RESPECT TO THE APPLICABILITY AND EFFECT OF ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. INCOME AND OTHER TAX LAWS.**

#### **Dividends**

In general, subject to the discussion below regarding “effectively connected” dividends, any distribution we make to a non-U.S. holder with respect to shares of our Class A common stock that constitutes a dividend for U.S. federal income tax purposes will be subject to U.S. withholding tax at a rate of 30% of the gross amount, unless the non-U.S. holder is eligible for an exemption from, or a reduced rate of, such withholding tax under an applicable income tax treaty and the non-U.S. holder provides proper certification of its eligibility for such exemption or reduced rate. A distribution with respect to shares of our Class A common stock will constitute a dividend for U.S. federal income tax purposes to the extent of our current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Any distribution not constituting a dividend will be treated first as reducing the adjusted tax basis in the non-U.S. holder’s shares of our Class A common stock and then, to the extent it exceeds the adjusted tax basis in the non-U.S. holder’s shares of our Class A common stock, as gain from the sale or exchange of such stock. Any such gain will be subject to the treatment described below under “—*Gain on Sale or Other Disposition of Class A Common Stock.*”

Dividends we pay to a non-U.S. holder with respect to shares of our Class A common stock that are effectively connected with the conduct by such non-U.S. holder of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment or a fixed base of such non-U.S. holder in the United States) generally will not be subject to U.S. withholding tax, as described above, if the non-U.S. holder complies with applicable certification and disclosure requirements. Instead, such dividends generally will be subject to U.S. federal income tax on a net income basis, at regular U.S. federal income tax rates, generally in the same manner as if the non-U.S. holder were a United States person as defined under the Code. Any such “effectively connected” dividends received by a foreign corporation for U.S. federal income tax purposes may be subject to an additional “branch profits tax” at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty).

#### **Gain on Sale or Other Disposition of Class A Common Stock**

Subject to the discussion below under the heading “—*Backup Withholding, Information Reporting and Other Reporting Requirements,*” in general, a non-U.S. holder will not be subject to U.S. federal income tax on any gain realized upon the sale or other disposition of the non-U.S. holder’s shares of our Class A common stock unless:

- the gain is effectively connected with a trade or business conducted by the non-U.S. holder within the United States (or, if required by an applicable income tax treaty, is attributable to a permanent establishment or a fixed base of such non-U.S. holder in the United States);
- the non-U.S. holder is an individual and is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met; or
- we are or have been a U.S. real property holding corporation (which we refer to as a “USRPHC”) for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the

date of such disposition or such non-U.S. holder's holding period of such shares of our Class A common stock.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis, at regular U.S. federal income tax rates, generally in the same manner as if the non-U.S. holder were a United States person as defined under the Code. If the non-U.S. holder is a foreign corporation for U.S. federal income tax purposes, the branch profits tax described above also may apply to such effectively connected gain.

An individual non-U.S. holder described in the second bullet point above generally will be subject to a flat 30% tax (unless the non-U.S. holder is eligible for a lower rate under an applicable income tax treaty) on the gain from such sale or other disposition, which may be offset by United States source capital losses, if any, of the non-U.S. holder.

We believe we are not, and do not anticipate becoming, a USRPHC for U.S. federal income tax purposes. However, no assurance can be given that we are not or will not become a USRPHC. If we were or were to become a USRPHC, however, any gain recognized on a sale or other disposition of our Class A common stock by a non-U.S. holder that did not own (directly, indirectly or constructively) more than 5% of our Class A common stock during the applicable period would not be subject to U.S. federal income tax, provided that our Class A common stock is "regularly traded on an established securities market" (within the meaning of Section 897(e)(3) of the Code).

Non-U.S. holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different rules than those described above.

#### **Backup Withholding, Information Reporting and Other Reporting Requirements**

We must report annually to the IRS and to each non-U.S. holder the amount of distributions paid to such non-U.S. holder and the tax withheld with respect to such distributions. These reporting requirements apply regardless of whether withholding was reduced or eliminated by an applicable income tax treaty. Copies of any such information returns may also be made available to the tax authorities in the country in which the non-U.S. holder resides or is established under the provisions of an applicable income tax treaty or agreement.

A non-U.S. holder will generally be subject to backup withholding (currently at a rate of 24%) on dividends paid with respect to such non-U.S. holder's shares of our Class A common stock unless such holder certifies under penalties of perjury that, among other things, it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that such holder is a United States person as defined under the Code).

Information reporting and backup withholding generally are not required with respect to any proceeds from the sale or other disposition of our Class A common stock by a non-U.S. holder outside of the United States through a foreign office of a foreign broker that does not have certain specified connections to the United States. However, if a non-U.S. holder sells or otherwise disposes of its shares of our Class A common stock through a U.S. broker or the U.S. offices of a foreign broker, the broker will generally be required to report the amount of proceeds paid to the non-U.S. holder to the IRS, and may also be required to backup withhold on such proceeds unless such non-U.S. holder certifies under penalties of perjury that, among other things, it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that such holder is a United States person as defined under the Code). Information reporting will also apply if a non-U.S. holder sells its shares of our Class A common stock through a foreign broker with certain specified connections to the United States, unless such broker has documentary evidence in its records that such non-U.S. holder is a non-United States person and certain other conditions are met, or such non-U.S. holder otherwise establishes an exemption (and the payor does not have actual knowledge or reason to know that such holder is a United States person as defined under the Code).

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a non-U.S. holder can be credited against the non-U.S. holder's U.S. federal income

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tax liability, if any, or refunded, provided that the required information is furnished to the IRS in a timely manner. Non-U.S. holders should consult their tax advisors regarding the application of the information reporting and backup withholding rules to them.

## UNDERWRITING

The selling stockholders are offering the shares of our Class A common stock described in this prospectus through a number of underwriters. We and the selling stockholders intend to enter into an underwriting agreement with the underwriters with respect to the shares of our Class A common stock offered hereby, for which Wells Fargo Securities, LLC, BofA Securities, Inc. and J.P. Morgan Securities LLC are acting as the representatives. Subject to the terms and conditions of the underwriting agreement, the selling stockholders have agreed to sell to the underwriters, and each underwriter has severally and not jointly agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the front cover of this prospectus, the number of shares of our Class A common stock listed next to its name in the following table:

<u>Underwriter</u>	<u>Number of Shares</u>
Wells Fargo Securities, LLC	
BofA Securities, Inc.	
J.P. Morgan Securities LLC	
JMP Securities LLC	
C.L. King & Associates, Inc.	
Compass Point Research & Trading, LLC	
Total	

The underwriting agreement provides that the obligations of the underwriters to purchase the shares of our Class A common stock included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriters are committed to purchase all of the shares of our Class A common stock offered by the selling stockholders if they purchase any shares (other than those covered by the option to purchase additional shares described below). The underwriting agreement also provides that, if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering may be terminated.

The underwriters propose to offer the shares of our Class A common stock directly to the public at the public offering price set forth on the front cover of this prospectus and to certain dealers at that price less a concession not in excess of \$ \_\_\_\_\_ per share. After the public offering of the shares, the offering price and other selling terms may be changed by the underwriters. Sales of shares made outside of the United States may be made by affiliates of the underwriters.

The selling stockholders have granted a 30-day over-allotment option to the underwriters to purchase up to a total of \_\_\_\_\_ additional shares of our Class A common stock at the public offering price per share less the underwriting discounts and commissions per share, as set forth on the front cover of this prospectus. If the underwriters exercise this over-allotment option in whole or in part, then the underwriters will be severally committed, subject to the conditions described in the underwriting agreement, to purchase the additional shares of our Class A common stock in proportion to their respective commitments set forth in the prior table.

The underwriting fee is equal to the public offering price per share of our Class A common stock less the amount paid by the underwriters to the selling stockholders per share of our Class A common stock. The underwriting fee is \$ \_\_\_\_\_ per share. The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters assuming both no exercise and full exercise of the underwriters' over-allotment option to purchase additional shares.

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		<u>Total</u>	
	<u>Per Share</u>	<u>No</u>	<u>Full</u>
	\$	\$	\$
Public offering price	\$	\$	\$
Underwriting discounts and commissions to be paid by the selling stockholders	\$	\$	\$
Proceeds, before expenses, to the selling stockholders	\$	\$	\$

We estimate that the total expenses of this offering payable by us, including registration, filing and listing fees, printing fees and legal and accounting expenses will be approximately \$ . We have agreed to reimburse the underwriters for up to \$ of expenses related to the review of this offering by the Financial Industry Regulatory Authority, Inc.

A prospectus in electronic format may be made available on the websites maintained by one or more underwriters participating in the offering. The underwriters may agree to allocate a number of shares to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters that may make internet distributions on the same basis as other allocations.

We, the selling stockholders and each of our directors and executive officers have agreed, subject to certain exceptions, that, without the prior written consent of Wells Fargo Securities, LLC, BofA Securities, Inc. and J.P. Morgan Securities LLC, we and they will not, during the period beginning on and including the date of this prospectus through and including the date that is the day after the date of the underwriting agreement, directly or indirectly:

- (i) issue (in the case of us), offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any shares of the common stock or any securities convertible into or exercisable or exchangeable for common stock (including, without limitation, common stock, preferred stock or such other securities that may be deemed to be beneficially owned in accordance with the rules and regulations of the SEC or that may be issued upon exercise of a stock option or warrant), whether now owned or hereafter acquired;
- (ii) enter into any swap or other agreement, arrangement, hedge or transaction that transfers to another, in whole or in part, directly or indirectly, any of the economic consequences of ownership of any common stock or any securities convertible into or exercisable or exchangeable for common stock; or
- (iii) in the case of us, file any registration statement under the Securities Act with the SEC with respect to the offering of any common stock or other capital stock or any securities convertible into or exercisable or exchangeable for any common stock or other capital stock (other than any registration statement filed pursuant to Rule 462(b) under the Securities Act to register securities to be sold to the underwriters pursuant to the underwriting agreement), nor publicly disclose the intention to make any filing;

whether any transaction described in clause (i) or (ii) above is to be settled by delivery of common stock, other capital stock or other securities convertible into or exercisable or exchangeable for common stock or other capital stock, in cash or otherwise, or publicly announce any intention to do any of the foregoing. Shares of our Class A common stock purchased by any of our directors or executive officers in this offering would also be subject to the foregoing restrictions on transfer, as well as restrictions on disposition imposed by applicable law.



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The restrictions described in the paragraph on the preceding page relating to the Company do not apply, subject in certain cases to various conditions (including the transfer of the lock-up restrictions), to:

- the issuance by the Company of shares of common stock or other capital stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of restricted stock units (including net settlement);
- the issuance by the Company of stock options, stock awards, restricted stock units, performance stock units or other equity or equity-based awards or shares of common stock or other capital stock (whether upon the exercise of stock options, settlement of awards or otherwise) to employees, officers, directors, advisors or consultants of the Company pursuant to the terms of an equity incentive plan described herein existing on the date of the underwriting agreement;
- the establishment or amendment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of common stock, subject to various conditions;
- the filing by the Company of any registration statement on Form S-8 with the SEC relating to the offering of securities granted or to be granted pursuant to the terms of an equity incentive plan described herein; or
- the offer, the issuance or the agreement to issue by the Company of common stock, other capital stock or securities convertible into common stock or other capital stock in connection with an acquisition merger, joint venture, strategic alliance, commercial or other collaborative relationship or the acquisition or license by the Company or any of its subsidiaries of the securities, business, property or other assets of another person or entity, or pursuant to any equity incentive or employee benefit plan as assumed by the Company in connection with any such acquisition or transaction, and file any registration statement in connection with the foregoing, provided that the aggregate number of shares of common stock or other capital stock or securities convertible into common stock or other capital stock (on an as converted, as exercised or as exchanged basis) issued shall not exceed % of the total number of shares of common stock issued and outstanding on the closing date of this offering.

The restrictions described in the paragraph on the preceding page relating to the officers, directors, and our stockholders do not apply, subject in certain cases to various conditions (including the transfer of the lock-up restrictions), to:

- transfers as a bona fide gift or gifts (including, but not limited to, to a charity or educational institution);
- transfers by will or by intestate succession;
- transfers pursuant to a so-called “living trust” or other revocable trust established to provide for the disposition of property on the lock-up party’s death, in each case, to any member of the lock-up party’s immediate family;
- transfers to a trust the beneficiaries of which are exclusively the lock-up party and/or members of the lock-up party’s immediate family;
- transfers for bona fide estate planning purposes;
- transfers, if the lock-up party is a partnership, limited liability company, corporation or other entity, to a partner, member, stockholder or other holder of equity interests, as the case may be, of such partnership, limited liability company, corporation or other entity;
- transfers, if the lock-up party is a partnership, limited liability company, corporation or other business entity lock-up party, to another partnership, limited liability company, corporation or other business entity that, directly or indirectly, controls, is controlled by or is under common control with the lock-up party, or if a trust, to a trustee or beneficiary of the trust;

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- transfers to the underwriters pursuant to the terms of the underwriting agreement;
- transfers to any investment fund or other entity controlled or managed by the lock-up party;
- transfers to the Company, pursuant to (A) the exercise on a net-issuance basis by the undersigned of any stock option granted pursuant to the Company's employee benefit plans disclosed herein or (B) share withholding to cover applicable taxes in connection with the vesting or settlement of an award granted pursuant to the Company's employee benefit plans disclosed in herein;
- transfers to the Company, in connection with any reclassification or conversion of the common stock, provided, that any such shares of common stock received upon such conversion or reclassification shall be subject to the terms of the lock-up agreement;
- transfers of shares of common stock pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction made to all holders of our common stock, involving a change of control of us, provided that in the event that such tender offer, merger, consolidation or other such transaction is not completed, the lock-up party's shares of common stock shall remain subject to the provisions of the lock-up agreement;
- transfers pursuant to an order of a regulatory agency or a court, including a qualified domestic order, or in connection with a divorce settlement;
- transfers to a nominee or custodian of a person or entity to whom a transfer would be permitted under the lock-up agreement;
- transfers related to any transaction in connection with a reclassification of capital stock of the Company or reorganization of the organizational structure of the Company that is disclosed in herein; or
- the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of common stock; provided that such plan does not provide for the transfer of shares of common stock during the lock-up period.

We, the selling stockholders and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

### **Determination of Offering Price**

Prior to this offering, there has been no public market for shares of our Class A common stock. The initial public offering price per share of our Class A common stock will be determined by negotiations among us, the selling stockholders and the representatives of the underwriters. In determining the initial public offering price, we, the selling stockholders and the representatives of the underwriters expect to consider a number of factors including:

- the information presented in this prospectus and otherwise available to the underwriters;
- the history of and prospects for the industry in which we will compete;
- prevailing market conditions;
- our historical performance;
- estimates of our business potential and earnings prospects;
- the ability of our management;
- the recent market prices of, and the demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters, the selling stockholders and us.

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We offer no assurances that the initial public offering price will correspond to the price at which the shares of our Class A common stock will trade in the public market subsequent to the offering or that an active trading market for the shares of our Class A common stock will develop and continue after the offering.

### **Stabilization, Short Positions**

In connection with this offering, the underwriters may purchase and sell shares of our Class A common stock in the open market. These transactions may include short sales, purchases to cover short positions, which may include purchases pursuant to the over-allotment option to purchase additional shares, syndicate covering transactions and stabilizing transactions. Short sales involve syndicate sales of shares in excess of the number of shares to be purchased by the underwriters in this offering, which creates a syndicate short position. "Covered" short sales are sales of shares made in an amount up to the number of shares represented by the underwriters' over-allotment option. In determining the source of shares to close out the covered syndicate short position, the underwriters may consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option. Transactions to close out the covered syndicate short position involve either purchases of the shares in the open market after the distribution has been completed or the exercise of the over-allotment option. The underwriters may also make "naked" short sales of shares in excess of the over-allotment option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of bids for or purchases of shares in the open market while this offering is in progress.

The underwriters also may impose a penalty bid. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when the representatives repurchase shares originally sold by that syndicate member in order to cover syndicate short positions or make stabilizing purchases.

Any of these activities may have the effect of preventing or retarding a decline in the market price of shares of our Class A common stock. They may also cause the price of shares of our Class A common stock to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The underwriters may conduct these transactions on the NYSE or in the over-the-counter market, or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

### **Directed Share Program**

At our request, the underwriters have reserved for sale up to \_\_\_\_\_ shares, or up to \_\_\_\_\_ % of the shares of our Class A common stock being offered by this prospectus, for the sale at the initial public offering to persons who are directors, officers, employees or who are otherwise associated with Guild through a directed share program. If purchased by these persons, these shares will be subject to the same restrictions on transfer described in the paragraph above. The number of shares of our Class A common stock available for sale to the general public will be reduced to the extent that such persons purchase such reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus. \_\_\_\_\_ will administer our directed share program.

### **Relationships**

The underwriters are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The underwriters and their respective affiliates may, from time to time, engage in transactions with and perform services for us in

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the ordinary course of their business, for which they may receive customary fees and reimbursement of expenses. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### **Notice to Prospective Investors in the European Economic Area and United Kingdom**

In relation to each member state of the European Economic Area and the United Kingdom, an offer of shares described in this prospectus may not be made to the public in that relevant state other than:

- to any legal entity which is a qualified investor within the meaning of Article 2(e) of the Prospectus Regulation (“Qualified Investor”);
- to fewer than 150 natural or legal persons (other than Qualified Investors), as permitted under the Prospectus Regulation, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by us for any such offer; or
- in any other circumstances unless the offer falls within Article 3(2) of the Prospectus Regulation, provided that no such offer of shares shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation.

For purposes of this provision, the expression an “offer of securities to the public” in any relevant state means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe for those securities and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129 (and amendments thereto) and includes any relevant implementing measure in the relevant state.

The sellers of the shares have not authorized and do not authorize the making of any offer of shares through any financial intermediary on their behalf, other than offers made by the underwriters with a view to the final placement of the shares as contemplated in this prospectus. Accordingly, no purchaser of the shares, other than the underwriters, is authorized to make any further offer of the shares on behalf of the sellers or the underwriters.

### **Notice to Prospective Investors in the United Kingdom**

This prospectus is only being distributed to, and is only directed at, Qualified Investors in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order or (iii) other persons to whom it may lawfully be communicated (each such person referred to in (i), (ii) and (iii) being referred to as a “relevant person”). This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

### **Notice to Prospective Investors in Canada**

The securities may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions, and Ongoing Registrant Obligations. Any

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resale of the securities must be made in accordance with an exemption form, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

#### **LEGAL MATTERS**

The validity of the shares of our Class A common stock offered hereby will be passed upon for us by Wachtell, Lipton, Rosen & Katz, New York, New York. Certain legal matters in connection with this offering will be passed upon for the underwriters by Latham & Watkins LLP, Los Angeles, California.

#### **EXPERTS**

The consolidated financial statements of Guild Mortgage Company as of December 31, 2019 and 2018, and for each of the years in the two-year period ended December 31, 2019, have been included herein in reliance upon the report of KPMG LLP, independent registered public accounting firm, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

#### **WHERE YOU CAN FIND MORE INFORMATION**

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of Class A common stock offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules filed therewith. For further information about us and the shares of our Class A common stock offered hereby, we refer you to the registration statement and the exhibits and schedules filed thereto. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement.

The SEC maintains an internet website, which is located at [www.sec.gov](http://www.sec.gov), that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. You may access the registration statement for this offering at the SEC's internet website.

Upon closing of this offering, we will be subject to the informational and periodic reporting requirements of the Exchange Act. We will fulfill our obligations with respect to such requirements by filing periodic reports and other information with the SEC. We intend to furnish our stockholders with annual reports containing financial statements certified by an independent registered public accounting firm. We also maintain a website at [www.guildmortgage.com](http://www.guildmortgage.com). Information contained on or accessible through our website is not incorporated by reference into this prospectus, and you should not consider such information to be part of this prospectus or in deciding whether to purchase shares of our Class A common stock.

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**Guild Mortgage Company and its Subsidiaries**

**Unaudited Condensed Consolidated Financial Statements**

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<a href="#">Statements of Income (Loss) for the Six-Month Periods Ended June 30, 2020 and June 30, 2019</a>	F-3
<a href="#">Statements of Stockholder's Equity for the Six-Month Periods Ended June 30, 2020 and June 30, 2019</a>	F-4
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**Audited Consolidated Financial Statements**

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**GUILD MORTGAGE COMPANY**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Dollars in thousands, except par value)

	<u>June 30,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
	<u>(unaudited)</u>	
<b><u>ASSETS</u></b>		
Cash and cash equivalents	\$ 144,936	\$ 101,735
Restricted cash	3,526	5,000
Mortgage loans held for sale	1,982,521	1,504,842
Ginnie Mae loans subject to repurchase right	948,922	404,344
Accounts and interest receivable	25,004	34,611
Derivative asset	141,629	19,922
Mortgage servicing rights, net	336,687	418,402
Goodwill	62,834	62,834
Other assets	56,946	55,723
<b>TOTAL ASSETS</b>	<b><u>\$ 3,703,005</u></b>	<b><u>\$ 2,607,413</u></b>
<b><u>LIABILITIES AND STOCKHOLDER'S EQUITY</u></b>		
Warehouse lines of credit	\$ 1,689,291	\$ 1,303,187
Notes payable	188,000	218,000
Ginnie Mae loans subject to repurchase right	952,776	412,490
Accounts payable and accrued expenses	36,007	35,338
Accrued compensation and benefits	65,347	45,297
Investor reserves	23,886	16,521
Income tax payable	41,382	—
Due to parent company	427	12,427
Contingent liabilities due to acquisitions	22,952	8,073
Derivative liability	28,372	4,863
Note due to related party	6,164	6,606
Deferred compensation plan	61,878	52,302
Deferred tax liability	79,711	86,278
Total liabilities	<u>3,196,193</u>	<u>2,201,382</u>
Commitments and contingencies (Note 12)		
<b>STOCKHOLDER'S EQUITY</b>		
Common stock, \$100 par value; 2,000 shares authorized; 928 issued and outstanding at June 30, 2020 and December 31, 2019	93	93
Additional paid-in capital	21,992	21,992
Retained earnings	484,727	383,946
Total stockholder's equity	<u>506,812</u>	<u>406,031</u>
<b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>	<b><u>\$ 3,703,005</u></b>	<b><u>\$ 2,607,413</u></b>

See accompanying notes to condensed consolidated financial statements



**GUILD MORTGAGE COMPANY**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)**  
**(Dollars in thousands)**  
**(unaudited)**

	<b>For the six months ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
<b>REVENUE</b>		
Loan origination fees and gain on sale of loans, net	\$ 733,293	\$ 327,503
Loan servicing and other fees	76,310	68,437
Valuation adjustment of mortgage servicing rights	(204,810)	(160,222)
Interest income	26,949	25,327
Interest expense	(27,441)	(23,133)
Other income	(4)	1,181
Net revenue	<u>604,297</u>	<u>239,093</u>
<b>EXPENSES</b>		
Salaries, commissions and benefits	376,898	241,316
General and administrative	48,192	28,624
Occupancy, equipment and communication	26,955	26,942
Depreciation and amortization	3,146	3,824
Provision for foreclosure losses	1,860	774
Total expenses	<u>457,051</u>	<u>301,480</u>
INCOME (LOSS) BEFORE INCOME TAX EXPENSE (BENEFIT)	147,246	(62,387)
INCOME TAX EXPENSE (BENEFIT)	36,465	(15,389)
NET INCOME (LOSS)	<u>\$ 110,781</u>	<u>\$ (46,998)</u>

See accompanying notes to condensed consolidated financial statements

**GUILD MORTGAGE COMPANY**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY**  
**FOR SIX MONTHS ENDED JUNE 30, 2020 AND 2019**  
**(Dollars in thousands, except per share data)**  
**(unaudited)**

	<u>Shares</u>	<u>Amount</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at December 31, 2018	942	\$ 94	\$ 22,317	\$ 418,530	\$440,941
Common stock dividends (\$13,465 per share)	—	—	—	(12,500)	(12,500)
Stock repurchase	(14)	(1)	(325)	(7,661)	(7,987)
Net loss	—	—	—	(46,998)	(46,998)
Balance at June 30, 2019	928	\$ 93	\$ 21,992	\$ 351,371	\$373,456
Balance at December 31, 2019	928	\$ 93	\$ 21,992	\$ 383,946	\$406,031
Common stock dividends (\$10,772 per share)	—	—	—	(10,000)	(10,000)
Net income	—	—	—	110,781	110,781
Balance at June 30, 2020	<u>\$ 928</u>	<u>\$ 93</u>	<u>\$ 21,992</u>	<u>\$ 484,727</u>	<u>\$506,812</u>

See accompanying notes to condensed consolidated financial statements

**GUILD MORTGAGE COMPANY**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Dollars in thousands)  
(unaudited)

	For the six months ended June 30,	
	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (loss)	\$ 110,781	\$ (46,998)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization of fixed assets	3,145	3,382
Valuation adjustment of mortgage servicing rights	204,810	160,222
Valuation adjustment of mortgage loans held for sale	(43,912)	(9,222)
Valuation adjustment of derivatives	(98,198)	(8,191)
Provision for investor losses	11,053	3,655
Provision for foreclosure losses	1,860	774
Changes in estimated fair value of contingent liabilities due to acquisitions	20,025	3,054
Gain on sale of mortgage loans excluding fair value of other financial instruments, net	(458,596)	(257,943)
Deferred income taxes	(6,567)	(24,038)
Other	9,299	228
Investor reserves	(3,688)	(3,933)
Foreclosure loss reserve	(1,387)	(2,018)
Changes in operating assets and liabilities:		
Origination of mortgage loans held for sale	(14,615,843)	(8,566,696)
Proceeds on sale of and payments from mortgage loans held for sale	14,640,672	8,466,299
Accounts and interest receivable	9,134	5,522
Other assets	35,685	14,945
Mortgage servicing rights	(123,095)	(47,905)
Accounts payable and accrued expenses	820	2,152
Accrued compensation and benefits	20,050	9,451
Contingent liability payments	(788)	—
Deferred compensation plan liability	664	(4,823)
Proceeds from real estate owned conveyed to HUD	1,095	3,674
Purchase and advances of real estate owned	(797)	(2,642)
Net cash used in operating activities	<u>(283,778)</u>	<u>(301,051)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from the sale of property & equipment	32	49
Purchase of property and equipment	(3,658)	(1,482)
Payment (made) received on behalf of affiliate	(12,023)	345
Acquisitions	—	(1,250)
Net cash used in investing activities	<u>(15,649)</u>	<u>(2,338)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowings on warehouse lines of credit	14,261,034	8,330,730
Repayments on warehouse lines of credit	(13,874,930)	(7,992,678)
Borrowings on MSR notes payable	45,000	10,000
Repayments on MSR notes payable	(75,000)	(17,000)
Contingent liability payments	(4,358)	(347)
Net change in notes payable	(592)	7,484
Repurchase of stock	—	(7,987)
Dividends paid	(10,000)	(12,500)
Net cash provided by financing activities	<u>341,154</u>	<u>317,702</u>
<b>INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<u>41,727</u>	<u>14,313</u>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF YEAR</b>	<u>106,735</u>	<u>62,755</u>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF YEAR</b>	<u>\$ 148,462</u>	<u>\$ 77,068</u>
<b>SUPPLEMENTAL INFORMATION</b>		
Cash paid for interest (net of rebates of \$2.3 million and \$1.9 million for the six months ended June 30, 2020 and 2019)	\$ 20,218	\$ 18,409
Net cash paid (refunded) for taxes	\$ 842	\$ (6,872)
Net assets acquired due to acquisition	\$ —	\$ 2,984
Cash and cash equivalents	\$ 144,936	\$ 73,068
Restricted cash	3,526	4,000
Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows	<u>\$ 148,462</u>	<u>\$ 77,068</u>
<b>NON-CASH DISCLOSURES (See Note 15)</b>		

See accompanying notes to condensed consolidated financial statements.

**GUILD MORTGAGE COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except as otherwise indicated)**  
**(unaudited)**

**1. BUSINESS, BASIS OF PRESENTATION, AND ACCOUNTING POLICIES**

The accompanying condensed consolidated financial statements include all of the assets, liabilities and results of operations of Guild Mortgage Company (the “Company” or “Guild” or “our”), a California corporation, and all of its wholly owned subsidiaries. The Company has four wholly owned subsidiaries; Guild Administration Corp., Mission Village Insurance Agency, Guild Insurance, LLC and Guild Financial Express, Inc. The activities of the subsidiaries are related to the Company’s mortgage banking operations. All intercompany accounts and transactions have been eliminated in consolidation. The Company is a wholly owned subsidiary of Guild Mortgage Company, LLC (“GMC LLC”), a privately owned California limited liability company.

The accompanying condensed consolidated financial statements have been prepared in connection with the proposed initial public offering (the “Offering”) of Class A common stock of Guild Holdings Company, a Delaware corporation (“Holdings”). Prior to the completion of the Offering, GMC LLC will contribute 100% of the shares of the Company to Holdings and the Company will be converted to a California limited liability company. As a result, Holdings is expected to become the sole member of the Company prior to the completion of the Offering.

***Basis of Presentation***

Our condensed consolidated financial statements are unaudited and presented in U.S. dollars. They have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. Our Consolidated Balance Sheet as of December 31, 2019 has been derived from our audited consolidated financial statements at that date. Our condensed consolidated interim financial statements should be read in conjunction with our consolidated financial statements and notes thereto for the year ended December 31, 2019, which include a complete set of footnote disclosures, including our significant accounting policies. In our opinion, these condensed consolidated financial statements include all normal and recurring adjustments considered necessary for a fair statement of our results of operations, financial position and cash flows for the periods presented. However, our results of operations for any interim period are not necessarily indicative of the results that may be expected for a full fiscal year or for any other future period.

***Management Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could materially differ from those estimates.

***Subsequent Events***

The Company has evaluated subsequent events from the balance sheet date through August 21, 2020, the date on which the financial statements were issued. In March 2020, the World Health Organization (“WHO”) declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. Through August 21, 2020 the Company remains fully functional in both its origination and servicing operations. While the pandemic could cause for certain branches to

**GUILD MORTGAGE COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except as otherwise indicated)**

temporarily close, most of the significant job functions can be performed remotely. The Company has taken steps to ensure business can continue as necessary should branches be forced to temporarily close. The Company continues to monitor guidance published by the WHO, Centers for Disease Control and Prevention, local and federal government agencies and the Mortgage Bankers Association and is in continual communication with its investors regarding the developments in the mortgage industry.

***Cash, Cash Equivalents and Restricted Cash***

Restricted cash as of June 30, 2020 and June 30, 2019 consisted of deposits restricted under the terms of our warehouse lines of credit.

	<b>June 30, 2020</b>	<b>June 30, 2019</b>
Cash and cash equivalents	\$ 144,936	\$ 73,068
Restricted cash	3,526	4,000
Total cash, cash equivalents and restricted cash shown in the Condensed Consolidated Statements of Cash Flows	<u>\$ 148,462</u>	<u>\$ 77,068</u>

***Derivative Instruments***

The Company enters into interest rate lock commitments (“IRLCs”), forward commitments to sell mortgage loans and to be announced trades, which are considered derivative financial instruments. These items are accounted for as free-standing derivatives and are included in the Condensed Consolidated Balance Sheets at fair value. The Company treats all of its derivative instruments as economic hedges; therefore, none of its derivative instruments qualify for designation as accounting hedges.

The Company enters into IRLCs to originate residential mortgage loans at specified interest rates and within a specified period of time, with customers who have applied for a loan and meet certain credit and underwriting criteria. IRLCs on mortgage loans in process that have not closed, but are intended to be sold, are considered to be derivatives and changes in fair value are recorded in the Condensed Consolidated Statements of Income as part of Loan Origination Fees and Gain on Sale of Loans, net. Fair value is based upon changes in the fair value of the underlying mortgages, estimated to be realizable upon sale into the secondary market, net of estimated commission expenses. Fair value estimates also consider loan commitments not expected to be exercised by customers for unforeseen reasons, commonly referred to as “fallout”.

IRLCs and uncommitted mortgage loans held for sale expose the Company to the risk that the value of the mortgage loans held and mortgage loans underlying the commitments may decline due to increases in mortgage interest rates during the life of the commitments. To protect against this risk, the Company enters into derivative loan instruments such as forward loan sales commitments, mandatory delivery commitments, options and futures contracts. Management expects the changes in the fair value of these derivatives to have a negative correlation to the changes in fair value of the derivative loan commitments and mortgage loans held for sale, thereby reducing earnings volatility. The changes in fair value are recorded in the Condensed Consolidated Statements of Income as part of Loan Origination Fees and Gain on Sale of Loans, net. The Company considers various factors and strategies to determine the portion of the mortgage pipeline and mortgage loans held for sale it wants to economically hedge. See *Notes 2 and 5* for additional information.

**GUILD MORTGAGE COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except as otherwise indicated)**

***Escrow and Fiduciary Fund***

As a loan servicer, the Company maintains segregated bank accounts in trust for investors and escrow balances for mortgagors, which are excluded from the Company's Condensed Consolidated Balance Sheet. These accounts totaled \$1.4 billion and \$1.0 billion at June 30, 2020 and December 31, 2019, respectively.

***Risks and Uncertainties***

In the normal course of business, companies in the mortgage banking industry encounter certain economic, liquidity, and regulatory risks.

Economic risk includes interest rate risk and credit risk.

*Interest rate risk*

The Company's mortgage loans held for sale, commitments to originate loans, and mortgage servicing rights are subject to interest rate risk. For mortgage loans held for sale and commitments to originate loans, to the extent that a rising interest rate environment exists, the Company may experience a decrease in loan production and decreases in value, which may negatively impact the Company's operations. To mitigate this risk the Company uses hedging strategies designed to ensure any fluctuations in rates would not have a material impact on the Company's financial position. For the Company's mortgage servicing rights, to the extent that a declining interest rate environment exists, the Company may experience decreases in the fair value of the portfolio, which may negatively impact the Company's financial position. For the periods ended June 30, 2020 and June 30, 2019, the Company experienced material declines in the valuation of its MSR portfolio due to significant declines in interest rates. Since the Company also has a large origination platform, the Company was able to mitigate this risk by recapturing a significant portion of the runoff through refinances.

*Credit risk*

Credit risk is the risk of default that may result from borrowers' inability or unwillingness to make contractually required payments during the period in which loans are being held for sale. The Company considers credit risk associated with these loans to be insignificant as it holds the loans for a short period of time, typically less than a month, and historically the Company has not experienced any material losses due to credit risk on mortgage loans held for sale.

The Company sells loans to investors without recourse. As such, the investors have assumed the risk of loss or default by the borrower. However, the Company is usually required by these investors to make certain standard representations and warranties relating to credit information, loan documentation and collateral. To the extent that the Company does not comply with such representations, or there are early payment defaults, the Company may be required to repurchase the loans or indemnify these investors for any losses from borrower defaults, defects in the collateral or errors made in the credit decision.

The Company is also subject to counterparty credit risk in the event of contractual nonperformance by its trading counterparties to its various over-the-counter derivative financial instruments. The Company manages this credit risk by selecting only counterparties that it believes to be financially strong, spreading the credit risk among many such counterparties, placing contractual limits on the amount of unsecured credit extended to any single counterparty, and entering into netting agreements with the counterparties as appropriate. The master netting agreements contain a legal right to offset amounts due to and from the same counterparty. Derivative assets in the Condensed Consolidated Balance Sheets represent derivative contracts in a gain position net of loss positions with the same counterparty and, therefore, also represent

**GUILD MORTGAGE COMPANY**  
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the Company's maximum counterparty credit risk. The Company incurred no credit losses due to nonperformance of any of its counterparties during the periods ended June 30, 2020 and 2019.

*Liquidity risk*

The Company encounters liquidity risk as the business requires substantial cash to support its operating activities. As a result, the Company is dependent on its lines of credit, and other financing facilities in order to finance its continued operations. If the Company's principal lenders decided to terminate or not to renew these credit facilities with the Company, the loss of borrowing capacity could have an adverse impact on the Company's financial statements unless the Company found a suitable alternative source. To mitigate this risk, the Company has multiple financing facilities with different lenders and varied maturity dates. Historically, the Company has not had a line of credit involuntarily terminated by a lender.

*Regulatory risk*

The Company is subject to extensive and comprehensive regulation under federal, state and local laws in the United States. These laws and regulations significantly affect the way in which the Company does business and can restrict the scope of the Company's existing business and limit the Company's ability to expand product offerings or pursue acquisitions, or can make costs to service or originate loans higher, which could impact financial results. The Company continually monitors its regulatory environment for any changes that could have a significant impact on operations.

***Accounting Standards Issued but Not Yet Adopted***

As an emerging growth company ("EGC"), the Jumpstart Our Business Startups Act ("JOBS Act") allows the company to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are applicable to private companies. The company has elected to use the extended transition period under the JOBS Act until such time the company is not considered to be an EGC. The adoption dates are discussed below to reflect this election.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). This update amends various aspects of existing guidance for leases and requires additional disclosures about leasing arrangements. It will require companies to recognize lease assets and lease liabilities by lessees for those leases classified as operating leases under previous GAAP. Topic 842 retains a distinction between finance leases and operating leases. The classification criteria for distinguishing between finance leases and operating leases are substantially similar to the classification criteria for distinguishing between capital leases and operating leases in the previous lease guidance. In November 2019, the FASB issued ASU 2019-10 which extended the effective date of ASU 2016-02. The new guidance will be effective for the Company beginning January 1, 2021 and early adoption is permitted. The Company is currently in the process of evaluating the impact of the adoption of the new guidance on its financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326)*. This update requires expected credit losses for financial instruments held at the reporting date to be measured based on historical experience, current conditions and reasonable and supportable forecasts. The update eliminates the probable initial recognition threshold in current GAAP and instead reflects an entity's current estimate of all expected credit losses. Previously, when credit losses were measured under GAAP, an entity generally only considered past events and current conditions in measuring the incurred loss. In November 2019, the FASB issued ASU 2019-10 which extended the effective date of ASU 2016-13. The new guidance will be effective for the Company beginning January 1, 2023 and early adoption is permitted.

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The Company is currently in the process of evaluating the impact of the adoption of the new guidance on its financial statements.

In August 2018, the FASB issued ASU2018-15, *Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 35-40)*. This update provides guidance on accounting for a cloud computing arrangement that includes a license to internal-use software. This generally means that an intangible asset is recognized for the software license and, to the extent that the payments attributable to the software license are made over time, a liability also is recognized. If a cloud computing arrangement does not include a software license, the entity should account for the arrangement as a service contract which would generally mean to expense the service as incurred. The new guidance will be effective for the Company beginning January 1, 2021 and early adoption is permitted. The Company is currently in the process of evaluating the impact of the adoption of the new guidance on its financial statements.

In December 2019, the FASB issued ASU2019-12, *Income Taxes (Topic 740)*. This update provides amendments to simplify and reduce complexity when accounting for income taxes as well as eliminating certain exceptions. The new guidance will be effective for the Company beginning January 1, 2022 with early adoption permitted. The Company is currently in the process of evaluating the impact of the adoption of the new guidance on its financial statements.

In March 2020, the FASB issued ASUNo. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. Subject to meeting certain criteria, the new guidance provides optional expedients and exceptions to applying contract modification accounting under existing GAAP, to address the expected phase out of the London Inter-bank Offered Rate (“LIBOR”) by the end of 2021. This guidance is effective upon issuance and allows application to contract changes as early as January 1, 2020. The Company is in the process of reviewing its funding facilities and financing facilities that utilize LIBOR as the reference rate and is currently evaluating the potential impact that the adoption of this ASU will have on the condensed consolidated financial statements and related disclosures.

**2. FAIR VALUE MEASUREMENTS**

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Inputs used to measure fair value are prioritized within a three-level fair value hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

**Level One** – Level One inputs are unadjusted, quoted prices in active markets for identical assets or liabilities which the Company has the ability to access at the measurement date.

**Level Two** – Level Two inputs are observable for that asset or liability, either directly or indirectly, and include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, observable inputs for the asset or liability other than quoted prices and inputs derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified contractual term, the inputs must be observable for substantially the full term of the asset or liability.

**Level Three** – Level Three inputs are unobservable inputs for the asset or liability that reflect the Company’s assessment of the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, and are developed based on the best information available.



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**(Dollars in thousands, except as otherwise indicated)**

The Company's assets and liabilities are carried at cost, and because of their short-term nature, are believed to approximate current fair value, with the exception of mortgage loans held for sale, mortgage servicing rights, derivatives, real estate owned, Government National Mortgage Association ("GNMA") loans subject to repurchase right and contingent liabilities due to acquisitions.

The Company updates the valuation of each instrument recorded at fair value on a monthly or quarterly basis, evaluating all available observable information which may include current market prices or bids, recent trade activity, changes in the levels of market activity and benchmarking of industry data. The assessment also includes consideration of identifying the valuation approach that would be used currently by market participants. If it is determined that a change in valuation technique or its application is appropriate, or if there are other changes in availability of observable data or market activity, the current methodology will be analyzed to determine if a transfer between levels of the valuation hierarchy is appropriate. Such reclassifications are reported as transfers into or out of a level as of the beginning of the quarter that the change occurs.

Fair value is based on quoted market prices, when available. If quoted prices are not available, fair value is estimated based upon other observable inputs. Unobservable inputs are used when observable inputs are not available and are based upon judgments and assumptions, which are the Company's assessment of the assumptions market participants would use in pricing the asset or liability. These inputs may include assumptions about risk, counterparty credit quality, the Company's creditworthiness and liquidity and are developed based on the best information available. When a determination is made to classify an asset or liability within Level Three of the valuation hierarchy, the determination is based upon the significance of the unobservable factors to the overall fair value measurement of the asset or liability. The fair value of assets and liabilities classified within Level Three of the valuation hierarchy also typically includes observable factors and the realized or unrealized gain or loss recorded from the valuation of these instruments would also include amounts determined by observable factors.

**Recurring Fair Value Measurements**

The Company's fair value measurements are evaluated within the fair value hierarchy, based on the nature of the inputs used to determine the fair value at the measurement date. At June 30, 2020 and December 31, 2019, the Company had the following assets and liabilities that are measured at fair value on a recurring basis:

**Trading Securities** – Trading securities are classified within Level One of the valuation hierarchy. Valuation is based upon quoted prices for identical instruments traded in active markets. Level One trading securities include securities traded on active exchange markets, such as the New York Stock Exchange. Trading securities are included within prepaid expenses and other assets on the Condensed Consolidated Balance Sheets.

**Derivative Instruments** – Derivative instruments are classified within Level Two and Level Three of the valuation hierarchy, and include the following:

**Interest Rate Lock Commitments:** IRLCs are classified within Level Three of the valuation hierarchy. IRLCs represent an agreement to extend credit to a mortgage loan applicant, or an agreement to purchase a loan from a third-party originator, whereby the interest rate on the loan is set prior to funding. The fair value of IRLCs is based upon the estimated fair value of the underlying mortgage loan, including the expected net future cash flows related to servicing the mortgage loan, net of estimated commission expenses, and adjusted for: (i) estimated costs to complete and originate the loan and (ii) an adjustment to reflect the estimated percentage of IRLCs that will result in a closed

**GUILD MORTGAGE COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except as otherwise indicated)**

mortgage loan under the original terms of the agreement (pull-through rate). The pull-through rate is considered a significant unobservable input and is estimated based on changes in pricing and actual borrower behavior using a historical analysis of loan closing and fallout data. The average pull-through rate used to calculate the fair value of IRLCs as of June 30, 2020 and December 31, 2019, was 87.2% and 89.4%, respectively. On a quarterly basis, actual loan pull-through rates are compared to the modeled estimates to confirm the assumptions are reflective of current trends. Generally, a change in interest rates is accompanied by a directionally opposite change in the assumption used for the pull-through percentage, and the impact to fair value of a change in pull-through would be partially offset by the related change in price.

*Forward Delivery Commitments:* Forward delivery commitments are classified within Level Two of the valuation hierarchy. Forward delivery commitments fix the forward sales price that will be realized upon the sale of mortgage loans into the secondary market. The fair value of forward delivery commitments is primarily based upon the current agency mortgage-backed security market to-be-announced pricing specific to the loan program, delivery coupon and delivery date of the trade. Best efforts sales commitments are also entered into for certain loans at the time the borrower commitment is made. These best efforts sales commitments are valued using the committed price to the counterparty against the current market price of the IRLC or mortgage loan held for sale.

Option contracts are a type of forward commitment that represents the rights to buy or sell mortgage-backed securities at specified prices in the future. Their value is based upon the underlying current to-be-announced pricing of the agency mortgage-backed security market, and market-based volatility. See *Note 6* for additional information on the derivative instruments.

*Mortgage Loans Held for Sale* – MLHS are carried at fair value. The fair value of MLHS is based on secondary market pricing for loans with similar characteristics, and as such, is classified as a Level Two measurement. For Level Two MLHS, fair value is estimated through a market approach by using either: (i) the fair value of securities backed by similar mortgage loans, adjusted for certain factors to approximate the fair value of a whole mortgage loan, including the value attributable to servicing rights and credit risk, (ii) current commitments to purchase loans or (iii) recent observable market trades for similar loans, adjusted for credit risk and other individual loan characteristics. The agency mortgage-backed security market is a highly liquid and active secondary market for conforming conventional loans whereby quoted prices exist for securities at the pass-through level and are published on a regular basis. The Company has the ability to access this market and it is the market into which conforming mortgage loans are typically sold.

*Mortgage Servicing Rights* – Mortgage Servicing Rights (“MSRs”) are classified within Level Three of the valuation hierarchy due to the use of significant unobservable inputs and the lack of an active market for such assets. The fair value of MSRs is estimated based upon projections of expected future cash flows considering prepayment estimates, the Company’s historical prepayment rates, portfolio characteristics, interest rates based on interest rate yield curves, implied volatility and other economic factors. The Company obtains valuations from an independent third party on a quarterly basis, and records an adjustment based on this third-party valuation.

*Contingent Liabilities due to acquisitions* – Contingent liabilities represent future obligations of the Company to make payments to the former owners of its acquired companies. The Company determines the fair value of its contingent liabilities using a discounted cash flow approach whereby the Company forecasts the cash outflows related to the future payments, which are based on a percentage of net income specified in the purchase agreements. The Company then discounts these expected payment amounts to calculate the present value, or fair value, as of the valuation date. The

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Company's management evaluates the underlying projections used in determining fair value each period and makes updates to these underlying projections.

The Company uses a risk-adjusted discount rate to value the contingent liabilities which is considered a significant unobservable input, and as such, the liabilities are classified as a Level Three measurement. Management's underlying projections adjust for market penetration and other economic expectations, and the discount rate is risk-adjusted for key factors such as uncertainty in the mortgage banking industry due to its reliance on external influences (interest rates, regulatory changes, etc.), upfront payments, and credit risk. An increase in the discount rate will result in a decrease in the fair value of the contingent liabilities. Conversely, a decrease in the discount rate will result in an increase in the fair value of the contingent liabilities. For each of the period ended June 30, 2020 and the year ended December 31, 2019, the range of the risk adjusted discount rate was 8.0% - 20.0%, with a median of 15.0%. Adjustments to the fair value of the contingent liabilities (other than payments) are recorded as a gain or loss and are included within general and administrative expenses on the Condensed Consolidated Statements of Income.

The following table summarizes the Company's assets and liabilities measured at fair value on a recurring basis at June 30, 2020:

<b>Description</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets:</b>				
Trading securities	\$ 61	\$ —	\$ —	\$ 61
Derivative				
Interest rate lock commitments	—	—	141,629	141,629
Mortgage loans held for sale	—	1,982,521	—	1,982,521
Mortgage servicing rights	—	—	336,687	336,687
Total assets at fair value	<u>\$ 61</u>	<u>\$ 1,982,521</u>	<u>\$ 478,316</u>	<u>\$ 2,460,898</u>
<b>Liabilities:</b>				
Derivative				
Forward delivery commitments	—	28,372	—	28,372
Contingent liabilities due to acquisitions	—	—	22,952	22,952
Total liabilities at fair value	<u>\$ —</u>	<u>\$ 28,372</u>	<u>\$ 22,952</u>	<u>\$ 51,324</u>

**GUILD MORTGAGE COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Dollars in thousands, except as otherwise indicated)

The following table summarizes the Company’s assets and liabilities measured at fair value on a recurring basis at December 31, 2019:

Description	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Trading securities	\$ 93	\$ —	\$ —	\$ 93
Derivative				
Interest rate lock commitments	—	—	19,922	19,922
Mortgage loans held for sale	—	1,504,842	—	1,504,842
Mortgage servicing rights	—	—	418,402	418,402
Total assets at fair value	<u>\$ 93</u>	<u>\$ 1,504,842</u>	<u>\$ 438,324</u>	<u>\$ 1,943,259</u>
<b>Liabilities:</b>				
Derivative				
Forward delivery commitments	—	4,863	—	4,863
Contingent liabilities due to acquisitions	—	—	8,073	8,073
Total liabilities at fair value	<u>\$ —</u>	<u>\$ 4,863</u>	<u>\$ 8,073</u>	<u>\$ 12,936</u>

**Non-Recurring Fair Value Measurements**

Certain assets and liabilities that are not typically measured at fair value on a recurring basis may be subject to fair value measurement requirements under certain circumstances. These adjustments to fair value usually result from write-downs of individual assets. At June 30, 2020 and December 31, 2019, the Company had the following financial assets measured at fair value on a nonrecurring basis:

**Real Estate Owned** — Other assets that are evaluated for impairment using fair value measurements on a nonrecurring basis consist of mortgage loans in foreclosure and REO. The evaluation of impairment reflects an estimate of losses that have been incurred as of the balance sheet date, which will likely not be recoverable from guarantors, insurers or investors. The impairment of mortgage loans in foreclosure, which represents the unpaid principal balance of mortgage loans for which foreclosure proceedings have been initiated, plus recoverable advances on those loans, is based on the fair value of the underlying collateral, determined on a loan level basis, less costs to sell. REO properties, which are acquired from mortgagors in default, are recorded at the lower of adjusted carrying amount at the time the property is acquired or fair value of the property, less estimated selling costs. Fair values of the collateral underlying mortgage loans in foreclosure and REOs are estimated using appraisals and broker price opinions, which are updated on a periodic basis to reflect current housing market conditions. The allowance for probable losses associated with mortgage loans in foreclosure and the adjustment to record REO at their estimated net realizable value are based upon fair value measurements from Level Three of the valuation hierarchy.

**Ginnie Mae Loans subject to Repurchase Right** – GNMA securitization programs allow servicers to buy back individual delinquent mortgage loans from the securitized loan pool once certain conditions are met. If a borrower makes no payment for three consecutive months, the servicer has the option to repurchase the delinquent loan for an amount equal to 100% of the loan’s remaining principal balance. Under ASC 860, this buy-back option is considered a conditional option until the delinquency criteria are met, at which time the option becomes unconditional. The Company records these assets and liabilities at their fair value, which is determined to be the remaining unpaid principal balance. The Company’s future expected realizable cash flows are the cash payments of the remaining unpaid

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principal balance whether paid by the borrower or reimbursed through a claim filed with the U.S. Department of Housing and Urban Development (“HUD”) HUD. The Company considers the fair value of these assets and liabilities to fall into the Level Two bucket in the valuation hierarchy due to the assets and liabilities having specified contractual terms and the inputs are observable for substantially the full term of the assets and liabilities life.

The following table summarizes the Company’s financial assets measured at fair value on a nonrecurring basis at June 30, 2020:

<b>Description</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets:</b>				
Real estate owned	—	—	552	552
Ginnie Mae loans subject to repurchase right	—	948,922	—	948,922
Total assets at fair value	<u>\$ —</u>	<u>\$ 948,922</u>	<u>\$ 552</u>	<u>\$ 949,474</u>
<b>Liabilities:</b>				
Ginnie Mae loans subject to repurchase right	—	952,776	—	952,776
Total liabilities at fair value	<u>\$ —</u>	<u>\$ 952,776</u>	<u>\$ —</u>	<u>\$ 952,776</u>

The following table summarizes the Company’s financial assets measured at fair value on a nonrecurring basis at December 31, 2019:

<b>Description</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets:</b>				
Real estate owned	—	—	852	852
Ginnie Mae loans subject to repurchase right	—	404,344	—	404,344
Total assets at fair value	<u>\$ —</u>	<u>\$ 404,344</u>	<u>\$ 852</u>	<u>\$ 405,196</u>
<b>Liabilities:</b>				
Ginnie Mae loans subject to repurchase right	—	412,490	—	412,490
Total liabilities at fair value	<u>\$ —</u>	<u>\$ 412,490</u>	<u>\$ —</u>	<u>\$ 412,490</u>

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The table below presents a reconciliation of Level 3 assets and liabilities measured at fair value on a recurring and non-recurring basis for the periods ended:

	IRLCs	Contingent Liabilities	Real Estate Owned
<b>Balance at December 31, 2019</b>	<b>\$ 19,922</b>	<b>\$ 8,073</b>	<b>\$ 852</b>
Net transfers and revaluation gains	121,707	—	—
Payments	—	(5,146)	—
Additions	—	—	797
Proceeds	—	—	(1,095)
Valuation adjustments	—	20,025	(2)
<b>Balance at June 30, 2020</b>	<b>\$141,629</b>	<b>\$ 22,952</b>	<b>\$ 552</b>
<b>Balance at December 31, 2018</b>	<b>\$ 12,541</b>	<b>\$ 5,106</b>	<b>\$ 3,314</b>
Net transfers and revaluation gains	12,215	—	—
Payments	—	(347)	—
Additions	—	1,735	2,642
Proceeds	—	—	(3,674)
Valuation adjustments	—	3,054	(1,449)
<b>Balance at June 30, 2019</b>	<b>\$ 24,756</b>	<b>\$ 9,548</b>	<b>\$ 833</b>

Changes in the availability of observable inputs may result in reclassifications of certain assets or liabilities. Such reclassifications are reported as transfers in or out of Level Three as of the beginning of the period that the change occurs. There were no transfers between fair value levels during the periods ended June 30, 2020 and 2019.

**Fair Value Option**

The following is the estimated fair value and unpaid principal balance of MLHS that have contractual principal amounts and for which the Company has elected the fair value option. The fair value option was elected for MLHS as the Company believes fair value best reflects their expected future economic performance:

	Fair Value	Principal Amount Due Upon Maturity	Difference (1)
Balance at June 30, 2020	\$1,982,521	\$ 1,921,077	\$ 61,444
Balance at December 31, 2019	\$1,504,842	\$ 1,485,460	\$ 19,382

- (1) Represents the amount of gains included in loan origination fees and gain on sale of loans, net due to changes in fair value of items accounted for using the fair value option.

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**3. ACCOUNTS AND INTEREST RECEIVABLE**

Accounts and interest receivable consisted of the following at June 30, 2020 and December 31, 2019:

	<b>June 30, 2020</b>	<b>December 31, 2019</b>
Trust advances	\$ 12,209	\$ 17,622
Foreclosure advances, net	6,257	7,348
Receivables related to loan sales	6,963	5,771
Other	(425)	3,870
Total accounts and interest receivable	<u>\$ 25,004</u>	<u>\$ 34,611</u>

Management has established a foreclosure reserve for estimated uncollectable balances of the foreclosure and trust advances. Management believes that substantially all other accounts and interest receivable amounts are collectible and, accordingly, no allowance for doubtful accounts is necessary.

The activity of the foreclosure loss reserve was as follows for the six months ended June 30, 2020 and 2019:

	<b>For the six months ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
Balance — beginning of year	\$ 7,869	\$ 7,884
Utilization of foreclosure reserve	(1,387)	(2,018)
Provision charged to operations	1,860	774
Balance — end of year	<u>\$ 8,342</u>	<u>\$ 6,640</u>

**4. OTHER ASSETS**

Other assets consisted of the following at June 30, 2020 and December 31, 2020:

	<b>June 30, 2020</b>	<b>December 31, 2019</b>
Prepaid expenses	\$ 15,200	\$ 11,274
Company owned life insurance	24,319	21,908
Property and equipment, net	10,336	9,835
Income tax receivable	—	1,015
Due from affiliates	2,623	2,600
Real estate owned	4,407	8,998
Trading securities	61	93
Total other assets	<u>\$ 56,946</u>	<u>\$ 55,723</u>

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Property and equipment consisted of the following at June 30, 2020 and December 31, 2020:

	<b>June 30, 2020</b>	<b>December 31, 2019</b>
Computer equipment	\$ 22,763	\$ 22,546
Furniture and equipment	17,510	16,404
Leasehold improvements	5,837	5,395
Internal — use software	3,852	3,476
Internal — use software in production	2,167	1,155
Property and equipment, gross	52,129	48,976
Accumulated depreciation	(41,793)	(39,141)
Property and equipment, net	<u>\$ 10,336</u>	<u>\$ 9,835</u>

Depreciation and amortization expense for fixed assets was \$3.1 million and \$3.4 million for the six months ended June 30, 2020 and 2019, respectively.

**5. DERIVATIVE FINANCIAL INSTRUMENTS**

The Company uses forward commitments in hedging the interest rate risk exposure on its fixed and adjustable rate commitments. The Company's derivative instruments are not designated as hedging instruments, and therefore, changes in fair value are recorded in current period earnings. Hedging gains and losses are included in loan origination fees and gain on sale, net in the Condensed Consolidated Statements of Income.

Net hedging gains were as follows for the six months ended June 30, 2020 and 2019:

	<b>For the six months ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
Hedging gains	\$ 98,198	\$ 8,191

**Notional and Fair Value**

The notional and fair value of derivative financial instruments not designated as hedging instruments were as follows at June 30, 2020 and December 31, 2019:

	<b>Notional Value</b>	<b>Derivative Asset</b>	<b>Derivative Liability</b>
<b>Balance at June 30, 2020</b>			
IRLCs	\$5,099,963	\$ 141,629	\$ —
Forward commitments	\$5,216,370	\$ —	\$ 28,372
<b>Balance at December 31, 2019</b>			
IRLCs	\$1,524,540	\$ 19,922	\$ —
Forward commitments	\$1,961,733	\$ —	\$ 4,863

The Company had an additional \$763.3 million and \$427.7 million of outstanding forward contracts and mandatory sell commitments, comprised of closed loans with equal and offsetting unpaid principal balance ("UPB") amounts allocated to them, at June 30, 2020 and December 31, 2019, respectively. The



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Company also had \$457.5 million and \$376.5 million in closed hedge instruments not yet settled at June 30, 2020 and December 31, 2019, respectively. See *Note 2* for fair value disclosure of the derivative instruments.

The following table presents the quantitative information about IRLCs and the fair value measurements as of June 30, 2020 and December 31, 2019:

<b>Unobservable Input</b>	<b>June 30, 2020</b>	<b>December 31, 2019</b>
	<b>Range (Weighted Average)</b>	
<i>Loan funding probability ("pull-through")</i>	0% - 100% (87.2%)	0% - 100% (89.4%)

Counterparty agreements for forward commitments contain master netting agreements. The master netting agreements contain a legal right to offset amounts due to and from the same counterparty. Derivative assets in the Condensed Consolidated Balance Sheets represent derivative contracts in a gain position net of loss positions with the same counterparty and, therefore, also represent the Company's maximum counterparty credit risk. The Company incurred no credit losses due to nonperformance of any of its counterparties during the six months ended June 30, 2020 and 2019.

**6. MORTGAGE SERVICING RIGHTS**

MSRs are recognized as assets on the Condensed Consolidated Balance Sheet when loans are sold, and the associated servicing rights are retained. The Company maintains one class of MSR asset and has elected the fair value option. To determine the fair value of the servicing right when created, the Company uses a valuation model that calculates the present value of future cash flows. The valuation model incorporates assumptions that market participants would use in estimating future net servicing income, including estimates of contractual service fees, ancillary income and late fees, the cost of servicing, the discount rate, float value, the inflation rate, estimated prepayment speeds, and default rates.

The activity of mortgage servicing rights was as follows for the six months ended June 30, 2020 and 2019:

	<b>For the six months ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
Balance — beginning of year	\$ 418,402	\$ 511,852
MSRs originated	123,095	47,905
Changes in fair value		
Due to collection/realization of cash flows	(53,730)	(29,488)
Due to changes in valuation model inputs or assumptions	(151,080)	(130,734)
Balance — end of period	<u>\$ 336,687</u>	<u>\$ 399,535</u>

The following table presents the quantitative information for the MSR fair value measurement as of June 30, 2020 and December 31, 2019:

<b>Unobservable Input</b>	<b>June 30, 2020</b>	<b>December 31, 2019</b>
	<b>Range (Weighted Average)</b>	
Discount rate	9.2% - 15.5% (10.2%)	9.2% - 15.5% (10.2%)
Prepayment rate	9.4% - 35.6% (22.4%)	8.9% - 30.0% (17.3%)

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At June 30, 2020 and December 31, 2019, the MSRs had a weighted average life of approximately 4.2 and 4.9 years, respectively. See *Note 2* for additional information regarding the valuation of MSRs.

Actual revenue generated from servicing activities included contractually specified servicing fees, as well as late fees and other ancillary servicing revenue, which were recorded within loan servicing and other fees as follows for the six months ended June 30, 2020 and 2019:

	<b>For the six months ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
Servicing fees from servicing portfolio	\$ 74,178	\$ 66,109
Late fees	2,635	2,863
Other ancillary servicing revenue	(503)	(535)
Total loan servicing and other fees	<u>\$ 76,310</u>	<u>\$ 68,437</u>

At June 30, 2020 and December 31, 2019, the unpaid principal balance of mortgage loans serviced totaled \$53.9 billion and \$50.6 billion, respectively. Conforming conventional loans serviced by the Company are sold to Federal National Mortgage Association (“FNMA”) or Federal Home Loan Mortgage Corporation (“FHLMC”) programs on a nonrecourse basis, whereby foreclosure losses are generally the responsibility of FNMA and FHLMC and not the Company. Similarly, certain loans serviced by the Company are secured through GNMA programs, whereby the Company is insured against loss by FHA or partially guaranteed against loss by the Department of Veterans Affairs (“VA”).

The key assumptions used to estimate the fair value of MSRs are prepayment speeds and the discount rate. Increases in prepayment speeds generally have an adverse effect on the value of MSRs as the underlying loans prepay faster. In a declining interest rate environment, the fair value of MSRs generally decreases as prepayments increase and therefore, the estimated life of the MSRs and related cash flows decrease. Decreases in prepayment speeds generally have a positive effect on the value of MSRs as the underlying loans prepay less frequently. In a rising interest rate environment, the fair value of MSRs generally increases as prepayments decrease and therefore, the estimated life of the MSRs and related cash flows increase. Increases in the discount rate result in a lower MSR value and decreases in the discount rate result in a higher MSR value. MSR uncertainties are hypothetical and do not always have a direct correlation with each assumption. Changes in one assumption may result in changes to another assumption, which might magnify or counteract the uncertainties.

The following table illustrates the impact of adverse changes on the discount rate and prepayment speeds at two different data points at June 30, 2020 and December 31, 2019, respectively:

	<b>Discount Rates</b>		<b>Prepayment Speeds</b>	
	<b>10% Adverse Change</b>	<b>20% Adverse Change</b>	<b>10% Adverse Change</b>	<b>20% Adverse Change</b>
<b>June 30, 2020</b>				
Mortgage servicing rights	(15,431)	(24,396)	(32,069)	(55,771)
<b>December 31, 2019</b>				
Mortgage servicing rights	(23,682)	(35,701)	(31,329)	(49,031)

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**7. Mortgage Loans Held For Sale**

The Company sells substantially all of its originated mortgage loans into the secondary market. The Company may retain the right to service some of these loans upon sale through ownership of servicing rights. A reconciliation of the changes in mortgage loans held for sale to the amounts presented in the Condensed Consolidated Statements of Cash Flows is as follows for the six months ended June 30, 2020 and 2019:

	<b>For the six months ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
Balance at the beginning of period	\$ 1,504,842	\$ 966,171
Origination of mortgage loans held for sale	14,615,843	8,566,696
Proceeds on sale of payments from mortgage loans held for sale	(14,640,672)	(8,466,299)
Gain on sale of mortgage loans excluding fair value of other financial instruments, net	458,596	257,943
Valuation adjustment of mortgage loans held for sale	43,912	9,222
Balance at the end of period	<u>\$ 1,982,521</u>	<u>\$ 1,333,733</u>

At June 30, 2020, mortgage loans held for sale included unpaid principal balances of the underlying loans of \$1.9 billion and had a fair value of \$2.0 billion. At December 31, 2019, mortgage loans held for sale included unpaid principal balances of the underlying loans of \$1.5 billion and had a fair value of \$1.5 billion.

**8. Investor Reserves**

The Company's estimate of the investor reserves consider the current macro-economic environment and recent repurchase trends; however, if the Company experiences a prolonged period of higher repurchase and indemnification activity, then the realized losses from loan repurchases and indemnifications may ultimately be in excess of the liability. The maximum exposure under the Company's representations and warranties would be the outstanding principal balance and any premium received on all loans ever sold by the Company, less any loans that have already been paid in full by the mortgagee, that have defaulted without a breach of representations and warranties, that have been indemnified via settlement or make-whole, or that have been repurchased. Additionally, the Company may receive relief of certain representations and warranty obligations on loans sold to FNMA or FHLMC on or after January 1, 2013 if FNMA or FHLMC satisfactorily concludes a quality control loan file review or if the borrower meets certain acceptable payment history requirements within 12 or 36 months after the loan is sold to FNMA or FHLMC.

The activity of the investor reserves was as follows for the six months ended June 30, 2020 and 2019:

	<b>For the six months ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
Balance — beginning of year	\$ 16,521	\$ 14,312
Utilization of reserve for loan losses	(3,688)	(3,933)
Provision charged to operations	11,053	3,655
Balance — end of period	<u>\$ 23,886</u>	<u>\$ 14,034</u>

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**9. Warehouse Lines of Credit**

Warehouse lines of credit consisted of the following at June 30, 2020 and December 31, 2019. Changes subsequent to June 30, 2020 have been described in the notes referenced with the below table.

	<b>Maturity</b>	<b>June 30, 2020</b>	<b>December 31, 2019</b>
\$600 million master repurchase facility agreement (1)	October 2020	\$ 450,965	\$ 456,225
\$150 million master repurchase facility agreement (2)	September 2020	118,652	80,965
\$500 million master repurchase facility agreement (3)	February 2021	429,619	282,579
\$200 million master repurchase facility agreement (4)	June 2021	141,452	136,699
\$250 million master repurchase facility agreement (5)	September 2020	140,434	148,149
\$400 million master repurchase facility agreement (6)	July 2021	282,677	190,221
\$100 million master repurchase facility agreement (7)	April 2021	93,833	—
\$75 million master repurchase facility agreement (8)	March 2024	34,080	9,569
		<u>1,691,712</u>	<u>1,304,407</u>
Prepaid commitment fees		(2,421)	(1,220)
Net warehouse lines of credit		<u>\$ 1,689,291</u>	<u>\$ 1,303,187</u>

- (1) The variable interest rate is calculated using a base rate tied to LIBOR, the Eurodollar, or an alternative base rate, plus the applicable interest rate margin. Subsequent to June 30, 2020, the borrowing capacity on this facility has been increased to \$800.0 million.
- (2) The variable interest rate is calculated using a base rate tied to LIBOR, plus the applicable interest rate margin. This line of credit requires a minimum deposit of \$0.75 million.
- (3) The variable interest rate is calculated using a base rate tied to LIBOR, plus the applicable interest rate margin. This line of credit was amended subsequent to June 30, 2020, increasing the required minimum deposit from \$2.5 million to \$3.5 million and increasing the borrowing capacity to \$700.0 million.
- (4) The variable interest rate is calculated using a base rate plus LIBOR, with a floor of 1.525%. This line of credit requires a minimum deposit of \$1.1 million. Subsequent to June 30, 2020, this line of credit was amended with a maturity date of June 2021 and increased capacity up to \$290.0 million.
- (5) The variable interest rate is calculated using a base rate tied to LIBOR, plus the applicable interest rate margin. This line of credit was amended subsequent to June 30, 2020, increasing the borrowing capacity to \$299.0 million.
- (6) The variable interest rate is calculated using a base rate tied to LIBOR, plus the applicable interest rate margin. This borrowing capacity of this facility was increased in 2019 to \$400 million. Subsequent to June 30, 2020, this line of credit was amended, extending the maturity date to July 2021.
- (7) The variable interest rate is calculated using a base rate tied to LIBOR, plus the applicable interest rate margin with a floor of 1.75%. Subsequent to June 30, 2020, this line of credit was amended increasing the borrowing capacity to \$200.0 million.
- (8) The interest rate on this facility is 3.375%. This facility was opened in 2019 and is used for GNMA delinquent buyouts. Each buyout represents a separate transaction that can remain on the facility for up to 4 years.

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The weighted average interest rate for warehouse lines of credit was 2.72% and 4.04% at June 30, 2020 and December 31, 2019, respectively. All warehouse lines of credit are collateralized by underlying mortgages and related documents. Existing balances on warehouse lines are repaid through the sale proceeds from the collateralized loans held for sale. The Company intends to renew existing warehouse lines prior to expiration. If those lines are not renewed or replaced, that could have a negative impact on the Company's ability to continue funding new mortgage loans. The Company had cash balances of \$132.0 million and \$68.2 million in its warehouse buy down accounts as offsets to certain lines of credit at June 30, 2020 and December 31, 2019, respectively.

The agreements governing the Company's warehouse lines of credit contain covenants that include certain financial requirements, including maintenance of maximum adjusted leverage ratio, minimum net worth, minimum tangible net worth, minimum current ratio, minimum liquidity, positive quarterly income and limitations on additional indebtedness, dividends, sale of assets, and decline in the mortgage loan servicing portfolio's fair value. At June 30, 2020 and December 31, 2019, management believes the Company was in compliance with all debt covenants.

The Company has an optional short-term financing agreement between FNMA and the lender described as "As Soon As Pooled" (ASAP). The Company can elect to assign FNMA MBS trades to FNMA in advance of settlement and enter into a financing transaction and revenue related to the assignment is deferred until the final pool settlement date. The Company determines utilization based on warehouse availability and cash needs. There was no outstanding balance as of June 30, 2020 and December 31, 2019.

**10. Notes Payable**

***Revolving notes:***

In January 2014, the Company entered into an agreement for a revolving note from one of its warehouse banks, which it can draw upon as needed and has renewed on an annual basis. Borrowings on the revolving note are collateralized by the Company's GNMA MSR. Monthly interest on the outstanding balance is calculated using a base rate tied to the LIBOR rate plus the applicable margin, with a floor of 4.50%. The revolving note also has an unused facility fee on the average unused balance, which is also paid quarterly. The unused facility fee is waived if the average outstanding balance exceeds 70% of the available facility. In June 2020, the Company amended and restated the agreement and the revolving note was increased to a maximum committed amount of \$135.0 million. The agreement also allows for the Company to increase the committed amount up to \$200.0 million. The revolving note is currently scheduled to expire in June 2022. The Company has the option to convert the outstanding balance of the revolving note into a term note at its discretion. At June 30, 2020 and December 31, 2019, the Company had \$85.0 million and \$90.0 million, respectively, in outstanding borrowings on this credit facility.

In July 2017, the Company entered into an agreement for a revolving note of up to \$25.0 million from one of its warehouse banks, which it can draw upon as needed and has renewed on an annual basis. In July 2018, the Company amended the agreement to increase the revolving note up to \$50.0 million. In July 2020, the Company amended the agreement by extending the expiration date to July 2021 and increasing the revolving note up to \$65.0 million. Borrowings on the revolving note are collateralized by the Company's FHLMC MSR. Monthly interest on the outstanding balance is calculated using a base rate tied to the LIBOR rate plus the applicable margin. The revolving note also has an unused facility fee on the average unused balance, which is also paid monthly. The unused facility fee is waived if the average outstanding balance exceeds 50% of the available combined warehouse and MSR facility. The lender has the option to convert the outstanding balance of the revolving note into a term note at its discretion. At June 30, 2020 and December 31, 2019, the Company had \$40.0 million and \$50.0 million, respectively, in outstanding borrowings on this credit facility.

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**Term note:**

In January 2014, the Company entered into a term note agreement with one of its warehouse banks collateralized by the Company's FNMA MSRs. In September 2019, the term note was amended and restated, at which time there was an outstanding amount of \$78.0 million. The outstanding amount of \$78.0 million was rolled into a new term note with a commitment of \$100.0 million. The note allows for the committed amount to be increased to a maximum of \$150.0 million. The Company can draw on the committed amount through September 2020 and the note matures on September 30, 2022. Interest on the principal is paid monthly and is based upon a margin plus the highest of the (i) Prime Rate, (ii) Federal Funds Rate plus 0.5%, or (iii) the Eurodollar Base Rate plus 1.0%. Principal payments of 5% of the outstanding balance as of September 30, 2020 are due quarterly beginning October 1, 2020, with the remaining principal balance due upon maturity. The term note also has an unused facility fee equal to 0.375% of the average daily unadvanced amount, which is the difference between the committed amount and the amount outstanding. This fee is paid quarterly. At June 30, 2020 and December 31, 2019, the Company had an outstanding balance of \$63.0 million and \$78.0 million, respectively, on this facility.

The minimum calendar year payments and maturities of the Company's term note was as follows at June 30, 2020:

2020	\$ 3,150
2021	12,600
2022	<u>47,250</u>
Total	<u>\$ 63,000</u>

**11. Income Taxes**

The Company's effective tax rates were 24.8% and 25.1% for the six months ended June 30, 2020 and 2019, respectively.

On March 27, 2020, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") to provide certain relief as a result of the COVID-19 pandemic. The CARES Act, among other things, includes provisions relating to net operating loss carryback periods, alternative minimum tax credit refunds, and modifications to the net interest deduction limitations. The CARES Act did not have a material impact on the Company's condensed consolidated financial statements for the six months ended June 30, 2020. The Company continues to monitor any effects on its financial statements that may result from the CARES Act.

**12. Commitments And Contingencies**

***Commitments to Extend Credit***

The Company enters into interest rate lock commitments with customers who have applied for residential mortgage loans and meet certain credit and underwriting criteria. These commitments expose the Company to market risk if interest rates change and the loan is not economically hedged or committed to an investor. The Company is also exposed to credit loss if the loan is originated and not sold to an investor and the customer does not perform. The collateral upon extension of credit typically consists of a first deed of trust in the mortgagor's residential property. Commitments to originate loans do not necessarily reflect future cash requirements as some commitments are expected to expire without being drawn upon. Total commitments to originate loans at June 30, 2020 and December 31, 2019 were approximately \$5.1 billion and \$1.5 billion, respectively.

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The Company manages the interest rate price risk associated with its outstanding interest rate lock commitments and mortgage loans held for sale by entering into derivative loan instruments, such as forward loan sales commitments, mandatory delivery commitments, options and futures contracts. Total commitments related to these derivatives at June 30, 2020 and December 31, 2019, were approximately \$5.2 billion and \$2.0 billion, respectively.

**Leases**

The Company leases office space and equipment under noncancelable and cancelable operating agreements expiring at various dates through 2030. Rent expense amounted to \$14.2 million and \$14.9 million for the periods ended June 30, 2020 and 2019, respectively, and is included within occupancy, equipment and communication expense in the Condensed Consolidated Statements of Income.

Future minimum rental payments under the noncancelable operating leases were as follows at June 30, 2020:

2020	\$ 15,087
2021	24,543
2022	19,702
2023	15,126
2024	10,999
Thereafter	35,570
	<u>\$ 121,027</u>

**Legal**

The Company is involved in various lawsuits arising in the ordinary course of business. While the ultimate results of these lawsuits cannot be predicted with certainty, management does not expect that these matters will have a material adverse effect on the condensed consolidated financial position or results of operations of the Company.

**U.S. ex rel. Dougherty v. Guild Mortgage Company, No.16-cv-02909 (S.D. Cal.)**

On May 18, 2016, the U.S. Department of Justice (“DOJ”), on behalf of HUD (together, the “government”), filed a Complaint-in-Intervention (“Intervention Complaint”) in a pending *qui tam* action against the Company under the False Claims Act (“FCA”), 31 U.S.C. §§ 3729-3733. The Intervention Complaint, filed in the U.S. District Court for the District of Columbia, alleges FCA violations in connection with the underwriting and origination of certain residential mortgage loans that the Company endorsed for Federal Housing Administration (“FHA”) insurance. The Intervention Complaint alleges violations of Sections 3729 (a)(1)(A) and (B) of the FCA, breach of common law fiduciary duty, and breach of contract. The government’s claims arise from the Company’s origination of residential mortgage loans, which the Company subsequently endorsed for FHA insurance between January 1, 2006, and December 31, 2011. The Company believes the FCA and common law claims are without merit.

On August 10, 2016, the Company filed motions to dismiss the government’s Intervention Complaint and the Relator’s Third Amended Complaint. In March 2018, the Court stayed the case pending the Ninth Circuit’s determination of the appeal in *Rose v Stephens Institute* (No. 17-15111). On August 24, 2018, the ruling in the *Rose* case was issued and the Court lifted its self-imposed stay. On March 4, 2019, the government filed an amended complaint which Guild responded to on March 22, 2019 reasserting that the

**GUILD MORTGAGE COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except as otherwise indicated)**

claims were without merit. Guild's motion to dismiss was denied by the court in September 2019. Discovery began in December 2019 and will continue through December 2, 2020.

**13. RELATED PARTY TRANSACTIONS**

In November 2014, one of the Company's executives retired. Other executives had the option and executed their right to purchase the retiring executive's units in Guild Management, LLC, an indirect parent company of the Company. The purchase was funded by the Company and in return, the Company received a note receivable from Guild Management, LLC for approximately \$2.5 million. The note is due in 2024 and is included within Other Assets on the Condensed Consolidated Balance Sheets.

In April 2017, Guild Mortgage Company, LLC, the Company's parent company, sold units to Guild Management III, LLC for \$2.3 million in consideration of which \$1.2 million was advanced by the Company in exchange for notes receivable from its members. These members fully paid back the notes and accrued interest during 2019.

On January 1, 2019, one of the Company's executives retired, which triggered a repurchase of the executive's equity in Guild Management, LLC, and a payout of deferred compensation. The Company's parent company, Guild Mortgage Company, LLC, sold 13,7038 shares of the Company to the executive in exchange for the executive's equity in Guild Mortgage Company, LLC. The executive in turn sold the acquired Company's shares back to the Company in exchange for a promissory note of \$8.0 million, which is to be paid over 16 quarters. For the periods ended June 30, 2020 and 2019, the Company made payments of \$0.5 million to the executive. In connection with the executive's retirement, the Company made a one-time payment of \$2.0 million to the executive in connection with her participation in the deferred compensation plans.

**14. MINIMUM NET WORTH REQUIREMENTS**

Certain secondary market investors and state regulators require the Company to maintain minimum net worth and capital requirements. To the extent that these requirements are not met, secondary market investors and/or the state regulators may utilize a range of remedies including sanctions, and/or suspension or termination of selling and servicing agreements, which may prohibit the Company from originating, securitizing or servicing these specific types of mortgage loans.

The Company is subject to the following minimum net worth, minimum capital ratio and minimum liquidity requirements established by the Federal Housing Finance Agency for Fannie Mae and Freddie Mac Seller/Servicers, and Ginnie Mae for single family issuers.

***Minimum Net Worth***

The minimum net worth requirement for Fannie Mae and Freddie Mac is defined as follows:

- Base of \$2,500 plus 25 basis points of outstanding UPB for total loans serviced.
- Adjusted/Tangible Net Worth comprises of total equity less goodwill, intangible assets, affiliate receivables and certain pledged assets.

The minimum net worth requirement for Ginnie Mae is defined as follows:

- Base of \$2,500 plus 35 basis points of the issuer's total single-family effective outstanding obligations.



**GUILD MORTGAGE COMPANY**  
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(Dollars in thousands, except as otherwise indicated)

- Adjusted/Tangible Net Worth comprises of total equity less goodwill, intangible assets, affiliate receivables and certain pledged assets. Effective for fiscal year 2020, under the Ginnie Mae MBS Guide, the issuers will no longer be permitted to include deferred tax assets when computing minimum net worth requirements.

**Minimum Capital Ratio**

- For Fannie Mae, Freddie Mac and Ginnie Mae the Company is also required to hold a ratio of Adjusted/Tangible Net Worth to Total Assets greater than 6%.

**Minimum Liquidity**

The minimum liquidity requirement for Fannie Mae and Freddie Mac is defined as follows:

- 3.5 basis points of total Agency servicing.
- Incremental 200 basis points of total nonperforming Agency, measured as 90 plus day delinquencies, servicing in excess of 6% of the total Agency servicing UPB.
- Allowable assets for liquidity may include: cash and cash equivalents (unrestricted); available for sale or held for trading investment grade securities (e.g., Agency MBS, Obligations of GSEs, US Treasury Obligations); and unused/available portion of committed servicing advance lines.

The minimum liquidity requirement for Ginnie Mae is defined as follows:

- Maintain liquid assets equal to the greater of \$1,000 or 10 basis points of our outstanding single-family MBS.

The most restrictive of the minimum net worth and capital requirements require the Company to maintain a minimum adjusted net worth balance of \$73,118 as of December 31, 2019. As of December 31, 2019, the Company was in compliance with this requirement.

**15. ADDITIONAL NON-CASH DISCLOSURES**

For the periods ended June 30, 2020 and 2019, the Company had the following non-cash transactions that are not included in the Condensed Consolidated Statements of Cash Flows:

	<b>For the six months ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
GNMA inventory obtained due to delinquent status of GNMA serviced loans	\$ 718,830	\$ 170,914
GNMA inventory removed from delinquent status	(131,812)	(131,387)
GNMA real estate owned resolved through finalized foreclosure sale (conveyed to HUD)	(7,221)	(10,377)
Reduction in GNMA inventory due to loan removal from pool	(39,511)	(44,494)
Net increase (decrease) of GNMA payable due to receipt or resolution of GNMA inventory and GNMA real estate owned	<u>\$ 540,286</u>	<u>\$ (15,344)</u>
GNMA real estate owned obtained through foreclosure sale of GNMA serviced loans	<u>\$ 2,929</u>	<u>\$ 8,432</u>

**GUILD MORTGAGE COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Dollars in thousands, except as otherwise indicated)

**16. SEGMENTS**

ASC 280, *Segment Reporting*, establishes the standards for reporting information about segments in financial statements. In applying the criteria set forth in that guidance, the Company has determined that it has two reportable segments — Loan Origination and Servicing.

*Origination* — The Company operates its loan origination business in approximately forty-eight states. Its licensed sales professionals and support staff cultivate deep relationships with referral partners and clients and provide a customized approach to the loan transaction whether it is a purchase or refinance. The originations segment is primarily responsible for loan origination, acquisition and sale activities.

*Servicing* — The Company services loans out of its corporate office in San Diego, California. Properties of the loans serviced by the Company are disbursed throughout the United States and as of December 31, 2019 the Company serviced at least one loan in forty-eight different states. The servicing segment provides a steady stream of cash flow to support the origination segment and more importantly it allows for the Company to build long standing client relationships that drive repeat and referral business back to the origination segment to recapture the client’s next mortgage transaction. The servicing segment is primarily responsible for the servicing activities of all loans in the Company’s servicing portfolio which includes, but is not limited to, collection and remittance of loan payments, managing borrower’s impound accounts for taxes and insurance, loan payoffs, loss mitigation and foreclosure activities.

The Company does not allocate assets to its reportable segments as they are not included in the review performed by the Chief Operating Decision Maker for purposes of assessing segment performance and allocating resources. The balance sheet is managed on a consolidated basis and is not used in the context of segment reporting. The Company also does not allocate certain corporate expenses, which are represented by All Other in the tables below.

The following table presents the financial performance and results by segment for the six months ended June 30, 2020:

	<u>Origination</u>	<u>Servicing</u>	<u>Total Segments</u>	<u>All Other</u>	<u>Total</u>
<b>Revenue</b>					
Loan origination fees and gain on sale of loans, net	\$ 730,459	\$ 2,834	\$ 733,293	\$ —	\$ 733,293
Loan servicing and other fees	—	76,310	76,310	—	76,310
Valuation adjustment of mortgage servicing rights	—	(204,810)	(204,810)	—	(204,810)
Interest income (expense)	6,410	(2,611)	3,799	(4,291)	(492)
Other income (expense)	25	—	25	(29)	(4)
Net revenue	<u>736,894</u>	<u>(128,277)</u>	<u>608,617</u>	<u>(4,320)</u>	<u>604,297</u>
<b>Expenses</b>					
Salaries, commissions and benefits	350,043	9,217	359,260	17,638	376,898
General and administrative	37,147	6,973	44,120	4,072	48,192
Occupancy, equipment and communication	24,155	1,215	25,370	1,585	26,955
Depreciation and amortization	2,601	214	2,815	331	3,146
Provision for foreclosure losses	—	1,860	1,860	—	1,860
Income tax expense	—	—	—	36,465	36,465
Net income (loss) allocated to segments	<u>\$ 322,948</u>	<u>\$(147,756)</u>	<u>\$ 175,192</u>	<u>\$ (64,411)</u>	<u>\$ 110,781</u>

**GUILD MORTGAGE COMPANY**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except as otherwise indicated)**

The following table presents the financial performance and results by segment for the six months ended June 30, 2019:

	<u>Origination</u>	<u>Servicing</u>	<u>Total Segments</u>	<u>All Other</u>	<u>Total</u>
<b>Revenue</b>					
Loan origination fees and gain on sale of loans, net	\$ 325,482	\$ 2,021	\$ 327,503	\$ —	\$ 327,503
Loan servicing and other fees	—	68,437	68,437	—	68,437
Valuation adjustment of mortgage servicing rights	—	(160,222)	(160,222)	—	(160,222)
Interest income (expense)	6,804	(7)	6,797	(4,603)	2,194
Other income	25	—	25	1,156	1,181
Net revenue	332,311	(89,771)	242,540	(3,447)	239,093
<b>Expenses</b>					
Salaries, commissions and benefits	230,685	7,443	238,128	3,188	241,316
General and administrative	20,278	5,078	25,356	3,268	28,624
Occupancy, equipment and communication	24,045	873	24,918	2,024	26,942
Depreciation and amortization	3,335	154	3,489	335	3,824
Provision for foreclosure losses	—	774	774	—	774
Income tax benefit	—	—	—	(15,389)	(15,389)
Net income (loss) allocated to segments	\$ 53,968	\$(104,093)	\$ (50,125)	\$ 3,127	\$ (46,998)

**Report of Independent Registered Public Accounting Firm**

To the Stockholder and Board of Directors  
Guild Mortgage Company:

*Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of Guild Mortgage Company and subsidiaries (the Company) as of December 31, 2019 and 2018, the related consolidated statements of income, changes in stockholder's equity, and cash flows for each of the years in the two-year period ended December 31, 2019, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2019, in conformity with U.S. generally accepted accounting principles.

*Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Company's auditor since 2013.

Irvine, California  
August 21, 2020

**GUILD MORTGAGE COMPANY**  
**CONSOLIDATED BALANCE SHEETS**  
**December 31, 2019 and 2018**  
**(Dollars in thousands, except par value)**

	<b>2019</b>	<b>2018</b>
<b><u>Assets</u></b>		
Cash and cash equivalents	\$ 101,735	\$ 58,505
Restricted cash	5,000	4,250
Mortgage loans held for sale	1,504,842	966,171
Ginnie Mae loans subject to repurchase right	404,344	321,049
Accounts and interest receivable	34,611	27,940
Derivative asset	19,922	12,541
Mortgage servicing rights, net	418,402	511,852
Goodwill	62,834	60,699
Other assets	55,723	75,244
Total assets	<u>\$ 2,607,413</u>	<u>\$ 2,038,251</u>
<b><u>Liabilities and Stockholder's Equity</u></b>		
Warehouse lines of credit	\$ 1,303,187	\$ 839,734
Notes payable	218,000	160,000
Ginnie Mae loans subject to repurchase right	412,490	333,018
Accounts payable and accrued expenses	35,338	27,951
Accrued compensation and benefits	45,297	29,951
Investor reserves	16,521	14,312
Due to parent company	12,427	13,952
Contingent liabilities due to acquisitions	8,073	5,106
Derivative liability	4,863	10,157
Note due to related party	6,606	—
Deferred compensation plan	52,302	50,875
Deferred tax liability	86,278	112,254
Total liabilities	<u>2,201,382</u>	<u>1,597,310</u>
Commitments and contingencies (Note 15)		
Stockholder's Equity		
Common stock, \$100 par value; 2,000 shares authorized; 928 and 942 shares issued and outstanding at December 31, 2019 and 2018, respectively	93	94
Additional paid-in capital	21,992	22,317
Retained earnings	383,946	418,530
Total stockholder's equity	<u>406,031</u>	<u>440,941</u>
Total liabilities and stockholder's equity	<u>\$ 2,607,413</u>	<u>\$ 2,038,251</u>

See accompanying notes to consolidated financial statements

**GUILD MORTGAGE COMPANY**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**For the years ended December 31, 2019 and 2018**  
**(Dollars in thousands)**

	<u>2019</u>	<u>2018</u>
Revenue		
Loan origination fees and gain on sale of loans, net	\$ 820,814	\$ 616,608
Loan servicing and other fees	142,705	123,681
Valuation adjustment of mortgage servicing rights	(255,219)	(17,050)
Interest income	58,787	43,676
Interest expense	(55,391)	(44,002)
Other income	1,193	6
Net revenue	<u>712,889</u>	<u>722,919</u>
Expenses		
Salaries, commissions and benefits	578,170	510,253
General and administrative	63,983	50,976
Occupancy, equipment and communication	53,678	52,483
Depreciation and amortization	7,333	7,180
Provision for foreclosure losses	3,895	4,434
Total expenses	<u>707,059</u>	<u>625,326</u>
Income before income tax expense	5,830	97,593
Income tax expense	253	24,260
Net income	<u>\$ 5,577</u>	<u>\$ 73,333</u>

See accompanying notes to consolidated financial statements

**GUILD MORTGAGE COMPANY**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY**  
**For the years ended December 31, 2019 and 2018**  
**(Dollars in thousands, except per share data)**

	<u>Shares</u>	<u>Amount</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at 12/31/2017	942	\$ 94	\$ 22,317	\$375,197	\$397,608
Common stock dividends (\$31,847 per share)	—	—	—	(30,000)	(30,000)
Net income	—	—	—	73,333	73,333
Balance at 12/31/2018	<u>942</u>	<u>94</u>	<u>22,317</u>	<u>418,530</u>	<u>440,941</u>
Common stock dividends (\$35,010 per share)	—	—	—	(32,500)	(32,500)
Stock repurchase	(14)	(1)	(325)	(7,661)	(7,987)
Net income	—	—	—	5,577	5,577
Balance at 12/31/2019	<u><u>928</u></u>	<u><u>93</u></u>	<u><u>21,992</u></u>	<u><u>383,946</u></u>	<u><u>406,031</u></u>

See accompanying notes to consolidated financial statements

**GUILD MORTGAGE COMPANY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the years ended December 31, 2019 and 2018**  
**(Dollars in thousands)**

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Net income	\$ 5,577	\$ 73,333
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization of fixed assets	7,333	7,180
Valuation adjustment of mortgage servicing rights	255,219	17,050
Valuation adjustment of mortgage loans held for sale	(5,061)	5,504
Valuation adjustment of derivatives	(12,675)	8,233
Provision for investor losses	10,203	6,486
Provision for foreclosure losses	3,895	4,434
Changes in estimated fair value of contingent liabilities due to acquisitions	7,920	(2,642)
Gain on sale of mortgage loans excluding fair value of other financial instruments, net	(638,902)	(493,578)
Deferred income taxes	(25,976)	24,716
Other	281	350
Investor reserves	(7,994)	(6,909)
Foreclosure loss reserve	(3,910)	(2,755)
Changes in operating assets and liabilities:		
Origination of mortgage loans held for sale	(21,749,675)	(16,466,876)
Proceeds on sale of and payments from mortgage loans held for sale	21,854,967	16,947,871
Accounts and interest receivable	(6,656)	(9,425)
Other assets	11,791	(8,397)
Mortgage servicing rights	(154,201)	(130,863)
Accounts payable and accrued expenses	7,533	2,029
Accrued compensation and benefits	15,307	(7,028)
Contingent liability payments	(1,437)	(3,866)
Deferred compensation plan liability	(785)	6,028
Proceeds from real estate owned conveyed to HUD	5,140	2,781
Purchase and advances of real estate owned	(2,601)	(5,421)
Net cash used in operating activities	<u>(424,707)</u>	<u>(31,765)</u>
Cash flows from investing activities		
Proceeds from the sale of property & equipment	71	44
Purchase of property and equipment	(3,705)	(6,687)
Payment (made) received on behalf of affiliate	(1,037)	1,185
Acquisitions	(8,817)	(20,180)
Net cash used in investing activities	<u>(13,488)</u>	<u>(25,638)</u>
Cash flows from financing activities		
Borrowings on warehouse lines of credit	21,195,017	15,991,417
Repayments on warehouse lines of credit	(20,731,564)	(15,987,677)
Borrowings on MSR notes payable	87,250	90,000
Repayments on MSR notes payable	(29,250)	(5,000)
Contingent liability payments	(5,251)	(2,267)
Net change in notes payable	6,460	763
Repurchase of stock	(7,987)	—
Dividends paid	(32,500)	(40,000)
Net cash provided by financing activities	<u>482,175</u>	<u>47,236</u>
Increase (decrease) in cash, cash equivalents and restricted cash	43,980	(10,167)
Cash, cash equivalents and restricted cash, beginning of year	62,755	72,922
Cash, cash equivalents and restricted cash, end of year	<u>\$ 106,735</u>	<u>\$ 62,755</u>
<b>Supplemental information</b>		
Cash paid for interest (net of rebates of \$8.9 million for the year ended December 31, 2019; no interest rebates for the year ended December 31, 2018.)	<u>\$ 40,248</u>	<u>\$ 35,922</u>
Cash paid for taxes (net of tax refunds of \$7.2 and \$0.1 million for the years ended December 31, 2019 and 2018, respectively)	<u>\$ 13,731</u>	<u>\$ 531</u>
Net assets acquired due to acquisition	<u>\$ 10,552</u>	<u>\$ 23,139</u>
Cash and cash equivalents	<u>\$ 101,735</u>	<u>\$ 58,505</u>
Restricted cash	<u>5,000</u>	<u>4,250</u>
Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows	<u>\$ 106,735</u>	<u>\$ 62,755</u>
Non-Cash disclosures (See Note 18)		

See accompanying notes to consolidated financial statements.



**GUILD MORTGAGE COMPANY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except as otherwise indicated)**

**1. Business, Basis of Presentation, and Accounting Policies**

***Organization***

Guild Mortgage Company (the “Company” or “Guild”), a California corporation, is a wholly owned subsidiary of Guild Mortgage Company, LLC (“GMC LLC”), a privately owned California limited liability company.

The accompanying consolidated financial statements have been prepared in connection with the proposed initial public offering (the “Offering”) of Class A common stock of Guild Holdings Company, a Delaware corporation (“Holdings”). Prior to the completion of the Offering, GMC LLC will contribute 100% of the shares of the Company to Holdings and the Company will be converted to a California limited liability company. As a result, Holdings is expected to become the sole member of the Company prior to the completion of the Offering.

The Company originates, sells, and services residential mortgage loans. The Company operates approximately two hundred branches with licenses in forty-eight states. The Company’s residential mortgage originations are generated in forty-seven states from two channels of business; retail and correspondent. For the year ended December 31, 2019 the channel production was as follows: retail 96.5% and correspondent 3.5%. For the year ended December 31, 2018, the channel production was as follows: retail 95.9%, and correspondent 4.1%.

The Company is certified with the United States Department of Housing and Urban Development (“HUD”) and the Department of Veterans Affairs (“VA”) and operates as a Federal Housing Association (“FHA”) non-supervised lender. In addition, the Company is an approved issuer with Government National Mortgage Association (“GNMA”), as well as an approved seller and servicer with Federal National Mortgage Association (“FNMA”), the Federal Home Loan Mortgage Corporation (“FHLMC”) and the United States Department of Agriculture Rural Development (“USDA”).

Properties securing the mortgage loans in the Company’s servicing portfolio are geographically dispersed throughout the United States; however, at December 31, 2019, approximately 16.0% of such properties were located in California, 12.1% were located in Washington, and 9.7% were located in Texas. At December 31, 2018, approximately 15.8% of such properties were located in California, 12.8% were located in Washington, and 9.8% were located in Texas. Similarly, loan production in California, Washington and Oregon represented 16.9%, 16.5%, and 9.2%, respectively, of the Company’s total loan production in 2019. For the year ended December 31, 2018, Washington, California and Oregon represented 16.3%, 14.5%, and 10.2%, respectively, of the Company’s total loan production.

***Principles of Consolidation***

The Company has four wholly owned subsidiaries; Guild Administration Corp., Mission Village Insurance Agency, Guild Insurance, LLC and Guild Financial Express, Inc. The activities of the subsidiaries are related to the Company’s mortgage banking operations. All intercompany accounts and transactions have been eliminated in consolidation.

***Management Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could materially differ from those estimates.

**GUILD MORTGAGE COMPANY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except as otherwise indicated)**

**Revenue Recognition**

*Loan origination fees and gain on sale of loans, net*— loan origination fees and gain on sale of loans, net includes all components related to the origination and sale of mortgage loans, including (1) net gain on sale of loans, which represents the premium the Company receives in excess of the loan principal amount and certain fees charged by investors upon sale of loans into the secondary market, (2) loan origination fees (credits), points and certain costs, (3) provision for or benefit from investor reserves, (4) the change in fair value of interest rate locks and loans held for sale, (5) the gain or loss on forward commitments hedging loans held for sale and interest rate lock commitments (“IRLCs”), and (6) the fair value of originated mortgage servicing rights (“MSRs”). An estimate of the gain on sale of loans, net is recognized at the time an IRLC is issued, net of a pull-through factor. Subsequent changes in the fair value of IRLCs and mortgage loans held for sale are recognized in current period earnings. When the mortgage loan is sold into the secondary market, any difference between the proceeds received and the current fair value of the loan is recognized in current period earnings. Included in gain on sale of loans, net is the fair value of originated MSRs, which represents the estimated fair value of MSRs related to loans which we have sold and retained the right to service. Refer to *Note 1 sections; Mortgage Loans Held for Sale, Mortgage Servicing Rights and Derivative Instruments*, for more information related to fair value measurements of mortgage loans held for sale, the gain/(loss) on changes in the fair value of MSRs and the gain/(loss) on changes in the fair value of IRLCs, respectively. At December 31, 2019 and 2018, loan origination fees and gain on sale of loans were net of direct expenses of \$175,338 and \$136,913, respectively.

*Loan servicing and other fees* — Loan servicing fees represent fees earned for servicing loans for various investors. The servicing fees are based on a contractual percentage of the outstanding principal balance and recognized into revenue as the related mortgage payments are received. Loan servicing expenses are charged to operations as incurred.

*Valuation adjustment of mortgage servicing rights* — In accordance with Accounting Standards Codification (“ASC”)860-50, the Company records MSRs as an asset, at fair value. The change in fair value is recorded within the Consolidated Statements of Income on a monthly basis. Refer to *Note 1, Mortgage Servicing Rights*, for information related to the gain/(loss) on changes in the fair value of MSRs.

*Interest income* — interest income includes interest earned on mortgage loans held for sale

*Interest expense* — interest expense includes interest paid to the Company’s loan funding facilities and MSR facilities.

**Cash, Cash Equivalents and Restricted Cash**

For cash flow purposes, the Company considers cash and temporary investments with original maturities of three months or less, to be cash and cash equivalents. The Company typically maintains cash in financial institutions in excess of Federal Deposit Insurance Corporation limits. The Company evaluates the creditworthiness of these financial institutions in determining the risk associated with these cash balances. The Company maintains cash balances that are restricted under the terms of its warehouse lines of credit.

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The following table summarizes the Company's cash, cash equivalents and restricted cash at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 101,735	\$ 58,505
Restricted cash	5,000	4,250
Total cash, cash equivalents and restricted cash shown in the Consolidated Statements of Cash Flows	<u>\$ 106,735</u>	<u>\$ 62,755</u>

***Mortgage Loans Held for Sale***

The Company measures newly originated prime residential Mortgage Loans Held for Sale ("MLHS") at fair value in accordance with ASC 825, *Financial Instruments*. Included in mortgage loans held for sale are loans originated as held for sale that are expected to be sold into the secondary market and loans that have been previously sold and repurchased from investors that management intends to resell into the secondary market, which are recorded at fair value.

The Company estimates fair value by evaluating a variety of market indicators, including recent trades and outstanding commitments, calculated on an individual loan basis and aggregated (see *Note 2 — Fair Value Measurements*). Changes in the fair value of mortgage loans are recognized in current period income and are included in loan origination fees and gain on sale of loans, net. Fair value for mortgage loans covered by investor commitments is based on commitment prices. Fair value for uncommitted loans is based on current delivery prices. The Company is not permitted to defer the loan origination fees, net of direct loan origination costs associated with these loans.

Loans are considered sold when the Company surrenders control over the financial assets. Control is considered to have been surrendered when the transferred assets have been isolated from the Company, beyond the reach of the Company and its creditors; the purchaser obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets; and the Company does not maintain effective control over the transferred assets through an agreement that both entitles and obligates the Company to repurchase or redeem the transferred assets before their maturity. The Company typically considers the above criteria to have been met upon acceptance and receipt of sales proceeds from the purchaser.

***Ginnie Mae Loans Subject to Repurchase Right***

In accordance with ASC 860-50, *Transfers and Servicing — Servicing Assets and Liabilities* ("ASC 860-50"), certain loans, as defined by the servicer guidelines, serviced by the Company on behalf of GNMA are recognized as an asset, and carried at the unpaid principal balance ("UPB") of the loans. The Company has a right to repurchase any loans serviced on behalf of GNMA that are three or more consecutive payments delinquent ("GNMA Loan Inventory"). The Company recognizes a corresponding liability ("GNMA Loan Payable") which is recorded at the unpaid principal balance, for loans in which the Company has not exercised the right to repurchase the loans. If the loan goes through foreclosure and is an FHA loan, HUD acts as the insurer for GNMA and reimburses the servicer for the UPB plus allowable interest and foreclosure fees. The Company reserves for unreimbursed interest and fees as part of the general foreclosure reserve. If the loan goes through foreclosure and is a Veterans' Administration ("VA") loan, the VA acts as the insurer and reimburses the Company based on the net value of the underlying property. At the amount determined by the VA, the Company accounts for any loss on VA loans in its

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foreclosure loss reserve to a certain threshold with any excess charged to its investor reserves. If a foreclosure sale has been held on an FHA loan, the deed is transferred to the Company and the loan becomes a GNMA real estate owned (“REO”). These are foreclosed real estate properties securing GNMA loans. Both principal and interest for government insured/guaranteed loans secured by the foreclosed real estate properties are collectible because the loans are insured by the FHA or guaranteed by the VA. The GNMA Loan Inventory and real estate owned is equal, and offsetting, to the GNMA Loan Payable.

***Mortgage Servicing Rights***

Mortgage servicing rights are recognized as assets on the Consolidated Balance Sheet when loans are sold, and the associated servicing rights are retained. The Company maintains one class of MSR asset and has elected the fair value option. To determine the fair value of the servicing right when created, the Company uses a valuation model that calculates the present value of future cash flows. The valuation model incorporates assumptions that market participants would use in estimating future net servicing income, including estimates of contractual service fees, ancillary income and late fees, the cost of servicing, the discount rate, float value, the inflation rate, estimated prepayment speeds, and default rates.

***Derivative Instruments***

The Company enters into IRLCs, forward commitments to sell mortgage loans and to be announced trades which are considered derivative financial instruments. These items are accounted for as free-standing derivatives and are included in the Consolidated Balance Sheets at fair value. The Company treats all of its derivative instruments as economic hedges; therefore, none of its derivative instruments qualify for designation as accounting hedges.

The Company enters into IRLCs to originate residential mortgage loans at specified interest rates and within a specified period of time, with customers who have applied for a loan and meet certain credit and underwriting criteria. IRLCs on mortgage loans in process that have not closed, but are intended to be sold, are considered to be derivatives and changes in fair value are recorded in the Consolidated Statements of Income as part of Loan Origination Fees and Gain on Sale of Loans, net. Fair value is based upon changes in the fair value of the underlying mortgages, estimated to be realizable upon sale into the secondary market, net of estimated commission expenses. Fair value estimates also consider loan commitments not expected to be exercised by customers for unforeseen reasons, commonly referred to as fallout.

IRLCs and uncommitted mortgage loans held for sale expose the Company to the risk that the value of the mortgage loans held and mortgage loans underlying the commitments may decline due to increases in mortgage interest rates during the life of the commitments. To protect against this risk the Company enters into derivative loan instruments such as forward loan sales commitments, mandatory delivery commitments, options and futures contracts. Management expects the changes in the fair value of these derivatives to have a negative correlation to the changes in fair value of the derivative loan commitments and loans held for sale, thereby reducing earnings volatility. The changes in fair value are recorded in the Consolidated Statements of Income as part of Loan Origination Fees and Gain on Sale of Loans, net. The Company considers various factors and strategies in determining the portion of the mortgage pipeline and loans held for sale it wants to economically hedge.

Forward commitments include To-Be-Announced (“TBA”) mortgage-backed securities that have been aggregated at the counterparty level for presentation and disclosure purposes. Counterparty agreements contain a legal right to offset amounts due to and from the same counterparty under legally enforceable master netting agreements to settle with the same counterparty, on a net basis, as well as the right to obtain cash collateral. Forward commitments also include commitments to sell loans to counterparties and to purchase loans from counterparties at determined prices. See *Notes 2 and 6* for additional information.

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***Property and Equipment***

Property and equipment is recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset, usually three years. Leasehold improvements are amortized using the straight-line method over the shorter of the term of the related lease or the estimated useful life.

The Company recognizes internal-use software within property and equipment which consists of both internal and external costs incurred in the development, testing and implementation directly related to the new software. The internal-use software is amortized over a three-year period and begins amortization upon the “go-live” date of the software. The Company determines the “go-live” date as the date in which the software is readily available to be used companywide.

***Acquisitions***

When making an acquisition, the Company recognizes separately from goodwill the assets acquired and the liabilities assumed at their acquisition date fair values under ASC 805, *Business Combinations*. Goodwill as of the acquisition date is measured as the excess of consideration transferred and the net of the acquisition date fair values of the assets acquired and the liabilities assumed. The Company uses its best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date. The Company’s estimates are inherently uncertain and actual results may differ from expectations. The Company may record measurement period adjustments during the measurement period (one year from the acquisition date) that result from obtaining additional information about the facts and circumstances that existed as of the acquisition date. If this additional information had been known, it would have affected the accounting for the business combination as of the acquisition date.

Accounting for business combinations requires the Company’s management to make estimates and assumptions, especially at the acquisition date with respect to mortgage servicing rights and contingent considerations. Although the Company believes the assumptions and estimates it has made in the past have been reasonable and appropriate, they are based in part on historical experience and information obtained from the management of the acquired companies and are inherently uncertain.

***Goodwill***

The Company records goodwill in connection with an acquisition when the total purchase price of the acquisition exceeds the fair value of the assets and liabilities assumed by Guild as part of the transaction (see *Note 9*). Goodwill is not amortized but is evaluated for potential impairment on an annual basis, or when events or circumstances indicate a potential impairment, at the reporting unit level. A reporting unit is a business segment or one level below a business segment. The Company performs a Step 0 analysis by reviewing certain qualitative and quantitative factors to determine if any indicators of impairment arise. If there are no impairment indicators from the Step 0 analysis the Company determines that there is no impairment and no further evaluation is necessary.

If impairment indicators arise, the Company will perform the test in accordance with ASC 350-20, by first assessing qualitative factors to determine if it is more-likely-than-not that goodwill might be impaired. Then, if necessary, a two-step goodwill impairment test is performed to determine if any impairment exists and how it should be allocated.

In performing the goodwill impairment test, the Company first assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. Qualitative factors include, among other things, macroeconomic conditions, industry and market considerations, financial performance of the respective reporting unit and other relevant entity- and reporting-unit specific considerations.

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If the Company concludes it is more likely than not that the fair value of a reporting unit is less than its carrying value, a quantitative assessment is performed. If the fair value of the reporting unit exceeds its carrying value, goodwill of the reporting unit is considered not impaired; however, if the carrying value of the reporting unit exceeds its fair value, an additional step is performed to measure potential impairment.

This step involves calculating an implied fair value of goodwill which is the excess of the fair value of the reporting unit, as determined in the first step, over the aggregate fair values of the assets, liabilities and identifiable intangibles as if the reporting unit was being acquired in a business combination. If the implied fair value of goodwill exceeds the goodwill assigned to the reporting unit, there is no impairment. If the goodwill assigned to a reporting unit exceeds the implied fair value of goodwill, an impairment charge is recorded for the excess. An impairment loss recognized cannot exceed the amount of goodwill assigned to a reporting unit. An impairment loss establishes a new basis in the goodwill, and subsequent reversals of goodwill impairment losses are not permitted under applicable accounting guidance.

No goodwill impairment was recognized during the years ended December 31, 2019 and 2018.

***Contingent Liabilities due to Acquisitions***

The Company may be required to pay future consideration to the former shareholders of acquired companies, depending upon the terms of the applicable purchase agreement, which is contingent upon the achievement of certain financial and operating targets. The Company determines the fair value for its contingent consideration obligations using an income approach whereby the Company forecasts the cash outflows related to the earn-outs, which are based on a percentage of net income specified in the purchase agreements. The Company then discounts these expected payment amounts to calculate the fair value as of the valuation date. The Company's management evaluates the underlying projections used in determining fair value each period and makes updates to these underlying projections when there have been significant changes in management's expectations of the future business performance.

The principal significant unobservable input used in the valuations of the Company's contingent consideration obligations is a risk-adjusted discount rate. Whereas management's underlying projections adjust for market penetration and other economic expectations, the discount rate is risk-adjusted for key factors such as uncertainty in the mortgage banking industry due to its reliance on external influences (interest rates, regulatory changes, etc.), upfront payments, and credit risk. An increase in the discount rate will result in a decrease in the fair value of contingent consideration. Conversely, a decrease in the discount rate will result in an increase in the fair value of contingent consideration.

At each reporting date, or whenever there are significant changes in underlying key assumptions, a review of these assumptions is performed and the contingent consideration liability is updated to its estimated fair value. If there are no significant changes in the assumptions, the quarterly determination of the fair value of contingent consideration reflects the implied interest for the passage of time. Changes in the estimated fair value of the contingent consideration obligations may result from changes in the terms of the contingent payments, changes in discount periods and rates and changes in probability assumptions with respect to the timing and likelihood of achieving the certain financial targets. Actual progress toward achieving the financial targets for the remaining measurement periods may be different than the Company's expectations of future performance. The change in the estimated fair value of contingent consideration has been classified as other expenses in the Consolidated Statements of Income.

***Real Estate Owned***

There are two types of REO properties held by the Company. The first is considered a traditional REO where the Company owns, markets, and sells the property. At the time of foreclosure, other real estate

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owned is recorded at the asset's fair value less selling costs, which becomes the property's new basis. After foreclosure, these assets are carried at the lower of their new cost basis or fair value less selling costs. Costs incurred in maintaining foreclosed real estate and subsequent write-downs to reflect declines in the fair value of the property are expensed as incurred. At December 31, 2019 and 2018, the Company had \$0.9 million and \$3.3 million, respectively, of traditional REOs.

The second type is foreclosed real estate securing GNMA loans in process of conveyance to HUD but insured by FHA, where the Company is the controller of the deed for a period of time. For GNMA loans, the property becomes REO if not sold to a third party at its foreclosure sale. Both principal and debenture rate interest for government insured loans secured by the foreclosed real estate are collectible because the loans are insured by FHA. This is valued at the UPB of the loan, which is considered to be fair value, as HUD reimburses the Company for the UPB plus debenture rate interest and fees. The Company reserves for unreimbursed interest in excess of the debenture rate and fees as part of the foreclosure loss reserve. The total REO property that will be conveyed to HUD was valued at \$8.1 million and \$12.0 million at December 31, 2019 and 2018, respectively.

***Investor Reserves***

The Company has exposure to potential mortgage loan repurchases and indemnifications in its capacity as a loan originator and servicer. The estimation of the liability for probable losses related to the repurchase and indemnification obligation considers an estimate of probable future repurchase or indemnification obligations from breaches of representations and warranties. The liability related to specific non-performing loans is based on a loan-level analysis considering the current collateral value, estimated sales proceeds and selling costs. The liability related to probable future repurchase or indemnification obligations is segregated by year of origination and considers the amount of unresolved repurchase and indemnification requests, as well as an estimate of future repurchase demands. Future repurchase demands are estimated based upon recent and historical repurchase and indemnification experience, as well as the success rate in appealing repurchase requests and an estimated loss severity, based on current loss rates for similar loans. The Company also has exposure to early payment defaults ("EPD") and/or early payoff fees ("EPO"). When the Company sells a loan to an investor and the loan either pays off or goes into default within a certain timeframe, the Company could be exposed to EPD and/or EPO fees in accordance with each investor's contract. The Company reserves for these fees by estimating early payment defaults and fees based on prior loan activity and current loan origination volume.

***Foreclosure Loss Reserve and Provision for Foreclosure Losses***

The Company has exposure for losses associated with government loans in foreclosure related to nonrefundable interest and foreclosure servicing costs. The Company maintains a reserve for government loans currently in foreclosure based on historical loss experience. The Company also accrues for any additional known losses above the current loss per loan; for example, losses due to servicer delays.

***Advertising***

Advertising is expensed as incurred and amounted to \$11.8 million and \$11.3 million for the years ended December 31, 2019 and 2018, respectively, and is included within general and administrative expenses on the Consolidated Statements of Income.

***Income Taxes***

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement

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carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company recognizes the effect of income tax positions only if those positions are more-likely than-not to be sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest related to unrecognized tax benefits in interest expense and records penalties as a component of income taxes.

***Escrow and Fiduciary Funds***

As a loan servicer, the Company maintains segregated bank accounts in trust for investors and escrow balances for mortgagors, which are excluded from the Company's Consolidated Balance Sheet. These accounts totaled \$958.3 million and \$540.6 million at December 31, 2019 and 2018, respectively.

***Risks and Uncertainties***

In the normal course of business, companies in the mortgage banking industry encounter certain economic, liquidity, and regulatory risks.

Economic risk includes interest rate risk and credit risk.

*Interest rate risk*

The Company's mortgage loans held for sale, commitments to originate loans, and mortgage servicing rights are subject to interest rate risk. For mortgage loans held for sale and commitments to originate loans, to the extent that a rising interest rate environment exists, the Company may experience a decrease in loan production and decreases in value, which may negatively impact the Company's operations. To mitigate this risk the Company uses hedging strategies designed to ensure any fluctuations in rates would not have a material impact on the Company's financial position. For the Company's mortgage servicing rights, to the extent that a declining interest rate environment exists, the Company may experience decreases in the fair value of the portfolio, which may negatively impact the Company's financial position. For the year ended December 31, 2019, the Company experienced a material decline in the valuation of its MSR portfolio due to a significant decline in interest rates. Since the Company also has a large origination platform the Company was able to mitigate this risk by recapturing a significant portion of the runoff through refinances. For the year ended December 31, 2018, the Company did not experience any material loss due to interest rate risk.

*Credit risk*

Credit risk is the risk of default that may result from borrowers' inability or unwillingness to make contractually required payments during the period in which loans are being held for sale. The Company considers credit risk associated with these loans to be insignificant as it holds the loans for a short period of time, typically less than a month, and historically the Company has not experienced any material losses due to credit risk on loans held for sale.

The Company sells loans to investors without recourse. As such, the investors have assumed the risk of loss or default by the borrower. However, the Company is usually required by these investors to make certain standard representations and warranties relating to credit information, loan documentation and



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collateral. To the extent that the Company does not comply with such representations, or there are early payment defaults, the Company may be required to repurchase the loans or indemnify these investors for any losses from borrower defaults, defects in the collateral or errors made in the credit decision.

The Company is also subject to counterparty credit risk in the event of contractual nonperformance by its trading counterparties to its various over-the-counter derivative financial instruments. The Company manages this credit risk by selecting only counterparties that it believes to be financially strong, spreading the credit risk among many such counterparties, placing contractual limits on the amount of unsecured credit extended to any single counterparty, and entering into netting agreements with the counterparties as appropriate. The master netting agreements contain a legal right to offset amounts due to and from the same counterparty. Derivative assets in the Consolidated Balance Sheets represent derivative contracts in a gain position net of loss positions with the same counterparty and, therefore, also represent the Company's maximum counterparty credit risk. The Company incurred no credit losses due to nonperformance of any of its counterparties during the years ended December 31, 2019 and 2018.

*Liquidity risk*

The Company encounters liquidity risk as the business requires substantial cash to support its operating activities. As a result, the Company is dependent on its lines of credit, and other financing facilities in order to finance its continued operations. If the Company's principal lenders decided to terminate or not to renew these credit facilities with the Company, the loss of borrowing capacity could have an adverse impact on the Company's financial statements unless the Company found a suitable alternative source. To mitigate this risk, the Company has multiple financing facilities with different lenders and varied maturity dates. Historically, the Company has not had a line of credit involuntarily terminated by a lender.

*Regulatory risk*

The Company is subject to extensive and comprehensive regulation under federal, state and local laws in the United States. These laws and regulations significantly affect the way in which the Company does business and can restrict the scope of the Company's existing business and limit the Company's ability to expand product offerings or pursue acquisitions, or can make costs to service or originate loans higher, which could impact financial results. The Company continually monitors its regulatory environment for any changes that could have a significant impact on operations.

***Recently Adopted Accounting Pronouncements***

Accounting Standards Update No. 2014-09, 2016-08, 2016-10, 2016-12, and 2016-20, collectively implemented as FASB Accounting Standards Codification *Topic 606 ("ASC 606") Revenue from Contracts with Customers*, provides guidance for revenue recognition. This ASC's core principle requires a company to recognize revenue when it transfers promised goods or services to customers in an amount that reflects consideration to which the company expects to be entitled in exchange for those goods or services. The standard also clarifies the principal versus agent considerations, providing the evaluation must focus on whether the entity has control of the goods or services before they are transferred to the customer. The new standard permits the use of either the modified retrospective or full retrospective transition method. The Company's revenue is generated from loan servicing and loan originations. Servicing revenue is comprised of servicing fees and other ancillary fees in connection with Company's servicing activities as well as fees earned under subservicing arrangements. Origination revenue is comprised of fee income earned at origination of a loan, interest income earned for the period the loans are held, and gain on sale on loans upon disposition of the loan. The new guidance became effective for the Company beginning January 1,

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2019. The Company has determined that there was no material effect on revenue recognition to the financial statements.

In January 2016, the FASB issued ASUNo. 2016-01, *Financial Instruments — Overall (Subtopic 825-10): Recognition and measurement of financial assets and financial liabilities*. The amendments in this update require an entity to: (i) measure equity investments at fair value through net income, with certain exceptions; (ii) present in other comprehensive income the changes in instrument-specific credit risk for financial liabilities measured using the fair value option; (iii) present financial assets and financial liabilities by measurement category and form of financial asset; (iv) calculate the fair value of financial instruments for disclosure purposes based on an exit price and; (v) assess a valuation allowance on deferred tax assets related to unrealized losses of available for sale debt securities in combination with other deferred tax assets. The update provides an election to subsequently measure certain non-marketable equity investments at cost less any impairment and adjusted for certain observable price changes. The update also requires a qualitative impairment assessment of such equity investments and amends certain fair value disclosure requirements. In February 2018, the FASB issued ASU 2018-03, *Technical Corrections and Improvements to Financial Instruments-Overall (Subtopic 825-10)* as an update to ASU 2016-01. This update is intended to clarify certain aspects of the guidance issued in ASU 2017-01 including: (i) equity securities without a readily determinable fair value – discontinuation; (ii) equity securities without a readily determinable fair value – adjustments; (iii) forward contracts and purchased options; (iv) presentation requirements for certain fair value option liabilities; (v) fair value option liabilities denominated in a foreign currency and; (vi) transition guidance for equity securities without a readily determinable fair value. The new guidance became effective for the Company beginning on January 1, 2019. The Company has determined that upon adoption of this ASU there was no material effect on the financial statements

In August 2016, the FASB issued ASU2016-15, *Statement of Cash Flows (Topic 230) Classification of Certain Cash Receipts and Cash Payments*, which made eight targeted changes to how cash receipts and cash payments are presented and classified in the statement of cash flows. The new guidance became effective for the Company beginning January 1, 2019 and was applied on a retrospective basis to the Consolidated Statements of Cash Flows.

In November 2016, the FASB issued ASU2016-18, *Statement of Cash Flow (Topic 230): Restricted Cash (a consensus of the FASB Emerging Issues Task Force)*. The amendments in this update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning of period and end of period total amounts shown on the statement of cash flows. The amendments in this update do not provide a definition of restricted cash or restricted cash equivalents. The new guidance became effective for the Company on January 1, 2019 and was applied to the Consolidated Statements of Cash Flows.

In August 2018, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”)2018-13, *Fair Value Measurement (“Topic 820”)*, which modifies, removes and adds certain disclosure requirements on fair value measurements. The new guidance will be required for the Company for the annual reporting period beginning January 1, 2020 and interim periods within that fiscal year, and early adoption is permitted. The Company adopted this guidance starting from January 1, 2019 and has applied the required disclosures within its financial statements, which did not have a material impact on the presentation of the consolidated financial statements.

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***Accounting Standards Issued but Not Yet Adopted***

As an emerging growth company (“EGC”), the Jumpstart Our Business Startups Act (“JOBS Act”) allows the company to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are applicable to private companies. The company has elected to use the extended transition period under the JOBS Act until such time the company is not considered to be an EGC. The adoption dates are discussed below to reflect this election.

In February 2016, the FASB issued ASU2016-02, *Leases (Topic 842)*. This update amends various aspects of existing guidance for leases and requires additional disclosures about leasing arrangements. It will require companies to recognize lease assets and lease liabilities by lessees for those leases classified as operating leases under previous GAAP. Topic 842 retains a distinction between finance leases and operating leases. The classification criteria for distinguishing between finance leases and operating leases are substantially similar to the classification criteria for distinguishing between capital leases and operating leases in the previous lease guidance. In November 2019, the FASB issued ASU 2019-10 which extended the effective date of ASU 2016-02. The new guidance will be effective for the Company beginning January 1, 2021 and early adoption is permitted. The Company is currently in the process of evaluating the impact of the adoption of the new guidance on its financial statements.

In June 2016, the FASB issued ASU2016-13, *Financial Instruments — Credit Losses (Topic 326)*. This update requires expected credit losses for financial instruments held at the reporting date to be measured based on historical experience, current conditions and reasonable and supportable forecasts. The update eliminates the probable initial recognition threshold in current GAAP and instead reflects an entity’s current estimate of all expected credit losses. Previously, when credit losses were measured under GAAP, an entity generally only considered past events and current conditions in measuring the incurred loss. In November 2019, the FASB issued ASU 2019-10 which extended the effective date of ASU 2016-13. The new guidance will be effective for the Company beginning January 1, 2023 and early adoption is permitted. The Company is currently in the process of evaluating the impact of the adoption of the new guidance on its financial statements.

In August 2018, the FASB issued ASU2018-15, *Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 35-40)*. This update provides guidance on accounting for a cloud computing arrangement that includes a license to internal-use software. This generally means that an intangible asset is recognized for the software license and, to the extent that the payments attributable to the software license are made over time, a liability also is recognized. If a cloud computing arrangement does not include a software license, the entity should account for the arrangement as a service contract which would generally mean to expense the service as incurred. The new guidance will be effective for the Company beginning January 1, 2021 and early adoption is permitted. The Company is currently in the process of evaluating the impact of the adoption of the new guidance on its financial statements.

In December 2019, the FASB issued ASU2019-12, *Income Taxes (Topic 740)*. This update provides amendments to simplify and reduce complexity when accounting for income taxes as well as eliminating certain exceptions. The new guidance will be effective for the Company beginning January 1, 2022 with early adoption permitted. The Company is currently in the process of evaluating the impact of the adoption of the new guidance on its financial statements.

In March 2020, the FASB issued ASUNo. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. Subject to meeting certain criteria, the new guidance provides optional expedients and exceptions to applying contract modification accounting under existing GAAP, to address the expected phase out of the London Inter-bank Offered Rate (“LIBOR”) by the

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end of 2021. This guidance is effective upon issuance and allows application to contract changes as early as January 1, 2020. The Company is in the process of reviewing its funding facilities and financing facilities that utilize LIBOR as the reference rate and is currently evaluating the potential impact that the adoption of this ASU will have on the consolidated financial statements and related disclosures.

**2. Fair Value Measurements**

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Inputs used to measure fair value are prioritized within a three-level fair value hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- **Level One** - Level One inputs are unadjusted, quoted prices in active markets for identical assets or liabilities which the Company has the ability to access at the measurement date.
- **Level Two** - Level Two inputs are observable for that asset or liability, either directly or indirectly, and include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, observable inputs for the asset or liability other than quoted prices and inputs derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified contractual term, the inputs must be observable for substantially the full term of the asset or liability.
- **Level Three** - Level Three inputs are unobservable inputs for the asset or liability that reflect the Company's assessment of the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, and are developed based on the best information available.

The Company's assets and liabilities are carried at cost, and because of their short-term nature, are believed to approximate current fair value, with the exception of mortgage loans held for sale, mortgage servicing rights, derivatives, real estate owned, GNMA loans subject to repurchase right and contingent liabilities due to acquisitions.

The Company updates the valuation of each instrument recorded at fair value on a monthly or quarterly basis, evaluating all available observable information which may include current market prices or bids, recent trade activity, changes in the levels of market activity and benchmarking of industry data. The assessment also includes consideration of identifying the valuation approach that would be used currently by market participants. If it is determined that a change in valuation technique or its application is appropriate, or if there are other changes in availability of observable data or market activity, the current methodology will be analyzed to determine if a transfer between levels of the valuation hierarchy is appropriate. Such reclassifications are reported as transfers into or out of a level as of the beginning of the quarter that the change occurs.

Fair value is based on quoted market prices, when available. If quoted prices are not available, fair value is estimated based upon other observable inputs. Unobservable inputs are used when observable inputs are not available and are based upon judgments and assumptions, which are the Company's assessment of the assumptions market participants would use in pricing the asset or liability. These inputs may include assumptions about risk, counterparty credit quality, the Company's creditworthiness and liquidity and are developed based on the best information available. When a determination is made to

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classify an asset or liability within Level Three of the valuation hierarchy, the determination is based upon the significance of the unobservable factors to the overall fair value measurement of the asset or liability. The fair value of assets and liabilities classified within Level Three of the valuation hierarchy also typically includes observable factors and the realized or unrealized gain or loss recorded from the valuation of these instruments would also include amounts determined by observable factors.

**Recurring Fair Value Measurements**

The Company's fair value measurements are evaluated within the fair value hierarchy, based on the nature of the inputs used to determine the fair value at the measurement date. At December 31, 2019 and 2018, the Company had the following assets and liabilities that are measured at fair value on a recurring basis:

**Trading Securities** — Trading securities are classified within Level One of the valuation hierarchy. Valuation is based upon quoted prices for identical instruments traded in active markets. Level One trading securities include securities traded on active exchange markets, such as the New York Stock Exchange. Trading securities are included within prepaid expenses and other assets on the Consolidated Balance Sheets.

**Derivative Instruments** — Derivative instruments are classified within Level Two and Level Three of the valuation hierarchy, and include the following:

**Interest Rate Lock Commitments:** IRLCs are classified within Level Three of the valuation hierarchy. IRLCs represent an agreement to extend credit to a mortgage loan applicant, or an agreement to purchase a loan from a third-party originator, whereby the interest rate on the loan is set prior to funding. The fair value of IRLCs is based upon the estimated fair value of the underlying mortgage loan, including the expected net future cash flows related to servicing the mortgage loan, net of estimated commission expenses, and adjusted for: (i) estimated costs to complete and originate the loan and (ii) an adjustment to reflect the estimated percentage of IRLCs that will result in a closed mortgage loan under the original terms of the agreement (pull-through rate). The pull-through rate is considered a significant unobservable input and is estimated based on changes in pricing and actual borrower behavior using a historical analysis of loan closing and fallout data. The average pull-through rate used to calculate the fair value of IRLCs as of December 31, 2019 and 2018, was 89.4% and 88.8%, respectively. On a quarterly basis, actual loan pull-through rates are compared to the modeled estimates to confirm the assumptions are reflective of current trends. Generally, a change in interest rates is accompanied by a directionally opposite change in the assumption used for the pull-through percentage, and the impact to fair value of a change in pull-through would be partially offset by the related change in price.

**Forward Delivery Commitments:** Forward delivery commitments are classified within Level Two of the valuation hierarchy. Forward delivery commitments fix the forward sales price that will be realized upon the sale of mortgage loans into the secondary market. The fair value of forward delivery commitments is primarily based upon the current agency mortgage-backed security market to-be-announced pricing specific to the loan program, delivery coupon and delivery date of the trade. Best efforts sales commitments are also entered into for certain loans at the time the borrower commitment is made. These best efforts sales commitments are valued using the committed price to the counterparty against the current market price of the IRLC or mortgage loan held for sale.

Option contracts are a type of forward commitment that represents the rights to buy or sell mortgage-backed securities at specified prices in the future. Their value is based upon the underlying current to-

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be-announced pricing of the agency mortgage-backed security market, and market-based volatility. See *Note 6* for additional information on the derivative instruments.

***Mortgage Loans Held for Sale*** — MLHS are carried at fair value. The fair value of MLHS is based on secondary market pricing for loans with similar characteristics, and as such, is classified as a Level Two measurement. For Level Two MLHS, fair value is estimated through a market approach by using either: (i) the fair value of securities backed by similar mortgage loans, adjusted for certain factors to approximate the fair value of a whole mortgage loan, including the value attributable to servicing rights and credit risk, (ii) current commitments to purchase loans or (iii) recent observable market trades for similar loans, adjusted for credit risk and other individual loan characteristics. The agency mortgage-backed security market is a highly liquid and active secondary market for conforming conventional loans whereby quoted prices exist for securities at the pass-through level and are published on a regular basis. The Company has the ability to access this market and it is the market into which conforming mortgage loans are typically sold.

***Mortgage Servicing Rights*** — MSRs are classified within Level Three of the valuation hierarchy due to the use of significant unobservable inputs and the lack of an active market for such assets. The fair value of MSRs is estimated based upon projections of expected future cash flows considering prepayment estimates, the Company's historical prepayment rates, portfolio characteristics, interest rates based on interest rate yield curves, implied volatility and other economic factors. The Company obtains valuations from an independent third party on a quarterly basis, and records an adjustment based on this third-party valuation.

***Contingent Liabilities due to acquisitions*** — Contingent liabilities represent future obligations of the Company to make payments to the former owners of its acquired companies. The Company determines the fair value of its contingent liabilities using a discounted cash flow approach whereby the Company forecasts the cash outflows related to the future payments, which are based on a percentage of net income specified in the purchase agreements. The Company then discounts these expected payment amounts to calculate the present value, or fair value, as of the valuation date. The Company's management evaluates the underlying projections used in determining fair value each period and makes updates to these underlying projections.

The Company uses a risk-adjusted discount rate to value the contingent liabilities which is considered a significant unobservable input, and as such, the liabilities are classified as a Level Three measurement. Management's underlying projections adjust for market penetration and other economic expectations, and the discount rate is risk-adjusted for key factors such as uncertainty in the mortgage banking industry due to its reliance on external influences (interest rates, regulatory changes, etc.), upfront payments, and credit risk. An increase in the discount rate will result in a decrease in the fair value of the contingent liabilities. Conversely, a decrease in the discount rate will result in an increase in the fair value of the contingent liabilities. For each of the years ended December 31, 2019 and 2018, the range of the risk adjusted discount rate was 8.0% - 20.0%, with a median of 15.0%. Adjustments to the fair value of the contingent liabilities (other than payments) are recorded as a gain or loss and are included within general and administrative expenses on the Consolidated Statements of Income.

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The following table summarizes the Company's assets and liabilities measured at fair value on a recurring basis at December 31, 2019:

<b>Description</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets:</b>				
Trading securities	\$ 93	\$ —	\$ —	\$ 93
Derivative				
Interest rate lock commitments	—	—	19,922	19,922
Mortgage loans held for sale	—	1,504,842	—	1,504,842
Mortgage servicing rights	—	—	418,402	418,402
Total assets at fair value	<u>\$ 93</u>	<u>\$ 1,504,842</u>	<u>\$ 438,324</u>	<u>\$ 1,943,259</u>
<b>Liabilities:</b>				
Derivative				
Forward delivery commitments	—	4,863	—	4,863
Contingent liabilities due to acquisitions	—	—	8,073	8,073
Total liabilities at fair value	<u>\$ —</u>	<u>\$ 4,863</u>	<u>\$ 8,073</u>	<u>\$ 12,936</u>

The following table summarizes the Company's assets and liabilities measured at fair value on a recurring basis at December 31, 2018:

<b>Description</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets:</b>				
Trading securities	\$ 107	\$ —	\$ —	\$ 107
Derivative				
Interest rate lock commitments	—	—	12,541	12,541
Mortgage loans held for sale	—	966,171	—	966,171
Mortgage servicing rights	—	—	511,852	511,852
Total assets at fair value	<u>\$ 107</u>	<u>\$ 966,171</u>	<u>\$ 524,393</u>	<u>\$ 1,490,671</u>
<b>Liabilities:</b>				
Derivative				
Forward delivery commitments	—	10,157	—	10,157
Contingent liabilities due to acquisitions	—	—	5,106	5,106
Total liabilities at fair value	<u>\$ —</u>	<u>\$ 10,157</u>	<u>\$ 5,106</u>	<u>\$ 15,263</u>

**Non-Recurring Fair Value Measurements**

Certain assets and liabilities that are not typically measured at fair value on a recurring basis may be subject to fair value measurement requirements under certain circumstances. These adjustments to fair value usually result from write-downs of individual assets. At December 31, 2019 and 2018, the Company had the following financial assets measured at fair value on a nonrecurring basis:

**Real Estate Owned** — Other assets that are evaluated for impairment using fair value measurements on a nonrecurring basis consist of mortgage loans in foreclosure and REO. The evaluation of impairment reflects an estimate of losses that have been incurred as of the balance sheet date, which will likely not be recoverable from guarantors, insurers or investors. The impairment of mortgage loans in foreclosure, which represents the unpaid principal balance of mortgage loans for which foreclosure

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proceedings have been initiated, plus recoverable advances on those loans, is based on the fair value of the underlying collateral, determined on a loan level basis, less costs to sell. REO properties, which are acquired from mortgagors in default, are recorded at the lower of adjusted carrying amount at the time the property is acquired or fair value of the property, less estimated selling costs. Fair values of the collateral underlying mortgage loans in foreclosure and REOs are estimated using appraisals and broker price opinions, which are updated on a periodic basis to reflect current housing market conditions. The allowance for probable losses associated with mortgage loans in foreclosure and the adjustment to record REO at their estimated net realizable value are based upon fair value measurements from Level Three of the valuation hierarchy.

**Ginnie Mae Loans subject to Repurchase Right**— GNMA securitization programs allow servicers to buy back individual delinquent mortgage loans from the securitized loan pool once certain conditions are met. If a borrower makes no payment for three consecutive months, the servicer has the option to repurchase the delinquent loan for an amount equal to 100% of the loan’s remaining principal balance. Under ASC 860, this buy-back option is considered a conditional option until the delinquency criteria are met, at which time the option becomes unconditional. The Company records these assets and liabilities at their fair value, which is determined to be the remaining unpaid principal balance. The Company’s future expected realizable cash flows are the cash payments of the remaining unpaid principal balance whether paid by the borrower or reimbursed through a claim filed with HUD. The Company considers the fair value of these assets and liabilities to fall into the Level Two bucket in the valuation hierarchy due to the assets and liabilities having specified contractual terms and the inputs are observable for substantially the full term of the assets and liabilities life.

The following table summarizes the Company’s financial assets measured at fair value on a nonrecurring basis at December 31, 2019:

<b>Description</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets:</b>				
Real estate owned	—	—	852	852
Ginnie Mae loans subject to repurchase right	—	404,344	—	404,344
Total assets at fair value	<u>\$ —</u>	<u>\$ 404,344</u>	<u>\$ 852</u>	<u>\$ 405,196</u>
<b>Liabilities:</b>				
Ginnie Mae loans subject to repurchase right	—	412,490	—	412,490
Total liabilities at fair value	<u>\$ —</u>	<u>\$ 412,490</u>	<u>\$ —</u>	<u>\$ 412,490</u>

The following table summarizes the Company’s financial assets measured at fair value on a nonrecurring basis at December 31, 2018:

<b>Description</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets:</b>				
Real estate owned	—	—	3,314	3,314
Ginnie Mae loans subject to repurchase right	—	321,049	—	321,049
Total assets at fair value	<u>\$ —</u>	<u>\$ 321,049</u>	<u>\$ 3,314</u>	<u>\$ 324,363</u>
<b>Liabilities:</b>				
Ginnie Mae loans subject to repurchase right	—	333,018	—	333,018
Total liabilities at fair value	<u>\$ —</u>	<u>\$ 333,018</u>	<u>\$ —</u>	<u>\$ 333,018</u>



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The table below presents a reconciliation of Level 3 assets and liabilities measured at fair value on a recurring and non-recurring basis for the years ended:

	IRLCs	Contingent Liabilities	Real Estate Owned
<b>Balance at December 31, 2017</b>	<b>\$12,719</b>	<b>\$ 10,922</b>	<b>\$ 639</b>
Net transfers and revaluation gains	(178)	—	—
Payments	—	(6,133)	—
Additions	—	2,959	5,421
Proceeds	—	—	(2,781)
Valuation adjustments	—	(2,642)	35
<b>Balance at December 31, 2018</b>	<b>\$12,541</b>	<b>\$ 5,106</b>	<b>\$ 3,314</b>
Net transfers and revaluation gains	7,381	—	—
Payments	—	(6,688)	—
Additions	—	1,735	2,601
Proceeds	—	—	(5,140)
Valuation adjustments	—	7,920	77
<b>Balance at December 31, 2019</b>	<b>\$19,922</b>	<b>\$ 8,073</b>	<b>\$ 852</b>

Changes in the availability of observable inputs may result in reclassifications of certain assets or liabilities. Such reclassifications are reported as transfers in or out of Level Three as of the beginning of the period that the change occurs. There were no transfers between fair value levels during the years ended December 31, 2019 and 2018.

**Fair Value Option**

The following is the estimated fair value and unpaid principal balance of MLHS that have contractual principal amounts and for which the Company has elected the fair value option. The fair value option was elected for MLHS as the Company believes fair value best reflects their expected future economic performance:

	Fair Value	Principal Amount Due Upon Maturity	Difference (1)
Balance at December 31, 2019	\$ 1,504,842	\$ 1,485,460	\$ 19,382
Balance at December 31, 2018	\$ 966,171	\$ 950,695	\$ 15,476

(1) Represents the amount of gains included in loan origination fees and gain on sale of loans, net due to changes in fair value of items accounted for using the fair value option.

**3. Acquisitions**

The Company completed one acquisition in 2019: Vitek Real Estate Industries Group, Inc. (“Vitek”) through an Asset Purchase Agreement. On December 6, 2018, the Company announced a definitive agreement pursuant to which it would acquire certain assets of Vitek. Vitek was a mortgage loan originator with an experienced team of loan officers and an established presence in Northern California. This strategic acquisition expanded Guild’s presence in this region and added experienced loan officers to Guild’s sales force. The transaction closed on April 30, 2019.

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The acquisition has been accounted for under the acquisition method of accounting pursuant to ASC 805, *Business Combinations*. Assets acquired and liabilities assumed are recorded at their fair value as of the date of acquisition based on management's estimates using currently available information. The results of Vitek's operations are included in Guild's Consolidated Statements of Income from the date of acquisition. For U.S. income tax purposes the acquisition of Vitek is treated as an asset purchase.

Total cash consideration for the acquisition was approximately \$10.5 million. The purchase price allocation provided in the table below reflects the final determination of the fair value of assets acquired and liabilities assumed in the acquisition of Vitek, with the excess of total consideration over total identifiable net assets recorded as goodwill. Goodwill in the amount of \$0.4 million is expected to be deductible for income tax purposes. Transaction costs associated with the Vitek acquisition were approximately \$0.2 million and were expensed as incurred within general and administrative expenses in the Consolidated Statements of Income.

	<b>Total</b>
Goodwill	\$ 2,135
Mortgage servicing rights	7,568
Fixed assets	862
Other assets	27
Accounts payable and accrued liabilities	(40)
Net assets acquired	<u>\$ 10,552</u>
	<b>Total</b>
Cash payments	\$ 8,817
Contingent consideration	1,735
Total purchase price	<u>\$ 10,552</u>

The following table presents the results of operations of Vitek that are included in the Company's Consolidated Statements of Income from the acquisition date of April 30, 2019 through December 31, 2019.

Revenues	\$ 11,105
Expenses	8,039
Net income	<u>\$ 3,066</u>

The Company completed one acquisition in 2018: Cornerstone Mortgage, Inc. ("CMI") through an Asset Purchase Agreement. On December 22, 2017, the Company announced a definitive agreement pursuant to which it would acquire certain assets of CMI. CMI was a mortgage loan originator with an experienced team of loan officers and an established presence in Missouri, Kansas and Illinois. This strategic acquisition expanded Guild's presence in these regions and added experienced loan officers to Guild's sales force. The transaction closed on February 28, 2018.

The acquisition has been accounted for under the acquisition method of accounting pursuant to ASC 805, *Business Combinations*. Assets acquired and liabilities assumed are recorded at their fair value as of the date of acquisition based on management's estimates using currently available information. The results of CMI's operations are included in Guild's Consolidated Statements of Income from the date of acquisition. For U.S. income tax purposes, the acquisition of CMI is treated as an asset purchase.

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Total cash consideration for the acquisition was approximately \$23.1 million. The purchase price allocation provided in the table below reflects the final determination of the fair value of assets acquired and liabilities assumed in the acquisition of CMI, with the excess of total consideration over total identifiable net assets recorded as goodwill. Goodwill in the amount of \$10.0 million is expected to be deductible for income tax purposes. Transaction costs associated with the CMI acquisition were approximately \$0.4 million and were expensed as incurred within general and administrative expenses in the Consolidated Statements of Income. The Company offered certain employees retention bonuses in connection with the acquisition. The retention bonuses are payable on a yearly basis over a four-year period. For the years ended December 31, 2019 and 2018, the Company recorded \$1.4 million and \$0.9 million, respectively, within salaries, commissions and benefits expense in the Consolidated Statements of Income.

	<b>Total</b>
Goodwill	\$ 12,626
Mortgage servicing rights	9,964
Fixed assets	400
Other assets	334
Accounts payable and accrued liabilities	(185)
Net assets acquired	<u>\$ 23,139</u>
	<b>Total</b>
Cash payments	\$ 20,180
Contingent consideration	2,959
Total purchase price	<u>\$ 23,139</u>

The following table presents the results of operations of CMI that are included in the Company's Consolidated Statements of Income from the acquisition date of February 28, 2018 through December 31, 2018 and for the year ended December 31, 2019.

	<b>2019</b>	<b>2018</b>
Revenues	\$ 53,789	\$ 23,647
Expenses	43,398	24,598
Net income (loss)	<u>\$ 10,391</u>	<u>\$ (951)</u>

There have been no adjustments to the purchase price allocation during the measurement period. See *Note 1, Business, Basis of Presentation and Accounting Policies*, for further information regarding the methods used to account for the fair value of certain assets acquired and liabilities assumed in connection with an acquisition.

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**4. Accounts and Interest Receivable**

Accounts and interest receivable consisted of the following at December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Trust advances	\$ 17,622	\$ 14,700
Foreclosure advances, net	7,348	5,128
Receivables related to loan sales	5,771	6,858
Other	3,870	1,254
Total accounts and interest receivable	<u>\$ 34,611</u>	<u>\$ 27,940</u>

Management has established a foreclosure reserve for estimated uncollectable balances of the foreclosure and trust advances. Management believes that substantially all other accounts and interest receivable amounts are collectible and, accordingly, no allowance for doubtful accounts is necessary.

The activity of the foreclosure loss reserve was as follows for the years ended December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Balance — beginning of year	\$ 7,884	\$ 6,205
Utilization of foreclosure reserve	(3,910)	(2,755)
Provision charged to operations	3,895	4,434
Balance — end of year	<u>\$ 7,869</u>	<u>\$ 7,884</u>

**5. Other Assets**

Other assets consisted of the following at December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Prepaid expenses	\$ 11,274	\$ 13,187
Company owned life insurance	21,908	17,315
Property and equipment, net	9,835	12,878
Income tax receivable	1,015	13,339
Due from affiliates	2,600	3,089
Real estate owned	8,998	15,359
Trading securities	93	77
Total other assets	<u>\$ 55,723</u>	<u>\$ 75,244</u>

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Property and equipment consisted of the following at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Computer equipment	\$ 22,546	\$ 23,440
Furniture and equipment	16,404	14,598
Leasehold improvements	5,395	5,247
Internal-use software	3,476	—
Internal-use software in production	1,155	1,772
Property and equipment, gross	48,976	45,057
Accumulated depreciation	(39,141)	(32,179)
Property and equipment, net	<u>\$ 9,835</u>	<u>\$ 12,878</u>

Depreciation and amortization expense for fixed assets was \$7.3 million and \$7.2 million for the years ending December 31, 2019 and 2018, respectively.

**6. Derivative Financial Instruments**

The Company uses forward commitments in hedging the interest rate risk exposure on its fixed and adjustable rate commitments. The Company's derivative instruments are not designated as hedging instruments, and therefore, changes in fair value are recorded in current period earnings. Hedging gains and losses are included in loan origination fees and gain on sale, net in the Consolidated Statements of Income.

Net hedging gains (losses) were as follows December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Hedging gains (losses)	\$ 12,675	\$ (8,233)

**Notional and Fair Value**

The notional and fair value of derivative financial instruments not designated as hedging instruments were as follows at December 31, 2019 and 2018:

	<u>Notional Value</u>	<u>Derivative Asset</u>	<u>Derivative Liability</u>
<b>Balance at December 31, 2019</b>			
IRLCs	\$ 1,524,540	\$ 19,922	\$ —
Forward commitments	\$ 1,961,733	\$ —	\$ 4,863
<b>Balance at December 31, 2018</b>			
IRLCs	\$ 799,203	\$ 12,541	\$ —
Forward commitments	\$ 803,987	\$ —	\$ 10,157

The Company had an additional \$427.7 million and \$316.5 million of outstanding forward contracts and mandatory sell commitments, comprised of closed loans with equal and offsetting UPB amounts allocated to them, at December 31, 2019 and 2018, respectively. The Company also had \$376.5 million and \$277.5 million in closed hedge instruments not yet settled at December 31, 2019 and 2018, respectively. See *Note 2* for fair value disclosure of the derivative instruments.

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The following table presents the quantitative information about IRLCs and the fair value measurements as of December 31, 2019 and 2018:

<b>Unobservable Input</b>	<b>2019</b>	<b>2018</b>
	<b>Range (Weighted Average)</b>	
Loan funding probability ("pull-through")	0% - 100% (89.4%)	0% - 100% (88.8%)

Counterparty agreements for forward commitments contain master netting agreements. The master netting agreements contain a legal right to offset amounts due to and from the same counterparty. Derivative assets in the Consolidated Balance Sheets represent derivative contracts in a gain position net of loss positions with the same counterparty and, therefore, also represent the Company's maximum counterparty credit risk. The Company incurred no credit losses due to nonperformance of any of its counterparties during the years ended December 31, 2019 and 2018.

**7. Mortgage Servicing Rights**

The activity of mortgage servicing rights was as follows for the years ended December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Balance — beginning of year	\$ 511,852	\$ 388,075
MSRs originated and acquired through acquisitions	161,769	140,827
Changes in fair value:		
Due to collection/realization of cash flows	(83,821)	(43,228)
Due to changes in valuation model inputs or assumptions	(171,398)	26,178
Balance — end of year	<u>\$ 418,402</u>	<u>\$ 511,852</u>

The following table presents the quantitative information for the MSR fair value measurement as of December 31, 2019 and 2018:

<b>Unobservable Input</b>	<b>2019</b>	<b>2018</b>
	<b>Range (Weighted Average)</b>	
Discount rate	9.2% - 15.5% (10.2%)	9.2% - 15.4% (10.0%)
Prepayment rate	8.9% - 30.0% (17.3%)	8.2% - 32.0% (11.0%)

At December 31, 2019 and 2018, the MSRs had a weighted average life of approximately 4.9 and 7.0 years, respectively. See Note 2 for additional information regarding the valuation of MSRs.

Actual revenue generated from servicing activities includes contractually specified servicing fees, as well as late fees and other ancillary servicing revenue, which were recorded within loan servicing and other fees as follows for the years ended December 31, 2019 and 2018:

	<b>2019</b>	<b>2018</b>
Servicing fees from servicing portfolio	\$ 138,201	\$ 119,647
Late fees	5,967	4,835
Other ancillary servicing revenue	(1,463)	(801)
Total loan servicing and other fees	<u>\$ 142,705</u>	<u>\$ 123,681</u>

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At December 31, 2019 and 2018, the unpaid principal balance of mortgage loans serviced totaled \$50.6 billion and \$46.3 billion, respectively. Conforming conventional loans serviced by the Company are sold to FNMA or FHLMC programs on a nonrecourse basis, whereby foreclosure losses are generally the responsibility of FNMA and FHLMC and not the Company. Similarly, certain loans serviced by the Company are secured through GNMA programs, whereby the Company is insured against loss by FHA or partially guaranteed against loss by VA.

The key assumptions used to estimate the fair value of MSR are prepayment speeds and the discount rate. Increases in prepayment speeds generally have an adverse effect on the value of MSRs as the underlying loans prepay faster. In a declining interest rate environment, the fair value of MSRs generally decreases as prepayments increase and therefore, the estimated life of the MSRs and related cash flows decrease. Decreases in prepayment speeds generally have a positive effect on the value of MSRs as the underlying loans prepay less frequently. In a rising interest rate environment, the fair value of MSRs generally increases as prepayments decrease and therefore, the estimated life of the MSRs and related cash flows increase. Increases in the discount rate result in a lower MSR value and decreases in the discount rate result in a higher MSR value. MSR uncertainties are hypothetical and do not always have a direct correlation with each assumption. Changes in one assumption may result in changes to another assumption, which might magnify or counteract the uncertainties.

The following table illustrates the impact of adverse changes on the discount rate and prepayment speeds at two different data points at December 31, 2019 and 2018, respectively:

	<u>Discount Rates</u>		<u>Prepayment Speeds</u>	
	<u>10% Adverse Change</u>	<u>20% Adverse Change</u>	<u>10% Adverse Change</u>	<u>20% Adverse Change</u>
<b>December 31, 2019</b>				
Mortgage servicing rights	(23,682)	(35,701)	(31,329)	(49,031)
<b>December 31, 2018</b>				
Mortgage servicing rights	(28,019)	(45,580)	(26,322)	(43,156)

**8. Mortgage Loans Held for Sale**

The Company sells substantially all of its originated mortgage loans into the secondary market. The Company may retain the right to service some of these loans upon sale through ownership of servicing rights. A reconciliation of the changes in mortgage loans held for sale to the amounts presented in the Consolidated Statements of Cash Flows for the years ended December 31, 2019 and 2018 is set forth below:

	<u>2019</u>	<u>2018</u>
Balance at the beginning of period	\$ 966,171	\$ 959,092
Origination of mortgage loans held for sale	21,749,675	16,466,876
Proceeds on sale of payments from mortgage loans held for sale	(21,854,967)	(16,947,871)
Gain on sale of mortgage loans excluding fair value of other financial instruments, net	638,902	493,578
Valuation adjustment of mortgage loans held for sale	5,061	(5,504)
Balance at the end of period	<u>\$ 1,504,842</u>	<u>\$ 966,171</u>

At December 31, 2019, mortgage loans held for sale included unpaid principal balances of the underlying loans of \$1.5 billion, and had a fair value of \$1.5 billion. At December 31, 2018, mortgage loans

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held for sale included unpaid principal balances of the underlying loans of \$1.0 billion, and had a fair value of \$1.0 billion.

**9. Goodwill**

A summary of the activity in goodwill is presented below for the years ended December 31, 2019 and 2018:

Balance at December 31, 2017	\$ 48,073
2018 Acquisitions (Note 3)	12,626
Balance at December 31, 2018	60,699
2019 Acquisitions (Note 3)	2,135
Balance at December 31, 2019	<u>\$ 62,834</u>

During 2019, the Company completed its annual goodwill impairment test as of December 31, 2019 using qualitative assessments of all applicable reporting units. Based on the results of the annual goodwill impairment test, the Company determined there was no impairment. For more information on the use of qualitative assessments, see *Note 1 — Business, Basis of Presentation and Accounting Policies*.

**10. Investor Reserves**

The Company's estimate of the investor reserves consider the current macro-economic environment and recent repurchase trends; however, if the Company experiences a prolonged period of higher repurchase and indemnification activity, then the realized losses from loan repurchases and indemnifications may ultimately be in excess of the liability. The maximum exposure under the Company's representations and warranties would be the outstanding principal balance and any premium received on all loans ever sold by the Company, less any loans that have already been paid in full by the mortgagee, that have defaulted without a breach of representations and warranties, that have been indemnified via settlement or make-whole, or that have been repurchased. Additionally, the Company may receive relief of certain representations and warranty obligations on loans sold to FNMA or FHLMC on or after January 1, 2013 if FNMA or FHLMC satisfactorily concludes a quality control loan file review or if the borrower meets certain acceptable payment history requirements within 12 or 36 months after the loan is sold to FNMA or FHLMC.

The activity of the investor reserves was as follows for the years ended December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Balance — beginning of year	\$ 14,312	\$ 14,735
Utilization of reserve for loan losses	(7,994)	(6,909)
Provision charged to operations	10,203	6,486
Balance — end of year	<u>\$ 16,521</u>	<u>\$ 14,312</u>



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**11. Warehouse Lines of Credit**

Warehouse lines of credit consisted of the following at December 31, 2019 and 2018. Changes subsequent to December 31, 2019 have been described in the notes referenced with the below table.

	Maturity as of December 31,		
	2019	2019	2018
\$600 million master repurchase facility agreement <sup>(1)</sup>	October 2020	\$ 456,225	\$ 255,495
\$150 million master repurchase facility agreement <sup>(2)</sup>	September 2020	80,965	81,373
\$700 million master repurchase facility agreement <sup>(3)</sup>	February 2021	282,579	139,137
\$200 million master repurchase facility agreement <sup>(4)</sup>	April 2020	136,699	165,774
\$300 million master repurchase facility agreement <sup>(5)</sup>	September 2020	148,149	114,190
\$400 million master repurchase facility agreement <sup>(6)</sup>	July 2020	190,221	85,709
\$75 million master repurchase facility agreement <sup>(7)</sup>	March 2024	9,569	—
		1,304,407	841,678
Prepaid commitment fees		(1,220)	(1,944)
Net warehouse lines of credit		<u>\$ 1,303,187</u>	<u>\$ 839,734</u>

- (1) The variable interest rate is calculated using a base rate tied to LIBOR, the Eurodollar, or an alternative base rate, plus the applicable interest rate margin. Subsequent to December 31, 2019, the borrowing capacity on this facility has been increased to \$800.0 million.
- (2) The variable interest rate is calculated using a base rate tied to LIBOR, plus the applicable interest rate margin. This line of credit requires a minimum deposit of \$0.75 million.
- (3) The variable interest rate is calculated using a base rate tied to LIBOR, plus the applicable interest rate margin. This line of credit was amended subsequent to December 31, 2019, increasing the required minimum deposit from \$2.5 million to \$3.5 million.
- (4) The variable interest rate is calculated using a base rate plus LIBOR, with a floor of 1.525%. This line of credit requires a minimum deposit of \$1.1 million. Subsequent to December 31, 2019, this line of credit was amended with a maturity date of June 2021 and increased capacity up to \$290.0 million.
- (5) The variable interest rate is calculated using a base rate tied to LIBOR, plus the applicable interest rate margin. This line of credit was amended subsequent to December 31, 2019, with borrowing capacity of up to \$299.0 million.
- (6) The variable interest rate is calculated using a base rate tied to LIBOR, plus the applicable interest rate margin. This borrowing capacity of this facility was increased in 2019 to \$400 million. Subsequent to December 31, 2019, this line of credit was amended, extending the maturity date to July 2021.
- (7) The interest rate on this facility is 3.375%. This facility was opened in 2019 and is used for GNMA delinquent buyouts. Each buyout represents a separate transaction that can remain on the facility for up to 4 years.

Subsequent to December 31, 2019, the Company entered into a master purchase agreement with a new lender. The facility size is \$200.0 million with an interest rate that is tied to LIBOR and a floor of 1.75%. The maturity date of the facility is April 2021.

The weighted average interest rate for warehouse lines of credit was 4.04% and 4.20% at December 31, 2019 and 2018, respectively. All warehouse lines of credit are collateralized by underlying mortgages and

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related documents. Existing balances on warehouse lines are repaid through the sale proceeds from the collateralized loans held for sale. The Company intends to renew existing warehouse lines prior to expiration. If those lines are not renewed or replaced, that could have a negative impact on the Company's ability to continue funding new loans. The Company had cash balances of \$68.2 million and \$31.9 million in its warehouse buy down accounts as offsets to certain lines of credit at December 31, 2019 and 2018, respectively.

The agreements governing the Company's warehouse lines of credit contain covenants that include certain financial requirements, including maintenance of maximum adjusted leverage ratio, minimum net worth, minimum tangible net worth, minimum current ratio, minimum liquidity, positive quarterly income and limitations on additional indebtedness, dividends, sale of assets, and decline in the mortgage loan servicing portfolio's fair value. At December 31, 2019 and 2018, management believes the Company was in compliance with all debt covenants.

The Company has an optional short-term financing agreement between FNMA and the lender described as "As Soon As Pooled" (ASAP). The Company can elect to assign FNMA MBS trades to FNMA in advance of settlement and enter into a financing transaction and revenue related to the assignment is deferred until the final pool settlement date. The Company determines utilization based on warehouse availability and cash needs. There was no outstanding balance as of December 31, 2019 and 2018.

**12. Notes Payable**

***Revolving Notes:***

In January 2014, the Company entered into an agreement for a revolving note from one of its warehouse banks, which it can draw upon as needed and has renewed on an annual basis. Borrowings on the revolving note are collateralized by the Company's GNMA MSRs. Monthly interest on the outstanding balance is calculated using a base rate tied to the LIBOR rate plus the applicable margin, with a floor of 4.50%. The revolving note also has an unused facility fee on the average unused balance, which is also paid quarterly. The unused facility fee is waived if the average outstanding balance exceeds 70% of the available facility. In June 2020, the Company amended and restated the agreement and the revolving note was increased to a maximum committed amount of \$135.0 million. The agreement also allows for the Company to increase the committed amount up to \$200.0 million. The revolving note is currently scheduled to expire in June 2022. The Company has the option to convert the outstanding balance of the revolving note into a term note at its discretion. At December 31, 2019 and 2018, the Company had \$90.0 million and \$50.0 million, respectively, in outstanding borrowings on this credit facility.

In July 2017, the Company entered into an agreement for a revolving note of up to \$25.0 million from one of its warehouse banks, which it can draw upon as needed and has renewed on an annual basis. In July 2018, the Company amended the agreement to increase the revolving note up to \$50.0 million. In July 2020, the Company amended the agreement by extending the expiration date to July 2021 and increasing the revolving note up to \$65.0 million. Borrowings on the revolving note are collateralized by the Company's FHLMC MSRs. Monthly interest on the outstanding balance is calculated using a base rate tied to the LIBOR rate plus the applicable margin. The revolving note also has an unused facility fee on the average unused balance, which is also paid monthly. The unused facility fee is waived if the average outstanding balance exceeds 50% of the available combined warehouse and MSR facility. The lender has the option to convert the outstanding balance of the revolving note into a term note at its discretion. At December 31, 2019 and 2018, the Company had \$50.0 million and \$25.0 million, respectively, in outstanding borrowings on this credit facility.

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**Term Note:**

In January 2014, the Company entered into a term note agreement with one of its warehouse banks collateralized by the Company's FNMA MSRs. In September 2019, the term note was amended and restated, at which time there was an outstanding amount of \$78.0 million. The outstanding amount of \$78.0 million was rolled into a new term note with a commitment of \$100.0 million. The note allows for the committed amount to be increased to a maximum of \$150.0 million. The Company can draw on the committed amount through September 2020 and the note matures on September 30, 2022. Interest on the principal is paid monthly and is based upon a margin plus the highest of the (i) Prime Rate, (ii) Federal Funds Rate plus 0.5%, or (iii) the Eurodollar Base Rate plus 1.0%. Principal payments of 5% of the outstanding balance as of September 30, 2020 are due quarterly beginning October 1, 2020, with the remaining principal balance due upon maturity. The term note also has an unused facility fee equal to 0.375% of the average daily unadvanced amount, which is the difference between the committed amount and the amount outstanding. This fee is paid quarterly. At December 31, 2019 and 2018, the Company had an outstanding balance of \$78.0 million and \$85.0 million, respectively, on this facility.

The minimum calendar year payments and maturities of the Company's term note are as follows:

2020	\$ 3,900
2021	15,600
2022	<u>58,500</u>
Total	<u>\$ 78,000</u>

**13. Income Taxes**

The components of income tax expense were as follows for the years ended December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Current expense (benefit):		
Federal	\$21,252	\$ (247)
State	4,977	(210)
	<u>\$ 26,229</u>	<u>\$ (457)</u>
Deferred (benefit) expense:		
Federal	\$ (19,952)	\$ 21,022
State	(6,024)	3,695
	<u>(25,976)</u>	<u>24,717</u>
Income tax expense	<u>\$ 253</u>	<u>\$ 24,260</u>

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The following table presents a reconciliation of the recorded income tax expense of continuing operations to the amount of taxes computed by applying the applicable statutory federal income tax rate of 21.0 percent to income from continuing operations before income taxes, as of December 31, 2019 and 2018, respectively:

	<u>2019</u>		<u>2018</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Amount of statutory rate	\$ 1,171	21.0%	\$20,494	21.0%
State income taxes, net of federal tax benefit	262	4.7%	3,904	4.0%
Federal and state tax credits, net of federal tax benefit	(387)	(6.9)%	(236)	(0.2)%
Change in blended state tax rate, net of federal benefit	(1,122)	(20.1)%	(1,109)	(1.1)%
Other, net	329	5.9%	1,207	1.2%
	<u>\$ 253</u>	<u>4.5%</u>	<u>\$24,260</u>	<u>24.9%</u>

The tax effects of significant temporary differences which gave rise to the Company's deferred tax assets and liabilities are as follows at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Deferred tax assets:		
Mortgage loans held for sale	\$ 6,969	\$ 6,078
Intangible assets	1,130	386
Accrued compensation and benefits	2,060	2,490
Deferred compensation	1,464	1,613
Other accrued liabilities	916	587
R&D credit carryforward	—	260
Non operating loss carryforward	—	746
Deferred tax assets	<u>12,539</u>	<u>12,160</u>
Deferred tax liabilities:		
Mortgage servicing rights	\$ 94,094	\$ 122,105
Trading securities	23	19
Derivatives	3,518	525
Property and equipment	1,182	1,765
Deferred tax liabilities	<u>98,817</u>	<u>124,414</u>
Net deferred tax liabilities	<u>\$ 86,278</u>	<u>\$ 112,254</u>

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities including the impact of available carryback and carryforward periods. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that the Company will realize the benefits of these deductible differences.

The Company had approximately \$3.1 million and \$2.0 million of federal and various state net operating loss carryforwards, respectively, at December 31, 2018. The federal and state net operating loss carryforwards are anticipated to be fully utilized upon finalization of the December 31, 2019 tax returns.

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The federal net operating loss carryforward has an indefinite carryforward period and the various state net operating loss carryforwards expire beginning in 2038. Additionally, the Company had approximately \$0.2 million of federal and California tax credits, respectively at December 2018, which expire in 2038 for federal and have an indefinite carryforward period for California. The federal and California tax credits are anticipated to be fully utilized upon finalization of the December 31, 2019 tax returns.

The Company records interest related to unrecognized tax benefits in interest expense and records penalties as a component of income taxes. There are no unrecognized tax benefits as of December 31, 2019, and there were no changes in unrecognized tax benefits during the year. The Company is required to analyze all open years, as defined by the statutes of limitations, for all major jurisdictions, which includes federal and state jurisdictions. The Company is no longer subject to federal examinations prior to 2016 or for state examinations prior to 2015.

**14. Employee Benefit Plans**

***Defined Contribution Plan***

The Company has a 401(k) profit sharing plan covering substantially all employees. Employees may contribute amounts subject to certain Internal Revenue Service and plan limitations. The Company may make discretionary matching and nonelective contributions. For the years ended December 31, 2019 and 2018, the Company contributed \$5.9 million and \$5.8 million to the plan, respectively.

***Deferred Compensation Plan***

The Company has a deferred compensation plan for executives which was frozen effective December 31, 2007. Plan assets consist of phantom Class A member units in Guild Management, LLC. The units are allocated to specific participants and the values of the units are determined in accordance with the plan documents which is based on a multiple of Guild Mortgage Company, LLC's equity value. Distribution of a participant's vested balance is payable in a single lump sum upon death or disability; termination of employment; retirement after attaining age 65 (55 for participants who had an account balance in the plan as of May 1, 2001); or upon termination of the plan.

In 2017, the Company commenced a Non-Qualified Deferred Compensation Plan for certain highly compensated executives and employees that allows the participants to defer a portion of their earnings. Distribution of a participant's vested balance is payable in a single lump sum upon death or disability; termination of employment; retirement; or upon termination of the plan.

***Guild Equity Appreciation Rights Plan***

In 2013, the Company established the Guild Equity Appreciation Rights ("GEARs") Plan for certain executives that compensates participants with GEARs that, if vested, will ultimately be settled in cash on the final vesting date. The awards have a five-year vesting period in addition to annual performance vesting conditions. Compensation expense related to the GEARs awards is recognized over the five-year vesting period based on the change in the fair value of the award and the likelihood of achieving the performance vesting criteria.

In 2017, the Company established a new GEARs Plan for certain executives compensated with GEARs that will ultimately be settled in cash at maturity. Maturity is the earlier of (i) a change of control; (ii) the participant's retirement; (iii) the participant's death; (iv) the determination that the participant has suffered a disability; or (v) the involuntary termination of the participant's employment with the Company and its subsidiaries without cause. The awards vest immediately, and compensation related to these GEARs

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awards is recognized over the participant's service period based on the change in the fair value of the award. For the year ended December 31, 2019, the Company recognized \$0.1 million as expense, and for the year ended December 31, 2018, the Company recognized \$0.3 million as income for both GEARS plans, which is included within salaries, commissions and benefits in the Consolidated Statements of Income.

**15. Commitments and Contingencies**

*Commitments to Extend Credit*

The Company enters into interest rate lock commitments with customers who have applied for residential mortgage loans and meet certain credit and underwriting criteria. These commitments expose the Company to market risk if interest rates change and the loan is not economically hedged or committed to an investor. The Company is also exposed to credit loss if the loan is originated and not sold to an investor and the customer does not perform. The collateral upon extension of credit typically consists of a first deed of trust in the mortgagor's residential property. Commitments to originate loans do not necessarily reflect future cash requirements as some commitments are expected to expire without being drawn upon. Total commitments to originate loans at December 31, 2019 and 2018 approximated \$1.5 billion and \$0.8 billion, respectively.

The Company manages the interest rate price risk associated with its outstanding interest rate lock commitments and loans held for sale by entering into derivative loan instruments such as forward loan sales commitments, mandatory delivery commitments, options and futures contracts. Total commitments related to these derivatives at December 31, 2019 and 2018 approximated \$2.0 billion and \$0.8 billion, respectively.

*Leases*

The Company leases office space and equipment under noncancelable and cancelable operating agreements expiring at various dates through 2030. Rent expense amounted to \$29.6 million and \$28.4 million for the years ended December 31, 2019 and 2018, respectively, and is included within occupancy, equipment and communication expense in the Consolidated Statements of Income.

Future minimum rental payments under the noncancelable operating leases are as follows at December 31, 2019:

2020	\$ 26,620
2021	22,282
2022	17,541
2023	13,360
2024	9,625
Thereafter	34,467
	<u>\$ 123,895</u>

*Legal*

The Company is involved in various lawsuits arising in the ordinary course of business. While the ultimate results of these lawsuits cannot be predicted with certainty, management does not expect that these matters will have a material adverse effect on the consolidated financial position or results of operations of the Company.

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**U.S. ex rel. Dougherty v. Guild Mortgage Company, No.16-cv-02909 (S.D. Cal.)**

On May 18, 2016, the U.S. Department of Justice (“DOJ”), on behalf of HUD (together, the “government”), filed a Complaint-in-Intervention (“Intervention Complaint”) in a pending *qui tam* action against the Company under the False Claims Act (“FCA”), 31 U.S.C. §§ 3729-3733. The Intervention Complaint, filed in the U.S. District Court for the District of Columbia, alleges FCA violations in connection with the underwriting and origination of certain residential mortgage loans that the Company endorsed for Federal Housing Administration (“FHA”) insurance. The Intervention Complaint alleges violations of Sections 3729 (a)(1)(A) and (B) of the FCA, breach of common law fiduciary duty, and breach of contract. The government’s claims arise from the Company’s origination of residential mortgage loans, which the Company subsequently endorsed for FHA insurance between January 1, 2006, and December 31, 2011. The Company believes the FCA and common law claims are without merit.

On August 10, 2016, the Company filed motions to dismiss the government’s Intervention Complaint and the Relator’s Third Amended Complaint. In March 2018, the Court stayed the case pending the Ninth Circuit’s determination of the appeal in *Rose v Stephens Institute* (No. 17-15111). On August 24, 2018, the ruling in the *Rose* case was issued and the Court lifted its self-imposed stay. On March 4, 2019, the government filed an amended complaint which Guild responded to on March 22, 2019 reasserting that the claims were without merit. Guild’s motion to dismiss was denied by the court in September 2019. Discovery began in December 2019 and will continue through December 2, 2020.

**16. Related Party Transactions**

In November 2014, one of the Company’s executives retired. Other executives of the Company had the option and executed their right to purchase the retiring executive’s units in Guild Management, LLC, an indirect parent company of the Company. The purchase was funded by the Company and, in return, the Company received a note receivable from Guild Management, LLC for approximately \$2.5 million. The note is due in 2024 and is included within Other Assets on the Consolidated Balance Sheets.

In April 2017, Guild Mortgage Company, LLC, the Company’s parent company, sold units to Guild Management III, LLC for \$2.3 million in consideration of which \$1.2 million was advanced by the Company in exchange for notes receivable from its members. These members fully paid back the notes and accrued interest during 2019. At December 31, 2018, these members owed \$0.2 on these notes which is included within Other Assets on the Consolidated Balance Sheets.

On January 1, 2019, one of the Company’s executives retired, which triggered a repurchase of the executive’s equity in Guild Management, LLC, and a payout of deferred compensation. The Company’s parent company, Guild Mortgage Company, LLC, sold 13.7038 shares of the Company to the executive in exchange for the executive’s equity in Guild Management, LLC. The executive in turn sold the Company’s shares back to the Company in exchange for a promissory note of \$8.0 million, which is to be paid over 16 quarters. During 2019, the Company made payments of \$1.6 million to the executive, and \$6.6 million remained as of December 31, 2019. In connection with the executive’s retirement, Company made a one-time payment of \$2.0 million to the executive in connection with her participation in the deferred compensation plans.

**17. Minimum Net Worth Requirements**

Certain secondary market investors and state regulators require the Company to maintain minimum net worth and capital requirements. To the extent that these requirements are not met, secondary market investors and/or the state regulators may utilize a range of remedies including sanctions, and/or

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suspension or termination of selling and servicing agreements, which may prohibit the Company from originating, securitizing or servicing these specific types of mortgage loans.

The Company is subject to the following minimum net worth, minimum capital ratio and minimum liquidity requirements established by the Federal Housing Finance Agency for Fannie Mae and Freddie Mac Seller/Servicers, and Ginnie Mae for single family issuers.

***Minimum Net Worth***

The minimum net worth requirement for Fannie Mae and Freddie Mac is defined as follows:

- Base of \$2,500 plus 25 basis points of outstanding UPB for total loans serviced.
- Adjusted/Tangible Net Worth comprises of total equity less goodwill, intangible assets, affiliate receivables and certain pledged assets.

The minimum net worth requirement for Ginnie Mae is defined as follows:

- Base of \$2,500 plus 35 basis points of the issuer's total single-family effective outstanding obligations.
- Adjusted/Tangible Net Worth comprises of total equity less goodwill, intangible assets, affiliate receivables and certain pledged assets.

***Minimum Capital Ratio***

- For Fannie Mae, Freddie Mac and Ginnie Mae the Company is also required to hold a ratio of Adjusted/Tangible Net Worth to Total Assets greater than 6%.

***Minimum Liquidity***

The minimum liquidity requirement for Fannie Mae and Freddie Mac is defined as follows:

- 3.5 basis points of total Agency servicing.
- Incremental 200 basis points of total nonperforming Agency, measured as 90 plus day delinquencies, servicing in excess of 6% of the total Agency servicing UPB.
- Allowable assets for liquidity may include: cash and cash equivalents (unrestricted); available for sale or held for trading investment grade securities (e.g., Agency MBS, Obligations of GSEs, US Treasury Obligations); and unused/available portion of committed servicing advance lines.

The minimum liquidity requirement for Ginnie Mae is defined as follows:

- Maintain liquid assets equal to the greater of \$1,000 or 10 basis points of our outstanding single-family MBS.

The most restrictive of the minimum net worth and capital requirements require the Company to maintain a minimum adjusted net worth balance of \$73,118 and \$69,954 as of December 31, 2019 and 2018, respectively. As of December 31, 2019 and 2018, the Company was in compliance with this requirement.



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**18. Additional Non-Cash Disclosures**

For the years ended December 31, 2019 and 2018, the Company had the following non-cash transactions that are not included in the Consolidated Statements of Cash Flows.

	<u>2019</u>	<u>2018</u>
GNMA inventory obtained due to delinquent status of GNMA serviced loans	\$ 290,945	\$ 221,559
GNMA inventory removed from delinquent status	(116,138)	(83,896)
GNMA real estate owned resolved through finalized foreclosure sale (conveyed to HUD)	(11,440)	(12,854)
Reduction in GNMA inventory due to loan removal from pool	(83,895)	(128,494)
Net (decrease) increase of GNMA payable due to receipt or resolution of GNMA inventory and GNMA real estate owned	<u>\$ 79,472</u>	<u>\$ (3,685)</u>
GNMA real estate owned obtained through foreclosure sale of GNMA serviced loans	<u>\$ 7,617</u>	<u>\$ 11,030</u>

**19. Segments**

ASC 280, *Segment Reporting*, establishes the standards for reporting information about segments in financial statements. In applying the criteria set forth in that guidance, the Company has determined that it has two reportable segments — Loan Origination and Servicing.

*Origination* — The Company operates its loan origination business in approximately forty-eight states. Its licensed sales professionals and support staff cultivate deep relationships with referral partners and clients and provide a customized approach to the loan transaction whether it is a purchase or refinance. The origination segment is primarily responsible for loan origination, acquisition and sale activities.

*Servicing* — The Company services loans out of its corporate office in San Diego, California. Properties of the loans serviced by the Company are disbursed throughout the United States and as of December 31, 2019 the Company serviced at least one loan in forty-eight different states. The servicing segment provides a steady stream of cash flow to support the origination segment and more importantly it allows for the Company to build long standing client relationships that drive repeat and referral business back to the origination segment to recapture the client's next mortgage transaction. The servicing segment is primarily responsible for the servicing activities of all loans in the Company's servicing portfolio which includes, but is not limited to, collection and remittance of loan payments, managing borrower's impound accounts for taxes and insurance, loan payoffs, loss mitigation and foreclosure activities.

The Company does not allocate assets to its reportable segments as they are not included in the review performed by the Chief Operating Decision Maker for purposes of assessing segment performance and allocating resources. The balance sheet is managed on a consolidated basis and is not used in the context of segment reporting. The Company also does not allocate certain corporate expenses, which are represented by All Other in the tables below.

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The following table presents the financial performance and results by segment for the year ended December 31, 2019:

	<u>Origination</u>	<u>Servicing</u>	<u>Total Segments</u>	<u>All Other</u>	<u>Total</u>
<b>Revenue</b>					
Loan origination fees and gain on sale of loans, net	\$ 817,293	\$ 3,521	\$ 820,814	\$ —	\$ 820,814
Loan servicing and other fees	—	142,705	142,705	—	142,705
Valuation adjustment of mortgage servicing rights	—	(255,219)	(255,219)	—	(255,219)
Interest income (expense)	9,702	2,674	12,376	(8,980)	3,396
Other income	38	—	38	1,155	1,193
Net revenue	<u>827,033</u>	<u>(106,319)</u>	<u>720,714</u>	<u>(7,825)</u>	<u>712,889</u>
<b>Expenses</b>					
Salaries, commissions and benefits	548,056	15,538	563,594	14,576	578,170
General and administrative	43,028	10,307	53,335	10,648	63,983
Occupancy, equipment and communication	48,115	2,078	50,193	3,485	53,678
Depreciation and amortization	6,417	326	6,743	590	7,333
Provision for foreclosure losses	—	3,895	3,895	—	3,895
Income tax expense	—	—	—	253	253
Net income (loss)	<u>\$ 181,417</u>	<u>\$(138,463)</u>	<u>\$ 42,954</u>	<u>\$ (37,377)</u>	<u>\$ 5,577</u>

The following table presents the financial performance and results by segment for the year ended December 31, 2018:

	<u>Origination</u>	<u>Servicing</u>	<u>Total Segments</u>	<u>All Other</u>	<u>Total</u>
<b>Revenue</b>					
Loan origination fees and gain on sale of loans, net	\$ 614,004	\$ 2,604	\$ 616,608	\$ —	\$ 616,608
Loan servicing and other fees	—	123,681	123,681	—	123,681
Valuation adjustment of mortgage servicing rights	—	(17,050)	(17,050)	—	(17,050)
Interest income (expense)	9,422	(2,728)	6,694	(7,020)	(326)
Other income (expense)	33	—	33	(27)	6
Net revenue	<u>623,459</u>	<u>106,507</u>	<u>729,966</u>	<u>(7,047)</u>	<u>722,919</u>
<b>Expenses</b>					
Salaries, commissions and benefits	480,280	13,716	493,996	16,257	510,253
General and administrative	33,419	8,566	41,985	8,991	50,976
Occupancy, equipment and communication	46,986	1,893	48,879	3,604	52,483
Depreciation and amortization	6,392	112	6,504	676	7,180
Provision for foreclosure losses	—	4,434	4,434	—	4,434
Income tax expense	—	—	—	24,260	24,260
Net income (loss)	<u>\$ 56,382</u>	<u>\$ 77,786</u>	<u>\$ 134,168</u>	<u>\$ (60,835)</u>	<u>\$ 73,333</u>

**GUILD MORTGAGE COMPANY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except as otherwise indicated)**

**20. Subsequent Events**

The Company has evaluated subsequent events from the balance sheet date through August 21, 2020, the date on which the financial statements were issued. In March 2020, the World Health Organization (“WHO”) declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States. Through August 21, 2020, the Company remains fully functional in both its origination and servicing operations. While the pandemic could cause for certain branches to temporarily close, most of the significant job functions can be performed remotely. The Company has taken steps to ensure business can continue as necessary should branches be forced to temporarily close. The Company continues to monitor guidance published by the WHO, Centers for Disease Control and Prevention, local and federal government agencies and the Mortgage Bankers Association and is in continual communication with its investors regarding the developments in the mortgage industry.



**PART II**  
**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 13. Other Expenses of Issuance.**

The following table sets forth the various expenses, other than the underwriting discount, payable in connection with the offering contemplated by this registration statement. All of the fees set forth below are estimates except for the SEC registration fee, the FINRA fee and the stock exchange listing fee.

	<b>Payable by the registrant</b>
SEC registration fee	\$*
FINRA fee	\$*
Stock exchange listing fee	\$*
Blue Sky fees and expenses	\$*
Printing expenses	\$*
Legal fees and expenses	\$*
Accounting fees and expenses	\$*
Transfer agent and registrar fees	\$*
Miscellaneous fees and expenses	\$*
Total	\$*

\* To be furnished by amendment.

**Item 14. Indemnification of Directors and Officers.**

***Limitation of Personal Liability of Directors and Indemnification***

Section 102(b)(7) of the DGCL permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (1) for any breach of the director's duty of loyalty to the corporation or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the DGCL (regarding, among other things, the payment of unlawful dividends or unlawful stock purchases or redemptions), or (4) for any transaction from which the director derived an improper personal benefit. Our certificate of incorporation will provide for such limitation of liability.

Section 145(a) of the DGCL empowers a corporation to indemnify any director, officer, employee or agent, or former director, officer, employee or agent, who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), by reason of such person's service as a director, officer, employee or agent of the corporation, or such person's service, at the corporation's request, as a director, officer, employee or agent of another corporation or enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding; provided that such director or officer acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation; and, with respect to any criminal action or proceeding, provided that such director or officer had no reasonable cause to believe his or her conduct was unlawful.

Section 145(b) of the DGCL empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a

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director, officer, employee or agent of another enterprise, against expenses (including attorneys' fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit; provided that such director or officer acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification may be made in respect of any claim, issue or matter as to which such director or officer shall have been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such director or officer is fairly and reasonably entitled to indemnity for such expenses that the court shall deem proper. Notwithstanding the preceding sentence, except as otherwise provided in our bylaws, we shall be required to indemnify any such person in connection with a proceeding (or part thereof) commenced by such person only if the commencement of such proceeding (or part thereof) by any such person was authorized by the Board of Directors.

Our certificate of incorporation and our bylaws will require us to indemnify any person who was or is a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding by reason of the fact that he or she is or was a director or officer of Guild, or is or was serving at the request of Guild as a director, officer, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by Guild, against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) incurred or suffered by such person in connection with such proceeding if the person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of Guild and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

We will be authorized under our amended and restated certificate of incorporation and our amended and restated bylaws to purchase and maintain insurance to protect Guild and any current or former director, officer, employee or agent of Guild or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not Guild would have the power to indemnify such person against such expense, liability or loss under the DGCL. We believe that these indemnification provisions and the directors' and officers' insurance are useful to attract and retain qualified directors and executive officers.

We expect that the underwriting agreement will provide for indemnification of directors and officers of Guild by the underwriters against certain liabilities.

### **Item 15. Recent Sales of Unregistered Securities.**

Set forth below is information regarding securities sold or granted by us within the past three years that were not registered under the Securities Act. Also included is the consideration, if any, received by us for such securities and information relating to the section of the Securities Act, or rule of the SEC, under which exemption from registration was claimed for such sales and grants.

In August 2020, in connection with its formation and prior to the occurrence of the other reorganization transactions, the Issuer sold 100 shares of common stock to Guild Investors, LLC for aggregate consideration of \$1. The shares of common stock described above were issued in reliance on the exemption contained in Section 4(a)(2) of the Securities Act on the basis that the transaction did not involve a public offering. No underwriters were involved in the transaction.

### **Item 16. Exhibits and Financial Statement Schedules.**

- (a) Exhibits: The list of exhibits set forth under "*Exhibit Index*" at the end of this Registration Statement is incorporated herein by reference.

**Item 17. Undertakings.**

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The registrant hereby further undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective; and

(2) For purposes of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Exhibit Description</b>
1.1	Form of Underwriting Agreement*
3.1	Form of Amended and Restated Certificate of Incorporation of Guild Holdings Company*
3.2	Form of Amended and Restated Bylaws of Guild Holdings Company*
4.1	Form of Class A Common Stock Certificate of Guild Holdings Company*
4.2	Form of Registration Rights Agreement, by and among Guild and certain of its stockholders*
5.1	Form of Opinion of Wachtell, Lipton, Rosen & Katz*
10.1	Guild Holdings Company 2020 Omnibus Incentive Plan†
10.2	Form of Indemnification Agreement*†
10.3	Executive Compensation Agreement between Guild Mortgage Co. and Mary Ann McGarry, effective as of January 1, 2019†
10.4	Executive Compensation Agreement between Guild Mortgage Co. and Terry Schmidt, effective as of January 1, 2019†
10.5	Employment Agreement between Guild Mortgage Co. and Barry Horn, dated as of January 1, 2016†
10.6	Employment Agreement between Guild Mortgage Co. and David Neylan, dated as of January 1, 2016†
10.7	Compensation Deferral Plan for Executives*†
10.8	Executive Nonqualified Excess Plan†
10.9	Executive Nonqualified Excess Plan Adoption Agreement, dated as of November 6, 2017†
10.10	Executive Performance Incentive Plan between Guild Mortgage Co. and Amber Elwell, dated as of March 3, 2020†
10.11	Executive Performance Incentive Plan between Guild Mortgage Co. and Lisa Klika, dated as of June 27, 2017†
10.12	Amended and Restated Master Repurchase Agreement, dated as of September 1, 2020, by and among Bank of America, N.A., as Buyer, Guild Mortgage Co. SPE W40, LLC, as Seller, and Guild Mortgage Company and Guild Investors, LLC as collective Guarantor and Pledgor+ #
10.13	Amended and Restated Master Repurchase Agreement, dated as of October 24, 2019, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, the Buyers party thereto, and The Bank of New York Mellon, as Agent for the Buyers from time to time party thereto+ #
10.14	First Amendment to the Amended and Restated Master Repurchase Agreement, dated as of July 10, 2020, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, The Bank of New York Mellon, as Agent, and the financial institutions listed on the signature pages thereto, as Buyers+
10.15	Amended and Restated Term Loan Agreement, dated as of September 30, 2019, by and among Guild Mortgage Co. and Guild Investors, LLC, as Borrowers, the Lenders party thereto, and The Bank of New York Mellon, as Administrative Agent+ #



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<b>Exhibit Number</b>	<b>Exhibit Description</b>
10.16	Waiver No. 1 to the Amended and Restated Term Loan Agreement, dated as of April 29, 2020, by and among Guild Mortgage Co. and Guild Investors, LLC, as Borrowers, the Lenders party thereto, and The Bank of New York Mellon, as Administrative Agent+
10.17	First Amended and Restated Master Repurchase Agreement, dated as of December 14, 2018, by and between Guild Mortgage Co., as Seller, and JPMorgan Chase Bank, N.A., as Buyer+ #
10.18	First Amendment to the First Amended and Restated Master Repurchase Agreement, dated as of June 21, 2019, by and between Guild Mortgage Co., as Seller, and JPMorgan Chase Bank, N.A., as Buyer+
10.19	Second Amendment to the First Amended and Restated Master Repurchase Agreement, dated as of December 13, 2019, by and between Guild Mortgage Co., as Seller, and JPMorgan Chase Bank, N.A., as Buyer+ #
10.20	Third Amendment to the First Amended and Restated Master Repurchase Agreement, dated as of February 21, 2020, by and between Guild Mortgage Co., as Seller, and JPMorgan Chase Bank, N.A., as Buyer+ #
10.21	Fourth Amendment to the First Amended and Restated Master Repurchase Agreement, dated as of June 23, 2020, by and between Guild Mortgage Co., as Seller, and JPMorgan Chase Bank, N.A., as Buyer+ #
10.22	Fifth Amendment to the First Amended and Restated Master Repurchase Agreement, dated as of July 24, 2020, by and between Guild Mortgage Co., as Seller, and JPMorgan Chase Bank, N.A., as Buyer+ #
10.23	Mortgage Warehouse Agreement, dated as of April 13, 2020, by and between Guild Mortgage Co., as Seller, and Texas Capital Bank, National Association+ #
10.24	First Amendment to the Mortgage Warehouse Agreement, dated as of June 10, 2020, by and between Guild Mortgage Co. and Texas Capital Bank, National Association+
10.25	Fifth Amended and Restated Loan and Security Agreement, dated as of June 6, 2020, by and among Guild Mortgage Co., as Borrower, the Lenders from time to time party thereto, and Texas Capital Bank, National Association, as Administrative Agent+ #
10.26	Master Loan Purchase and Servicing Agreement, dated as of December 21, 2018, by and between Texas Capital Bank, National Association, as Purchaser, and Guild Mortgage Company, as Seller+ #
10.27	Master Repurchase Agreement, dated as of July 29, 2015, by and between Guild Mortgage Co., as Seller, and EverBank, as Buyer+ #
10.28	First Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of July 27, 2016, by and between Guild Mortgage Co., as Seller, and EverBank, as Buyer+ #
10.29	Second Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of January 11, 2017, by and between Guild Mortgage Co., as Seller, and EverBank, as Buyer+ #
10.30	Third Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of July 26, 2017, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #
10.31	Fourth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of July 19, 2018, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #

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<b>Exhibit Number</b>	<b>Exhibit Description</b>
10.32	Fifth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of March 29, 2019, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #
10.33	Sixth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of July 18, 2019, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #
10.34	Seventh Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of August 22, 2019, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #
10.35	Eighth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of February 12, 2020, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #
10.36	Ninth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of March 20, 2020, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #
10.37	Tenth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of April 13, 2020, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #
10.38	Eleventh Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of May 19, 2020, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #
10.39	Twelfth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter, dated as of July 15, 2020, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #
10.40	Amended and Restated Loan and Security Agreement, dated as of July 15, 2020, by and between Guild Mortgage Co., as Seller, and TIAA, FSB, as Buyer+ #
10.41	Master Repurchase Agreement, dated as of March 24, 2015, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+ #
10.42	First Amendment to the Master Repurchase Agreement, dated as of June 24, 2015, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+ #
10.43	Second Amendment to the Master Repurchase Agreement, dated as of October 27, 2015, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+ #
10.44	Third Amendment to the Master Repurchase Agreement, dated as of April 20, 2016, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+ #
10.45	Fourth Amendment to the Master Repurchase Agreement, dated as of June 20, 2016, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+ #
10.46	Fifth Amendment to the Master Repurchase Agreement, dated as of June 16, 2017, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+ #

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<b>Exhibit Number</b>	<b>Exhibit Description</b>
10.47	Sixth Amendment to the Master Repurchase Agreement, dated as of August 18, 2017 by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+ #
10.48	Seventh Amendment to the Master Repurchase Agreement, dated as of September 28, 2018, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+ #
10.49	Eighth Amendment to the Master Repurchase Agreement, dated as of August 29, 2019, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+
10.50	Ninth Amendment to the Master Repurchase Agreement, dated as of September 13, 2019, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer
10.51	Tenth Amendment to the Master Repurchase Agreement, dated as of October 15, 2019, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+ #
10.52	Eleventh Amendment to the Master Repurchase Agreement, dated as of April 1, 2020, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer
10.53	Twelfth Amendment to the Master Repurchase Agreement, dated as of July 24, 2020, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and U.S. Bank National Association, as Buyer+ #
10.54	Master Repurchase Agreement, dated as of April 29, 2020, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and Western Alliance Bank, as Buyer+ #
10.55	First Amendment to the Master Repurchase Agreement, dated as of July 24, 2020, by and among Guild Mortgage Co. and Guild Investors, LLC, as Sellers, and Western Alliance Bank, as Buyer+ #
21.1	Subsidiaries of Guild Holdings Company
23.1	Consent of KPMG LLP*
23.2	Consent of Wachtell, Lipton, Rosen & Katz (contained in its opinion filed as Exhibit 5.1 hereto)*
24.1	Power of attorney (included on the signature page to this registration statement)

\* To be filed by amendment.

† Indicates management contract or compensatory plan.

+ Certain portions of this exhibit have been redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish supplementally an unredacted copy of the exhibit to the SEC upon its request.

# Certain schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon its request.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Diego, State of California, on \_\_\_\_\_, 2020.

**GUILD HOLDINGS COMPANY**

By: \_\_\_\_\_  
Name: Mary Ann McGarry  
Title: Chief Executive Officer

**SIGNATURES AND POWERS OF ATTORNEY**

Each of the undersigned officers and directors of Guild Holdings Company hereby severally constitutes and appoints Mary Ann McGarry, Terry Schmidt and Amber Elwell, and each of them acting alone, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, and in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto and other documents in connection therewith, with the SEC and any applicable securities exchange or securities self-regulatory body, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them individually, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on \_\_\_\_\_, 2020.

<u>Signature</u>	<u>Title</u>
By: _____ Mary Ann McGarry	Chief Executive Officer and Director (Principal Executive Officer)
By: _____ Amber Elwell	Chief Financial Officer (Principal Financial and Accounting Officer)
By: _____ Patrick Duffy	Chairman of the Board of Directors
By: _____ Mike Meyer	Director
By: _____ Terry Schmidt	President and Director

GUILD HOLDINGS COMPANY  
2020 OMNIBUS INCENTIVE PLAN**SECTION 1. Purpose; Definitions**

The purpose of this Plan is to give the Company a competitive advantage in attracting, retaining and motivating officers, employees, directors and/or consultants of the Company and its Subsidiaries and Affiliates and to enable the Company to provide incentives for future performance of services directly linked to the profitability of the Company's businesses and increases in Company shareholder value.

For purposes of this Plan, the following terms are defined as set forth below:

- (a) "*Affiliate*" means a company or other entity controlled by, controlling or under common control with the Company.
- (b) "*Applicable Exchange*" means the New York Stock Exchange or such other securities exchange as may at the applicable time be the principal market for the Common Stock.
- (c) "*Award*" means a Stock Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Other Stock-Based Award or Cash Award granted pursuant to the terms of this Plan.
- (d) "*Award Agreement*" means a written or electronic document or agreement setting forth the terms and conditions of a specific Award.
- (e) "*Board*" means the board of directors of the Company.
- (f) "*Business Combination*" has the meaning set forth in Section 10(e)(iii).
- (g) "*Cash Award*" means a cash-settled Award granted pursuant to Section 9.
- (h) "*Cause*" means, unless otherwise provided in an Award Agreement, (i) "*Cause*" as defined in any Individual Agreement to which the Participant is a party as of the Grant Date, or (ii) if there is no such Individual Agreement or if it does not define Cause: (A) conviction of, or plea of guilty or *nolo contendere* by, the Participant for committing a felony under federal law or the law of the state in which such action occurred, (B) willful and deliberate failure on the part of the Participant in the performance of his or her employment duties in any material respect, (C) dishonesty in the course of fulfilling the Participant's employment duties, or (D) a material violation of the Company's ethics and compliance program, code of conduct or other material policy of the Company. Notwithstanding the general rule of Section 2(c), following a Change in Control, any determination by the Committee as to whether "*Cause*" exists shall be subject to *de novo* review.
- (i) "*Change in Control*" has the meaning set forth in Section 10(e).

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(j) “Code” means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto, the Treasury Regulations thereunder and other relevant interpretive guidance issued by the Internal Revenue Service or the Treasury Department. Reference to any specific section of the Code shall be deemed to include such regulations and guidance, as well as any successor provision of the Code.

(k) “Committee” means the Committee referred to in Section 2.

(l) “Common Stock” means Class A common stock, \$0.01 par value per share, of the Company.

(m) “Company” means Guild Holdings Company, a Delaware corporation, or its successor.

(n) “Corporate Transaction” has the meaning set forth in Section 3(d).

(o) “Disability” means, unless otherwise provided in an Award Agreement, (i) “Disability” as defined in any Individual Agreement to which the Participant is a party, or (ii) if there is no such Individual Agreement or it does not define “Disability,” permanent and total disability as determined under the Company’s Long-Term Disability Plan applicable to the Participant; *provided, however*, to the extent necessary to avoid tax penalties under Section 409A of the Code, “Disability means “disability” as defined in Section 409(a)(2)(C) of the Code.

(p) “Disaffiliation” means a Subsidiary’s or an Affiliate’s ceasing to be a Subsidiary or Affiliate for any reason (including as a result of a public offering, or a spinoff or sale by the Company, of the stock of the Subsidiary or Affiliate) or a sale of a division of the Company and its Affiliates.

(q) “Effective Date” has the meaning set forth in Section 11(a).

(r) “Eligible Individuals” means directors, officers, employees and consultants of the Company or any of its Subsidiaries or Affiliates, and prospective directors, officers, employees and consultants who have accepted offers of employment or consultancy from the Company or its Subsidiaries or Affiliates.

(s) “Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto.

(t) “Fair Market Value” means, except as otherwise determined by the Committee, the closing price of a Share on the Applicable Exchange on the date of measurement or, if Shares were not traded on the Applicable Exchange on such measurement date, then on the immediately preceding date on which Shares were traded on the Applicable Exchange, as reported by such source as the Committee may select. If there is no regular public trading market for Shares, the Fair Market Value of a Share shall be determined by the Committee in good faith and, to the extent applicable, such determination shall be made in a manner that satisfies Sections 409A and 422(c)(1) of the Code.

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(u) “*Full-Value Award*” means any Award other than a Stock Option, Stock Appreciation Right or Cash Award.

(v) “*Grant Date*” means the date on which the Committee by resolution selects an Eligible Individual to receive a grant of an Award and determines the number of Shares, or the formula for earning a number of Shares, to be subject to such Award or the cash amount subject to such Award, or such later date as the Committee shall provide in such resolution.

(w) “*Incentive Stock Option*” means any Stock Option designated in the applicable Award Agreement as an “incentive stock option” within the meaning of Section 422 of the Code, and that in fact so qualifies.

(x) “*Incumbent Board*” has the meaning set forth in Section 10(e)(ii).

(y) “*Individual Agreement*” means an employment, consulting, change in control, or similar agreement between a Participant and the Company or one of its Subsidiaries or Affiliates. If a Participant is party to both an employment agreement and a change in control agreement, the employment agreement shall be the relevant “Individual Agreement” prior to a Change in Control, and the change in control agreement shall be the relevant “Individual Agreement” after a Change in Control.

(z) “*Investors*” means, collectively, (i) McCarthy Capital Mortgage Investors, LLC, any other investment funds affiliated with McCarthy Partners Management, LLC, and any company or other entity controlled by, controlling or under common control with McCarthy Capital Mortgage Investors, LLC or any such investment fund (other than any portfolio company) (the “*McCarthy Investors*”) and (ii) provided that the McCarthy Investors own a majority of the voting power of the Company, any Person that forms a group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) with the McCarthy Investors and that, directly or indirectly, holds or acquires beneficial ownership of voting securities of the Company entitled to vote generally in the election of directors.

(aa) “*Nonqualified Stock Option*” means any Stock Option that is not an Incentive Stock Option.

(bb) “*Other Stock-Based Award*” means an Award granted pursuant to Section 8.

(cc) “*Outstanding Company Common Stock*” has the meaning set forth in Section 10(e)(i).

(dd) “*Outstanding Company Voting Securities*” has the meaning set forth in Section 10(e)(i).

(ec) “*Participant*” means an Eligible Individual to whom an Award is or has been granted.

(ff) “*Performance Goals*” means the performance goals established by the Committee in connection with the grant of an Award. Such goals shall be based on the attainment of specified levels of one or more of the following measures or such other performance measures as are determined by the Committee: stock price, earnings (whether based on earnings before taxes, earnings before interest and taxes or earnings before interest, taxes, depreciation and amortization), earnings per share, return on equity, return on assets or operating assets, asset quality, net interest margin, loan portfolio growth, efficiency ratio, liquidity, market share, customer service measures or indices, economic value added, shareholder value added, embedded value added, combined ratio, pre- or after-tax income, net income, cash flow (before or after dividends), cash flow per share (before or after dividends), gross margin, risk-based capital, revenues, revenue growth, return on capital (whether based on return on total capital or return on invested capital), cash flow return on investment, cost control, gross profit, operating profit, cash generation, unit volume, sales, asset quality, cost saving levels, market-spending efficiency, core non-interest income, change in working capital, production volume, production income, gain on sale margins, or segment income, in each case with respect to (i) the Company or any one or more Subsidiaries, divisions, business units or business segments thereof, either in absolute terms or relative to the performance of one or more other companies (including an index covering multiple companies) including reasonable adjustments or (ii) an individual Participant.

(gg) “*Person*” has the meaning set forth in Section 10(e)(i).

(hh) “*Plan*” means the Guild Holdings Company 2020 Omnibus Incentive Plan, as set forth herein and as hereinafter amended from time to time.

(ii) “*Replaced Award*” has the meaning set forth in Section 10(b).

(jj) “*Replacement Award*” has the meaning set forth in Section 10(b).

(kk) “*Restricted Stock*” means an Award granted under Section 6.

(ll) “*Restricted Stock Unit*” has the meaning set forth in Section 7(a).

(mm) “*Section 16(b)*” has the meaning set forth in Section 2(f).

(nn) “*Separation from Service*” has the meaning set forth in Section 409A of the Code.

(oo) “*Share*” means a share of Common Stock.

(pp) “*Stock Appreciation Right*” means an Award granted under Section 5(b).

(qq) “*Stock Option*” means an Award granted under Section 5(a).



(rr) “*Subsidiary*” means any corporation, partnership, joint venture, limited liability company or other entity during any period in which at least a 50% voting or profits interest is owned, directly or indirectly, by the Company or any successor to the Company.

(ss) “*Term*” means the maximum period during which a Stock Option or Stock Appreciation Right may remain outstanding, subject to earlier termination upon Termination of Service or otherwise, as specified in the applicable Award Agreement.

(tt) “*Termination of Service*” means the termination of the applicable Participant’s employment with, or performance of services for, the Company and any of its Subsidiaries or Affiliates. Unless otherwise determined by the Committee, (i) if a Participant’s employment with the Company and its Affiliates terminates but such Participant continues to provide services to the Company and its Affiliates in a non-employee capacity, such change in status shall not be deemed a Termination of Service and (ii) a Participant employed by, or performing services for, a Subsidiary or an Affiliate or a division of the Company and its Affiliates shall also be deemed to incur a Termination of Service if, as a result of a Disaffiliation, such Subsidiary, Affiliate or division ceases to be a Subsidiary, Affiliate or division, as the case may be, and the Participant does not immediately thereafter become an employee of, or service provider for, the Company or another Subsidiary or Affiliate. The Committee shall determine, in its sole discretion, the point at which a Participant who is on an approved leave of absence experiences a Termination of Service as a result of such leave of absence. Notwithstanding the foregoing provisions of this definition, with respect to any Award that constitutes a “nonqualified deferred compensation plan” subject to Section 409A of the Code, a Participant shall not be considered to have experienced a “Termination of Service” unless the Participant has experienced a Separation from Service.

## **SECTION 2. Administration**

(a) *Committee*. This Plan shall be administered by the Board directly, or if the Board elects, by the Compensation Committee of the Board or such other committee of the Board as the Board may from time to time designate, which committee shall be composed of not fewer than two directors, and shall be appointed by and serve at the pleasure of the Board. All references in this Plan to the “Committee” shall refer to the Compensation Committee of the Board as a whole, unless a separate committee has been designated or authorized consistent with the foregoing; provided that, subject to applicable law, all powers of the Committee may be exercised by the full Board.

Subject to the terms and conditions of this Plan, the Committee shall have absolute authority:

- (i) To select the Eligible Individuals to whom Awards may from time to time be granted;
- (ii) To determine whether and to what extent Incentive Stock Options, Nonqualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Other Stock-Based Awards, Cash Awards or any combination thereof are to be granted hereunder;

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- (iii) To determine the number of Shares to be covered by an Award or the amount of any Cash Award;
  - (iv) To approve the form of any Award Agreement and determine the terms and conditions of any Award granted hereunder, including the exercise price and any vesting condition, restriction or limitation;
  - (v) To modify, amend or adjust the terms and conditions (including any Performance Goals) of any Award, including, without limitation, waiving any exercise or vesting conditions with respect to any Award;
  - (vi) To determine to what extent and under what circumstances Shares or cash payable with respect to an Award shall be deferred;
  - (vii) To determine under what circumstances an Award may be settled in cash, Shares, other property or a combination of the foregoing;
  - (viii) To adopt, alter and repeal such administrative rules, guidelines and practices governing this Plan as it shall from time to time deem advisable;
  - (ix) To establish any "blackout" period that the Committee in its sole discretion deems necessary or advisable;
  - (x) To interpret the terms and provisions of this Plan and any Award issued under this Plan (and any Award Agreement relating thereto);
  - (xi) To decide all other matters that must be determined in connection with an Award; and
  - (xii) To otherwise administer this Plan.

(b) *Procedures.*

(i) The Committee may act only by a majority of its members then in office, except that the Committee may, except to the extent prohibited by applicable law or the listing standards of the Applicable Exchange, allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any person or persons selected by it. Any such allocation or delegation may be revoked by the Committee at any time.

(ii) Any authority granted to the Committee may be exercised by the full Board. To the extent that any permitted action taken by the Board conflicts with action taken by the Committee, the Board action shall control.

(c) *Discretion of Committee.* Subject to Section 1(h), any determination made by the Committee or pursuant to delegated authority under the provisions of this Plan with respect to any Award shall be made in the sole discretion of the Committee or such delegate at the time of the grant of the Award or, unless in contravention of any express term of this Plan, at any time thereafter. All decisions made by the Committee or any appropriately delegated officer pursuant to the provisions of this Plan shall be final, binding and conclusive on all persons, including the Company, Participants and Eligible Individuals. Any determination made by the Committee or pursuant to delegated authority under the provisions of this Plan, including conditions for grant or vesting and the adjustment of Awards pursuant to Section 3(d) need not be the same for each Participant.

(d) *Cancellation or Suspension.* Subject to Section 5(c), the Committee shall have full power and authority to determine whether, to what extent and under what circumstances any Award shall be canceled or suspended.

(e) *Award Agreements.* The terms and conditions of each Award, as determined by the Committee, shall be set forth in a written (or electronic) Award Agreement, which shall be delivered to the Participant receiving such Award upon, or as promptly as is reasonably practicable following, the grant of such Award. The effectiveness of an Award shall be subject to the Participant's acceptance of the applicable Award Agreement within the time period specified therein (if any).

(f) *Section 16(b).* The provisions of this Plan are intended to ensure that no transaction under this Plan is subject to (and all such transactions will be exempt from) the short-swing recovery rules of Section 16(b) of the Exchange Act ("*Section 16(b)*"). Accordingly, the composition of the Committee shall be subject to such limitations as the Board deems appropriate to permit transactions pursuant to this Plan to be exempt (pursuant to Rule 16b-3 promulgated under the Exchange Act) from Section 16(b), and no delegation of authority by the Committee shall be permitted if such delegation would cause any such transaction to be subject to (and not exempt from) Section 16(b).

### **SECTION 3. Common Stock Subject to Plan; Other Limits**

(a) *Plan Maximums.* (i) Subject to Section 3(c), the maximum number of Shares that may be granted pursuant to Awards under this Plan shall be (the "*Share Reserve*"). The maximum number of Shares that may be granted pursuant to Stock Options intended to be Incentive Stock Options shall be \_\_\_\_\_ Shares. Shares subject to an Award under this Plan may be authorized and unissued Shares or treasury Shares.

(b) *Non-Employee Director Compensation Limits.* No non-employee director of the Company may receive compensation in such capacity during any calendar year with a value that exceeds \$500,000 (calculating the value of any equity-based Awards based on the grant date fair value of such Awards for financial reporting purposes). For purposes of the preceding sentence, an equity-based Award shall be deemed received upon grant (and not upon vesting or settlement) and any deferred cash compensation shall be deemed received when earned (and not when paid).

(c) *Rules for Calculating Shares Issued* To the extent that any Award is forfeited, terminates, expires or lapses instead of being exercised, or any Award is settled for cash, the Shares subject to such Award that are not delivered as a result thereof shall again be available for Awards under this Plan. If the exercise price of any Stock Option or Stock Appreciation Right and/or the tax withholding obligations relating to any Award are satisfied by delivering Shares (either actually or through a signed document affirming the Participant's ownership and delivery of such Shares) or withholding Shares relating to such Award, the gross number of Shares subject to the Award shall nonetheless be deemed to have been granted for purposes of the first sentence of Section 3(a).

(d) *Adjustment Provisions.*

(i) In the event of a merger, consolidation, acquisition of property or shares, stock rights offering, liquidation, disposition for consideration of the Company's direct or indirect ownership of a Subsidiary or Affiliate (including by reason of a Disaffiliation), or similar event affecting the Company or any of its Subsidiaries (each, a "*Corporate Transaction*"), the Committee or the Board may in its discretion make such substitutions or adjustments as it deems appropriate and equitable to (A) the limits set forth in Sections 3(a) and 3(b) and the kind of securities deliverable pursuant to this Plan; (B) the number and kind of Shares or other securities subject to outstanding Awards; (C) the Performance Goals applicable to outstanding Awards; and (D) the exercise price of outstanding Awards. In the event of a Corporate Transaction, such adjustments may include (I) the cancellation of outstanding Awards in exchange for payments of cash, property or a combination thereof having an aggregate value equal to the value of such Awards, as determined by the Committee in its sole discretion (it being understood that in the event of a Corporate Transaction with respect to which shareholders of Common Stock receive consideration other than publicly traded equity securities of the ultimate surviving entity, any such determination by the Committee that the value of a Stock Option or Stock Appreciation Right shall for this purpose be deemed to equal the excess, if any, of the value of the consideration being paid for each Share pursuant to such Corporate Transaction over the exercise price of such Stock Option or Stock Appreciation Right shall be deemed conclusively valid); (II) the substitution of other property (including cash or other securities of the Company and securities of entities other than the Company) for the Shares subject to outstanding Awards; and (III) in connection with any Disaffiliation, arranging for the assumption of Awards, or replacement of Awards with new awards based on other property or other securities (including other securities of the Company and securities of entities other than the Company), by the affected Subsidiary, Affiliate, or division or by the entity that controls such Subsidiary, Affiliate, or division following such Disaffiliation (as well as any corresponding adjustments to Awards that remain based upon Company securities).  
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(ii) In the event of a stock dividend, stock split, reverse stock split, reorganization, share combination, or recapitalization or similar event affecting the capital structure of the Company, or a Disaffiliation, separation or spinoff, in each case without consideration, or other extraordinary dividend of cash or other property to the Company's shareholders, the Committee or the Board shall make such substitutions or adjustments as it deems appropriate and equitable to (A) the limits set forth in Sections 3(a) and 3(b) and the kind of securities deliverable pursuant to this Plan; (B) the number and kind of Shares or other securities subject to outstanding Awards; (C) the Performance Goals applicable to outstanding Awards; and (D) the exercise price of outstanding Awards.

(iii) Any adjustments made pursuant to this Section 3(d) to Awards that are considered "nonqualified deferred compensation" subject to Section 409A of the Code shall be made in compliance with the requirements of Section 409A of the Code. Any adjustments made pursuant to this Section 3(d) to Awards that are not considered "nonqualified deferred compensation" subject to Section 409A of the Code shall be made in such a manner as to ensure that after such adjustments, either (A) the Awards continue not to be subject to Section 409A of the Code or (B) there does not result in the imposition of any penalty taxes under Section 409A of the Code in respect of such Awards.

#### **SECTION 4. Eligibility**

Awards may be granted under this Plan to Eligible Individuals; *provided, however*, that Incentive Stock Options may be granted only to employees of the Company and its subsidiaries or parent corporation (within the meaning of Section 424(f) of the Code).

#### **SECTION 5. Stock Options and Stock Appreciation Rights**

(a) *Stock Options.* Stock Options may be granted alone or in addition to other Awards granted under this Plan and may be of two types: Incentive Stock Options and Nonqualified Stock Options. The Award Agreement for a Stock Option shall indicate whether the Stock Option is intended to be an Incentive Stock Option or a Nonqualified Stock Option.

(b) *Stock Appreciation Rights.* Upon the exercise of a Stock Appreciation Right, the Participant shall be entitled to receive an amount in cash or Shares in value equal to the product of (i) the excess of the Fair Market Value of one Share over the exercise price of the applicable Stock Appreciation Right, multiplied by (ii) the number of Shares in respect of which the Stock Appreciation Right has been exercised. The applicable Award Agreement shall specify whether such payment is to be made in cash or Shares, or shall reserve to the Committee or the Participant the right to make that determination prior to or upon the exercise of the Stock Appreciation Right.

(c) *Exercise Price; Prohibition on Repricing.* The exercise price per Share subject to a Stock Option or Stock Appreciation Right shall be determined by the Committee and set forth in the applicable Award Agreement, and shall not be less than the Fair Market Value of a Share on the applicable Grant Date. In no event may any Stock Option or Stock Appreciation Right granted under this Plan be amended, other than pursuant to Section 3(d), to decrease the exercise price thereof, be cancelled in exchange for cash or other Awards if the exercise price of such

Stock Option or Stock Appreciation Right exceeds the Fair Market Value of a Share on the date of such cancellation, be cancelled in exchange for any new Stock Option or Stock Appreciation Right with a lower exercise price, or otherwise be subject to any action that would be treated, under the Applicable Exchange listing standards or for accounting purposes, as a “repricing” of such Stock Option or Stock Appreciation Right, unless such amendment, cancellation, or action is approved by the Company’s shareholders.

(d) *Term.* The Term of each Stock Option and each Stock Appreciation Right shall be fixed by the Committee, but no Stock Option or Stock Appreciation Right shall be exercisable more than 10 years after its Grant Date.

(e) *Exercisability.* Except as otherwise provided herein, Stock Options and Stock Appreciation Rights shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee.

(f) *Method of Exercise.* Subject to the provisions of this Section 5, Stock Options and Stock Appreciation Rights may be exercised, in whole or in part, at any time during the Term thereof in accordance with the methods and procedures established by the Committee in the Award Agreement or otherwise.

(g) *Delivery; Rights of Shareholders.* A Participant shall not be entitled to delivery of Shares pursuant to the exercise of a Stock Option or Stock Appreciation Right until the exercise price therefor has been fully paid and applicable taxes have been withheld. Except as otherwise provided in Section 5(k), a Participant shall have all of the rights of a shareholder of the Company holding the number of Shares deliverable pursuant to such Stock Option or Stock Appreciation Right (including, if applicable, the right to vote the applicable Shares), when the Participant (i) has given written notice of exercise, (ii) if requested, has given the representation described in Section 12(a) and (iii) in the case of a Stock Option, has paid in full for such Shares.

(h) *Nontransferability of Stock Options and Stock Appreciation Rights.* No Stock Option or Stock Appreciation Right shall be transferable by a Participant other than, for no value or consideration, by will or by the laws of descent and distribution or as otherwise expressly permitted by the Committee. Any Stock Option or Stock Appreciation Right shall be exercisable, subject to the terms of this Plan, only by the Participant, the guardian or legal representative of the Participant, or any person to whom such stock option is transferred pursuant to this Section 5(h), it being understood that the term “holder” and “Participant” include such guardian, legal representative and other transferee; *provided, however*, that the term “Termination of Service” shall continue to refer to the Termination of Service of the original Participant.

(i) *Termination of Service.* The effect of a Participant’s Termination of Service on any Award of Stock Options or Stock Appreciation Rights then held by such Participant shall be set forth in the applicable Award Agreement or any other document approved by the Committee and applicable to such Award.

(j) *Additional Rules for Incentive Stock Options.* Notwithstanding any other provision of this Plan to the contrary, no Stock Option that is intended to qualify as an Incentive Stock Option may be granted to any Eligible Individual who at the time of such grant owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or of any Subsidiary, unless at the time such Stock Option is granted the exercise price is at least 110% of the Fair Market Value of a Share and such Stock Option by its terms is not exercisable after the expiration of five years from the date such Stock Option is granted. In addition, the aggregate Fair Market Value of the Common Stock (determined at the time a Stock Option for the Common Stock is granted) for which Incentive Stock Options are exercisable for the first time by a Participant during any calendar year, under all of the incentive stock option plans of the Company and of any Subsidiary, may not exceed \$100,000. To the extent a Stock Option that by its terms was intended to be an Incentive Stock Option exceeds this \$100,000 limit, the portion of the Stock Option in excess of such limit shall be treated as a Nonqualified Stock Option.

(k) *Dividends and Dividend Equivalents.* Dividends (whether paid in cash or Shares) and dividend equivalents may not be paid or accrued on Stock Options or Stock Appreciation Rights; *provided* that Stock Options and Stock Appreciation Rights may be adjusted under certain circumstances in accordance with the terms of Section 3(d).

## **SECTION 6. Restricted Stock**

(a) *Nature of Awards.* Shares of Restricted Stock are actual Shares issued to a Participant that are subject to vesting or forfeiture provisions and may be awarded either alone or in addition to other Awards granted under this Plan.

(b) *Book Entry Registration or Certificated Shares.* Shares of Restricted Stock shall be evidenced in such manner as the Committee may deem appropriate, including book-entry registration or issuance of one or more stock certificates. If any certificate is issued in respect of Shares of Restricted Stock, such certificate shall be registered in the name of the Participant and shall bear an appropriate legend indicating that the sale, transfer or other disposition thereof by the holder is prohibited except in compliance with the Securities Act of 1933, as amended, and the rules and regulations thereunder. The Committee may require that the certificates evidencing such Shares be held in custody by the Company until the restrictions thereon shall have lapsed and that, as a condition of any Award of Restricted Stock, the applicable Participant shall have delivered a stock power, endorsed in blank, relating to the Common Stock covered by such Award.

(c) *Terms and Conditions.* Shares of Restricted Stock shall be subject to the following terms and conditions and such other terms and conditions as are set forth in the applicable Award Agreement (including the vesting or forfeiture provisions applicable upon a Termination of Service):

(i) The Committee shall, prior to or at the time of grant, condition (A) the vesting of an Award of Restricted Stock upon the continued service of the applicable Participant, or (B) the grant or vesting of an Award of Restricted Stock upon the attainment of Performance Goals or the attainment of Performance Goals and the continued service of the applicable Participant.

(ii) Subject to the provisions of this Plan and the applicable Award Agreement, a Participant shall not be permitted to sell, assign, transfer, pledge or otherwise encumber an Award of Restricted Stock prior to such time as all applicable vesting conditions are satisfied.

(d) *Rights of a Shareholder.* Except as provided in this Section 6 and the applicable Award Agreement, a Participant shall have the same rights as any other holder of Shares with respect to Shares of Restricted Stock, including, if applicable, the right to vote the Shares and the right to receive any dividends; *provided, however,* that, unless otherwise determined by the Committee and subject to Section 12(e), (i) cash dividends on Shares shall be payable in cash and shall be held subject to the vesting of the underlying Restricted Stock and (ii) dividends payable in Shares shall be paid in the form of Restricted Stock, and shall be held subject to the vesting of the underlying Restricted Stock.

(e) *Termination of Service.* The effect of a Participant's Termination of Service on any Award of Restricted Stock then held by such Participant shall be set forth in the applicable Award Agreement or any other document approved by the Committee and applicable to such Award.

#### **SECTION 7. Restricted Stock Units**

(a) *Nature of Awards.* Restricted stock units ("*Restricted Stock Units*") are Awards denominated in Shares that will be settled, subject to the terms and conditions of the applicable Award Agreement, in a specified number of Shares or an amount of cash equal to the Fair Market Value of a specified number of Shares.

(b) *Terms and Conditions.* Restricted Stock Units shall be subject to the following terms and conditions and such other terms and conditions as are set forth in the applicable Award Agreement (including the vesting or forfeiture provisions applicable upon a Termination of Service):

(i) The Committee shall, prior to or at the time of grant, condition (A) the vesting of Restricted Stock Units upon the continued service of the applicable Participant, or (B) the grant or vesting of Restricted Stock Units upon the attainment of Performance Goals or the attainment of Performance Goals and the continued service of the applicable Participant. An Award of Restricted Stock Units shall be settled as and when the Restricted Stock Units vest, at a later time specified by the Committee in the applicable Award Agreement, or, if the Committee so permits, in accordance with an election of the Participant.



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(ii) Subject to the provisions of this Plan and the applicable Award Agreement, a Participant shall not be permitted to sell, assign, transfer, pledge or otherwise encumber Restricted Stock Units.

(c) *Rights of a Shareholder.* A Participant to whom Restricted Stock Units are awarded shall have no rights as a shareholder with respect to the Shares represented by the Restricted Stock Units unless and until Shares are actually delivered to the participant in settlement thereof. Unless otherwise determined by the Committee and subject to Section 12(e), an Award of Restricted Stock Units shall be adjusted to reflect deemed reinvestment in additional Restricted Stock Units of the dividends that would be paid and distributions that would be made with respect to the Award of Restricted Stock Units if it consisted of actual Shares.

(d) *Termination of Service.* The effect of a Participant's Termination of Service on any Award of Restricted Stock Units then held by such Participant shall be set forth in the applicable Award Agreement or any other document approved by the Committee and applicable to such Award.

#### **SECTION 8. Other Stock-Based Awards**

The Committee may grant Awards of Shares or related to Shares not otherwise described herein in such amounts and subject to such terms and conditions consistent with the terms of this Plan as the Committee shall determine. Without limiting the generality of the preceding sentence, each such Other Stock-Based Award may (a) involve the transfer of actual Shares to Participants, either at the time of grant or thereafter, or payment in cash or otherwise of amounts based on the value of Shares, (b) be subject to performance-based and/or service-based conditions, (c) be in the form of phantom stock, performance shares, deferred share units or share-denominated performance units, or other Awards denominated in, or with a value determined by reference to, a number of Shares that is specified at the time of the grant of such Award, and (d) be designed to comply with applicable laws of jurisdictions other than the United States.

#### **SECTION 9. Cash Awards**

The Committee may grant Awards to Eligible Individuals that are denominated and payable in cash in such amounts and subject to such terms and conditions consistent with the terms of this Plan as the Committee shall determine. With respect to a Cash Award subject to Performance Goals, the Performance Goals to be achieved during any performance period and the length of the performance period shall be determined by the Committee upon the grant of such Cash Award.

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## SECTION 10. Change-in-Control Provisions

(a) *General.* The provisions of this Section 10 shall, subject to Section 3(d), apply notwithstanding any other provision of this Plan to the contrary, except to the extent the Committee specifically provides otherwise in an Award Agreement.

(b) *Impact of Change in Control.* Upon the occurrence of a Change in Control, unless otherwise provided in the applicable Award Agreement: (i) all then-outstanding Stock Options and Stock Appreciation Rights shall become fully vested and exercisable, and all Full-Value Awards (other than performance-based Full-Value Awards) and all Cash Awards (other than performance-based Cash Awards) shall vest in full, be free of restrictions, and be deemed to be earned and payable in an amount equal to the full value of such Award, except in each case to the extent that another Award meeting the requirements of Section 10(c) (any award meeting the requirements of Section 10(c), a “*Replacement Award*”) is provided to the Participant pursuant to Section 3(d) to replace such Award (any award intended to be replaced by a Replacement Award, a “*Replaced Award*”), and (ii) any performance-based Full-Value Award or Cash Award that is not replaced by a Replacement Award shall be deemed to be earned and payable in an amount equal to the full value of such performance-based Award (with all applicable Performance Goals deemed achieved at the greater of (x) the applicable target level and (y) the level of achievement as determined by the Committee not later than the date of the Change in Control, taking into account performance through the latest date preceding the Change in Control as to which performance can, as a practical matter, be determined (but not later than the end of the applicable performance period)).

(c) *Replacement Awards.* An Award shall meet the conditions of this Section 10(c) (and hence qualify as a Replacement Award) if: (i) it is of the same type as the Replaced Award (except that for any Replaced Award that is performance-based, the Replacement Award shall be subject solely to time-based vesting for the remainder of the applicable performance period (or such shorter period as determined by the Committee) and the applicable Performance Goals shall be deemed to be achieved at the greater of (x) the applicable target level; and (y) the level of achievement as determined by the Committee taking into account performance through the latest date preceding the Change in Control as to which performance can, as a practical matter, be determined (but not later than the end of the applicable performance period)); (ii) it has a value equal to the value of the Replaced Award as of the date of the Change in Control, as determined by the Committee in its sole discretion consistent with Section 3(d); (iii) the underlying Replaced Award was an equity-based award, it relates to publicly traded equity securities of the Company or the entity surviving the Company following the Change in Control; (iv) it contains terms relating to vesting (including with respect to a Termination of Service) that are substantially identical to those of the Replaced Award; and (v) its other terms and conditions are not less favorable to the Participant than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control) as of the date of the Change in Control. Without limiting the generality of the foregoing, a Replacement Award may take the form of a continuation of the applicable Replaced Award if the requirements of the preceding sentence are satisfied. If a Replacement Award is granted, the Replaced Award shall

not vest upon the Change in Control. The determination whether the conditions of this Section 10(c) are satisfied shall be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

(d) *Termination of Service.* Notwithstanding any other provision of this Plan to the contrary and unless otherwise determined by the Committee and set forth in the applicable Award Agreement, upon a Termination of Service of a Participant by the Company without Cause (excluding a Termination of Service due to the Participant's death or Disability) within 24 months following a Change in Control, (i) all Replacement Awards held by such Participant shall vest in full, be free of restrictions, and be deemed to be earned in full (with respect to Performance Goals, unless otherwise agreed in connection with the Change in Control, at the greater of (x) the applicable target level and (y) the level of achievement of the Performance Goals for the Award as determined by the Committee taking into account performance through the latest date preceding the Termination of Service as to which performance can, as a practical matter, be determined (but not later than the end of the applicable performance period)), and (ii) unless otherwise provided in the applicable Award Agreement, notwithstanding any other provision of this Plan to the contrary, any Stock Option or Stock Appreciation Right held by the Participant as of the date of the Change in Control that remains outstanding as of the date of such Termination of Service may thereafter be exercised until the expiration of the stated full Term of such Nonqualified Stock Option or Stock Appreciation Right.

(e) *Definition of Change in Control.* For purposes of this Plan, a "Change in Control" shall mean the occurrence of any of the following events:

(i) An acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 30% or more of either (1) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (2) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); *provided, however,* that for purposes of this subsection (i), the following acquisitions shall not constitute a Change in Control: (1) any acquisition directly from the Company; (2) any acquisition by the Company; (3) any acquisition by one or more Investors; (4) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by the Company; or (5) any acquisition by any entity pursuant to a transaction that complies with clauses (1), (2) and (3) of subsection (iii) of this Section 10(e); or

(ii) A change in the composition of the Board such that the individuals who, as of the Effective Date, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; *provided, however,* that any individual who becomes a member of the Board subsequent to the Effective Date whose election, or nomination for election by the Company's shareholders, was approved by a

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vote of at least a majority of those individuals who are members of the Board and who were also members of the Incumbent Board (or deemed to be such pursuant to this proviso) shall be considered as though such individual were a member of the Incumbent Board; *provided further*, that any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board shall not be considered as a member of the Incumbent Board; or

(iii) The consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company or any of its Subsidiaries or sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or securities of another entity by the Company or any of its Subsidiaries (a "*Business Combination*"), in each case, unless, following such Business Combination:

(1) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock (or, for a noncorporate entity, equivalent securities) and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors (or, for a noncorporate entity, equivalent securities), as the case may be, of the entity resulting from such Business Combination (including an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be; (2) no Person (excluding any entity resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 30% or more of, respectively, the then outstanding shares of common stock (or, for a noncorporate entity, equivalent securities) of the entity resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such entity except to the extent that such ownership existed prior to the Business Combination; and (3) at least a majority of the members of the board of directors (or, for a noncorporate entity, equivalent body or committee) of the entity resulting from such Business Combination were members of the Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iv) The approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

Notwithstanding any other provision of this Plan, any Award Agreement or any Individual Agreement, with respect to any Award that constitutes "nonqualified deferred compensation" within the meaning of Section 409A of the Code, a Change in Control shall not constitute a settlement or distribution event with respect to such Award, or an event that otherwise changes the timing of settlement or distribution of such Award, unless the Change in Control also constitutes an event described in Section 409A(a)(2)(v) of the Code and the regulations thereto. For the avoidance of doubt, this paragraph shall have no bearing on whether an Award vests pursuant to the terms of this Plan or the applicable Award Agreement or Individual Agreement.

#### **SECTION 11. Term, Termination and Amendment**

(a) *Effectiveness.* This Plan will be effective as of the date of the Company's initial public offering (the "Effective Date").

(b) *Termination.* This Plan shall terminate on the tenth anniversary of the Effective Date. Awards outstanding as of such date shall not be affected or impaired by the termination of this Plan.

(c) *Amendments.* The Committee may amend, alter, or discontinue this Plan or an Award, provided that no amendment, alteration or discontinuation shall be made that would materially impair the rights of the Participant with respect to a previously granted Award without such Participant's consent, except to the extent necessary to comply with applicable law, including Section 409A of the Code, Applicable Exchange listing standards or accounting rules. In addition, no amendment shall be made without the approval of the Company's shareholders to the extent such approval is required by applicable law or the listing standards of the Applicable Exchange or as contemplated by Section 5(c).

#### **SECTION 12. Miscellaneous Provisions**

(a) *Conditions for Issuance.* The Committee may require each person purchasing or receiving Shares pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the Shares without a view to the distribution thereof. The certificates for such Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer. Notwithstanding any other provision of this Plan or agreements made pursuant thereto, the Company shall not be required to issue or deliver any Shares (whether in certificated or book entry form) under this Plan prior to fulfillment of all of the following conditions: (i) listing or approval for listing upon notice of issuance, of such Shares on the Applicable Exchange; (ii) any registration or other qualification of such Shares of the Company under any state or federal law or regulation, or the maintaining in effect of any such registration or other qualification that the Committee shall, in its absolute discretion upon the advice of counsel, deem necessary or advisable; and (iii) obtaining any other consent, approval, or permit from any state or federal governmental agency that the Committee shall, in its absolute discretion determine to be necessary or advisable.

(b) *Additional Compensation Arrangements.* Nothing contained in this Plan shall prevent the Company or any Subsidiary or Affiliate from adopting other or additional compensation arrangements for its employees.

(c) *No Contract of Employment.* This Plan shall not constitute a contract of employment, and adoption of this Plan shall not confer upon any employee any right to continued employment, nor shall it interfere in any way with the right of the Company or any Subsidiary or Affiliate to terminate the employment of any employee at any time.

(d) *Taxes.*

(i) Withholding. No later than the date as of which an amount first becomes includible in the gross income of a Participant for federal, state, local or foreign income or employment or other tax purposes with respect to any Award under this Plan, such Participant shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any federal, state, local or foreign taxes of any kind required by law to be withheld with respect to such amount. Unless otherwise determined by the Company, withholding obligations may be settled with Common Stock, including Common Stock that is part of the Award that gives rise to the withholding requirement, having a Fair Market Value on the date of withholding equal to the amount to be withheld for tax purposes, all in accordance with such procedures as the Committee establishes. The obligations of the Company under this Plan shall be conditional on such payment or arrangements, and the Company and its Affiliates shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to such Participant. The Committee may establish such procedures as it deems appropriate, including making irrevocable elections, for the settlement of withholding obligations with Common Stock; provided, however, unless otherwise subsequently determined by the Committee, with respect to a Participant subject to Section 16 of the Exchange Act, the withholding of Shares by the Company or any of its Affiliates to satisfy tax, exercise price or other withholding obligations in respect of an Award shall be mandatory.

(ii) Section 409A. This Plan and the Awards hereunder are intended to comply with the requirements of Section 409A of the Code or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A of the Code, it is intended that this Plan be administered in all respects in accordance with Section 409A of the Code. Each payment under any Award shall be treated as a separate payment for purposes of Section 409A of the Code. In no event may a Participant, directly or indirectly, designate the calendar year of any payment to be made under any Award that constitutes nonqualified deferred compensation subject to Section 409A of the Code. Notwithstanding any other provision of this Plan or any Award Agreement to the contrary, if a Participant is a "specified employee" within the meaning of Section 409A of the Code (as determined in accordance with the methodology established by the Company), amounts that constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code that otherwise would be payable by reason of a Participant's Separation from Service during the six-month period immediately following such Separation from Service shall instead be paid or provided on the first business day following the date that is six months following the Participant's Separation from Service or any earlier date permitted by Section 409A of the Code. If the Participant dies following the Separation from Service and prior to the payment of any amounts delayed on account of Section 409A of the Code, such amounts shall be paid to the personal representative of the Participant's estate within 30 days following the date of the Participant's death.

(e) *Limitation on Dividend Reinvestment and Dividend Equivalents.* Reinvestment of dividends in additional Restricted Stock at the time of any dividend payment, and the payment of Shares with respect to dividends to Participants holding Awards of Restricted Stock Units or Other Stock-Based Awards, shall only be permissible if sufficient Shares are available under Section 3 for such reinvestment or payment (taking into account then-outstanding Awards). If sufficient Shares are not available for such reinvestment or payment, such reinvestment or payment shall be made in the form of a grant of Restricted Stock Units or Other Stock-Based Awards equal in number to the Shares that would have been obtained by such payment or reinvestment, the terms of which Restricted Stock Units or Other Stock-Based Awards shall provide for settlement in cash and for dividend equivalent reinvestment in further Restricted Stock Units or Other Stock-Based Awards on the terms contemplated by this Section 12(e). Unless otherwise determined by the Committee, any dividends or dividend equivalents credited with respect to any Award shall be subject to the same time and/or performance-based vesting conditions applicable to such Award and shall, if vested, be delivered or paid at the same time as such Award.

(f) *Designation of Death Beneficiary.* The Committee shall establish such procedures as it deems appropriate for a Participant to designate a beneficiary to whom any amounts payable in the event of such Participant's death are to be paid or by whom any rights of such eligible Individual, after such Participant's death, may be exercised.

(g) *Subsidiary Employees.* In the case of a grant of an Award to any employee of a Subsidiary, the Company may, if the Committee so directs, issue or transfer the Shares, if any, covered by the Award to the Subsidiary, for such lawful consideration as the Committee may specify, upon the condition or understanding that the Subsidiary will transfer the Shares to the employee in accordance with the terms of the Award specified by the Committee pursuant to the provisions of this Plan. All Shares underlying Awards that are forfeited or canceled revert to the Company.

(h) *Governing Law and Interpretation.* This Plan and all Awards made and actions taken hereunder shall be governed by and construed in accordance with the laws of the State of Delaware, without reference to principles of conflict of laws. The captions of this Plan are not part of the provisions hereof and shall have no force or effect. Whenever the words "include," "includes" or "including" are used in this Plan, they shall be deemed to be followed by the words "but not limited to" and the word "or" shall be understood to mean "and/or."

(i) *Non-Transferability.* Except as otherwise provided in Sections 5(h) or as determined by the Committee, Awards under this Plan are not transferable except by will or by laws of descent and distribution.

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(j) *Unfunded Status of the Plan.* It is intended that this Plan constitute an “unfunded” plan. Neither the Company nor the Committee shall have any obligation to segregate assets or establish a trust or other arrangements to meet the obligations created under this Plan. Any liability of the Company to any Participant with respect to an Award shall be based solely upon contractual obligation created by this Plan and the Award Agreement. No such obligation shall be deemed to be secured by any pledge or encumbrance on the property of the Company.



**EXECUTIVE COMPENSATION AGREEMENT**

This Executive Compensation Agreement (this "Agreement") is entered into effective as of January 1, 2019 (the "Effective Date"), by and between Guild Mortgage Company, a California corporation ("Guild"), and Mary Ann McGarry ("McGarry"), as follows:

1. **Term.** The term of this Agreement shall commence on the Effective Date, and continue until the first anniversary of the Effective Date (the "Term"). Upon the expiration of the Term, this Agreement shall automatically renew on the same basis as set forth in this Agreement for consecutive 1 year terms, unless McGarry and Guild (a) mutually agree, in writing, to terminate this Agreement; (b) enter into a later Executive Compensation Agreement; or (c) McGarry's employment with Guild is terminated by Guild or McGarry pursuant to the terms of this Agreement.

2. **Base Salary.** During the Term, Guild shall pay to McGarry an annual base salary of \$600,000 (the "Base Salary"). The Base Salary shall be paid at least monthly at such times and in such manner as is consistent with Guild's regular payroll practices and policies. Guild shall deduct and withhold all necessary Social Security and withholding taxes and any other similar amounts required by law from any compensation paid to McGarry.

3. **Annual Bonus.** In addition to the Base Salary, McGarry will be eligible for an annual bonus equal to 44.5% of the Incentive Pool (as defined in Exhibit A attached hereto) ("the Bonus"). The Incentive Pool is based on Guild's annual return on average equity ("ROAE" determined as described in Exhibit A). The Bonus shall be cumulative and determined on an annual basis and paid within 30 days of the end of the Term.

4. **Termination.** If McGarry's at-will employment with Guild is terminated by Guild during the Term, whether voluntarily or involuntarily, Guild shall pay to McGarry the Base Salary payable to McGarry up to and including the last day of McGarry's employment. In addition, Guild shall calculate and pay the Bonus to McGarry within 30 days after the end of the Term. For purposes of this Section 4, the Bonus will be calculated pro rata as of the last day of McGarry's employment by (a) multiplying the Bonus to which she would have been entitled as of the last day of the Term, if then employed, by the percentage of the calendar year that elapsed prior to the date of her termination, and (b) then subtracting from the amount determined pursuant to Section 4(a) any quarterly draws paid prior to termination in accordance with Section 3.

5. **Release of Claims.** In addition to the payments described in Paragraph 4, if McGarry's at-will employment with Guild is terminated by Guild during the Term, with or without cause, or if ill health permanently prevents her from performing all her responsibilities as President and Chief Executive Officer, upon receipt of an executed waiver and release (in a form acceptable to Guild) of all claims which McGarry may then or in the future have against Guild or any of its shareholders, directors, officers or employees, Guild shall pay to McGarry \$600,000, in 24 monthly installments of \$25,000.00 beginning 30 days after the last day of McGarry's employment with Guild.

6. **Nonsolicitation.** In the event of the early termination of this Agreement by McGarry or Guild or expiration of the Term, McGarry shall not directly or indirectly, for a period of 1 year following the date of McGarry's termination, employ or solicit for employment any individual (including any branch manager or loan officer) who is, has agreed to be, or within 1 year of such employment or solicitation has been employed by Guild or any of its affiliates.

7. Miscellaneous. This Agreement (including Exhibit A attached to this Agreement) comprises the entire agreement between McGarry and Guild relating to the subject matter hereof, and shall supersede all other written and oral understandings or agreements relating to the subject matter hereof, including, but not limited to, all prior Executive Compensation Agreements by and between Guild and McGarry. This Agreement and the rights, interest and obligations of Guild hereunder shall be assignable to and shall inure to the benefit of any assignee of Guild. This Agreement is not assignable by McGarry. Guild and McGarry have each participated in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by Guild and McGarry and no presumption or burden of proof shall arise favoring or disfavoring Guild or McGarry by virtue of the authorship of any of the provisions of this Agreement. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of California. Guild and McGarry agree that any action by either party to enforce the terms of this Agreement shall be exclusively brought by the other party an appropriate state or federal court in San Diego County, California and waives all objections based upon lack of jurisdiction or improper or inconvenient venue of any such court. Guild and McGarry intend and agree that if a court of competent jurisdiction determines that the scope of any provision of this Agreement is too broad to be enforced as written, the court should reform such provisions to such narrower scope as it determines to be enforceable. Guild and McGarry further agree that if any provision of this Agreement is determined to be unenforceable for any reason, and such provision cannot be reformed by the court as anticipated above, such provision shall be deemed separate and severable and the unenforceability of any such provisions shall not invalidate or render unenforceable any of the remaining provisions hereof.

GUILD MORTGAGE COMPANY,  
a California corporation

By: /s/ Michael C. Meyer  
Michael C. Meyer, Chairman

/s/ Mary Ann McGarry  
Mary Ann McGarry

**EXHIBIT A**

1. "Pre-Tax Profit" shall be defined as the pre-tax profit and loss set forth on Guild's monthly Value Added P&L Recap with an adjustment to add back any book entry to recapture or impairment of servicing rights.
2. "Partner Group" shall include: Mary Ann McGarry, Terry Schmidt, Cathy Blocker, Mike Rish and Linda Scott.
3. "ROAE" shall be defined as (a) the Pre-Tax Profit during the applicable calendar year during the Term, divided by (b) the average of the book value of Guild as reflected on Guild's balance sheet as of the last day of each calendar quarter during such calendar year.
4. "Incentive Pool" shall be calculated in tiers based on ROAE as follows:

Tier	ROAE	Incentive Pool
0	Less than 15.00%	\$750,000
1	15.00% - 19.99%	\$875,000
2	20.00% - 24.99%	\$1,750,000
3	25.00% - 29.99%	\$2,625,000
4	30.00%	\$3,500,000
5	Greater than 30.00%	\$3,500,000 plus an additional amount to be mutually determined by Guild's Chief Executive Officer and Chairman of the Board

The Incentive Pool will then be distributed among the Partner Group based on a predetermined allocation, in accordance with the Executive Compensation Agreements of the Partner Group; provided, however, in the event the Incentive Pool is based on Tier 0, the Incentive Pool shall be allocated based on each member of the Partner Group's individual performance, as determined in the sole discretion of the Chief Executive Officer, rather than the predetermined allocations. For tiers 1-5, McGarry's percentage shall be calculated on 44.5% of the Incentive Pool.

5. For purposes of illustration only and not as any guaranty, McGarry has the potential of earning the following compensation during the initial calendar year of the Term:

**Example 1:**

<i>Pre-Tax Profit:</i>	<i>\$99,718,492</i>
<i>3/31/19 Book Value:</i>	<i>\$454,384,973</i>
<i>6/30/19 Book Value:</i>	<i>\$477,805,502</i>
<i>9/30/19 Book Value:</i>	<i>\$496,740,705</i>
<i>12/31/19 Book Value:</i>	<i>\$509,123,548</i>
<i>ROAE:</i>	<i>21%</i>
<i>Incentive Pool:</i>	<i>\$1,750,000</i>

Salary	\$600,000
Annual bonus (based on 44.5% of Incentive Pool)	<u>\$778,971</u>
Total	\$1,378,971

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**Example 2:**

<i>Pre-Tax Profit:</i>	\$125,000,000
<i>3/31/19 Book Value:</i>	\$454,384,973
<i>6/30/19 Book Value:</i>	\$477,805,502
<i>9/30/19 Book Value:</i>	\$496,740,705
<i>12/31/19 Book Value:</i>	\$509,123,548
<i>ROAE:</i>	25.80%
<i>Incentive Pool:</i>	\$2,625,000

Salary	\$600,000
Annual bonus (based on 44.5% of Incentive Pool)	<u>\$1,168,456</u>
Total	\$1,768,456

**EXECUTIVE COMPENSATION AGREEMENT**

This Executive Compensation Agreement (this "Agreement") is entered into effective as of January 1, 2019 (the "Effective Date"), by and between Guild Mortgage Company, a California corporation ("Guild"), and Terry Schmidt ("Schmidt"), as follows:

1. **Term.** The term of this Agreement shall commence on the Effective Date, and continue until the first anniversary of the Effective Date (the "Term"). Upon the expiration of the Term, this Agreement shall automatically renew on the same basis as set forth in this Agreement for consecutive 1 year terms, unless Schmidt and Guild (a) mutually agree, in writing, to terminate this Agreement; (b) enter into a later Executive Compensation Agreement; or (c) Schmidt's employment with Guild is terminated by Guild or Schmidt pursuant to the terms of this Agreement.

2. **Base Salary.** During the Term, Guild shall pay to Schmidt an annual base salary of \$425,000 (the "Base Salary"). The Base Salary shall be paid at least monthly at such times and in such manner as is consistent with Guild's regular payroll practices and policies. Guild shall deduct and withhold all necessary Social Security and withholding taxes and any other similar amounts required by law from any compensation paid to Schmidt.

3. **Annual Bonus.** In addition to the Base Salary, Schmidt will be eligible for an annual bonus equal to 36.7% of the Incentive Pool (as defined in Exhibit A attached hereto) ("the Bonus"). The Incentive Pool is based on Guild's annual return on average equity ("ROAE" determined as described in Exhibit A). The Bonus shall be cumulative and determined on an annual basis and paid within 30 days of the end of the Term.

4. **Termination.** If Schmidt's at-will employment with Guild is terminated by Guild during the Term, whether voluntarily or involuntarily, Guild shall pay to Schmidt the Base Salary payable to Schmidt up to and including the last day of Schmidt's employment. In addition, Guild shall calculate and pay the Bonus to Schmidt within 30 days after the end of the Term. For purposes of this Section 4, the Bonus will be calculated pro rata as of the last day of Schmidt's employment by (a) multiplying the Bonus to which she would have been entitled as of the last day of the Term, if then employed, by the percentage of the calendar year that elapsed prior to the date of her termination, and (b) then subtracting from the amount determined pursuant to Section 4(a) any quarterly draws paid prior to termination in accordance with Section 3.

5. **Release of Claims.** In addition to the payments described in Paragraph 4, if Schmidt's at-will employment with Guild is terminated by Guild during the Term, with or without cause, or if ill health permanently prevents her from performing all her responsibilities as Chief Financial Officer, upon receipt of an executed waiver and release (in a form acceptable to Guild) of all claims which Schmidt may then or in the future have against Guild or any of its shareholders, directors, officers or employees, Guild shall pay to Schmidt \$425,000, in 24 monthly installments of \$17,708.33 beginning 30 days after the last day of Schmidt's employment with Guild.

6. **Nonsolicitation.** In the event of the early termination of this Agreement by Schmidt or Guild or expiration of the Term, Schmidt shall not directly or indirectly, for a period of 1 year following the date of Schmidt's termination, employ or solicit for employment any individual (including any branch manager or loan officer) who is, has agreed to be, or within 1 year of such employment or solicitation has been employed by Guild or any of its affiliates.

7 . Miscellaneous. This Agreement (including Exhibit A attached to this Agreement) comprises the entire agreement between Schmidt and Guild relating to the subject matter hereof, and shall supersede all other written and oral understandings or agreements relating to the subject matter hereof, including, but not limited to, all prior Executive Compensation Agreements by and between Guild and Schmidt. This Agreement and the rights, interest and obligations of Guild hereunder shall be assignable to and shall inure to the benefit of any assignee of Guild. This Agreement is not assignable by Schmidt. Guild and Schmidt have each participated in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by Guild and Schmidt and no presumption or burden of proof shall arise favoring or disfavoring Guild or Schmidt by virtue of the authorship of any of the provisions of this Agreement. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of California. Guild and Schmidt agree that any action by either party to enforce the terms of this Agreement shall be exclusively brought by the other party an appropriate state or federal court in San Diego County, California and waives all objections based upon lack of jurisdiction or improper or inconvenient venue of any such court. Guild and Schmidt intend and agree that if a court of competent jurisdiction determines that the scope of any provision of this Agreement is too broad to be enforced as written, the court should reform such provisions to such narrower scope as it determines to be enforceable. Guild and Schmidt further agree that if any provision of this Agreement is determined to be unenforceable for any reason, and such provision cannot be reformed by the court as anticipated above, such provision shall be deemed separate and severable and the unenforceability of any such provisions shall not invalidate or render unenforceable any of the remaining provisions hereof.

GUILD MORTGAGE COMPANY,  
a California corporation

By: /s/ Mary Ann McGarry  
Mary Ann McGarry, CEO

/s/ Terry Schmidt  
Terry Schmidt

**EXHIBIT A**

1. "Pre-Tax Profit" shall be defined as the pre-tax profit and loss set forth on Guild's monthly Value Added P&L Recap with an adjustment to add back any book entry to recapture or impairment of servicing rights.
2. "Partner Group" shall include: Mary Ann McGarry, Terry Schmidt, Cathy Blocker, Mike Rish and Linda Scott.
3. "ROAE" shall be defined as (a) the Pre-Tax Profit during the applicable calendar year during the Term, divided by (b) the average of the book value of Guild as reflected on Guild's balance sheet as of the last day of each calendar quarter during such calendar year.
4. "Incentive Pool" shall be calculated in tiers based on ROAE as follows:

Tier	ROAE	Incentive Pool
0	Less than 15.00%	\$750,000
1	15.00% - 19.99%	\$875,000
2	20.00% - 24.99%	\$1,750,000
3	25.00% - 29.99%	\$2,625,000
4	30.00%	\$3,500,000
5	Greater than 30.00%	\$3,500,000 plus an additional amount to be mutually determined by Guild's Chief Executive Officer and Chairman of the Board

The Incentive Pool will then be distributed among the Partner Group based on a predetermined allocation, in accordance with the Executive Compensation Agreements of the Partner Group; provided, however, in the event the Incentive Pool is based on Tier 0, the Incentive Pool shall be allocated based on each member of the Partner Group's individual performance, as determined in the sole discretion of the Chief Executive Officer, rather than the predetermined allocations. For tiers 1--5, Schmidt's percentage shall be calculated on 36.7% of the Incentive Pool.

5. For purposes of illustration only and not as any guaranty, Schmidt has the potential of earning the following compensation during the initial calendar year of the Term:

**Example 1:**

<i>Pre-Tax Profit:</i>	<i>\$99,718,492</i>
<i>3/31/19 Book Value:</i>	<i>\$454,384,973</i>
<i>6/30/19 Book Value:</i>	<i>\$477,805,502</i>
<i>9/30/19 Book Value:</i>	<i>\$496,740,705</i>
<i>12/31/19 Book Value:</i>	<i>\$509,123,548</i>
<i>ROAE:</i>	<i>21%</i>
<i>Incentive Pool:</i>	<i>\$1,750,000</i>

Salary	\$425,000
Annual bonus (based on 36.7% of Incentive Pool)	<u>\$642,359</u>
Total	\$1,067,359

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**Example 2:**

<i>Pre-Tax Profit:</i>	\$125,000,000
<i>3/31/19 Book Value:</i>	\$454,384,973
<i>6/30/19 Book Value:</i>	\$477,805,502
<i>9/30/19 Book Value:</i>	\$496,740,705
<i>12/31/19 Book Value:</i>	\$509,123,548
<i>ROAE:</i>	25.80%
<i>Incentive Pool:</i>	\$2,625,000

Salary	\$425,000
Annual bonus (based on 36.7% of Incentive Pool)	<u>\$963,538</u>
Total	\$1,388,538





**GUILD MORTGAGE COMPANY'S  
EMPLOYMENT AGREEMENT**

This EMPLOYMENT AGREEMENT ("Agreement"), dated as of **January 1, 2016** ("Effective Date"), between Guild Mortgage Company ("Company") and **Barry Horn** ("Employee") (collectively, the "Parties").

WHEREAS, the Parties desire that Employee work in the employment of Company as the Executive Vice President of National Production of the Company's retail branch offices; and

WHEREAS, the Parties desire to set forth their agreement with respect to such employment in this Agreement; this agreement supersedes and replaces any prior statement or agreement with respect to Employee's employment and compensation;

NOW, THEREFORE, in consideration of the promises and mutual covenants set forth herein, the consideration for which receipt and sufficiency are hereby acknowledged, the Parties agree as follows:

**ARTICLE 1 – EMPLOYMENT DUTIES**

- 1.1 Commencement. On the terms set forth herein, Company employs Employee, and Employee agrees to be employed by Company as provided for herein.
- 1.2 General Duties.
- (a) Employee shall assist Company in the management of and supervise the business operations of the Retail Branches. In this regard, Employee's managerial functions (collectively "Managerial Duties") shall include without limitation:
    - (i) Supervising at least two (2) full time employees;
    - (ii) Developing and maintaining an attitude of teamwork, establish a culture consistent with Company's corporate mission statements, and ensuring employees abide by Company Policies (as defined below);
    - (iii) Reviewing revenue, expenses, commission, and other financial worksheets and materials related to the activities in the Retail Production, remaining cognizant of their contents, modifying Retail Production efforts to keep results in line with expectations, and preparing and submitting periodic production projections and other reports in accordance with Company Policies and Company's expectations;
    - (iv) Developing and maintaining a network of relationships with existing and prospective clients, promoting the image and reputation of Company as creative, dynamic and competitive, expanding Company's market share through the promotion of Company's business and sales, and actively holding, and ensuring attendance by Retail Production employees, sales meetings, training seminars, and other events;
    - (v) Approving a budget for the Retail Production branch offices and for the fiscal supervision thereof, as prepared by the Branch Managers, and subject to approval by the Company's Chief Financial Officer;
    - (vi) Assist Company's management in the development of a successful group of branch offices in the Retail Production; and
    - (vii) Assist and cooperate with Company in responding to investor inquiries related to loans originated in the Retail Production *e.g.*, documentation of deficiencies, repurchases, etc.).
  - (b) Employee shall also perform any other or additional duties that are assigned by Company from time to time or that are contained in this Agreement or in the manuals, guidelines, memoranda, e-mails and other materials that set forth the Company's policies and procedures ("Company Policies").
  - (c) Employee shall remain subject to the direction and oversight of the Company's board of directors, CEO and President and shall report directly to Mary Ann McGarry, CEO and President (such person, as well as the Company's board of directors, shall be referred to herein, collectively and individually, as the "Supervisory Personnel").
- 1.3 Duty to Comply with Company Policies. Employee shall comply with all duties and requirements imposed on Employee, as a regional manager and employee, as set forth in the Company Policies, and shall cause all employees of Company who are assigned to work at the Retail Production branch offices (the "Production Employees") to comply with the Company Policies. The Company Policies are effective as of the date of

issuance, unless otherwise specified. Company may modify the Company Policies at any time in its sole discretion.

- 1.4 Duty of Loyalty. Employee shall devote appropriate time and attention to his/her activities for and on behalf of Company. Employee shall assist and work for only the Company and no other employer, lender, broker or other entity, and shall not engage in any way in any mortgage lending or brokering, loan processing or underwriting services, loan modification services, real estate sales or acquisition, closing, settlement or title-related services, credit repair, credit counseling, borrower assistance or other business or service of the same or similar nature. Additionally, Employee may not own an interest in any entity engaging in any such activities, other than a passive investment of less than one percent (1%), without the prior written consent of Company.
- 1.5 Regulatory Compliance. Employee is familiar with and shall comply, and cause the Production Employees to comply, with the Company Policies and all applicable federal, state and local laws, ordinances, rules, regulations, guidelines and other requirements pertaining to the mortgage banking industry, to the business of Company, and to the origination, processing, underwriting, closing, or funding of mortgages, or other activities of the Company, including but not limited to the Equal Credit Opportunity Act, Gramm-Leach-Bliley Act, Truth in Lending Act, Real Estate Settlement Procedures Act, USA PATRIOT Act, Home Mortgage Disclosure Act, Federal Trade Commission Act, Telemarketing and Consumer Fraud and Abuse Prevention Act, Fair Credit Reporting Act, Fair Housing Act, Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (the "SAFE Act"), Dodd-Frank Wall Street reform and Consumer Protection Act and all related regulations to the foregoing Acts, and all similar federal, state and local laws, rules, regulations and requirements, federal and state telemarketing and do-not-call laws, rules and regulations, and all applicable guidelines and requirements of the United States Department of Housing and Urban Development ("HUD"), Department of Veterans Affairs ("VA"), Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"), Federal National Mortgage Association ("FNMA" or "Fannie Mae"), Government National Mortgage Association ("GNMA" or "Ginnie Mae"), United States Department of Agriculture ("USDA") and all other applicable agencies, investors and insurers (altogether, the Company Policies and all such applicable laws, rules, regulations, guidelines and other requirements are referred to herein as the "Applicable Requirements"), in each case as amended from time to time. Employee agrees to develop and maintain his/her knowledge and understanding of all such Applicable Requirements. For purposes of emphasis, and without limitation of the foregoing, for the entire terms of this Agreement, Employee shall:
- (a) Not charge, nor allow any Production Employee to charge, any consumer any fees in excess of that permitted under Applicable Requirements;
  - (b) Ensure compliance with all applicable (i) federal licensing and registration requirements, including without limitation those pursuant to the SAFE Act, (ii) state licensing and registration requirements of each state where Employee or any Production Employee engages in loan origination activities, and (iii) the registration and compliance requirements of the Nationwide Mortgage Licensing System Registry ("NMLSR"), for all Production Employees; and
  - (c) Comply with the provisions of the final rule revising Regulation Z to add provisions on loan originator compensation and steering, published by Federal Reserve Board on September 24, 2010 (75 Fed. Reg. 58509), as it may be amended from time to time.
- 1.6 Certain Restrictions and Requirements.
- (a) Except as expressly provided herein, Employee will not, and shall have no authority to (and will not permit the Production Employees to):
    - (i) Enter into, act on behalf of, or bind Company with respect to any contract, commitment or agreement, unless Employee has first been expressly authorized in writing by any of the Supervisory Personnel.
    - (ii) Control the underwriting process.
    - (iii) Close or arrange for the closing of any loan in the name of any person or entity other than Company, unless authorized in advance by any of the Supervisory Personnel.
    - (iv) Use any name, trade name, trade mark, service mark or logo of Company or an affiliate of Company for advertising, marketing or other business purposes without the prior written approval of any of the Supervisory Personnel.
    - (v) Incur any expenses or obligations on behalf of Company unless permitted in the Company Policies or unless any of the Supervisory Personnel provides its prior written approval. Employee shall promptly submit invoices and other supporting documentation for reimbursement of permitted expenses in accordance with the Company Policies.
    - (vi) Undertake or implement any business development plans or activities, without the prior approval of any of the Supervisory Personnel.

- (vii) Use any forms or documents in connection with any application or origination of any loan, other than those forms and documents provided to the Branch by Company or otherwise approved by Company. If Employee or a Production Employee desires to use any form or document not provided by Company, Employee must first submit the item to Company for approval.
  - (viii) Use any Company e-mail addresses or technology, other than for the performance of Employee's and the Production Employees' respective duties on behalf of Company. Notwithstanding the foregoing, Employee is permitted to make limited use of Company e-mail addresses and technology for purposes other than the performance of Employee's duties on behalf of Company, provided such use is reasonable and in compliance with applicable federal, state and local law.
  - (b) Employee shall cause all underwriting for the Retail Production's branch offices shall be performed in accordance with the procedures and standards imposed by Company or provided in the Company Policies. All underwriters must be qualified and experienced underwriters, as determined by Company, and shall be under the supervision of and report to Company's Corporate Underwriting Supervisor. Delegation of underwriting authority will be based on performance and at the sole discretion of any of the Supervisory Personnel.
  - (c) Employee shall not cause the Company or any branch office of the Company to incur any expenses in the excess of \$15,000 or outside the ordinary course of business without the prior written consent of any of the Supervisory Personnel.
- 1.7 Remittance of Funds. Employee shall cause fees, charges, funds, and other amounts received by Employee, by any Production Employee or by the Region's branch offices to be remitted to the applicable office of Company in accordance with Company Policies.
- 1.8 Certain Employee Representations. Without limiting any obligations of Employee, Employee hereby represents and warrants to Company at all times during employment as follows:
- (a) Employee's employment with Company will not violate or conflict with any obligations Employee owes to any individual or entity, including without limitation, obligations arising out of or relating to (i) any non-compete, non-disclosure, non-solicitation or confidentiality agreements or provisions, and (ii) any prior employer or employment.
  - (b) Employee knows of no reason why Employee could not or should not accept an offer of employment from Company, or otherwise be employed by Company. Employee has not been subject to any investigation or sanction of any type, or denied any license or approval, by any federal, state or local government, quasi-government and private industry authority, including but not limited to any licensing authority.
- 1.9 Committing Rates and Pricing. Employee shall manage the Region and impose procedures necessary to ensure that loans are consistently locked in accordance with Company Policies and locked with Company's secondary marketing department with the same program, rate and price that were committed to the customer.
- 1.10 Truthfulness. At all times during the term of this Agreement, Employee agrees not to withhold or misrepresent material facts with regard to an applicant's income, assets, investments, debts, obligations, circumstances and information on the subject property. It is Employee's obligation and responsibility to disclose any and all information regarding an applicant's state of affairs that would customarily be taken into consideration in the evaluation of an applicant's creditworthiness. At no time will Employee advise an applicant to provide, or assist an applicant in providing, inaccurate information in relation to a loan application.
- 1.11 Forwarding Notices. Within three (3) days of the receipt thereof, Employee shall forward to Company's principal office, marked to the attention of Chief Compliance Officer, all notices received by Employee or any Production Employee related to any compliance, legal, regulatory matters, including but not limited to notices from any regulatory agencies, legal summons, garnishments, attachments, executions, noticed of intended legal or administrative action, and any other notices which may require a response by Company.

## **ARTICLE II – EMPLOYEES**

- 2.1. Production Employees. Company shall be entitled to conduct interviews and background checks on all Production Employees prior to their hire date by Company, in the same manner as Company might or could do in making any other employee hiring decision generally. All Production Employees will be hired as new employees of Company, and Company shall have no liability or responsibility for any obligation or liability related to any period of time prior to the time of such hiring. While Company will consider Employee recommendations regarding hiring, discipline and termination, all decisions to hire, terminate and discipline employees shall be made solely by Company and are solely within Company's discretion. Employee shall, and shall cause Production Employees to, participate in training sessions as required by Company from time to time.

### ARTICLE III – TERM AND TERMINATION

- 3.1 At-Will Employment. Notwithstanding anything to the contrary herein: (a) the Parties hereby agree and acknowledge that the employment relationship between them is wholly an “at-will” relationship, and neither Party shall have any obligation (whether arising by law, implication, custom or otherwise) to extend, maintain or continue Employee’s employment with Company; (b) Employee’s employment can be terminated at will, with or without cause, and with or without reason, at any time, upon notice; (c) no employee or representative of Company has the authority to modify this at will nature of the employment except for the President of Company, and any such modification must be in a specific written agreement signed by both Employee and Company by its President.
- 3.2 Termination upon Death or Disability. If employee dies while employed hereunder, Employee’s employment and Employee’s rights to compensation hereunder shall automatically terminate (without notice) at the close of business on the date on which death occurs. Company shall pay Employee any compensation earned by Employee as of the date of such termination in accordance with the normal payroll practices of Company or as otherwise required under applicable law.
- 3.3 Company Property. All loans initiated and handled by Employee while employed by Company, and all related information, shall at all times remain the sole and exclusive property of Company. Employee agrees to promptly return to Company immediately upon request, at any time, and upon termination of employment, all Company property, including office keys, access cards, any electronic communications equipment issued by the Company, documents, files, correspondence and notes, containing or relating to Confidential Materials (defined below), and including but not limited to information obtained from the customers and prospective customers contacted by Employee, and the loans handled by Employee, while employed by Company, without keeping any copies. Employee shall assist Company in securing all original loan files and copies thereof, as requested by Company.

### ARTICLE IV – COMPENSATION AND BENEFITS

- 4.1 Compensation. At all times during Employee’s employment, as full compensation, Company hereby agrees to pay Employee as set forth below and in the commission schedule attached hereto as Exhibit A. The Company at all times shall have the right to modify the applicable compensation formula on a prospective basis upon notice to Employee. Compensation shall be paid to Employee at such times and in a manner consistent with Company Policies as may be in effect from time to time.
- 4.2 Benefits. While employed by Company, Employee shall be entitled to the rights and benefits under any employee benefit plans provided by Company to similarly situated employees.
- 4.3 Compensation at End of Employment. Upon cessation of Employee’s employment, for any reason, Employee shall be paid any compensation earned up to and including the date employment ends. Except as otherwise expressly provided herein, or required by applicable law, Employee shall not be entitled to any further compensation, including (but not limited to) draws, benefits, fringe benefits, commissions, or bonuses, as applicable.
- 4.4 Sole Compensation. Other than as provided for in this Article IV, Employee shall not be entitled to any other compensation or benefits.

### ARTICLE V – MISCELLANEOUS PROVISIONS

- 5.1 Severability. The invalidity or unenforceability of any term or provision contained in this Agreement shall not void or impair the remaining provisions hereof, which shall remain in full force and effect as if such invalid or unenforceable provision had never been contained herein.
- 5.2 Modifications, Alterations and Amendments. Company reserves the right to modify, alter or amend this Agreement prospectively upon written notice to Employee. Such modifications shall not affect commissions earned but not paid. Employee’s continued employment after written notice of the modification, alteration or amendment shall constitute Employee’s acceptance of the modification, alteration or amendment. No modification, alteration or amendment of Employee’s at-will status is effective, however, unless it is in writing and signed by Employee and an officer of Company.
- 5.3 Further Assurances. Employee agrees to execute, acknowledge and deliver or cause to be executed, acknowledged and delivered all such further documents that Company reasonably deems necessary or appropriate to carry out the terms and provisions of this Agreement.
- 5.4 No Waiver. No waiver by Company of any condition, or the breach of any term, covenant, representation or warranty contained herein, whether by conduct or otherwise, by Employee in any one or more instances shall be deemed or construed as a further or continuing waiver of any such term, condition, representation or warranty set forth in the Agreement. Any waiver must be in writing in order to be enforceable against Company.

- 5.5 Successors and Assigns . Company may assign its rights and duties hereunder provided that the assignee is the successor, by operation of law or otherwise, to the business of Company. Employee's rights and obligations under this Agreement shall not be assignable absent Company's prior written consent, which Company may withhold in its sole and absolute discretion.
- 5.6 Survival. Notwithstanding anything herein to the contrary, Section 1.7, 3.3, 4.3, and 4.4, and Article VI shall survive termination of this Agreement and/or termination or resignation of Employee's employment with Company.
- 5.7 Notice. Any and all notices, demands or requests required or permitted to be given under this Agreement shall be given in writing and sent, by registered or certified U.S. mail, return receipt requested, by hand, or by overnight courier, addressed to the other Party hereto at its address set forth below, or such other address as such Party may from time-to-time designate by written notice, given in accordance with the terms of this Section.

If to Company:  
Guild Mortgage Company  
5898 Copley Drive, 4th Floor  
San Diego, CA 92111

If to Employee, to the address provided in connection with the signature line below or to the most current address on file in Company records.

Notice shall be deemed effective: (a) on the date hand delivered, (b) on the first business day following the sending thereof by overnight courier, and (c) on the fifth calendar day (or, if it is not a business day, then the next succeeding business day thereafter) after the depositing thereof into the exclusive custody of the U.S. Postal Service, except for a notice of change of address, which shall be deemed effective only upon receipt.

- 5.8 Construction. In the event of an ambiguity or if a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. The Section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- 5.9 No Third-Party Beneficiaries. This Agreement is not intended, and shall not be deemed, to confer upon or give rights to any person except as otherwise expressly provided herein.
- 5.10 Counterparts. This Agreement may be executed in any number of counterparts, and each such counterpart shall be deemed an original instrument.
- 5.11 Entire Agreement. This Agreement sets forth all the promises, covenants, agreements and conditions between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, expressed or implied, oral, written or otherwise, except as set forth herein.
- 5.12 Cooperation. At all times during and after separation of employment, the Parties hereto shall cooperate in effecting an orderly transition of the business contemplated by this Agreement to avoid any interruption in the handling of the business contemplated by this Agreement.
- 5.13 Consultation. Employee agrees and acknowledges that, prior to signing, Company has granted Employee sufficient time to review the Agreement, including allowing Employee (in Employee's sole discretion) to take the Agreement home for further study and review. Employee further understands that the terms and conditions of this Agreement may be negotiated. Company has encouraged Employee to freely discuss the terms of this Agreement with others, including any lawyer of Employee's choosing, prior to signing.
- 5.14 No Reliance. Employee is not resigning Employee's employment or relocating a residence in reliance on any promise or representation by Company regarding any guaranteed length of employment or guaranteed compensation by Company.
- 5.15 Withholding. Employee acknowledges that all compensation earned under this Agreement shall be subject to applicable withholding and deductions.
- 5.16 Incorporation. The attachments identified in this Agreement constitute a part of this Agreement and are hereby expressly and specifically incorporated herein by reference in their entirety as if fully set forth in this Agreement. Employee is also required acknowledge and understand the terms described in Exhibit B to this Agreement entitled "Employee Confidentiality and Restrictive Covenant Agreement".

IN WITNESS WHEREOF, the Parties hereto have caused their names to be hereunto subscribed, all as of the day and year first above written.

<u>Barry Horn</u>	DocuSigned by: <u>/s/ Barry Horn</u>	<u>6/21/2016</u>
Employee Name	Employee Signature	Date

<u>Mary Ann McGarry</u>	DocuSigned by: <u>/s/ Mary Ann McGarry</u>	<u>5/4/2016</u>
Manager Name	Manager Signature	Date

**EXHIBIT A**  
**EXECUTIVE EMPLOYEE COMPENSATION**

Employee's compensation shall be determined and calculated in accordance with this Exhibit A. Notwithstanding anything to the contrary herein, the timing of payments of compensation shall at all times be subject to Company's Policies regarding payroll practices in effect from time to time, and Company may, in its sole and absolute discretion, change the commission amounts and formulas set forth in this Exhibit A, and the manner and schedule of payment, at any time, but no such change will affect any compensation already earned by Employee as of the date the change is announced.

I. Base Salary. For each pay period, Employee shall earn compensation equal a Base Salary.

A. Base Salary. "Base Salary" means **\$31,250.00 a month**, but under no circumstances in an amount less than equal to the minimum amount per workweek required by applicable local, state and federal law, which is paid in accordance with applicable Company Policies.

II. Volume Override. Employee is eligible to receive a Volume Override calculated on all retail production. All calculations shall be made by the Company and shall be final and binding, absent manifest error.

**0.6 basis point on all In-House Loan closings**

The Volume Override will be earned and paid out on the last payroll of the following month, in accordance with Company payroll practices in effect, as may be revised from time to time. For example, January override based on all In-House Loans closed in January will be considered earned and paid at the end of February. A Volume Override is not calculable until it is earned.

III. Quarterly Bonus. Employee is eligible to receive a Quarterly Bonus per the Regional Contribution Report as prepared by the Company's Finance Department.

**0.95% of total Region Contribution less acquisition earn-out payments.**

Regional Contribution is defined as the total of Region Income, Marketing Income and Operation Center Contributions minus Region Expense and the Corporate Costs.

The Quarterly Bonus calculation is based on the income and expense achieved for the calendar year and is calculated on a year-to-date cumulative basis. This bonus shall be paid in quarterly draws equal to 75% of the cumulative year-to-date bonus no later than 45 days following the end of the first (May 15), second (August 15), and third (October 15) quarters and a final payment no later than 90 days following the end of the year (March 31) in an amount that represents 100% of the actual Quarterly Bonus due and not previously paid. With regard to any partial year, Employee shall not be entitled to any compensation with respect to the period prior to the date of this Agreement or after the date it terminates.

See attached example of Executive Employee Compensation.

C. Calculations. All calculations shall be made by the Company and shall be final and binding, absent manifest error.

IV. Definitions:

A "Basis Point" is equal to one hundredth of one percentage point (0.01%) of the gross loan amount stated in the Note at settlement.

An "In-House Loan" is defined as a company closed and funded residential mortgage loan that is (a) closed and funded by Company in accordance with Applicable Requirements, in the period in which the Override Amount is calculated; and (b) not unfunded, cancelled or rescinded for any reason within five (5) days after settlement.

- V. Separation Payments. Because Volume Override is considered, among other things, a retention incentive, the employee must be employed through the entire calendar month to be eligible to earn a Volume Override. If the employee is eligible to earn a Monthly Override, it will be paid when earned as defined in this Exhibit A.

Because Quarterly Bonus is considered, among other things, a retention incentive, the employee must be employed through the entire calendar quarter to be eligible to earn a Quarterly Bonus. If the employee is eligible to earn a Quarterly Bonus, it will be paid when earned as defined in this Exhibit A.

- VI. Leaves of Absence. During unpaid leaves of absences of any nature, Employee will not be eligible to earn any Volume Override or Quarterly Bonus. However, any Volume Override or Quarterly Bonus earned prior to the start of the unpaid leave of absence will be paid in accordance with this Exhibit.

- VII. Periodic Reviews. Periodically, Company will evaluate the commission amounts paid to its employees based on factors such as loan performance, transaction volume, and current market conditions, and prospectively revise the compensation it agrees to pay to Employee. Company shall have the right, at its sole discretion, to modify this compensation schedule (Exhibit A), in whole or in part, at any time. In such event, Company shall issue and deliver to Employee a new Exhibit A which reflects such changes which shall, as of the effective date stated thereon, supersede and replace the prior Exhibit A.

This Exhibit A will apply to all loan closings occurring on or after **January 1, 2016**, until such time that the Agreement or this Exhibit A is modified.

Barry Horn	DocuSigned by: /s/ Barry Horn	6/21/2016
Employee Name	Employee Signature	Date
Mary Ann McGarry	DocuSigned by: /s/ Mary Ann McGarry	5/4/2016
Manager Name	Manager Signature	Date





**GUILD MORTGAGE COMPANY'S  
SENIOR VICE PRESIDENT EMPLOYMENT AGREEMENT**

This SENIOR VICE PRESIDENT EMPLOYMENT AGREEMENT ("Agreement"), dated as of January 1, 2016 ("Effective Date"), between Guild Mortgage Company ("Company") and David Neylan ("Employee") (collectively, the "Parties").

WHEREAS, the Parties desire to set forth their agreement with respect to such employment in this Agreement;

NOW, THEREFORE, in consideration of the promises and mutual covenants set forth herein, the consideration for which receipt and sufficiency are hereby acknowledged, the Parties agree as follows:

**ARTICLE 1 – EMPLOYMENT DUTIES**

- 1.1 Commencement. On the terms set forth herein, Company employs Employee, and Employee agrees to be employed by Company as provided for herein.
- 1.2 General Duties.
- (a) Employee shall assist Company in the management of and supervise the business operations of the Region. In this regard, Employee's managerial functions (collectively "Managerial Duties") shall include without limitation:
    - (i) Supervising at least two (2) full time employees;
    - (ii) Developing and maintaining an attitude of teamwork, establish a culture consistent with Company's corporate mission statements, and ensuring employees abide by Company Policies (as defined below);
    - (iii) Reviewing revenue, expenses, commission, and other financial worksheets and materials related to the activities in the Region, remaining cognizant of their contents, modifying Region efforts to keep results in line with expectations, and preparing and submitting periodic production projections and other reports in accordance with Company Policies and Company's expectations;
    - (iv) Developing and maintaining a network of relationships with existing and prospective clients, promoting the image and reputation of Company as creative, dynamic and competitive, expanding Company's market share through the promotion of Company's business and sales, and actively holding, and ensuring attendance by Region employees, sales meetings, training seminars, and other events;
    - (v) Approving a budget for the Region's branch offices and for the fiscal supervision thereof, as prepared by the Branch Managers, and subject to approval by the Company's Chief Financial Officer;
    - (vi) Assist Company's management in the development of a successful group of branch offices in the Region; and
    - (vii) Assist and cooperate with Company in responding to investor inquiries related to loans originated in the Region ~~g.~~, documentation of deficiencies, repurchases, etc.).
  - (b) Employee shall also perform any other or additional duties that are assigned by Company from time to time or that are contained in this Agreement or in the manuals, guidelines, memoranda, e-mails and other materials that set forth the Company's policies and procedures ("Company Policies").
- 1.3 Duty to Comply with Company Policies. Employee shall comply with all duties and requirements imposed on Employee, as a Senior Vice President and employee, as set forth in the Company Policies, and shall cause all employees of Company who are assigned to work at the Region's branch offices (the "Region Employees") to comply with the Company Policies. The Company Policies are effective as of the date of issuance, unless otherwise specified. Company may modify the Company Policies at any time in its sole discretion.
- 1.4 Duty of Loyalty. Employee shall devote appropriate time and attention to his/her activities for and on behalf of Company. Employee shall assist and work for only the Company and no other employer, lender, broker or other entity, and shall not engage in any way in any mortgage lending or brokering, loan processing or underwriting services, loan modification services, real estate sales or acquisition, closing, settlement or title-related services, credit repair, credit counseling, borrower assistance or other business or service of the same or similar nature.

Guild Senior Vice President

Additionally, Employee may not own an interest in any entity engaging in any such activities, other than a passive investment of less than one percent (1%), without the prior written consent of Company.

1.5 Regulatory Compliance. Employee is familiar with and shall comply, and cause the Region Employees to comply, with the Company Policies and all applicable federal, state and local laws, ordinances, rules, regulations, guidelines and other requirements pertaining to the mortgage banking industry, to the business of Company, and to the origination, processing, underwriting, closing, or funding of mortgages, or other activities of the Company, including but not limited to the Equal Credit Opportunity Act, Gramm-Leach-Bliley Act, Truth in Lending Act, Real Estate Settlement Procedures Act, USA PATRIOT Act, Home Mortgage Disclosure Act, Federal Trade Commission Act, Telemarketing and Consumer Fraud and Abuse Prevention Act, Fair Credit Reporting Act, Fair Housing Act, Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (the "SAFE Act"), Dodd-Frank Wall Street reform and Consumer Protection Act and all related regulations to the foregoing Acts, and all similar federal, state and local laws, rules, regulations and requirements, federal and state telemarketing and do-not-call laws, rules and regulations, and all applicable guidelines and requirements of the United States Department of Housing and Urban Development ("HUD"), Department of Veterans Affairs ("VA"), Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"), Federal National Mortgage Association ("FNMA" or "Fannie Mae"), Government National Mortgage Association ("GNMA" or "Ginnie Mae"), United States Department of Agriculture ("USDA") and all other applicable agencies, investors and insurers (altogether, the Company Policies and all such applicable laws, rules, regulations, guidelines and other requirements are referred to herein as the "Applicable Requirements"), in each case as amended from time to time. Employee agrees to develop and maintain his/her knowledge and understanding of all such Applicable Requirements. For purposes of emphasis, and without limitation of the foregoing, for the entire terms of this Agreement, Employee shall:

- (a) Not charge, nor allow any Region Employee to charge, any consumer any fees in excess of that permitted under Applicable Requirements;
- (b) Ensure compliance with all applicable (i) federal licensing and registration requirements, including without limitation those pursuant to the SAFE Act, (ii) state licensing and registration requirements of each state where Employee or any Region Employee engages in loan origination activities, and (iii) the registration and compliance requirements of the Nationwide Mortgage Licensing System Registry ("NMLSR"), for all Region Employees; and
- (c) Comply with the provisions of the final rule revising Regulation Z to add provisions on loan originator compensation and steering, published by Federal Reserve Board on September 24, 2010 (75 Fed. Reg. 58509), as it may be amended from time to time.

1.6 Certain Restrictions and Requirements.

- (a) Except as expressly provided herein, Employee will not, and shall have no authority to (and will not permit the Region Employees to):
  - (i) Enter into, act on behalf of, or bind Company with respect to any contract, commitment or agreement, unless Employee has first been expressly authorized in writing by an officer of Company.
  - (ii) Control the underwriting process.
  - (iii) Close or arrange for the closing of any loan in the name of any person or entity other than Company, unless authorized in advance by Company.
  - (iv) Use any name, trade name, trade mark, service mark or logo of Company or an affiliate of Company for advertising, marketing or other business purposes without the prior written approval of an officer of Company.
  - (v) Incur any expenses or obligations on behalf of Company unless permitted in the Company Policies or unless Company provides its prior written approval. Employee shall promptly submit invoices and other supporting documentation for reimbursement of permitted expenses in accordance with the Company Policies.
  - (vi) Undertake or implement any business development plans or activities, without the prior approval of Company.
  - (vii) Use any forms or documents in connection with any application or origination of any loan, other than those forms and documents provided to the Branch by Company or otherwise approved by Company. If Employee or a Region Employee desires to use any form or document not provided by Company, Employee must first submit the item to Company for approval.
  - (viii) Use any Company e-mail addresses or technology, other than for the performance of Employee's and

Guild Senior Vice President

the Region Employees' respective duties on behalf of Company. Notwithstanding the foregoing, Employee is permitted to make limited use of Company e-mail addresses and technology for purposes other than the performance of Employee's duties on behalf of Company, provided such use is reasonable and in compliance with applicable federal, state and local law.

- (b) All underwriting for the Region's branch offices shall be performed in accordance with the procedures and standards imposed by Company or provided in the Company Policies. All underwriters must be qualified and experienced underwriters, as determined by Company, and shall be under the supervision of and report to Company's Corporate Underwriting Supervisor. Delegation of underwriting authority will be based on performance and at the sole discretion of Company.
  - (c) Employee shall not cause the Region or any branch office in the Region to incur any expenses in the excess of \$7,500 or outside the ordinary course of business without the prior written consent of Company.
- 1.7 Remittance of Funds. Employee shall cause fees, charges, funds, and other amounts received by Employee, by any Region Employee or by the Region's branch offices to be remitted to the applicable office of Company in accordance with Company Policies.
- 1.8 Certain Employee Representations. Without limiting any obligations of Employee, Employee hereby represents and warrants to Company at all times during employment as follows:
- (a) Employee's employment with Company will not violate or conflict with any obligations Employee owes to any individual or entity, including without limitation, obligations arising out of or relating to (i) any non-compete, non-disclosure, non-solicitation or confidentiality agreements or provisions, and (ii) any prior employer or employment.
  - (b) Employee knows of no reason why Employee could not or should not accept an offer of employment from Company, or otherwise be employed by Company. Employee has not been subject to any investigation or sanction of any type, or denied any license or approval, by any federal, state or local government, quasi-government and private industry authority, including but not limited to any licensing authority.
- 1.9 Committing Rates and Pricing. Employee shall manage the Region and impose procedures necessary to ensure that loans are consistently locked in accordance with Company Policies and locked with Company's secondary marketing department with the same program, rate and price that were committed to the customer.
- 1.10 Truthfulness. At all times during the term of this Agreement, Employee agrees not to withhold or misrepresent material facts with regard to an applicant's income, assets, investments, debts, obligations, circumstances and information on the subject property. It is Employee's obligation and responsibility to disclose any and all information regarding an applicant's state of affairs that would customarily be taken into consideration in the evaluation of an applicant's creditworthiness. At no time will Employee advise an applicant to provide, or assist an applicant in providing, inaccurate information in relation to a loan application.
- 1.11 Forwarding Notices. Within three (3) days of the receipt thereof, Employee shall forward to Company's principal office, marked to the attention of Senior Vice President, Retail Production Manager, all notices received by Employee, including notices from any regulatory agencies, legal summons, garnishments, attachments, executions, noticed of intended legal or administrative action, and any other notices which may require a response by Company.

## **ARTICLE II – EMPLOYEES**

- 2.1 Region Employees. Company shall be entitled to conduct interviews and background checks on all Region Employees prior to their hire date by Company, in the same manner as Company might or could do in making any other employee hiring decision generally. All Region Employees will be hired as new employees of Company, and Company shall have no liability or responsibility for any obligation or liability related to any period of time prior to the time of such hiring. While Company will consider Employee recommendations regarding hiring, discipline and termination, all decisions to hire, terminate and discipline employees shall be made solely by Company and are solely within Company's discretion. Employee shall, and shall cause Region Employees to, participate in training sessions as required by Company from time to time.

## **ARTICLE III – TERM AND TERMINATION**

- 3.1 At-Will Employment. Notwithstanding anything to the contrary herein: (a) the Parties hereby agree and acknowledge that the employment relationship between them is wholly an "at-will" relationship, and neither Party shall have any obligation (whether arising by law, implication, custom or otherwise) to extend, maintain or continue Employee's employment with Company; (b) Employee's employment can be terminated at will, with or

Guild Senior Vice President

without cause, and with or without reason, at any time, upon notice; (c) no employee or representative of Company has the authority to modify this at will nature of the employment except for the President of Company, and any such modification must be in a specific written agreement signed by both Employee and Company by its President.

- 3.2 Termination upon Death. If employee dies while employed hereunder, Employee's employment and Employee's rights to compensation hereunder shall automatically terminate (without notice) at the close of business on the date on which disability occurs. Company shall pay Employee any compensation earned by Employee as of the date of such termination in accordance with the normal payroll practices of Company or as otherwise required under applicable law. .
- 3.3 Company Property. All loans initiated and handled by Employee while employed by Company, and all related information, shall at all times remain the sole and exclusive property of Company. Employee agrees to promptly return to Company immediately upon request, at any time, and upon termination of employment, all Company property, including office keys, access cards, any electronic communications equipment issued by the Company, documents, files, correspondence and notes, containing or relating to Confidential Materials (defined below), and including but not limited to information obtained from the customers and prospective customers contacted by Employee, and the loans handled by Employee, while employed by Company, without keeping any copies. Employee shall assist Company in securing all original loan files and copies thereof, as requested by Company.

#### **ARTICLE IV – COMPENSATION AND BENEFITS**

- 4.1. Compensation. At all times during Employee's employment, as full compensation, Company hereby agrees to pay Employee as set forth below and in Exhibit A. The Company at all times shall have the right to modify the applicable compensation formula on a prospective basis upon notice to Employee. Compensation shall be paid to Employee at such times and in a manner consistent with Company Policies as may be in effect from time to time.
- 4.2. Benefits. While employed by Company, Employee shall be entitled to the rights and benefits under any employee benefit plans provided by Company to similarly situated employees.
- 4.3. Sole Compensation. Other than as provided for in this Article IV, Employee shall not be entitled to any other compensation or benefits.

#### **ARTICLE V – MISCELLANEOUS PROVISIONS**

- 5.1 Severability. The invalidity or unenforceability of any term or provision contained in this Agreement shall not void or impair the remaining provisions hereof, which shall remain in full force and effect as if such invalid or unenforceable provision had never been contained herein.
- 5.2 Modifications, Alterations and Amendments. Company reserves the right to modify, alter or amend this Agreement prospectively upon written notice to Employee. Such modifications shall not affect commissions earned but not paid. Employee's continued employment after written notice of the modification, alteration or amendment shall constitute Employee's acceptance of the modification, alteration or amendment. No modification, alteration or amendment of Employee's at-will status is effective, however, unless it is in writing and signed by Employee and an officer of Company.
- 5.3 Further Assurances. Employee agrees to execute, acknowledge and deliver or cause to be executed, acknowledged and delivered all such further documents that Company reasonably deems necessary or appropriate to carry out the terms and provisions of this Agreement.
- 5.4 No Waiver. No waiver by Company of any condition, or the breach of any term, covenant, representation or warranty contained herein, whether by conduct or otherwise, by Employee in any one or more instances shall be deemed or construed as a further or continuing waiver of any such term, condition, representation or warranty set forth in the Agreement. Any waiver must be in writing in order to be enforceable against Company.
- 5.5 Successors and Assigns. Company may assign its rights and duties hereunder provided that the assignee is the successor, by operation of law or otherwise, to the business of Company. Employee's rights and obligations under this Agreement shall not be assignable absent Company's prior written consent, which Company may withhold in its sole and absolute discretion.
- 5.6 Survival. Notwithstanding anything herein to the contrary, Section 1.7, 3.3, 4.3, and Article V shall survive termination of this Agreement and/or termination or resignation of Employee's employment with Company.
- 5.7 Notice. Any and all notices, demands or requests required or permitted to be given under this Agreement shall be given in writing and sent, by registered or certified U.S. mail, return receipt requested, by hand, or by

Guild Senior Vice President

overnight courier, addressed to the other Party hereto at its address set forth below, or such other address as such Party may fronttime-to-time designate by written notice, given in accordance with the terms of this Section.

If to Company:  
Guild Mortgage Company  
5898 Copley Drive, 4th Floor  
San Diego, CA 92111

If to Employee, to the address provided in connection with the signature line below or to the most current address on file in Company records.

Notice shall be deemed effective: (a) on the date hand delivered, (b) on the first business day following the sending thereof by overnight courier, and (c) on the fifth calendar day (or, if it is not a business day, then the next succeeding business day thereafter) after the depositing thereof into the exclusive custody of the U.S. Postal Service, except for a notice of change of address, which shall be deemed effective only upon receipt.

- 5.8 Construction. In the event of an ambiguity or if a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. The Section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- 5.9 No Third-Party Beneficiaries. This Agreement is not intended, and shall not be deemed, to confer upon or give rights to any person except as otherwise expressly provided herein.
- 5.10 Counterparts. This Agreement may be executed in any number of counterparts, and each such counterpart shall be deemed an original instrument.
- 5.11 Entire Agreement. This Agreement sets forth all the promises, covenants, agreements and conditions between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, expressed or implied, oral, written or otherwise, except as set forth herein.
- 5.12 Cooperation. At all times during and after separation of employment, the Parties hereto shall cooperate in effecting an orderly transition of the business contemplated by this Agreement to avoid any interruption in the handling of the business contemplated by this Agreement.
- 5.13 Consultation. Employee agrees and acknowledges that, prior to signing, Company has granted Employee sufficient time to review the Agreement, including allowing Employee (in Employee's sole discretion) to take the Agreement home for further study and review. Employee further understands that the terms and conditions of this Agreement may be negotiated. Company has encouraged Employee to freely discuss the terms of this Agreement with others, including any lawyer of Employee's choosing, prior to signing.
- 5.14 No Reliance. Employee is not resigning Employee's employment or relocating a residence in reliance on any promise or representation by Company regarding any guaranteed length of employment or guaranteed compensation by Company.
- 5.15 Withholding. Employee acknowledges that all compensation earned under this Agreement shall be subject to applicable withholding and deductions.
- 5.16 Incorporation. The attachments identified in this Agreement constitute a part of this Agreement and are hereby expressly and specifically incorporated herein by reference in their entirety as if fully set forth in this Agreement. Employee is also required acknowledge and understand the terms described in Exhibit B to this Agreement entitled "Employee Confidentiality and Restrictive Covenant Agreement".

**IN WITNESS WHEREOF**, the Parties hereto have caused their names to be hereunto subscribed, all as of the day and year first above written.

	DocuSigned by:	
David Neylan	/s/ David Neylan	6/17/2016
Employee Name	Employee Signature	Date
	DocuSigned by:	
Mary Ann McGarry	/s/ Mary Ann McGarry	6/17/2016
Manager Name	Manager Signature	Date

Guild Senior Vice President

**EXHIBIT A  
VICE PRESIDENT COMPENSATION**

Employee's compensation shall be determined and calculated in accordance with this Exhibit A. Notwithstanding anything to the contrary herein, the timing of payments of compensation shall at all times be subject to Company's Policies regarding payroll practices in effect from time to time, and Company may, in its sole and absolute discretion, change the commission amounts and formulas set forth in this Exhibit A, and the manner and schedule of payment, at any time, but no such change will affect any compensation already earned by Employee as of the date the change is announced.

**I. Employee Compensation.** For each pay period, Employee shall earn compensation equal to:

- A. Guaranteed Salary. "Guaranteed Salary" means **\$13,000.00 a month**, but under no circumstances in an amount less than equal to the minimum amount per workweek required by applicable local, state and federal law, which is paid in accordance with applicable Company Policies.
- B. Monthly Override Amount. "Override Amount" means the amount paid to Employee for his/her managerial responsibilities. The Monthly Override will be considered earned and paid out 30 days after the end of the performance month in accordance with Company payroll practices in effect, as may be revised from time to time. For example, monthly override for February in-house closed loan volume will be paid at the end of March.
  - **2 Basis Points monthly override on all in-house closed loan production for Corresponding Lending and FIS Tier 2.**
  - **0.75 Basis Point monthly override on all in-house closed loan production for Direct Lending (including 437/1032) and FIS Tier 1.** After each fiscal quarter end, if their in-house closed loan volume is higher than the first tier on the table below, there will be a true-up and the employee will receive the difference between the bps earned per the table below and the basis points paid monthly. The Quarterly True-up will be considered earned and paid out at the end of the month, following the previous quarter, in accordance with Company payroll practices in effect, as may be revised from time to time. For example, monthly override for Q1 in-house closed loan volume will be paid at the end of April.

In-house closed loan volume in Direct Lending (including 437/1032) and FIS Tier 1	Basis Points
\$0 - \$49,999,999	0.75
\$50,000,000 - \$94,999,999	1.50
\$62,500,000 - \$74,999,999	2.25
\$75,000,000 +	3.00

**Definitions.**

A "Basis Point" is equal to one hundredth of one percentage point (0.01%) of the gross loan amount stated in the Note at settlement.

An "In-House Loan" is defined as a company closed and funded residential mortgage loan that is (a) closed and funded by Company in accordance with Applicable Requirements, in the period in which the Override Amount is calculated; and (b) not unfunded, cancelled or rescinded for any reason within five (5) days after settlement.

Vice President Exhibit A

**II. Quarterly Bonus .**

The Quarterly Bonus is based on a calendar quarter, for example the first quarter commences on January 1st and ends on March 30th. The Quarterly Bonus will be paid out at the end of the month, following the previous quarter, in accordance with Company payroll practices in effect, as may be revised from time to time.

**Recapture :**

Employee is eligible to earn a Quarterly Bonus that is based upon the Recapture Report as prepared by Company's Finance Department.

<b>Overall Company Recapture %</b>	<b>Bps on Overall Company Recapture Volume</b>
Financing of a new loan (purchase or refinance) resulting from the payoff of an existing Guild portfolio loan for the same borrower.	
0 – 9.99	0.00
10.00 – 24.99	0.50
25.00 – 29.99	0.75
30.00 – 34.99	1.00
35.00 – 39.99	1.25
40.00 +	1.50

<b>Overall Company Purchase Recapture %</b>	<b>Bps on Overall Company Purchase Recapture Volume</b>
Financing of a new purchase transaction resulting from the payoff of an existing Guild portfolio loan for the same borrower.	
0 – 6.99	1.50
7.00 – 9.99	2.00
10.00 – 12.99	2.50
13.00 – 14.99	3.00
15.00 – 17.99	3.50
18.00 +	4.00

**Direct Lending (including 437/1032) and FIS Tier 1:**

Employee is eligible to earn a Quarterly Bonus that is based upon the Regional Contribution shown per the Regional Contribution Report as prepared by Company's Finance Department for each Region. Regional Contribution is defined as the total of Region Income, Marketing Income and Operation Center Contributions minus Region Expense.

<b>Column A – Regional Contribution in Direct Lending (including 437/1032) and FIS Tier 1 (in Basis Points)</b>	<b>Column B - Quarterly Bonus (in Basis Points)</b>
0 – 35.00	0.25
35.01– 85.00	0.75
85.01 – 135.00	1.25
135.01– 185.00	1.75
185.01– 220.00	2.25
220.01– 255.00	2.75
255.01 +	3.00

Vice President Exhibit A

**Correspondent Lending and FIS Tier 2 (effective beginning 2016 Q3) :**

Employee is eligible to receive a Quarterly Bonus that is based upon the total Region Income less the total Region Expenses for the quarter. The amount in Column A, expressed in Basis Points, is equal to the total Income for the quarter, plus fee income, less any concessions (commitment price less amount due to outside Correspondent Client) and less Expenses for the quarter.

<b>Column A - Net Income in Corresponding Lending and FIS Tier 2 (in Basis Points)</b>	<b>Column B - Quarterly Bonus (in Basis Points)</b>
0 – 4.99	0.5
5.00 – 9.99	1.0
10.00 – 14.99	1.5
15.00 – 19.99	2.0
20.00 – 39.99	2.5
40.00 +	3.5

- A. Regional Net Income or Net Loss. Regional net income ("Net Income") or net loss ("Net Loss") shall be the difference between Region Income (defined below) and Region Expense (defined below) shown per the Profit and Loss Statement ("P&L") as prepared by Company's finance department for each of the Region's branches and then consolidated with the income and expense of the Regional Sales Office.
- (1) For purposes of this Exhibit A, no Net Income can be achieved unless and until all Cumulative Net Losses are offset by subsequent monthly profits of the Region branches and the Regional Sales Office. "Cumulative Net Losses" means any Net Loss that is not subsequently offset by Net Income since the Closing Date. Any Cumulative Net Losses shall be carried forward from month to month on the P&L of the Region's branches without regard to fiscal or contract years until fully offset by profits of the Region's branches.
  - (2) Income and Expenses related to the new branches added to the Region during the year will be excluded from the Quarterly Bonus Calculation for the first two (2) full months of operation if they are negative. After two full months of operation, the cumulative profit (loss) will be included in the cumulative calculation of the Quarterly Bonus. This does not apply to satellite branches.
- B. Region Income.
- (1) "Region Income" shall include the following:
    - (a) All of the actual income generated by the Region's branch offices ("Total Branch Income"), including:
      1. The origination fees collected on loans the Region's branches closed and which are warehoused and setup by the last day of the month or caused to be closed by others (brokered); provided that the checks for brokered loans must be received by Company's accounting department in San Diego by the last day of the month;
      2. Miscellaneous fees collected from application through closing;
      3. Discount overage or loss (all fees paid to other approved mortgage companies will be deducted from discount overage and the net figure will be shown). Discount overage or loss is the difference between the price set by Company's Marketing Department for a particular loan and the actual price at which the loan is funded, where price is expressed as a percentage of par. A positive difference on a particular loan is a discount overage, a negative difference is a discount loss. This discount overage or loss shall apply to FHA, VA, and conventional loans. Under some loan programs, the borrower has the option of obtaining a loan at a higher interest rate in order to obtain what is commonly referred to as a "marketing rebate" on the discount points. The rebate is generally applied towards the borrower's closing costs, including loan origination fees, underwriting, document preparation, processing, credit report, appraisal, title, and escrow fees. All such closing costs and fees paid out of a marketing rebate will be deducted from the discount overage. The standard closing costs and fees vary by region, are set by Company's corporate office, and may vary from time to time.
  - (2) Income shall not include:
    - (a) Net warehouse interest income (or loss);
    - (b) The actual gain or loss which results from purchases of loans by investors; provided, however, that such gain or loss shall be reflected in the P&L of the Regional Office; and
    - (c) Any other additional fees which may be designated in Company's sole discretion as home office fees as they may change from time to time, in Company's sole discretion.

Vice President Exhibit A



(3) Region Income shall be offset by legal expenses incurred as a result of the operations of the Region. Legal expenses shall include the cost of attorney's fees, litigation costs, court fees and settlements of claims, actions or disputes arising from the operations of the Region.

C. **Region Expenses.** "Region Expenses" are amounts equivalent to:

- (1) All of the actual expenses incurred by the Region's branch offices and amounts allocated to the Region's branch offices by the Company ("Total Branch Expenses"), including, but not limited to:
  - (a) Any underwriting functions performed at the branch level;
  - (b) Waived or uncollected borrower fees; and
  - (c) Tolerance errors and other pricing adjustments;
- (2) All of the actual expenses incurred and expenses allocated to the Regional Sales Center, including:
  - (1) All direct business expenses, including personnel, payroll and group insurance expenses, travel, sales rallies and other events, training and education expenses, employee relation expenses, etc. attributable to the Region Sales Center (expenses are to be charged against each month in which services are rendered, or in the case of year-end, the year in which services are rendered)
  - (2) General overhead expenses incurred by the Region Sales Center such as utilities, office materials, supplies and services; rent expenses for furniture, fixtures and equipment;
  - (3) Advertising and marketing costs;
  - (4) Any bonus paid to a branch, district or area manager, assistant manager or other employee within the Region (Employee's Quarterly Bonus will not be considered a Region Expense when calculating the Quarterly Bonus);
  - (5) Employee's salary and override amounts;
  - (6) Administrative staff compensation and services;
  - (7) Errors and Omissions, Liability, Property and Bonding insurance costs; (8) Amounts debited from the Regional Reserve Account; and
- (3) Other reasonable expenses incurred by Company in connection with the Region, as determined by Company in its sole discretion.

III. **Periodic Reviews.** Periodically, Company will evaluate the commission amounts paid to its employees based on factors such as loan performance, transaction volume, and current market conditions, and prospectively revise the compensation it agrees to pay to Employee. Company shall have the right, at its sole discretion, to modify this compensation schedule (Exhibit A), in whole or in part, at any time. In such event, Company shall issue and deliver to Employee a new Exhibit A which reflects such changes which shall, as of the effective date stated thereon, supersede and replace the prior Exhibit A.

This Exhibit A will apply to all loan closings occurring on or after January 1, 2017, until such time that the Agreement or this Exhibit A is modified.

**EMPLOYEE**

By: /s/ David Neylan

Name: David Neylan

Date: 4/24/2017

Vice President Exhibit A

**GUILD MORTGAGE COMPANY**

By: /s/ Mary Ann McGarry

Name: Mary Ann McGarry

Date: 4/24/2017

**THE EXECUTIVE NONQUALIFIED EXCESS PLAN  
PLAN DOCUMENT**

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## THE EXECUTIVE NONQUALIFIED EXCESS PLAN

### **Section 1. Purpose:**

By execution of the Adoption Agreement, the Employer has adopted the Plan set forth herein, and in the Adoption Agreement, to provide a means by which certain management Employees or Independent Contractors of the Employer may elect to defer receipt of current Compensation from the Employer in order to provide retirement and other benefits on behalf of such Employees or Independent Contractors of the Employer, as selected in the Adoption Agreement. The Plan is intended to be a nonqualified deferred compensation plan that complies with the provisions of Section 409A of the Internal Revenue Code (the "Code"). The Plan is also intended to be an unfunded plan maintained primarily for the purpose of providing deferred compensation benefits for a select group of management or highly compensated employees under Sections 201(2), 301(a)(3) and 401(a)(1) of the Employee Retirement Income Security Act of 1974 ("ERISA") and independent contractors. Notwithstanding any other provision of this Plan, this Plan shall be interpreted, operated and administered in a manner consistent with these intentions.

### **Section 2. Definitions:**

As used in the Plan, including this Section 2, references to one gender shall include the other, unless otherwise indicated by the context:

**2.1 "Active Participant"** means, with respect to any day or date, a Participant who is in Service on such day or date; provided, that a Participant shall cease to be an Active Participant (i) immediately upon a determination by the Committee that the Participant has ceased to be an Employee or Independent Contractor, or (ii) at the end

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of the Plan Year that the Committee determines the Participant no longer meets the eligibility requirements of the Plan.

**2.2 “Adoption Agreement”** means the written agreement pursuant to which the Employer adopts the Plan. The Adoption Agreement is a part of the Plan as applied to the Employer.

**2.3 “Beneficiary”** means the person, persons, entity or entities designated or determined pursuant to the provisions of Section 13 of the Plan.

**2.4 “Board”** means the Board of Directors of the Company, if the Company is a corporation. If the Company is not a corporation, “Board” shall mean the Company.

**2.5 “Change in Control Event”** means an event described in Section 409A(a)(2)(A)(v) of the Code (or any successor provision thereto) and the regulations thereunder.

**2.6 “Committee”** means the persons or entity designated in the Adoption Agreement to administer the Plan. If the Committee designated in the Adoption Agreement is unable to serve, the Employer shall satisfy the duties of the Committee provided for in Section 9.

**2.7 “Company”** means the company designated in the Adoption Agreement as such.

**2.8 “Compensation”** shall have the meaning designated in the Adoption Agreement.

**2.9 “Crediting Date”** means the date designated in the Adoption Agreement for crediting the amount of any Participant Deferral Credits or Employer Credits to the Deferred Compensation Account of a Participant.

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**2.10 “Deferred Compensation Account”** means the account or accounts maintained with respect to each Participant under the Plan. The Deferred Compensation Account shall be credited with Participant Deferral Credits and Employer Credits, credited or debited for deemed investment gains or losses, and adjusted for payments in accordance with the rules and elections in effect under Section 8. As permitted in the Adoption Agreement, the Deferred Compensation Account of a Participant may consist of one or more accounts including In-Service or Education Accounts, if applicable. A Participant may elect payment options for each account as described in Section 7.1 and deemed investments for each account as described in Section 8.2.

**2.11 “Disabled or Disability”** means Disabled or Disability within the meaning of Section 409A of the Code and the regulations thereunder. Generally, this means that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering Employees of the Employer.

**2.12 “Education Account”** is an In-Service Account which will be used by the Participant for educational purposes.

**2.13 “Effective Date”** shall be the date designated in the Adoption Agreement.

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**2.14 “Employee”** means an individual in the Service of the Employer if the relationship between the individual and the Employer is the legal relationship of employer and employee. An individual shall cease to be an Employee upon the Employee’s Separation from Service.

**2.15 “Employer”** means the Company, as identified in the Adoption Agreement, and any Participating Employer which adopts this Plan. An Employer may be a corporation, a limited liability company, a partnership or sole proprietorship.

**2.16 “Employer Credits”** means the amounts credited to the Participant’s Deferred Compensation Account by the Employer pursuant to the provisions of Section 4.2.

**2.17 “Grandfathered Amounts”** means, if applicable, the amounts that were deferred under the Plan and were earned and vested within the meaning of Section 409A of the Code and regulations thereunder as of December 31, 2004. Grandfathered Amounts shall be subject to the terms designated in the Plan which were in effect as of October 3, 2004.

**2.18 “Independent Contractor”** means an individual in the Service of the Employer if the relationship between the individual and the Employer is not the legal relationship of employer and employee. An individual shall cease to be an Independent Contractor upon the termination of the Independent Contractor’s Service. An Independent Contractor shall include a director of the Employer who is not an Employee.

**2.19 “In-Service Account”** means a separate account to be kept for each Participant that has elected to take in-service distributions as described in Section 5.4. The In-Service Account shall be adjusted in the same manner and at the same time as the

**2.20 “Normal Retirement Age”** of a Participant means the age designated in the Adoption Agreement.

**2.21 “Participant”** means with respect to any Plan Year an Employee or Independent Contractor who has been designated by the Committee as a Participant and who has entered the Plan or who has a Deferred Compensation Account under the Plan; provided that if the Participant is an Employee, the individual must be a highly compensated or management employee of the Employer within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA.

**2.22 “Participant Deferral Credits”** means the amounts credited to the Participant’s Deferred Compensation Account by the Employer pursuant to the provisions of Section 4.1.

**2.23 “Participating Employer”** means any trade or business (whether or not incorporated) which adopts this Plan with the consent of the Company identified in the Adoption Agreement.

**2.24 “Participation Agreement”** means a written agreement entered into between a Participant and the Employer pursuant to the provisions of Section 4.1

**2.25 “Performance-Based Compensation”** means compensation where the amount of, or entitlement to, the compensation is contingent on the satisfaction of preestablished organizational or individual performance criteria relating to a performance period of at least twelve months. Organizational or individual performance criteria are considered preestablished if established in writing within 90 days after the

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commencement of the period of service to which the criteria relates, provided that the outcome is substantially uncertain at the time the criteria are established. Performance-based compensation may include payments based upon subjective performance criteria as provided in regulations and administrative guidance promulgated under Section 409A of the Code.

**2.26 “Plan”** means The Executive Nonqualified Excess Plan, as herein set out and as set out in the Adoption Agreement, or as duly amended. The name of the Plan as applied to the Employer shall be designated in the Adoption Agreement.

**2.27 “Plan-Approved Domestic Relations Order”** shall mean a judgment, decree, or order (including the approval of a settlement agreement) which is:

2.27.1 Issued pursuant to a State’s domestic relations law;

2.27.2 Relates to the provision of child support, alimony payments or marital property rights to a Spouse, former Spouse, child or other dependent of the Participant;

2.27.3 Creates or recognizes the right of a Spouse, former Spouse, child or other dependent of the Participant to receive all or a portion of the Participant’s benefits under the Plan;

2.27.4 Requires payment to such person of their interest in the Participant’s benefits in a lump sum payment at a specific time; and

2.27.5 Meets such other requirements established by the Committee.

**2.28 “Plan Year”** means the twelve-month period ending on the last day of the month designated in the Adoption Agreement; provided that the initial Plan Year may have fewer than twelve months.

**2.29 “Qualifying Distribution Event”** means (i) the Separation from Service of the Participant, (ii) the date the Participant becomes Disabled, (iii) the death of the Participant, (iv) the time specified by the Participant for an In-Service or Education



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Distribution, (v) a Change in Control Event, or (vi) an Unforeseeable Emergency, each to the extent provided in Section 5.

**2.30 “Seniority Date”** shall have the meaning designated in the Adoption Agreement.

**2.31 “Separation from Service” or “Separates from Service”** means a “separation from service” within the meaning of Section 409A of the Code.

**2.32 “Service”** means employment by the Employer as an Employee. For purposes of the Plan, the employment relationship is treated as continuing intact while the Employee is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Employee’s right to reemployment is provided either by statute or contract. If the Participant is an Independent Contractor, “Service” shall mean the period during which the contractual relationship exists between the Employer and the Participant. The contractual relationship is not terminated if the Participant anticipates a renewal of the contract or becomes an Employee.

**2.33 “Service Bonus”** means any bonus paid to a Participant by the Employer which is not Performance-Based Compensation.

**2.34 “Specified Employee”** means an Employee who meets the requirements for key employee treatment under Section 416(i)(1)(A)(i), (ii) or (iii) of the Code (applied in accordance with the regulations thereunder and without regard to Section 416(i)(5) of the Code) at any time during the twelve month period ending on December 31 of each year (the “identification date”). If the person is a key employee as of any identification date, the person is treated as a Specified Employee for the twelve-month period

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beginning on the first day of the fourth month following the identification date. Unless binding corporate action is taken to establish different rules for determining Specified Employees for all plans of the Company and its controlled group members that are subject to Section 409A of the Code, the foregoing rules and the other default rules under the regulations of Section 409A of the Code shall apply.

**2.35 “Spouse” or “Surviving Spouse”** means, except as otherwise provided in the Plan, a person who is the legally married spouse or surviving spouse of a Participant.

**2.36 “Unforeseeable Emergency”** means an “unforeseeable emergency” within the meaning of Section 409A of the Code.

**2.37 “Years of Service”** means each Plan Year of Service completed by the Participant. For vesting purposes, Years of Service shall be calculated from the date designated in the Adoption Agreement and Service shall be based on service with the Company and all Participating Employers.

**Section 3. Participation:**

The Committee in its discretion shall designate each Employee or Independent Contractor who is eligible to participate in the Plan. A Participant who Separates from Service with the Employer and who later returns to Service will not be an Active Participant under the Plan except upon satisfaction of such terms and conditions as the Committee shall establish upon the Participant’s return to Service, whether or not the Participant shall have a balance remaining in his Deferred Compensation Account under the Plan on the date of the return to Service.

**Section 4. Credits to Deferred Compensation Account:**

**4.1 Participant Deferral Credits.** To the extent provided in the Adoption

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Agreement, each Active Participant may elect, by entering into a Participation Agreement with the Employer, to defer the receipt of Compensation from the Employer by a dollar amount or percentage specified in the Participation Agreement. The amount of Compensation the Participant elects to defer, the Participant Deferral Credit, shall be credited by the Employer to the Deferred Compensation Account maintained for the Participant pursuant to Section 8. The following special provisions shall apply with respect to the Participant Deferral Credits of a Participant:

4.1.1 The Employer shall credit to the Participant's Deferred Compensation Account on each Crediting Date an amount equal to the total Participant Deferral Credit for the period ending on such Crediting Date.

4.1.2 An election pursuant to this Section 4.1 shall be made by the Participant by executing and delivering a Participation Agreement to the Committee. Except as otherwise provided in this Section 4.1, the Participation Agreement shall become effective with respect to such Participant as of the first day of January following the date such Participation Agreement is received by the Committee. A Participant's election may be changed at any time prior to the last permissible date for making the election as permitted in this Section 4.1, and shall thereafter be irrevocable. Any election of a Participant shall continue in effect for the time period as set forth in the Adoption Agreement and shall be described as evergreen or non-evergreen as appropriate.

4.1.3 A Participant may execute and deliver a Participation Agreement to the Committee within 30 days after the date the Participant first becomes eligible to participate in the Plan. After the 30 day period expires, or after any shorter time period as agreed to by the Participant and the Committee, the latest election made by the Participant during that period becomes irrevocable. Such election shall then be effective as of the first payroll period commencing following the date the Participation Agreement becomes irrevocable. Whether a Participant is treated as newly eligible for participation under this Section shall be determined in accordance with Section 409A of the Code and the regulations thereunder, including (i) rules that treat all elective deferral account balance plans as one plan, and (ii) rules that treat a previously eligible Employee as newly eligible if his benefits had been previously distributed or if he has been ineligible for 24 months. For Compensation that is earned based upon a specified performance period (for example, an annual bonus), where a deferral election is made under this Section but after the beginning of the performance period, the election will only apply to the portion of the Compensation equal to the total amount of the Compensation for the service period multiplied by the ratio of the number of days remaining in the performance period after the date the election becomes irrevocable over the total number of days in the performance period.

4.1.4 A Participant may unilaterally modify a Participation Agreement (either to terminate, increase or decrease the portion of his future Compensation which is subject to deferral within the percentage limits set forth in Section 4.1 of the Adoption Agreement) by providing a written modification of the Participation Agreement to the Committee. The modification shall become effective as of the first day of January following the date such written modification is received by the Committee, or at such later date as required under Section 409A of the Code.

4.1.5 If the Participant performed services continuously from the later of the beginning of the performance period or the date upon which the performance criteria are established through the date upon which the Participant makes an initial deferral election, a Participation Agreement relating to the deferral of Performance-Based Compensation may be executed and delivered to the Committee no later than the date which is 6 months prior to the end of the performance period, provided that in no event may an election to defer Performance-Based Compensation be made after such Compensation has become readily ascertainable.

4.1.6 If the Employer has a fiscal year other than the calendar year, Compensation relating to Service in the fiscal year of the Employer (such as a bonus based on the fiscal year of the Employer), of which no amount is paid or payable during the fiscal year, may be deferred at the Participant's election if the election to defer is made not later than the close of the Employer's fiscal year next preceding the first fiscal year in which the Participant performs any services for which such Compensation is payable.

4.1.7 Compensation payable after the last day of the Participant's taxable year solely for services provided during the final payroll period containing the last day of the Participant's taxable year (i.e., December 31) is treated for purposes of this Section 4.1 as Compensation for services performed in the subsequent taxable year.

4.1.8 The Committee may from time to time establish policies or rules consistent with the requirements of Section 409A of the Code to govern the manner in which Participant Deferral Credits may be made.

4.1.9 If a Participant becomes Disabled all currently effective deferral elections for such Participant shall be cancelled. At the time the participant is no longer Disabled, subsequent elections to defer future compensation will be permitted under this Section 4.

4.1.10 If a Participant applies for and receives a distribution on account of an Unforeseeable Emergency, all currently effective deferral elections for such Participant shall be cancelled. Subsequent elections to defer future compensation will be permitted under this Section 4.

4.1.11 If a Participant receives a hardship distribution under Section 1.401(k)-1(d)(3) of the Code, all currently effective deferral elections shall be cancelled.

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Subsequent elections to defer future compensation under this Section 4 will not be effective until the later of the beginning of the next calendar year or six months after the date of the hardship distribution. If the effective date of such an election occurs after the beginning of the next calendar year, as permitted by the Employer, a Participant may make elections for the next calendar year prior to January 1<sup>st</sup> of the next calendar year, but these elections will not become effective until the end of the six month waiting period.

**4.2 Employer Credits.** If designated by the Employer in the Adoption Agreement, the Employer shall cause the Committee to credit to the Deferred Compensation Account of each Active Participant an Employer Credit as determined in accordance with the Adoption Agreement. A Participant must make distribution elections with respect to any Employer Credits credited to his Deferred Compensation Account by the deadline that would apply under Section 4.1 for distribution elections with respect to Participant Deferral Credits credited at the same time, on a Participation Agreement that is timely executed and delivered to the Committee pursuant to Section 4.1. If no distribution election is made, vested amounts in the Deferred Compensation Account will be distributed in a lump sum upon the earliest of any Qualifying Distribution Event limited to Separation from Service, Disability, Death or Change in Control.

**4.3 Deferred Compensation Account.** All Participant Deferral Credits and Employer Credits shall be credited to the Deferred Compensation Account of the Participant as provided in Section 8.

**Section 5. Qualifying Distribution Events:**

**5.1 Separation from Service.** If the Participant Separates from Service with the Employer, the vested balance in the Deferred Compensation Account shall be paid to the Participant by the Employer as provided in Section 7. Notwithstanding the foregoing,

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no distribution shall be made earlier than six months after the date of Separation from Service (or, if earlier, the date of death) with respect to a Participant who as of the date of Separation from Service is a Specified Employee of a corporation the stock in which is traded on an established securities market or otherwise. Any payments to which such Specified Employee would be entitled during the first six months following the date of Separation from Service shall be accumulated and paid on the first day of the seventh month following the date of Separation from Service, and shall be adjusted for deemed investment gain and loss incurred during the six month period.

**5.2 Disability.** If the Employer designates in the Adoption Agreement that distributions are permitted under the Plan when a Participant becomes Disabled, and the Participant becomes Disabled while in Service, the vested balance in the Deferred Compensation Account shall be paid to the Participant by the Employer as provided in Section 7.

**5.3 Death.** If the Participant dies while in Service, the Employer shall pay a benefit to the Participant's Beneficiary in the amount designated in the Adoption Agreement. Payment of such benefit shall be made by the Employer as provided in Section 7.

**5.4 In-Service or Education Distributions.** If the Employer designates in the Adoption Agreement that in-service or education distributions are permitted under the Plan, a Participant may designate in the Participation Agreement to have a specified amount credited to the Participant's In-Service or Education Account for in-service or education distributions at the date specified by the Participant. In no event may an in-service or education distribution of an amount be made before the date that is two years

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after the first day of the year in which any deferral election to such In-Service or Education Account became effective. Notwithstanding the foregoing, if a Participant incurs a Qualifying Distribution Event prior to the date on which the entire balance in the In-Service or Education Account has been distributed, then the vested balance in the In-Service or Education Account on the date of the Qualifying Distribution Event shall be paid as provided under Section 7.1 for payments on such Qualifying Distribution Event.

**5.5 Change in Control Event.** If the Employer designates in the Adoption Agreement that distributions are permitted under the Plan upon the occurrence of a Change in Control Event, the Participant may designate in the Participation Agreement to have the vested balance in the Deferred Compensation Account paid to the Participant upon a Change in Control Event by the Employer as provided in Section 7.

**5.6 Unforeseeable Emergency.** If the Employer designates in the Adoption Agreement that distributions are permitted under the Plan upon the occurrence of an Unforeseeable Emergency event, a distribution from the Deferred Compensation Account may be made to a Participant in the event of an Unforeseeable Emergency, subject to the following provisions:

5.6.1 A Participant may, at any time prior to his Separation from Service for any reason, make application to the Committee to receive a distribution in a lump sum of all or a portion of the vested balance in the Deferred Compensation Account (determined as of the date the distribution, if any, is made under this Section 5.6) because of an Unforeseeable Emergency. A distribution because of an Unforeseeable Emergency shall not exceed the amount required to satisfy the Unforeseeable Emergency plus amounts necessary to pay taxes reasonably anticipated as a result of such distribution, after taking into account the extent to which the Unforeseeable Emergency may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship) or by stopping current deferrals under the Plan pursuant to Section 4.1.10.

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5.6.2 The Participant's request for a distribution on account of Unforeseeable Emergency must be made in writing to the Committee. The request must specify the nature of the financial hardship, the total amount requested to be distributed from the Deferred Compensation Account, and the total amount of the actual expense incurred or to be incurred on account of the Unforeseeable Emergency.

5.6.3 If a distribution under this Section 5.6 is approved by the Committee, such distribution will be made as soon as practicable following the date it is approved. The processing of the request shall be completed as soon as practicable from the date on which the Committee receives the properly completed written request for a distribution on account of an Unforeseeable Emergency. If a Participant's Separation from Service occurs after a request is approved in accordance with this Section 5.6.3, but prior to distribution of the full amount approved, the approval of the request shall be automatically null and void and the benefits which the Participant is entitled to receive under the Plan shall be distributed in accordance with the applicable distribution provisions of the Plan.

5.6.4 The Committee may from time to time adopt additional policies or rules consistent with the requirements of Section 409A of the Code to govern the manner in which such distributions may be made so that the Plan may be conveniently administered.

**Section 6. Vesting:**

A Participant shall be fully vested in the portion of his Deferred Compensation Account attributable to Participant Deferral Credits, and all income, gains and losses attributable thereto. A Participant shall become fully vested in the portion of his Deferred Compensation Account attributable to Employer Credits, and income, gains and losses attributable thereto, in accordance with the vesting schedule and provisions designated by the Employer in the Adoption Agreement. If a Participant's Deferred Compensation Account is not fully vested upon Separation from Service, the portion of the Deferred Compensation Account that is not fully vested shall thereupon be forfeited.

**Section 7. Distribution Rules:**

**7.1 Payment Options.** The Employer shall designate in the Adoption Agreement the payment options which may be elected by the Participant (lump sum, annual installments, or a combination of both). Different payment options may be made



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available for each Qualifying Distribution Event, and different payment options may be available for different types of Separations from Service, all as designated in the Adoption Agreement. The Participant shall elect in the Participation Agreement the method under which the vested balance in the Deferred Compensation Account will be distributed from among the designated payment options. The Participant may at such time elect a different method of payment for each Qualifying Distribution Event as specified in the Adoption Agreement. If the Participant is permitted by the Employer in the Adoption Agreement to elect different payment options and does not make a valid election, the vested balance in the Deferred Compensation Account will be distributed as a lump sum upon the Qualifying Distribution Event.

Notwithstanding the foregoing, if certain Qualifying Distribution Events occur prior to the date on which the vested balance of a Participant's Deferred Compensation Account is completely paid pursuant to this Section 7.1 following the occurrence of certain initial Qualifying Distribution Events, the following rules apply:

7.1.1 If the initial Qualifying Distribution Event is a Separation from Service or Disability, and the Participant subsequently dies, the remaining unpaid vested balance of a Participant's Deferred Compensation Account shall be paid as a lump sum.

7.1.2 If the initial Qualifying Distribution Event is a Change in Control Event, and any subsequent Qualifying Distribution Event occurs (except an In-Service or Education Distribution described in Section 2.29(iv)), the remaining unpaid vested balance of a Participant's Deferred Compensation Account shall be paid as provided under Section 7.1 for payments on such subsequent Qualifying Distribution Event.

**7.2 Timing of Payments.** Payment shall be made in the manner elected by the Participant and shall commence as soon as practicable after (but no later than 60 days after) the distribution date specified for the Qualifying Distribution Event. For each payment, the Committee must specify a date for the Deferred Compensation Account(s)

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to be valued. In the event the Participant fails to make a valid election of the payment method, the distribution will be made in a single lump sum payment as soon as practicable after (but no later than 60 days after) the Qualifying Distribution Event. A payment may be further delayed to the extent permitted in accordance with regulations and guidance under Section 409A of the Code.

**7.3 Installment Payments.** If the Participant elects to receive installment payments upon a Qualifying Distribution Event, the payment of each installment shall be made on the anniversary of the date of the first installment payment, and the amount of the installment shall be adjusted on such anniversary for credits or debits to the Participant's account pursuant to Section 8 of the Plan. Such adjustment shall be made by dividing the balance in the Deferred Compensation Account on such date by the number of installments remaining to be paid hereunder; provided that the last installment due under the Plan shall be the entire amount credited to the Participant's account on the date of payment.

**7.4 De Minimis Amounts.** Notwithstanding any payment election made by the Participant, if the Employer designates a pre-determined de minimis amount in the Adoption Agreement, the vested balance in all Deferred Compensation Accounts of the Participant will be distributed in a single lump sum payment if at the time of a permitted Qualifying Distribution Event the vested balance does not exceed such pre-determined de minimis amount; provided, however, that such distribution will be made only where the Qualifying Distribution Event is a Separation from Service, death, Disability (if applicable) or Change in Control Event (if applicable). Such payment shall be made on or before the later of (i) December 31 of the calendar year in which the Qualifying

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Distribution Event occurs, or (ii) the date that is 2-1/2 months after the Qualifying Distribution Event occurs. In addition, the Employer may distribute a Participant's vested balance in all of the Participant's Deferred Compensation Accounts at any time if the balance does not exceed the limit in Section 402(g)(1)(B) of the Code and results in the termination of the Participant's entire interest in the Plan as provided under Section 409A of the Code.

**7.5 Subsequent Elections.** With the consent of the Committee, a Participant may delay or change the method of payment of the Deferred Compensation Account subject to the following requirements:

7.5.1 The new election may not take effect until at least 12 months after the date on which the new election is made.

7.5.2 If the new election relates to a payment for a Qualifying Distribution Event other than the death of the Participant, the Participant becoming Disabled, or an Unforeseeable Emergency, the new election must provide for the deferral of the payment for a period of at least five years from the date such payment would otherwise have been made.

7.5.3 If the new election relates to a payment from the In-Service or Education Account, the new election must be made at least 12 months prior to the date of the first scheduled payment from such account.

For purposes of this Section 7.5 and Section 7.6, a payment is each separately identified amount to which the Participant is entitled under the Plan; provided, that entitlement to a series of installment payments is treated as the entitlement to a single payment.

**7.6 Acceleration Prohibited.** The acceleration of the time or schedule of any payment due under the Plan is prohibited except as expressly provided in regulations and administrative guidance promulgated under Section 409A of the Code (such as accelerations for domestic relations orders and employment taxes). It is not an

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acceleration of the time or schedule of payment if the Employer waives or accelerates the vesting requirements applicable to a benefit under the Plan.

**7.7 Residual Distributions.** If calculation of the amount of any credit to a Participant's Deferred Compensation Account is not administratively practicable due to events beyond the control of the Employer, payments may be made to the Participant for residual amounts contributed to or remaining in a Deferred Compensation Account after payments under the provisions of this Section 7 have commenced or been completed. The residual amount shall be credited to the Deferred Compensation Account when the calculation of the amount becomes administratively practicable. Examples of residual amounts include, but are not limited to, additional investment returns credited after payment (due to dividends or pricing changes) or additional contributions made after payment (such as an annual bonus deferral or an Employer Credit). Payments that would have been made had the residual amount been calculable at the benefit commencement date shall be made up as soon as practicable after crediting to the Deferred Compensation Account, in no case later than the end of the year in which calculation of the amount becomes administratively practicable.

**7.8 Ineffective Deferrals.** If a Participant deferral election under Section 4 to contribute to an In-Service or Education Account carries over to a subsequent year (an evergreen election) and the deferral election is ineffective (i.e., the distribution election would cause payment in the current or prior years), the amount deferred will be credited to a Deferred Compensation Account that is not an In-Service or Education Account. If the Participant only has one account of this type, the amount deferred will be credited to that account. If the Participant has multiple accounts of this type, and one of the accounts

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has a lump sum at Separation from Service distribution election, the amount deferred will be credited to that account. If the Participant has multiple accounts of this type and does not have an account with a lump sum at Separation from Service distribution election, one will be established with a lump sum at Separation from Service distribution election and the amount deferred will be credited to this account.

**Section 8. Accounts; Deemed Investment; Adjustments to Account:**

**8.1 Accounts.** The Committee shall establish a book reserve account, entitled the "Deferred Compensation Account," on behalf of each Participant. The Committee shall also establish an In-Service or Education Account as a part of the Deferred Compensation Account of each Participant, if applicable. The amount credited to the Deferred Compensation Account shall be adjusted pursuant to the provisions of Section 8.3.

**8.2 Deemed Investments.** The Deferred Compensation Account of a Participant shall be credited with an investment return determined as if the account were invested in one or more investment funds made available by the Committee. The Participant shall elect the investment funds in which his Deferred Compensation Account shall be deemed to be invested. Such election shall be made in the manner prescribed by the Committee and shall take effect upon the entry of the Participant into the Plan. The investment election of the Participant shall remain in effect until a new election is made by the Participant. In the event the Participant fails for any reason to make an effective election of the investment return to be credited to his account, the investment return shall be determined by the Committee.

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**8.3 Adjustments to Deferred Compensation Account.** With respect to each Participant who has a Deferred Compensation Account under the Plan, the amount credited to such account shall be adjusted by the following debits and credits, at the times and in the order stated:

8.3.1 The Deferred Compensation Account shall be debited each business day with the total amount of any payments made from such account since the last preceding business day to him or for his benefit. Unless otherwise specified by the Employer, each deemed investment fund will be debited pro-rata based on the value of the investment funds as of the end of the preceding business day.

8.3.2 The Deferred Compensation Account shall be credited on each Crediting Date with the total amount of any Participant Deferral Credits and Employer Credits to such account since the last preceding Crediting Date.

8.3.3 The Deferred Compensation Account shall be credited or debited on each day securities are traded on a national stock exchange with the amount of deemed investment gain or loss resulting from the performance of the deemed investment funds elected by the Participant in accordance with Section 8.2. The amount of such deemed investment gain or loss shall be determined by the Committee and such determination shall be final and conclusive upon all concerned.

**Section 9. Administration by Committee:**

**9.1 Membership of Committee.** If the Committee consists of individuals appointed by the Board, they will serve at the pleasure of the Board. Any member of the Committee may resign, and his successor, if any, shall be appointed by the Board.

**9.2 General Administration.** The Committee shall be responsible for the operation and administration of the Plan and for carrying out its provisions. The Committee shall have the full authority and discretion to make, amend, interpret, and enforce all appropriate rules and regulations for the administration of this Plan and decide or resolve any and all questions, including interpretations of this Plan, as may arise in connection with this Plan. Any such action taken by the Committee shall be final and conclusive on any party. To the extent the Committee has been granted discretionary

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authority under the Plan, the Committee's prior exercise of such authority shall not obligate it to exercise its authority in a like fashion thereafter. The Committee shall be entitled to rely conclusively upon all tables, valuations, certificates, opinions and reports furnished by any actuary, accountant, controller, counsel or other person employed or engaged by the Employer with respect to the Plan. The Committee may, from time to time, employ agents and delegate to such agents, including Employees of the Employer, such administrative or other duties as it sees fit.

**9.3 Indemnification.** To the extent not covered by insurance, the Employer shall indemnify the Committee, each Employee, officer, director, and agent of the Employer, and all persons formerly serving in such capacities, against any and all liabilities or expenses, including all legal fees relating thereto, arising in connection with the exercise of their duties and responsibilities with respect to the Plan, provided however that the Employer shall not indemnify any person for liabilities or expenses due to that person's own gross negligence or willful misconduct.

**Section 10. Contractual Liability, Trust:**

**10.1 Contractual Liability.** Unless otherwise elected in the Adoption Agreement, the Company shall be obligated to make all payments hereunder. This obligation shall constitute a contractual liability of the Company to the Participants, and such payments shall be made from the general funds of the Company. The Company shall not be required to establish or maintain any special or separate fund, or otherwise to segregate assets to assure that such payments shall be made, and the Participants shall not have any interest in any particular assets of the Company by reason of its obligations hereunder. To the extent that any person acquires a right to receive payment from the

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Company under the Plan, such right shall be no greater than the right of an unsecured creditor of the Company.

**10.2 Trust.** The Employer may establish a trust to assist it in meeting its obligations under the Plan. Any such trust shall conform to the requirements of a grantor trust under Revenue Procedures 92-64 and 92-65 and at all times during the continuance of the trust the principal and income of the trust shall be subject to claims of general creditors of the Employer under federal and state law. The establishment of such a trust would not be intended to cause Participants to realize current income on amounts contributed thereto, and the trust would be so interpreted and administered.

**Section 11. Allocation of Responsibilities:**

The persons responsible for the Plan and the duties and responsibilities allocated to each are as follows:

**11.1 Board.**

- (i) To amend the Plan;
- (ii) To appoint and remove members of the Committee; and
- (iii) To terminate the Plan as permitted in Section 14.

**11.2 Committee.**

- (i) To designate Participants;
- (ii) To interpret the provisions of the Plan and to determine the rights of the Participants under the Plan, except to the extent otherwise provided in Section 16 relating to claims procedure;
- (iii) To administer the Plan in accordance with its terms, except to the extent powers to administer the Plan are specifically delegated to another person or persons as provided in the Plan;
- (iv) To account for the amount credited to the Deferred Compensation Account of a Participant;
- (v) To direct the Employer in the payment of benefits;



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(vi) To file such reports as may be required with the United States Department of Labor, the Internal Revenue Service and any other government agency to which reports may be required to be submitted from time to time; and

(vii) To administer the claims procedure to the extent provided in Section 16.

**Section 12. Benefits Not Assignable; Facility of Payments:**

**12.1 Benefits Not Assignable.** No portion of any benefit credited or paid under the Plan with respect to any Participant shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void, nor shall any portion of such benefit be in any manner payable to any assignee, receiver or any one trustee, or be liable for his debts, contracts, liabilities, engagements or torts.

**12.2 Plan-Approved Domestic Relations Orders.** The Committee shall establish procedures for determining whether an order directed to the Plan is a Plan-Approved Domestic Relations Order. If the Committee determines that an order is a Plan-Approved Domestic Relations Order, the Committee shall cause the payment of amounts pursuant to or segregate a separate account as provided by (and to prevent any payment or act which might be inconsistent with) the Plan-Approved Domestic Relations Order notwithstanding Section 12.1.

**12.3 Payments to Minors and Others.** If any individual entitled to receive a payment under the Plan shall be physically, mentally or legally incapable of receiving or acknowledging receipt of such payment, the Committee, upon the receipt of satisfactory evidence of his incapacity and satisfactory evidence that another person or institution is maintaining him and that no guardian or committee has been appointed for him, may

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cause any payment otherwise payable to him to be made to such person or institution so maintaining him. Payment to such person or institution shall be in full satisfaction of all claims by or through the Participant to the extent of the amount thereof.

**Section 13. Beneficiary:**

The Participant's Beneficiary shall be the person, persons, entity or entities designated by the Participant on the Beneficiary designation form provided by and filed with the Committee or its designee. If the Participant does not designate a Beneficiary, the Beneficiary shall be his Surviving Spouse. If the Participant does not designate a Beneficiary and has no Surviving Spouse, the Beneficiary shall be the Participant's estate. The designation of a Beneficiary may be changed or revoked only by filing a new Beneficiary designation form with the Committee or its designee. If a Beneficiary (the "primary Beneficiary") is receiving or is entitled to receive payments under the Plan and dies before receiving all of the payments due him, the balance to which he is entitled shall be paid to the contingent Beneficiary, if any, named in the Participant's current Beneficiary designation form. If there is no contingent Beneficiary, the balance shall be paid to the estate of the primary Beneficiary. Any Beneficiary may disclaim all or any part of any benefit to which such Beneficiary shall be entitled hereunder by filing a written disclaimer with the Committee before payment of such benefit is to be made. Such a disclaimer shall be made in a form satisfactory to the Committee and shall be irrevocable when filed. Any benefit disclaimed shall be payable from the Plan in the same manner as if the Beneficiary who filed the disclaimer had predeceased the Participant.

**Section 14. Amendment and Termination of Plan:**

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The Company may amend any provision of the Plan or terminate the Plan at any time; provided, that in no event shall such amendment or termination reduce the balance in any Participant's Deferred Compensation Account as of the date of such amendment or termination, nor shall any such amendment materially adversely affect the Participant relating to the payment of such Deferred Compensation Account. Notwithstanding the foregoing, the following special provisions shall apply:

**14.1 Termination in the Discretion of the Employer.** Except as otherwise provided in Sections 14.2, the Company in its discretion may terminate the Plan and distribute benefits to Participants subject to the following requirements and any others specified under Section 409A of the Code:

14.1.1 All arrangements sponsored by the Employer that would be aggregated with the Plan under Section 1.409A-1(c) of the Treasury Regulations are terminated.

14.1.2 No payments other than payments that would be payable under the terms of the Plan if the termination had not occurred are made within 12 months of the termination date.

14.1.3 All benefits under the Plan are paid within 24 months of the termination date.

14.1.4 The Employer does not adopt a new arrangement that would be aggregated with the Plan under Section 1.409A-1(c) of the Treasury Regulations providing for the deferral of compensation at any time within 3 years following the date of termination of the Plan.

14.1.5 The termination does not occur proximate to a downturn in the financial health of the Employer.

**14.2 Termination Upon Change in Control Event.** If the Company terminates the Plan within thirty days preceding or twelve months following a Change in Control Event, the Deferred Compensation Account of each Participant shall become

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payable to the Participant in a lump sum within twelve months following the date of termination, subject to the requirements of Section 409A of the Code.

**Section 15. Communication to Participants:**

The Employer shall make a copy of the Plan available for inspection by Participants and their beneficiaries during reasonable hours at the principal office of the Employer.

**Section 16. Claims Procedure:**

The following claims procedure shall apply with respect to the Plan:

**16.1 Filing of a Claim for Benefits.** If a Participant or Beneficiary (the “claimant”) believes that he is entitled to benefits under the Plan which are not being paid to him or which are not being accrued for his benefit, he shall file a written claim therefore with the Committee.

**16.2 Notification to Claimant of Decision.** Within 90 days after receipt of a claim by the Committee (or within 180 days if special circumstances require an extension of time), the Committee shall notify the claimant of the decision with regard to the claim. In the event of such special circumstances requiring an extension of time, there shall be furnished to the claimant prior to expiration of the initial 90-day period written notice of the extension, which notice shall set forth the special circumstances and the date by which the decision shall be furnished. If such claim shall be wholly or partially denied, notice thereof shall be in writing and worded in a manner calculated to be understood by the claimant, and shall set forth: (i) the specific reason or reasons for the denial; (ii) specific reference to pertinent provisions of the Plan on which the denial is based; (iii) a description of any additional material or information necessary for the claimant to perfect

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the claim and an explanation of why such material or information is necessary; and (iv) an explanation of the procedure for review of the denial and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under ERISA following an adverse benefit determination on review. Notwithstanding the foregoing, if the claim relates to a disability determination, the Committee shall notify the claimant of the decision within 45 days (which may be extended for an additional 30 days if required by special circumstances).

**16.3 Procedure for Review.** Within 60 days following receipt by the claimant of notice denying his claim, in whole or in part, or, if such notice shall not be given, within 60 days following the latest date on which such notice could have been timely given, the claimant may appeal denial of the claim by filing a written application for review with the Committee. Following such request for review, the Committee shall fully and fairly review the decision denying the claim. Prior to the decision of the Committee, the claimant shall be given an opportunity to review pertinent documents and to submit issues and comments in writing.

**16.4 Decision on Review.** The decision on review of a claim denied in whole or in part by the Committee shall be made in the following manner:

16.4.1 Within 60 days following receipt by the Committee of the request for review (or within 120 days if special circumstances require an extension of time), the Committee shall notify the claimant in writing of its decision with regard to the claim. In the event of such special circumstances requiring an extension of time, written notice of the extension shall be furnished to the claimant prior to the commencement of the extension. Notwithstanding the foregoing, if the claim relates to a disability determination, the Committee shall notify the claimant of the decision within 45 days (which may be extended for an additional 45 days if required by special circumstances).

16.4.2 With respect to a claim that is denied in whole or in part, the decision on review shall set forth specific reasons for the decision, shall be written in a manner calculated to be understood by the claimant, and shall set forth:

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- (i) the specific reason or reasons for the adverse determination;
  - (ii) specific reference to pertinent Plan provisions on which the adverse determination is based;
  - (iii) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits; and
  - (iv) a statement describing any voluntary appeal procedures offered by the Plan and the claimant's right to obtain the information about such procedures, as well as a statement of the claimant's right to bring an action under ERISA section 502(a).

16.4.3 The decision of the Committee shall be final and conclusive.

**16.5 Action by Authorized Representative of Claimant.** All actions set forth in this Section 16 to be taken by the claimant may likewise be taken by a representative of the claimant duly authorized by him to act in his behalf on such matters. The Committee may require such evidence of the authority to act of any such representative as it may reasonably deem necessary or advisable.

**Section 17. Miscellaneous Provisions:**

**17.1 Set off.** The Employer may at any time offset a Participant's Deferred Compensation Account by an amount up to \$5,000 to collect the amount of any loan, cash advance, extension of other credit or other obligation of the Participant to the Employer that is then due and payable in accordance with the requirements of Section 409A of the Code.

**17.2 Notices.** Each Participant who is not in Service and each Beneficiary shall be responsible for furnishing the Committee or its designee with his current address for the mailing of notices and benefit payments. Any notice required or permitted to be given

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to such Participant or Beneficiary shall be deemed given if directed to such address and mailed by regular United States mail, first class, postage prepaid. If any check mailed to such address is returned as undeliverable to the addressee, mailing of checks will be suspended until the Participant or Beneficiary furnishes the proper address. This provision shall not be construed as requiring the mailing of any notice or notification otherwise permitted to be given by posting or by other publication.

**17.3 Lost Distributees.** A benefit shall be deemed forfeited if the Committee is unable to locate the Participant or Beneficiary to whom payment is due by the fifth anniversary of the date payment is to be made or commence; provided, that the deemed investment rate of return pursuant to Section 8.2 shall cease to be applied to the Participant's account following the first anniversary of such date; provided further, however, that such benefit shall be reinstated if a valid claim is made by or on behalf of the Participant or Beneficiary for all or part of the forfeited benefit.

**17.4 Reliance on Data.** The Employer and the Committee shall have the right to rely on any data provided by the Participant or by any Beneficiary. Representations of such data shall be binding upon any party seeking to claim a benefit through a Participant, and the Employer and the Committee shall have no obligation to inquire into the accuracy of any representation made at any time by a Participant or Beneficiary.

**17.5 Headings.** The headings and subheadings of the Plan have been inserted for convenience of reference and are to be ignored in any construction of the provisions hereof.

**17.6 Continuation of Employment.** The establishment of the Plan shall not be construed as conferring any legal or other rights upon any Employee or any persons for

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continuation of employment, nor shall it interfere with the right of the Employer to discharge any Employee or to deal with him without regard to the effect thereof under the Plan.

**17.7 Merger or Consolidation; Assumption of Plan.** No Employer shall consolidate or merge into or with another corporation or entity, or transfer all or substantially all of its assets to another corporation, partnership, trust or other entity (a "Successor Entity") unless such Successor Entity shall assume the rights, obligations and liabilities of the Employer under the Plan and upon such assumption, the Successor Entity shall become obligated to perform the terms and conditions of the Plan. Nothing herein shall prohibit the assumption of the obligations and liabilities of the Employer under the Plan by any Successor Entity.

**17.8 Construction.** The Employer shall designate in the Adoption Agreement the state according to whose laws the provisions of the Plan shall be construed and enforced, except to the extent that such laws are superseded by ERISA and the applicable requirements of the Code.

**17.9 Taxes.** The Employer or other payor may withhold a benefit payment under the Plan or a Participant's wages, or the Employer may reduce a Participant's Deferred Compensation Account balance, in order to meet any federal, state, or local or employment tax withholding obligations with respect to Plan benefits, as permitted under Section 409A of the Code. The Employer or other payor shall report Plan payments and other Plan-related information to the appropriate governmental agencies as required under applicable laws.



**NOTE: Execution of this Adoption Agreement creates a legal liability of the Employer with significant tax consequences to the Employer and Participants. Principal Life Insurance Company disclaims all liability for the legal and tax consequences which result from the elections made by the Employer in this Adoption Agreement.**

Principal Life Insurance Company, Raleigh, NC 27612  
A member of the Principal Financial Group®

**THE EXECUTIVE NONQUALIFIED EXCESS PLAN**

**ADOPTION AGREEMENT**

THIS AGREEMENT is the adoption by Guild Mortgage Company (the "Company") of the Executive Nonqualified Excess Plan ("Plan").

WITNESSETH

WHEREAS, the Company desires to adopt the Plan as an unfunded, nonqualified deferred compensation plan; and

WHEREAS, the provisions of the Plan are intended to comply with the requirements of Section 409A of the Code and the regulations thereunder and shall apply to amounts subject to section 409A; and

WHEREAS, the Company has been advised by Principal Life Insurance Company to obtain legal and tax advice from its professional advisors before adopting the Plan,

NOW, THEREFORE, the Company hereby adopts the Plan in accordance with the terms and conditions set forth in this Adoption Agreement:

ARTICLE I

Terms used in this Adoption Agreement shall have the same meaning as in the Plan, unless some other meaning is expressly herein set forth. The Employer hereby represents and warrants that the Plan has been adopted by the Employer upon proper authorization and the Employer hereby elects to adopt the Plan for the benefit of its Participants as referred to in the Plan. By the execution of this Adoption Agreement, the Employer hereby agrees to be bound by the terms of the Plan.

ARTICLE II

The Employer hereby makes the following designations or elections for the purpose of the Plan:

**2.6 Committee:** The duties of the Committee set forth in the Plan shall be satisfied by:

- (a) Company
- (b) The administrative committee appointed by the Board to serve at the pleasure of the Board.
- (c) Board.
- (d) Other (specify): \_\_\_\_\_.

Classification: Customer Confidential

2.8 **Compensation:** The "Compensation" of a Participant shall mean all of a Participant's:

- \_\_\_ (a) Base salary.
- \_\_\_ (b) Service Bonus.
  - \_\_\_ Service Bonus earned from 1/1–12/31, paid on or around first quarter of the following Plan Year.
  - \_\_\_ Service Bonus earned each calendar month or quarter, paid as soon as administratively possible.
  - \_\_\_ Service Bonus with no defined earnings period (e.g.: a "spot bonus")
- XX (c) Performance-Based Compensation earned in a period of 12 months or more.
  - XX Annual Performance (Variable) Compensation earned from 1/1–12/31, paid on or around first quarter the following Plan Year and whose elections must be made no later than 6/30 of the Plan Year it is earned.
  - \_\_\_ Performance Based Bonus earned from \_\_\_\_\_, paid on or around \_\_\_\_\_ the following Plan Year and whose elections must be made no later than \_\_\_\_ of the Plan Year it is earned.
- \_\_\_ (d) Commissions.
- \_\_\_ (e) Compensation received as an Independent Contractor reportable on Form 1099.
- XX (f) Other: Total Compensation Per Pay Period excluding Annual Performance (Variable) Compensation
- XX (g) Other: An amount equivalent to the 401k refund.

2.9 **Crediting Date:** The Deferred Compensation Account of a Participant shall be credited as follows:

Participant Deferral Credits at the time designated below:

- XX (a) On any business day as specified by the Employer.
- \_\_\_ (b) Each pay day as reported by the Employer.
- \_\_\_ (c) The last business day of each payroll period during the Plan Year.

Employer Credits at the time designated below:

- XX (a) On any business day as specified by the Employer.

2.13 **Effective Date:**

\_\_\_ (a) This is a newly established Plan, and the Effective Date of the Plan is \_\_\_\_\_.

XX (b) This is an amendment of a plan named **Guild Mortgage Company Nonqualified Deferred Compensation Plan** dated **April 1, 2017** and governing all contributions to the plan through **October 31, 2017**. The Effective Date of this amended Plan is **November 1, 2017**.

2.20 **Normal Retirement Age:** The Normal Retirement Age of a Participant shall be:

XX (a) Age **65**.

\_\_\_ (b) The later of age \_\_\_\_\_ or the \_\_\_\_\_ anniversary of the participation commencement date. The participation commencement date is the first day of the first Plan Year in which the Participant commenced participation in the Plan.

\_\_\_ (c) Other: \_\_\_\_\_.

2.23 **Participating Employer(s):** As of the Effective Date, the following Participating Employer(s) are parties to the Plan:

Name of Employer

EIN

Guild Mortgage Company

95-2146137

2.26 **Plan:** The name of the Plan is

**Guild Mortgage Company Nonqualified Deferred Compensation Plan**

2.28 **Plan Year:** The Plan Year shall end each year on the last day of the month of **December**.

2.30 **Seniority Date:** The date on which a Participant has:

\_\_\_ (a) Attained age \_\_\_.

\_\_\_ (b) Completed \_\_\_ Years of Service from First Date of Service.

\_\_\_ (c) Attained age \_\_\_ and completed \_\_\_ Years of Service from First Date of Service.

XX (d) Not applicable—distribution elections for Separation from Service are not based on Seniority Date.

**4.1 Participant Deferral Credits:** Subject to the limitations in Section 4.1 of the Plan, aParticipant may elect to have his Compensation (as selected in Section 2.8 of this Adoption Agreement) deferred within the annual limits below by the following percentage or amount as designated in writing to the Committee:

\_\_\_ (a) Base salary:  
minimum deferral: \_\_\_\_\_ %  
maximum deferral: \_\_\_\_\_ %

\_\_\_ (b) Service Bonus:  
\_\_\_ Service Bonus  
minimum deferral: \_\_\_\_\_ %  
maximum deferral: \_\_\_\_\_ %

**XX** (c) Performance-Based Compensation:  
**XX** Annual Performance (Variable) Compensation  
minimum deferral: \_\_\_\_\_ %  
maximum deferral: **100\*** %

\_\_\_ (d) Commissions:  
minimum deferral: \_\_\_\_\_ %  
maximum deferral: \_\_\_\_\_ %

\_\_\_ (e) Form 1099 Compensation:  
minimum deferral: \_\_\_\_\_ %  
maximum deferral: \_\_\_\_\_ %

**XX** (f) Other: Total Compensation excluding Annual Performance (Variable) Compensation  
minimum deferral: \_\_\_\_\_ %  
maximum deferral: **100\*** %

**XX** (g) Other: An amount equivalent to the 401k refund  
minimum deferral: **100\*** %  
maximum deferral: **100\*** %

**\*NOTE:** Participants earning between \$270,000–\$1 million will be eligible to defer up to \$50,000 per year from all sources. Participants earning in excess of \$1 million as well as Regional and Senior Vice Presidents and above will be eligible to defer up to \$100,000 per year from all sources.

**4.1.2 Participant Deferral Credits and Employer Credits – Election Period:** Participant elections regarding Participant Deferral Credits and Employer Credits shall be subject to the following effective periods (one must be selected):

- (a) Evergreen election. An election made by the Participant shall continue in effect for subsequent years until modified by the Participant as permitted in Section 4.1 and Section 4.2. (This option is not permitted if source year accounts are elected in Section 5.1.)
- (b) Non-Evergreen election. Any election made by the Participant shall only remain in effect for the current election period and will then expire. An election for each subsequent year will be required as permitted in Sections 4.1 and 4.2.

**4.2 Employer Credits:** Employer Credits will be made in the following manner:

- (a) **Employer Discretionary Credits:** The Employer may make discretionary credits to the Deferred Compensation Account of each Active Participant in an amount determined as follows:
  - (i) An amount determined each Plan Year by the Employer.
  - (ii) Other: \_\_\_\_\_.
- (b) **Other Employer Credits:** The Employer may make other credits to the Deferred Compensation Account of each Active Participant in an amount determined as follows:
  - (i) An amount determined each Plan Year by the Employer.
  - (ii) Other: \_\_\_\_\_.
- (c) Employer Credits not allowed.

**5.1 Deferred Compensation Account:** The Participant is permitted to establish the following accounts:

- (a) Not source year account(s). Deferred Compensation Account(s) will not be established on a source year basis:
- (i) A Participant may establish only one account to be distributed upon Separation from Service. One set of payment options for that account is allowed as permitted in Section 7.1. Additional In-Service or Education accounts may be established as permitted in Section 5.4.
- (ii) A Participant may establish multiple accounts to be distributed upon Separation from Service. Each account may have one set of payment options as permitted in Section 7.1. Additional In-Service or Education accounts may be established as permitted in Section 5.4. If this multiple account option is elected, the Participant will also be required to elect Separation from Service payment options for each In-Service or Education account established.
- (b) Source year account(s): Annual Deferred Compensation Account(s) will be established each year in which Participant Deferral Credits or Employer Credits are credited to the Participant. Only one account may be established each year for distribution upon Separation from Service. One set of payment options for that account is allowed as permitted in Section 7.1. Additional In-Service or Education accounts may be established for each source year as permitted in Section 5.4. If this option is selected, Evergreen elections as described in Section 4.1.2 are not permitted.

**5.2 Disability of a Participant:**

- (a) A Participant's becoming Disabled shall be a Qualifying Distribution Event and the Deferred Compensation Account shall be paid by the Employer as provided in Section 7.1.
- (b) A Participant becoming Disabled shall not be a Qualifying Distribution Event.

**5.3 Death of a Participant:** If the Participant dies while in Service, the Employer shall pay a benefit to the Beneficiary in an amount equal to the vested balance in the Deferred Compensation Account of the Participant determined as of the date payments to the Beneficiary commence, plus:

- (a) An amount to be determined by the Committee.
- (b) No additional benefits.

**5.4 In-Service or Education Distributions:** In-Service and Education Accounts are permitted under the Plan:

- (a) In-Service Accounts are allowed with respect to:
    - Participant Deferral Credits only.
    - Employer Credits only.
    - Participant Deferral and Employer Credits.
- In-service distributions may be made in the following manner:  
 Single lump sum payment.  
 Annual installments over a term certain not to exceed\_\_ years.
- Education Accounts are allowed with respect to:  
 Participant Deferral Credits only.  
 Employer Credits only.  
 Participant Deferral and Employer Credits.
- Education Accounts distributions may be made in the following manner:  
 Single lump sum payment.  
 Annual installments over a term certain not to exceed\_\_ years.
- If applicable, amounts not vested at the time payments due under this Section cease will be:  
 Forfeited  
 Distributed at Separation from Service if vested at that time
- (b) No In-Service or Education Distributions permitted.

**5.5 Change in Control Event:**

- (a) Participants may elect upon initial enrollment to have accounts distributed upon a Change in Control Event.
- (b) A Change in Control shall not be a Qualifying Distribution Event.

**5.6 Unforeseeable Emergency Event:**

- (a) Participants may apply to have accounts distributed upon an Unforeseeable Emergency event.
- (b) An Unforeseeable Emergency shall not be a Qualifying Distribution Event

6. **Vesting:** An Active Participant shall be fully vested in the Employer Credits made to the Deferred Compensation Account upon the first to occur of the following events:

- XX (a) Normal Retirement Age.
- XX (b) Death.
- XX (c) Disability.
- (d) Change in Control Event.
- XX (e) Satisfaction of the vesting requirement as specified below.

— **Employer Discretionary Credits:**

- (i) Immediate 100% vesting.
- (ii) 100% vesting after \_ Years of Service.
- (iii) 100% vesting at age \_.
- (iv)
 

Number of Years of Service	Vested Percentage
Less than	1 _____%
	1 _____%
	2 _____%
	3 _____%
	4 _____%
	5 _____%
	6 _____%
	7 _____%
	8 _____%
	9 _____%
	10 or more _____%

XX (v) Other: **TBD Vesting - Vesting schedule to be determined by the Company at the time of the contribution subject to approval by Principal.**

For this purpose, Years of Service of a Participant shall be calculated from the date designated below:

- (1) First day of Service.
- (2) Effective date of Plan participation.
- (3) Each Crediting Date. Under this option (3), each Employer Credit shall vest based on the Years of Service of a Participant from the Crediting Date on which each Employer Discretionary Credit is made to his or her Deferred Compensation Account.



— **Other Employer Credits:**

- (i) Immediate 100% vesting.
- (ii) 100% vesting after\_\_ Years of Service.
- (iii) 100% vesting at age\_\_.
- (iv) 

Number of Years of Service	Vested Percentage
Less than	1 _____%
	1 _____%
	2 _____%
	3 _____%
	4 _____%
	5 _____%
	6 _____%
	7 _____%
	8 _____%
	9 _____%
	10 or more _____%

For this purpose, Years of Service of a Participant shall be calculated from the date designated below:

- (1) First day of Service.
- (2) Effective date of Plan participation.
- (3) Each Crediting Date. Under this option (3), each Employer Credit shall vest based on the Years of Service of a Participant from the Crediting Date on which each Employer Discretionary Credit is made to his or her Deferred Compensation Account.

7.1 **Payment Options:** Any benefit payable under the Plan upon a permitted Qualifying Distribution Event may be made to the Participant or his Beneficiary (as applicable) in any of the following payment forms, as selected by the Participant in the Participation Agreement:

- (a) Separation from Service (Seniority Date is Not Applicable)
  - (i) A lump sum.
  - (ii) Annual installments over a term certain as elected by the Participant not to exceed \_\_ years.
  
- (b) Separation from Service prior to Seniority Date (If Applicable)
  - (i) A lump sum.
  - (ii) Not Applicable
  
- (c) Separation from Service on or After Seniority Date (If Applicable)
  - (i) A lump sum.
  - (ii) Annual installments over a term certain as elected by the Participant not to exceed \_\_ years.
  - (iii) Not Applicable
  
- (d) Separation from Service Upon a Change in Control Event
  - (i) A lump sum.
  
- (e) Death
  - (i) A lump sum.
  - (ii) Annual installments over a term certain as elected by the Participant not to exceed \_\_ years.
  
- (f) Disability
  - (i) A lump sum.
  - (ii) Annual installments over a term certain as elected by the Participant not to exceed \_\_ years.
  - (iii) Not applicable.

If applicable, amounts not vested at the time payments due under this Section cease will be:

- Forfeited.
- Distributed at Separation from Service if vested at that time.

(g) Change in Control Event

— (i) A lump sum.

XX (ii) Not applicable.

If applicable, amounts not vested at the time payments due under this Section cease will be:

— Forfeited.

— Distributed at Separation from Service if vested at that time.

**7.4 De Minimis Amounts.**

— (a) Notwithstanding any payment election made by the Participant, the vested balance in all Deferred Compensation Account(s) of the Participant will be distributed in a single lump sum payment at the time designated under the Plan if at the time of a permitted Qualifying Distribution Event that is either a Separation from Service, death, Disability (if applicable) or Change in Control Event (if applicable) the vested balance does not exceed \$\_\_\_\_\_. In addition, the Employer may distribute a Participant's vested balance in all Deferred Compensation Account(s) of the Participant at any time if the balance does not exceed the limit in Section 402(g)(1)(B) of the Code and results in the termination of the Participant's entire interest in the Plan.

XX (b) There shall be no pre-determined de minimis amount under the Plan; however, the Employer may distribute a Participant's vested balance at any time if the balance does not exceed the limit in Section 402(g)(1)(B) of the Code and results in the termination of the Participant's entire interest in the Plan.

**10.1 Contractual Liability:** Liability for payments under the Plan shall be the responsibility of the:

XX (a) Company.

— (b) Employer or Participating Employer who employed the Participant when amounts were deferred.

**14. Amendment and Termination of Plan:** Notwithstanding any provision in this Adoption Agreement or the Plan to the contrary, Section 5.4 and 7.2 of the Plan shall be amended to read as provided in attached Exhibit A.

— There are no amendments to the Plan.

**17.8 Construction:** The provisions of the Plan shall be construed and enforced according to the Laws of the State of California except to the extent that such laws are superseded by ERISA and the applicable provisions of the Code.

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IN WITNESS WHEREOF, this Agreement has been executed as of the day and year stated below.

**Guild Mortgage Company**

Name of Employer

By: /s/ Carolyn Frank

Authorized Person

Date: 11/6/17

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**Exhibit A**

**5.4 In-Service or Education Distributions.** If the Employer designates in the Adoption Agreement that in-service or education distributions are permitted under the Plan, a Participant may designate in the Participation Agreement to have a specified amount credited to the Participant's In-Service or Education Account for in-service or education distributions at the date specified by the Participant. In no event may an in-service or education distribution of an amount be made before the date that is **five years** after the first day of the year in which any deferral election to such In-Service or Education Account became effective. Notwithstanding the foregoing, if a Participant incurs a Qualifying Distribution Event prior to the date on which the entire balance in the In-Service or Education Account has been distributed, then the vested balance in the In-Service or Education Account on the date of the Qualifying Distribution Event shall be paid as provided under Section 7.1 for payments on such Qualifying Distribution Event.

**7.2 Timing of Payments.** Payment shall be made in the manner elected by the Participant and shall commence as soon as practicable after (but no later than **90 days** after) the distribution date specified for the Qualifying Distribution Event. For each payment, the Committee must specify a date for the Deferred Compensation Account(s) to be valued. A payment may be further delayed to the extent permitted in accordance with regulations and guidance under Section 409A of the Code.



**GUILD MORTGAGE COMPANY  
EXECUTIVE  
PERFORMANCE INCENTIVE PLAN**

Revised June 13, 2018

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**GUILD MORTGAGE COMPANY  
EXECUTIVE PERFORMANCE INCENTIVE PLAN**

**A. PURPOSE**

The purpose of the Performance Incentive Plan ("Plan") is to provide performance-based incentives to participants for individual, departmental and/or company performance goals and to promote employee retention.

**B. DEFINITIONS**

Whenever the following terms are used in the Plan, with their initial letter(s) capitalized, they shall have the meanings set forth below:

- (a) "Incentive Payment" means any lump sum cash payment.
- (b) "Performance Period" is defined in Exhibit A and might be fiscal month, fiscal quarter or fiscal year.
- (c) "GUILD" means Guild Mortgage Company.
- (d) "Employee" means any person who is treated as an Employee by GUILD.
- (e) "Plan" means the Guild Mortgage Company Performance Incentive Plan, as amended from time to time.

**C. REVISION DATE**

The Plan was last revised on June 13, 2018.

**D. ELIGIBILITY**

To be eligible for any incentive payment as a "Participant" in the Plan, an Employee must meet the qualifications of sub-paragraphs 1, 2, and 3 below, as well as any other eligibility requirements set forth in the Plan.

- 1. The Employee must be classified as an active employee of GUILD.
- 2. The Employee must not be eligible to participate in any other annual performance incentive plan offered by GUILD.
- 3. The Employee must be performing at a satisfactory level at the time any Incentive Payment is scheduled to be made under the plan, as determined by the employee's supervisor.

**E. INCENTIVE DETERMINATION**

Subject to the eligibility requirements in Section D, a Participant may receive an Incentive Payment, if any, for performance achievement as specified in Exhibit A.

**F. INCENTIVE PAYMENTS**

It is anticipated that Participants may receive an Incentive Payment, if any to be made, no later than 120 days following the end of the fiscal year for which the incentive payment is intended. The Incentive Payment will be a lump sum cash payment. No Participant has a vested right to any Incentive Payment under this Plan and no Incentive Payment will be considered earned until it is actually paid to the Participant.

**G. LESS THAN FULL PERFORMANCE PERIOD PARTICIPATION**

Subject to the provisions of Sections H, I, and J, an employee who becomes a Participant (or who becomes ineligible to participate) in accordance with Section D for a portion of the fiscal year, may be eligible for a prorated Incentive Payment per days worked in the Performance Period. Determination of any Incentive Payment will be made at the end of the Performance Period.

**H. LEAVE OF ABSENCE**

Subject to the eligibility requirements in section D, if a Participant is on a leave of absence of any nature for more than four weeks

during the Period, the Participant may receive a prorated Incentive Payment per days worked in the Performance Period.

**I. TERMINATION OF A PARTICIPANT**

Because this is also a retention incentive, no Incentive Payment will be considered earned unless an Employee is employed on the payout date. Unless otherwise required by law, a Participant, whose employment terminates voluntarily or involuntarily prior to the distribution of any Incentive Payment, will not be eligible to earn any Incentive Payment.

**J. PLAN REVISION**

The Human Resources Department, and subject to approval of the Senior Management, upon determining that the purpose and intent of the Plan is not being fulfilled, may terminate, alter, suspend or amend the Plan at any time as deemed necessary to further the best interests of GUILD. Such actions may be effective for any Performance Period and with respect to any Incentive Payment which has not been made. Amendments during the Performance Period will be effective immediately unless otherwise stated.

**K. PLAN INTERPRETATION**

If any provision of the Plan is contrary to or inconsistent with applicable law, that provision shall be disregarded or interpreted so that the Plan is fully consistent with the law.

**L. EMPLOYMENT DURATION/EMPLOYMENT RELATIONSHIP**

The Plan does not, and the policies and practices of GUILD in administering this Plan will not, constitute a contract or other agreement concerning the duration of any Participant's employment with GUILD. The employment relationship of each Participant is "at will" and may be terminated at any time by GUILD, or by the Participant with or without cause. A Participant who accepts any Incentive Payment under the Plan is agreeing that the Participant's employment is "at will".

Terry Schmidt	DocuSigned by: /s/ Terry Schmidt	3/10/2020
Manager Name	Signature	Date
Amber Elwell	DocuSigned by: /s/ Amber Elwell	3/10/2020
Employee Name	Signature	Date





## Executive Performance Incentive Plan Exhibit A

<b>Employee Name:</b>	Amber Elwell	<b>Employee Number:</b>	5758
<b>Title:</b>	SVP, CFO	<b>Effective Date:</b>	Beginning 1/1/20
<b>Performance Period:</b>	Fiscal Year	<b>Annual Target Incentive (TI) %:</b>	50% of performance period ending salary
<b>Pay Frequency:</b>	Annual		

**Performance Metrics:**

Your incentive plan is 100% based on specific, measurable and achievable performance objectives to reward you for your achievement of predetermined performance metrics relevant your current role and to incentivize retention.

At the beginning of each fiscal year, your manager will review and may revise your annual performance metrics and communicate to you. Within each metric, multiple objectives may be included and the total weight of all objectives will always equal to 100%. Each performance metric will be accompanied with a description detailing the performance that is necessary to achieve the goal.

Performance Metric Name	Weight	Performance Levels		
		Under 60% of Goal	60% to 99% of Goal	100% of Goal
Company Goal – Targeted adjusted ROE	60%	0%	1% – 20%	30%
Individual/Team/Department Goal(s)	40%	0%	1% – 19%	20%

Achievement for each performance metric independently must be at least 60%. If either performance metric does not meet the 60% threshold, there will be no incentive payment made to the participant regardless of the achievement of the other performance metric. Scenarios to illustrate:

1. If the company goal is not achieved at a minimum 60%, there will not be any incentive payment made to the participant for that fiscal year overall.
2. If the company goal is achieved at 60% or higher, but the individual/team/department goal is not achieved at a minimum 60%, then there will not be any incentive payment to the participant for that fiscal year overall.

Terry Schmidt	DocuSigned by: /s/ Terry Schmidt	3/10/2020
Manager Name	Signature	Date
Amber Elwell	DocuSigned by: /s/ Amber Elwell	3/10/2020
Employee Name	Signature	Date



**GUILD MORTGAGE COMPANY  
EXECUTIVE  
PERFORMANCE INCENTIVE PLAN**

Effective Beginning  
Fiscal Year 2017

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## **GUILD MORTGAGE COMPANY EXECUTIVE PERFORMANCE INCENTIVE PLAN**

### **A. PURPOSE**

The purpose of the Performance Incentive Plan ("Plan") is to provide performance-based incentives to participants for individual, departmental and/or company performance goals and to promote employee retention.

### **B. DEFINITIONS**

Whenever the following terms are used in the Plan, with their initial letter(s) capitalized, they shall have the meanings set forth below:

- (a) "Incentive Payment" means any lump sum cash payment.
- (b) "Performance Period" is defined in Exhibit A and might be fiscal month, fiscal quarter or fiscal year.
- (c) "GUILD" means Guild Mortgage Company.
- (d) "Employee" means any person who is treated as an Employee by GUILD.
- (e) "Plan" means the Guild Mortgage Company Performance Incentive Plan, as amended from time to time.

### **C. EFFECTIVE DATE**

The Plan shall be effective as of January 1, 2017 and shall remain in effect for each fiscal year unless modified or terminated.

### **D. ELIGIBILITY**

To be eligible for any incentive payment as a "Participant" in the Plan, an Employee must meet the qualifications of sub-paragraphs 1, 2, and 3 below, as well as any other eligibility requirements set forth in the Plan.

- 1. The Employee must be classified as an active employee of GUILD.
- 2. The Employee must not be eligible to participate in any other annual performance incentive plan offered by GUILD.
- 3. The Employee must be performing at a satisfactory level at the time any Incentive Payment is scheduled to be made under the plan, as determined by the employee's supervisor.

### **E. INCENTIVE DETERMINATION**

Subject to the eligibility requirements in Section D, a Participant may receive an Incentive Payment, if any, for performance achievement as specified in Exhibit A.

### **F. INCENTIVE PAYMENTS**

It is anticipated that Participants may receive an Incentive Payment, if any to be made, no later than 120 days following the end of the fiscal year for which the incentive payment is intended. The Incentive Payment will be a lump sum cash payment. No Participant has a vested right to any Incentive Payment under this Plan and no Incentive Payment will be considered earned until it is actually paid to the Participant.

### **G. PROMOTIONS/DEMOTIONS**

Subject to the eligibility requirements in section D, if a Participant is promoted or demoted during the Performance Period to a position not covered by this Plan, determination of any Incentive Payment will be made at the end of the Performance Period and be subject to performance achievement while a Participant in the Plan.

### **H. LEAVE OF ABSENCE**

Subject to the eligibility requirements in section D, If a Participant is on a leave of absence of any nature for more than four weeks

during the Period, the Participant may receive a prorated Incentive Payment per days worked in the Performance Period.

**I. TERMINATION OF A PARTICIPANT**

Because this is also a retention incentive, no Incentive Payment will be considered earned unless an Employee is employed on the payout date. Unless otherwise required by law, a Participant, whose employment terminates voluntarily or involuntarily prior to the distribution of any Incentive Payment, will not be eligible to earn any Incentive Payment.

**J. PLAN REVISION**

The Human Resources Department, and subject to approval of the Senior Management, upon determining that the purpose and intent of the Plan is not being fulfilled, may terminate, alter, suspend or amend the Plan at any time as deemed necessary to further the best interests of GUILD. Such actions may be effective for any Performance Period and with respect to any Incentive Payment which has not been made. Amendments during the Performance Period will be effective immediately unless otherwise stated.

**K. PLAN INTERPRETATION**

If any provision of the Plan is contrary to or inconsistent with applicable law, that provision shall be disregarded or interpreted so that the Plan is fully consistent with the law.

**L. EMPLOYMENT DURATION/EMPLOYMENT RELATIONSHIP**

The Plan does not, and the policies and practices of GUILD in administering this Plan will not, constitute a contract or other agreement concerning the duration of any Participant's employment with GUILD. The employment relationship of each Participant is "at will" and may be terminated at any time by GUILD, or by the Participant with or without cause. A Participant who accepts any Incentive Payment under the Plan is agreeing that the Participant's employment is "at will".

Mary Ann McGarry	DocuSigned by: /s/ Mary Ann McGarry	6/27/2017
Manager Name	Signature	Date
Lisa Klika	DocuSigned by: /s/ Lisa Klika	6/21/2017
Employee Name	Signature	Date



**Executive Performance Incentive Plan  
Exhibit A**

<b>Employee Name:</b>	Lisa Klika	<b>Employee Number:</b>	5452
<b>Title:</b>	SVP, Chief Compliance Officer	<b>Effective Date:</b>	Beginning 1/1/17
<b>Performance Period:</b>	Fiscal Year	<b>Annual Target Incentive (TI) % :</b>	35% of performance period ending salary
<b>Pay Frequency:</b>	Annual		

**Performance Metrics:**

Your incentive plan is 100% based on specific, measurable and achievable performance objectives to reward you for your achievement of predetermined performance metrics relevant your current role and to incentivize retention.

At the beginning of each fiscal year, your manager will review and may revise your annual performance metrics and communicate to you. Within each metric, multiple objectives may be included and the total weight of all objectives will always equal to 100%. Each performance metric will be accompanied with a description detailing the performance that is necessary to achieve the goal.

Performance Metric Name	Weight	Performance Levels		
		Under 60% of Goal	60% to 99% of Goal	100% of Goal
Company Goal – Targeted adjusted ROE	60%	0%	1% – 11%	21%
Individual/Team/Department Goal(s)	40%	0%	1% – 13%	14%

Achievement for each performance metric independently must be at least 60%. If either performance metric does not meet the 60% threshold, there will be no incentive payment made to the participant regardless of the achievement of the other performance metric. Scenarios to illustrate:

1. If the company goal is not achieved at a minimum 60%, there will not be any incentive payment made to the participant for that fiscal year overall.
2. If the company goal is achieved at 60% or higher, but the individual/team/department goal is not achieved at a minimum 60%, then there will not be any incentive payment to the participant for that fiscal year overall.

Lisa Klika	DocuSigned by: /s/ Lisa Klika	6/21/2017
Manager Name	Signature	Date

Mary Ann McGarry	DocuSigned by: /s/ Mary Ann McGarry	6/27/2017
Employee Name	Signature	Date

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT**  
(the "Agreement")

between

**BANK OF AMERICA, N.A.**  
("Buyer")

and

**GUILD MORTGAGE CO SPE W40, LLC**  
("Seller")

**GUILD MORTGAGE COMPANY**  
**AND**  
**GUILD MORTGAGE COMPANY, LLC**  
(collectively, the "Guarantor" and "Pledgor")

dated as of

**September 1, 2020**

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Exhibit B:	Irrevocable Closing Instructions [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit C:	Secretary's Certificate [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit D:	Corporate Resolutions [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit E:	Officer's Certificate [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit F:	Assignment of Closing Protection Letter [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit G:	Assignment of Fidelity Bond and Errors and Omission Policy [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit H:	Form of Power of Attorney [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit I:	Acknowledgement of Password Confidentiality Agreement [Omitted pursuant to Item 601(a)(5) of Regulation S-K]

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- Exhibit J: Wiring Instructions [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
  - Exhibit K: Form of Servicer Notice [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
  - Exhibit L: Representations and Warranties [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
  - Exhibit M: Reserved [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
  - Exhibit N: Form of Trade Assignment [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
  - Exhibit O: Form of Request for Temporary Increase [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
  - Exhibit P: Form of Seller's Release [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
  - Exhibit Q: Form of Warehouse Lender's Release [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
  - Exhibit R: Auto Fund Authorization Request [Omitted pursuant to Item 601(a)(5) of Regulation S-K]

#### SCHEDULES

- Schedule 1: Filing Jurisdictions and Offices [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Schedule 2: States and Jurisdictions [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Schedule 3: List of Seller's Existing Debt [Omitted pursuant to Item 601(a)(5) of Regulation S-K]

## AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT

THIS AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT (as amended, restated, supplemented or otherwise modified from time to time, the “**Agreement**”) is made and entered into as of September 1, 2020, by and between Bank of America, N.A., a national banking association (“**Buyer**”), and Guild Mortgage Co SPE W40, LLC, a Delaware limited liability company (“**Seller**”), and acknowledged and agreed to by Guild Mortgage Company, a California corporation and Guild Mortgage Company, LLC, a Delaware limited liability company (collectively, the “**Guarantor**” or “**Pledgor**” or “**Guild Servicer**”, as the context requires and together with the Seller, each a “**Guild Party**” and collectively, the “**Guild Parties**”).

### RECITALS

- A. Buyer and Guarantor, formerly as seller, entered into that certain Master Repurchase Agreement, dated as of May 27, 2009 (as amended, supplemented or otherwise modified from time to time, the “**Original Agreement**”).
- B. Buyer and Guild Parties desire to amend the Original Agreement in its entirety by amending and restating it subject to the terms and conditions of this Agreement.
- C. Seller has requested Buyer to enter into transactions with Seller whereby Seller may, from time to time, sell to Buyer certain Eligible Participation Interests and all related rights in and interests related to such Eligible Participation Interests, against the transfer of funds by Buyer, with a simultaneous agreement by Buyer to sell to Seller such Eligible Participation Interests at a date certain or on demand after the Purchase Date, against the transfer of funds by Seller (representing the Repurchase Price for such Eligible Participation Interests) (each such transaction and as applicable the Purchase Price Increase, a “**Transaction**”).
- D. From time to time, the Seller may request Purchase Price Increases due to the Transaction involving Participation Interests sold to Buyer under this Agreement with the allocation of an Underlying Asset to the Participation Interests resulting in the increase in Asset Value of the Participation Interests.
- E. The Guarantor owns the legal title to the Underlying Assets and issues Participation Interests in each such Underlying Asset to the Seller directly, as applicable. In connection with the initial Transaction, subject to the terms and conditions set forth herein, (i) Seller will sell to Buyer the Eligible Participation Interests, and (ii) as additional credit enhancement in connection with the Transactions hereunder and as a condition precedent to the Buyer entering into the Transactions hereunder, Guarantor shall deliver a guaranty in favor of Buyer and pledge to Buyer a first priority security interest in and to the Eligible Participation Interests and any other related collateral including Purchased Items and Underlying Asset Collateral pursuant to the terms hereof.
- F. Thereafter, as part of any subsequent Transactions, (x) the Guarantor may acquire Eligible Mortgage Loans and issue Participation Interests therein to the Seller, and Seller may request to sell and Buyer may purchase, subject to the terms and conditions of this Agreement, additional Participation Interests.

- G. Buyer has agreed to consider entering into such Transactions, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual rights and obligations provided herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Guild Parties and Buyer agree as follows:

**ARTICLE 1  
DEFINITIONS AND PRINCIPLES OF CONSTRUCTION**

- 1.1 Defined Terms.** As used in this Agreement, capitalized terms shall have the meanings set forth in Exhibit A hereto, unless the context otherwise requires. All such defined terms shall, unless specifically provided to the contrary, have the defined meanings set forth herein when used in any other agreement, certificate or document made or delivered pursuant hereto.
- 1.2 Interpretation; Principles of Construction.** The following rules of this Section 1.2 apply unless the context requires otherwise. A gender includes all genders. Where a word or phrase is defined, its other grammatical forms have a corresponding meaning. A reference to a subsection, Section, Schedule or Exhibit is, unless otherwise specified, a reference to a Section of, or schedule or exhibit to, this Agreement. A reference to a party to this Agreement or another agreement or document includes the party's successors and permitted substitutes or assigns. A reference to an agreement or document (including any Principal Agreement) is to the agreement or document as amended, modified, novated, supplemented or replaced, except to the extent prohibited thereby or by any Principal Agreement and in effect from time to time in accordance with the terms thereof. A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it. A reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form. A reference to conduct includes, without limitation, an omission, statement or undertaking, whether or not in writing. The words "hereof", "herein", "hereunder" and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement. The term "including" is not limiting and means "including without limitation". In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including", the words "to" and "until" each mean "to but excluding", and the word "through" means "to and including". Except where otherwise provided in this Agreement, any determination, consent, approval, statement or certificate made or confirmed in writing with notice to Seller by Buyer or an authorized officer of Buyer provided for in this Agreement is conclusive and binds the parties in the absence of manifest error. A reference to an agreement includes a security interest, guarantee, agreement or legally enforceable arrangement whether or not in writing related to such agreement.

A reference to a document includes an agreement (as so defined) in writing or a certificate, notice, instrument or document, or any information recorded in electronic form. Where Seller is required to provide any document to Buyer under the terms of this Agreement, the relevant document shall be provided in writing or printed form unless Buyer requests otherwise. At the request of Buyer, the document shall be provided in electronic form or both printed and electronic form.

This Agreement is the result of negotiations among, and has been reviewed by counsel to, Buyer and the Guild Parties, and is the product of all parties. In the interpretation of this Agreement, no rule of construction shall apply to disadvantage one party on the ground that such party proposed

or was involved in the preparation of any particular provision of this Agreement or this Agreement itself. Except where otherwise expressly stated, Buyer may give or withhold, or give conditionally, approvals and consents and may form opinions and make determinations at its sole and absolute discretion. Any requirement of good faith, discretion or judgment by Buyer shall not be construed to require Buyer to request or await receipt of information or documentation not immediately available from or with respect to Guild Parties, a servicer of the Underlying Assets, any other Person or the Purchased Assets themselves. All references herein or in any Principal Agreement to “good faith” means good faith as defined in Section 1-201(b)(20) of the Uniform Commercial Code.

## ARTICLE 2 AMOUNT AND TERMS OF TRANSACTIONS

- 2.1 Agreement to Enter into Transactions.** Subject to the terms and conditions of this Agreement and provided that no Event of Default or Potential Default has occurred and is continuing, Buyer shall, from time to time during the term of this Agreement, enter into Transactions with Seller; provided, however, that (a) the Buyer shall be under no obligation to enter into Transactions with Seller, (b) the Aggregate Outstanding Purchase Price as of any date shall not exceed the Aggregate Transaction Limit, and (c) the Aggregate Outstanding Purchase Price for any Type of Transaction shall not exceed the applicable Type Sublimit. Buyer shall have the obligation to enter into Transactions with an Aggregate Outstanding Purchase Price equal to or less than the Committed Amount, and Buyer shall have no obligation to enter into Transactions with respect to the Uncommitted Amount. All purchases of Participation Interests shall be first deemed committed up to the Committed Amount and then the remainder, if any, shall be deemed uncommitted up to the Uncommitted Amount. Seller may request Transactions in excess of the Aggregate Transaction Limit and Buyer may, from time to time, in its sole and absolute discretion, consent to a Temporary Increase of the Aggregate Transaction Limit in accordance with Section 2.10.
- 2.2 Transaction Limits.** The Aggregate Transaction Limit and each Type Sublimit shall be as set forth in the Transactions Terms Letter. Buyer shall have the right, in its sole and good faith discretion, to reduce, whether permanently or temporarily, and without refund of any fee or other amount previously paid by Seller, the Aggregate Transaction Limit and/or each Type Sublimit by an amount up to the Uncommitted Amount. In the event of any reduction pursuant to this Section 2.2, Buyer shall give Guild Parties five (5) Business Days’ prior notice thereof, which notice shall designate (a) the effective date of any such reduction, (b) the amount of the reduction and (c) the Transaction and/or Type Sublimit limit(s) to which such reduction amount shall apply. Buyer shall not be liable to any Guild Party for any costs, losses or damages arising from or relating to a reduction by Buyer in the Aggregate Transaction Limit or any Type Sublimit.
- 2.3 Description of Underlying Assets.** With respect to each Transaction, Seller shall cause to be subject to such Transaction with Buyer Underlying Assets with an Asset Value not less than, at any date, the related Purchase Price for such Transaction. With respect to each Transaction, the type of Underlying Asset shall be the type of Asset as specified in the Transactions Terms Letter as the Type, and in each case shall consist of the type of mortgage loans, mortgage related securities, or interests therein as described in Bankruptcy Code Section 101(47)(A). If there is uncertainty as to the Type of an Underlying Asset, Buyer, in its sole and good faith discretion, shall determine the correct Type for such Underlying Asset.
- 2.4 Maximum Transaction Amounts.** The Purchase Price for each proposed Transaction shall not exceed the lesser of:

- (a) the Aggregate Outstanding Purchase Price for the applicable Type Sublimit (after giving effect to all Transactions then subject to the Agreement), as determined by the Type of Underlying Asset;
- (b) the Aggregate Transaction Limit (as such amount may be increased from time to time in the sole discretion of Buyer as provided in Section 2.10), minus the Aggregate Outstanding Purchase Price of all other Transactions outstanding, if any; and
- (c) the Asset Value of the related Underlying Asset(s).

**2.5 Use of Proceeds.** Guild Parties shall use the Purchase Price of each Transaction solely for the purpose of originating and/or acquiring the related Purchased Asset(s) and Underlying Assets, as applicable.

**2.6 Price Differential.**

- (a) Price Differential. Notwithstanding that Buyer and Seller intend that the Transactions hereunder be sales by Seller to Buyer of the Purchased Assets for all purposes except accounting and tax purposes, Seller shall pay Buyer interest on the Purchase Price for each Purchased Asset from the Purchase Date until, but not including, the date on which the Repurchase Price is paid, at an annual rate equal to the Price Differential; provided that if the Repurchase Price for a Transaction is not paid by Seller when due (whether at the Repurchase Date, upon acceleration or otherwise), the Repurchase Price shall bear a Price Differential from the date due until paid in full at an annual rate equal to the Default Rate. For the avoidance of doubt, from and after the date on which a Purchased Asset is deemed to be a Noncompliant Asset, the Purchase Price for such Purchased Asset shall bear a Price Differential at an annual rate equal to the sum of the Applicable Pricing Rate plus the Type Margin for a Noncompliant Asset.
- (b) Time for Payment. Price Differential with respect to any Purchased Asset shall be due and payable on the Payment Date occurring in the second month following the related Purchase Date and thereafter on each subsequent Payment Date. On the date that the Repurchase Price for such Purchased Asset is paid, all accrued Price Differential not otherwise paid by the Seller with respect to such Purchased Asset shall be due and payable. Notwithstanding anything to the contrary in this Section 2.6(b), in the event the Asset Value of any Underlying Asset is marked to zero and a Guild Party requests Buyer to release its security interest in such Purchased Asset relating to such Underlying Asset, and such Underlying Asset or any Purchased Items related thereto, Buyer shall not release any such security interest therein unless and until Seller shall have paid to Buyer the Repurchase Price for such Purchased Asset.
- (c) Computations. All computations of Price Differential and fees payable hereunder shall be based upon the actual number of days (including the first day but excluding the last day) occurring in the relevant period, and a three-hundred sixty (360)-day year.

**2.7 All Transactions Are “Servicing Released”.** Each Participation Certificate sold by Seller to Buyer pursuant to Transactions under this Agreement includes the participation interests in the related Servicing Rights related to the related Underlying Assets and all Transactions under this Agreement are “servicing released” purchase and sale transactions for all intents and purposes, it being understood that the Purchase Price paid by Buyer to Seller for each such Participation Certificate includes a premium that compensates Seller for such Servicing Rights related to such

Underlying Asset and upon payment of the Purchase Price by Buyer to Seller, Buyer becomes the owner of the Participation Interests which represent the [\*\*\*] beneficial ownership of the related Underlying Asset, and the Servicing Rights related thereto.

- 2.8 Terms and Conditions of Transactions.** The terms and conditions of the Transactions as set forth in the Transactions Terms Letter, this Agreement or otherwise may be changed from time to time by Buyer at its sole and good faith discretion by providing prior notice to Guild Parties.
- 2.9 Guaranty and/or Additional Security Agreements.** As may be determined necessary by Buyer from time to time in its sole and good faith discretion, Guild Parties agree to cause to be executed and delivered to Buyer the Guaranty and such other additional security agreements as may be agreed by the parties hereto as additional support for Guild Parties' obligations hereunder, which Guaranty and/or additional security agreements shall be considered "a security agreement or other arrangement or other credit enhancement" that is "related to" the Agreement and Transactions hereunder within the meaning of Bankruptcy Code Sections 101(38A)(A), 101(47)(a)(v) and 741(7)(A)(x).
- 2.10 Temporary Increase of Aggregate Transaction Limit.** Seller may request a temporary increase of the Aggregate Transaction Limit (a "**Temporary Increase**") by submitting to Buyer an executed request for Temporary Increase in the form of Exhibit O hereto (a "**Request for Temporary Increase**"), setting forth the requested increased Aggregate Transaction Limit (such increased amount, the "**Temporary Aggregate Transaction Limit**"), the effective date of such Temporary Increase and the date on which such Temporary Increase shall terminate. Buyer may from time to time, in its sole and absolute discretion, consent to such Temporary Increase, which consent shall be in writing as evidenced by Buyer's delivery to Guild Parties of a countersigned Request for Temporary Increase. At any time that a Temporary Increase is in effect, the Aggregate Transaction Limit shall equal the Temporary Aggregate Transaction Limit for all purposes of this Agreement and all calculations and provisions relating to the Aggregate Transaction Limit shall refer to the Temporary Aggregate Transaction Limit, including without limitation, Type Sublimits and the Minimum Over/Under Account Balance. Upon the termination of a Temporary Increase, Seller shall repurchase Purchased Assets in order to reduce the Aggregate Outstanding Purchase Price to the Aggregate Transaction Limit (as reduced by the termination of such Temporary Increase) in accordance with Section 4.2(k).

### ARTICLE 3 PROCEDURES FOR REQUESTING AND ENTERING INTO TRANSACTIONS

- 3.1 Policies and Procedures.** In connection with the Transactions contemplated hereunder, each Guild Party shall comply with all applicable policies and procedures of Buyer as may currently exist or as hereafter created. Such policies and procedures may be in writing, published on Buyer's website(s) or otherwise contained in the Handbook. Buyer shall have the right to change, revise, amend or supplement its policies and procedures and the Handbook from time to time to conform to current legal requirements or Buyer practices by giving prior notice to Guild Parties of such changes, revisions, amendments or supplements. To the extent of any conflict between the terms of this Agreement and the terms of the Handbook, this Agreement shall control.
- 3.2 Request for Transaction; Asset Data Record.**
- (a) Request for Transaction. Seller shall request a Transaction by delivering to Buyer, electronically or in writing, an Asset Data Record for each Underlying Asset intended to be the subject of the Transaction no later than 4:00 p.m. (New York City time); provided



that Buyer shall use its best efforts to accept Asset Data Records delivered after 4:00 p.m. but before 6:00 p.m. (New York City time). Buyer shall be under no obligation to enter into any Transaction or Transactions requested by Seller if the Purchase Price relates to the Uncommitted Amount. Assuming the satisfaction of all conditions precedent set forth in Article 7 and otherwise in this Agreement, Buyer may, for any Transaction with respect to the Uncommitted Amount and shall, for any Transaction with respect to the Committed Amount, confirm to Seller the terms of Transactions electronically or in writing. Buyer reserves the right to reject any Transaction request that Buyer determines, in its sole and good faith discretion, fails to comply with the terms and conditions of this Agreement or Buyer's then current policies and procedures.

- (b) Failure to Enter into Transaction; Cancellation of Transaction. If Seller fails [\*\*\*] or more to enter into a Transaction, in each case after Seller has requested a Transaction and submitted an Asset Data Record in connection with such request, for each Transaction requested by Seller thereafter for which Seller fails to enter into such Transaction after Seller has requested such Transaction and submitted an Asset Data Record in connection with such request, Seller shall pay Buyer any breakage fees and reimburse Buyer for any reasonable out-of-pocket losses, costs and expenses incurred by Buyer in connection with such failure to enter into the Transaction, including, without limitation, costs relating to re-employment of funds obtained by Buyer and fees payable to terminate the arrangements through which such funds were obtained. In addition, with respect to any Transaction, including the initial Transaction, if following disbursement by Buyer of the Purchase Price relating to such Transaction, Seller cancels such Transaction, regardless of the number of Transactions Seller has previously cancelled, in each case, Seller shall pay Buyer a Price Differential on such Purchase Price from the Purchase Date until, but not including, the date the Purchase Price is returned to Buyer.
- (c) Form of Asset Data Record. Buyer shall have the right to revise or supplement the form of the Asset Data Record from time to time by giving prior notice thereof to Seller.

### 3.3 Delivery of Mortgage Loan Documents.

- (a) Dry Mortgage Loans. Prior to any Transaction the subject of which is a Purchased Asset related to a Dry Mortgage Loan (including eMortgage Loans), Guild Parties shall deliver to Buyer or its Custodian, or authorize and direct the Closing Agent to deliver to Buyer or its Custodian, the related Mortgage Loan Documents in accordance with and pursuant to the terms of Section 7.2 hereof and the Custodial Agreement; provided that, with respect to an eMortgage Loan, Guild Parties shall deliver to DB Custodian each of Buyer's and Guild Parties' MERS Org IDs, and shall cause (i) the Authoritative Copy of the related eNote to be delivered to the eVault via a secure electronic file, (ii) the Controller status of the related eNote to be transferred to Buyer, (iii) the Location status of the related eNote to be transferred to DB Custodian, and (iv) the Delegatee status of the related eNote to be transferred to DB Custodian, in each case using MERS eDelivery and the MERS eRegistry (collectively, the "**eNote Delivery Requirements**").
- (b) Wet Mortgage Loans. With respect to a Transaction the subject of which is a Purchased Asset related to a Wet Mortgage Loan, (i) Guild Parties shall deliver to Buyer or its Custodian, any Mortgage Loan Documents in a Guild Party's possession, and (ii) Guild Parties shall authorize and direct the Closing Agent to deliver the related Mortgage Loan Documents to Guild Parties, for delivery to Buyer or its Custodian, in each case, within

the Maximum Dwell Time in accordance with the terms of Section 7.2 hereof, Exhibit B hereof and the Custodial Agreement.

- (c) Pooled Mortgage Loans. With respect to a Transaction the subject of which is a Purchased Asset related to a Pooled Mortgage Loan, Guild Parties shall deliver to Buyer or its Custodian, as applicable, the related Agency Documents in accordance with and pursuant to the terms of Section 7.2(e) hereof and the Custodial Agreement and Guild Parties shall cause the Custodian to deliver a trust receipt to Buyer with respect to such Mortgage Loans in accordance with the terms of the Custodial Agreement. In addition, Guild Parties shall deliver to Buyer a duly executed Trade Assignment together with a true and complete copy of the Purchase Commitment with respect to the related Mortgage-Backed Security in accordance with and pursuant to the terms of Section 7.2(b) and Section 7.2(e).
- (d) Government Mortgage Loans. With respect to a Transaction the subject of which is a Purchased Asset related to a Government Mortgage Loan, Guild Parties shall, at the request of Buyer, deliver to Buyer or its Custodian, within forty five (45) calendar days following the Purchase Date for such Purchased Asset, the FHA Mortgage Insurance Contract, the VA Loan Guaranty Agreement or the RD Loan Guaranty Agreement, as applicable, or evidence of such insurance or guaranty, as applicable, including proof of payment of the premium and the case number so Buyer can access the information on the computer system maintained by FHA, the VA or the RD.
- (e) Mortgage Loan Documents in Guild Parties' Possession. At all times during which the Mortgage Loan Documents related to any Underlying Asset are in the possession of Guild Parties, and until such Underlying Asset is released by Buyer from the related Transaction hereunder, Guild Parties shall hold such Mortgage Loan Documents in trust separate and apart from Guild Parties' own documents and assets and for the exclusive benefit of Buyer and shall act only in accordance with Buyer's written instructions thereto. Such Mortgage Loan Documents should be clearly marked as subject to delivery to Buyer.
- (f) Other Mortgage Loan Documents in Guild Parties' Possession. With respect to each Underlying Asset, until such Underlying Asset is released by Buyer from the related Transaction hereunder, Guild Parties shall hold in trust separate and apart from Guild Parties' own documents and assets and for the exclusive benefit of Buyer all mortgage loan documents related to such Underlying Asset and not delivered to Buyer, including, without limitation, the Other Mortgage Loan Documents, as applicable. All such mortgage loan documents shall be clearly marked as subject to delivery to Buyer.
- (g) Pooled Mortgage Loans. With respect to a Transaction the subject of which is a Purchased Asset related to a Pooled Mortgage Loan, in addition to satisfying the other relevant delivery requirements specified in this Section 3.3, Guild Parties shall comply with the conditions to the eligibility of Pooled Mortgage Loans and the related Mortgage-Backed Securities specified in the Transactions Terms Letter.

**3.4** Haircut. With respect to each Transaction for which the related Purchase Price is being remitted by Buyer to one or more Approved Payees, Seller shall ensure that there are sufficient funds on deposit in the Over/Under Account such that following the withdrawal of the related Haircut by Buyer, the balance of the Over/Under Account is equal to or greater than the Minimum Over/Under Account Balance, as set forth in the Transactions Terms Letter.

### 3.5 Over/Under Account.

- (a) Minimum Balance. Seller shall at all times maintain a balance in the Over/Under Account of not less than the Minimum Over/Under Account Balance, as set forth in the Transactions Terms Letter. The Over/Under Account shall be used to assist in settling the Transactions and any other obligations under this Agreement. Buyer shall not be required to segregate and hold funds deposited by or on behalf of Seller in the Over/Under Account separate and apart from Buyer's own funds or funds deposited by or held for others. Upon the occurrence of a Potential Default or an Event of Default, Buyer shall have the right, in its sole and good faith discretion, to increase the Minimum Over/Under Account Balance Seller is required to maintain in the Over/Under Account by giving notice to Seller thereof. If Seller fails to deposit funds in the Over/Under Account to comply with any such required increase within the time frame required by Buyer, Buyer shall have the right, in its sole and good faith discretion, to retain in the Over/Under Account any amounts received by Buyer on behalf of Seller or otherwise credited to the Over/Under Account to comply with any such required increases, including, without limitation, any purchase proceeds received by Buyer from any Approved Investor pursuant to Section 4.7. Buyer shall not be liable to Seller for any costs, losses or damages arising from or relating to the increase of the Minimum Over/Under Account Balance that Seller is required to maintain in the Over/Under Account or retention of excess funds by Buyer to comply with any such increase.
- (b) Deposits.
- (i) Seller. Seller shall deposit margin in the form of funds in the Over/Under Account in accordance with the terms of this Agreement, including, without limitation, Section 3.4 and Section 3.5(a).
- (ii) Buyer. Buyer shall credit to the Over/Under Account all amounts in excess of those amounts due to Buyer in accordance with the Principal Agreements on the date Buyer receives or has received both (1) a payment by Seller or an Approved Investor pursuant to a Purchase Commitment and (2) a Purchase Advice relating to such payment without discrepancy; provided, however, that funds and Purchase Advices received by Buyer after 4:00 p.m. (New York City time), shall be deemed to have been received on the next Business Day. Buyer shall use reasonable efforts to notify Seller if there is a discrepancy between a wire transfer and the related Purchase Advice, and thereafter, Seller shall notify Buyer as to whether Buyer should accept such settlement payment despite the discrepancy between the amount received and the related Purchase Advice; provided, however, that if an Event of Default or Potential Default has occurred and is continuing, Buyer is not obligated to receive approval from Seller prior to accepting any amounts received and releasing the related Purchased Assets.
- (iii) Settlement Statement. Buyer shall deliver to Guild Parties via facsimile or make available to Seller via the internet within one (1) Business Day following settlement of a Transaction, or as soon thereafter as is reasonably possible, a settlement statement, which includes an explanation of all amounts credited by Buyer to the Over/Under Account to settle the Transaction.
- (c) Withdrawals.

- (i) Seller. If the amount credited to the Over/Under Account creates a balance in excess of the Minimum Over/Under Account Balance pursuant to Section 3.5(a) above, provided that no Potential Default or Event of Default has occurred and is continuing, Seller may submit a written request to Buyer for return or payment of such excess funds. If any such request is received by Buyer prior to 1:00 p.m. (New York City time) on a Business Day, Buyer shall use commercially reasonable efforts to wire such requested excess funds to Seller by the end of such Business Day and in no event no later than two (2) Business Days after Buyer's receipt of such request. Notwithstanding anything contained in this Section 3.5(c)(i) to the contrary, Buyer reserves the right to reject any request for excess funds from the Over/Under Account if Buyer determines, in its sole and good faith discretion, that such excess funds shall be used to satisfy Seller's outstanding obligations under this Agreement or are subject to other rights as provided in this Agreement.
- (ii) Buyer. Buyer may, from time to time and without separate authorization by Seller or notice to Seller, withdraw funds from the Over/Under Account to settle amounts owed in accordance with the terms of this Agreement or to otherwise satisfy Seller's obligations under this Agreement, including, without limitation:
- (1) with respect to any Transaction with respect to which the Purchase Price is being paid to one or more Approved Payees on behalf of Guild Parties, to deliver the Haircut to the Closing Agent;
  - (2) to reimburse itself for any reasonable costs and expenses incurred by Buyer in connection with this Agreement, as permitted herein;
  - (3) to pay itself any Price Differential on a Purchase Price that is due and owing;
  - (4) to Seller as provided in Section 3.5(c)(i);
  - (5) as security for the performance of Seller's obligations hereunder;
  - (6) without limiting the generality of Section 3.5(c)(ii)(5), to satisfy any outstanding Margin Deficit as provided in Section 6.3(b); and
  - (7) in the exercise of Buyer's or its Affiliates' rights under Section 6.3(d) or Section 11.9.
- (d) Failure to Maintain Balance. If, at any time, Seller fails to maintain in the Over/Under Account the Minimum Over/Under Account Balance as required hereunder, in addition to any other rights and remedies that Buyer may have against Seller, Buyer shall have the right, at its sole and good faith discretion, to immediately stop entering into Transactions with Seller and/or to charge Seller accrued interest on that portion of the Minimum Over/Under Account Balance that Seller has failed to maintain, at the Default Rate, from the time that such balance failed to be maintained until the time that funds are deposited into or held in the Over/Under Account to comply with such Minimum Over/Under Account Balance requirements hereunder. Without limiting the generality of the foregoing, it is understood and agreed that should the balance in the Over/Under Account become negative, Seller will continue to owe Buyer accrued interest as provided herein.

- (e) Security Interest. Any funds of Seller at any time deposited or held in the Over/Under Account, whether such funds are required to be deposited and held in the Over/Under Account pursuant to this Section 3.5 or otherwise, are hereby pledged by Seller as security for its obligations under this Agreement, and Seller hereby grants a security interest in such funds to Buyer, and such pledge and security interest shall be considered “a security agreement or other arrangement or other credit enhancement” that is “related to” the Agreement and Transactions hereunder within the meaning of Bankruptcy Code Sections 101(38A)(A), 101(47)(a)(v) and 741(7)(A)(x).

### **3.6 Payment of Purchase Price.**

- (a) Payment of Purchase Price. On the Purchase Date for each Transaction, the Purchased Assets, including the Participation Interests in the Servicing Rights related to the Underlying Assets (including on account of any Purchase Price Increase), shall be transferred to Buyer against the simultaneous transfer of the Purchase Price to Seller or on behalf of Guild Parties to an Approved Payee, as applicable, simultaneously with the delivery to Buyer of the Purchased Assets relating to each Transaction. With respect to the Purchased Assets being sold by Seller on the Purchase Date, Seller hereby sells, transfers, conveys and assigns to Buyer or its designee without recourse, but subject to the terms of this Agreement, all of Seller’s right, title and interest in and to the Purchased Assets, including the Participation Interests in the Servicing Rights related to the related Underlying Assets, together with all right, title and interest of Seller in and to all amounts due and payable under the terms of such Underlying Assets.
- (b) Methods of Payment. On the Purchase Date for each Transaction:
- (i) Buyer shall pay the Purchase Price for all Transactions by wire transfer in accordance with Seller’s wire instructions set forth on Exhibit J. Notwithstanding the foregoing, Buyer shall not be obligated to pay the Purchase Price under any method of payment to any Closing Agent, third party institutional originator or warehouse lender that is not an Approved Payee. Further, the payment of the Purchase Price by Buyer to any Closing Agent, third party institutional originator or warehouse lender that is not an Approved Payee shall not make such Closing Agent, third party institutional originator or warehouse lender an Approved Payee. Any funds disbursed by Buyer to Seller or its Approved Payee shall be subject to all applicable federal, state and local laws, including, without limitation, regulations and policies of the Board of Governors of the Federal Reserve System on Reduction of Payments System Risk. Seller acknowledges that as a result of such applicable laws, regulations and policies, equipment malfunction, Buyer’s approval procedures or circumstances beyond the reasonable control of Buyer, the payment of a Purchase Price using one or more of the methods described above may be delayed. Buyer shall not be liable to Seller for any costs, losses or damages arising from or relating to any such delays, or
- (ii) Notwithstanding the foregoing, where a Purchased Asset or an Underlying Asset is the subject of third party financing, Buyer may pay all or any portion of the Purchase Price directly to the warehouse lender or other lender that has a security interest in such Purchased Asset or Underlying Asset, as applicable, to satisfy the related indebtedness and obtain a release of such security interest.

- (c) Transaction Limitations and Other Restrictions Relating to Closing Agents. Notwithstanding that a particular Transaction request will not exceed the Aggregate Transaction Limit or applicable Type Sublimit, if the payment of the Purchase Price for such Transaction to the related Closing Agent will violate Buyer's applicable policies and procedures (as contained in the Handbook or otherwise) regarding payments to Closing Agents, Buyer may refuse to pay the Purchase Price to such Closing Agent.
- (d) Return of Purchase Price. If a Wet Mortgage Loan related to a Purchased Asset subject to a Transaction is not closed on the same day on which the Purchase Price was funded, Seller shall immediately return, or cause to be immediately returned (but in any event within forty-eight (48) hours), the Purchase Price (or such greater amount that shall have been remitted by Buyer, if applicable) with respect to such Purchased Asset to Buyer by wire transfer in accordance with Buyer's wire instructions set forth on Exhibit B. Further, Seller shall pay Buyer all fees and expenses incurred by Buyer in connection with the funding of the Purchase Price for such Purchased Asset and, from the date of such funding up to but excluding the date such Purchase Price is returned to Buyer, Seller shall also pay Buyer any Price Differential accrued on such Purchase Price immediately upon notification from Buyer; provided, however, that Price Differential shall continue to accrue until the Purchase Price is returned to Buyer.

### 3.7 Approved Payees.

- (a) Closing Agents. In order for a Closing Agent to be designated an Approved Payee with respect to any Purchase Price for new origination Wet Mortgage Loans or Dry Mortgage Loans as to which the origination funds are being remitted to the closing table, Seller shall submit to Buyer the following documents:
  - (i) if the title company issuing the title policy that covers the applicable Underlying Asset has not issued to Buyer a blanket Closing Protection Letter, which covers closings conducted by this Closing Agent in the jurisdiction where this closing will take place:
    - (1) a valid blanket Closing Protection Letter, in a form acceptable to Buyer, issued to Seller or Buyer by the title company, which is issuing the title insurance policy that covers the related Underlying Asset and is an Acceptable Title Insurance Company, that covers closings conducted by the Closing Agent in the jurisdiction where this closing will take place and if applicable, an assignment to Buyer of such Closing Protection Letter, substantially in the form of Exhibit F hereto; or
    - (2) a valid Closing Protection Letter, in a form acceptable to Buyer, issued to Seller or Buyer by the title company, which is issuing the title insurance policy that covers the related Underlying Assets and is an Acceptable Title Insurance Company, that covers the closing of this specific Underlying Asset and if applicable, an assignment to Buyer of such Closing Protection Letter, substantially in the form of Exhibit F hereto; or
    - (3) with respect to those jurisdictions outlined in the Handbook for which Closing Protection Letters are not available or are limited in their applicability, any other documents Buyer may require, including without

limitation, a duly executed, valid and enforceable assignment to Buyer of Seller's rights under its fidelity bond and errors and omissions policy maintained pursuant to Section 9.9; and

- (ii) evidence that the Irrevocable Closing Instructions, in the applicable form and signed by Seller and Buyer, have been delivered to such Closing Agent.
- (b) Warehouse Lenders. In order for a warehouse lender to be designated an Approved Payee with respect to any Purchase Price, Seller shall submit to Buyer a written request, including the name and address of the warehouse lender, demonstrating a need for such designation. Notwithstanding the foregoing, Buyer reserves the right to refuse to designate any warehouse lender as an Approved Payee, or, alternatively, to require additional terms and conditions in order for Buyer to pay a Purchase Price to a warehouse lender.
- (c) Approval Process. Buyer shall review the applicable documents and notify Seller within two (2) Business Days as to whether such Closing Agent or warehouse lender has been designated by Buyer, in its sole and good faith discretion, to be an Approved Payee with respect to such Purchase Price. Buyer may withdraw its approval of any Closing Agent or warehouse lender as an Approved Payee if Buyer becomes aware of any facts or circumstances at any time related to such Closing Agent or warehouse lender which Buyer determines, in its sole and good faith discretion, materially and adversely affects the Closing Agent or warehouse lender or otherwise makes the Closing Agent or warehouse lender unacceptable as an Approved Payee.

**3.8** Delivery of Purchased Securities. With respect to Underlying Assets that are Pooled Mortgage Loans, Buyer shall release its interests in such Underlying Assets simultaneously with the Settlement Date of the related Mortgage-Backed Security backed by a Pool containing such Underlying Assets. Provided that such Mortgage-Backed Security has been issued in the name of Buyer or Buyer's nominee, from and after such Settlement Date, the Mortgage-Backed Security shall replace the related Underlying Assets as the asset that is subject to the Participation Interests subject to the related Transaction.

#### **ARTICLE 4 REPURCHASE**

##### **4.1** Repurchase Price.

- (a) Payment of Repurchase Price. The Repurchase Price for each Purchased Asset shall be payable in full and by wire transfer in accordance with Buyer's wire instructions set forth on Exhibit B or Exhibit J, as applicable, upon the earliest to occur of (i) the Repurchase Date of the related Transaction, (ii) the occurrence of any Repurchase Acceleration Event with respect to such Transaction (iii) at Buyer's sole option, upon the occurrence or during the continuance of an Event of Default, or (iv) the Expiration Date. Such obligation to repurchase exists without regard to any prior or intervening liquidation or foreclosure with respect to any Purchased Asset or Underlying Asset. While it is anticipated that Seller will repurchase each Purchased Asset on its related Repurchase Date, Seller may repurchase any Purchased Asset (or obtain the release of any Underlying Asset) hereunder on demand without any prepayment penalty or premium.

- (b) **Effect of Payment of Repurchase Price.** On the Repurchase Date (or such other date on which the Repurchase Price is received in full by Buyer), termination of the related Transaction will be effected by the repurchase by Seller or its designee of the Purchased Assets (and release of the related Underlying Assets) and the simultaneous transfer of the Repurchase Price to an account of Buyer, or transfer to Buyer of additional Participation Interests related to Additional Underlying Assets (in each case subject to the provisions of [Section 6.5](#)), and all of Buyer's rights, title and interests therein shall then be conveyed to Seller or its designee; provided that Buyer shall not be deemed to have terminated or conveyed its interests in such Purchased Assets or related Underlying Assets if an Event of Default shall then be continuing or shall be caused by such repurchase or if such repurchase gives rise to or perpetuates a Margin Deficit that is not satisfied in accordance with [Section 6.3\(b\)](#). With respect to Underlying Assets related to Purchased Assets, Guild Parties are obligated to obtain the related Mortgage Loan Documents from Custodian at Guarantor's expense on the Repurchase Date.

**4.2 Repurchase Acceleration Events.** The occurrence of any of the following events shall be a Repurchase Acceleration Event with respect to one or more Purchased Assets, as the case may be:

- (a) Buyer in its sole and good faith discretion has determined that the related Underlying Asset is a Defective Asset;
- (b) [\*\*\*] elapse from the date a related Mortgage Loan Documents relating to an Underlying Asset associated with such Purchased Assets were delivered to an Approved Investor and such Approved Investor has not returned such Mortgage Loan Documents or purchased the Underlying Asset, unless an extension is granted by Buyer, in its sole and good faith discretion;
- (c) [\*\*\*] elapse from the date a related Mortgage Loan Document relating to an Underlying Asset associated with such Purchased Assets were delivered to a Guild Party for correction or completion or for servicing purposes, without being returned to Buyer or its designee;
- (d) with respect to an Underlying Asset that is a Wet Mortgage Loan, Guild Parties fail to deliver to Buyer the related Mortgage Loan Documents relating to an Underlying Asset associated with such Purchased Assets within the applicable Maximum Dwell Time or any Mortgage Loan Document delivered to Buyer, upon examination by Buyer, is found not to be in compliance with the requirements of this Agreement or the related Purchase Commitment and is not corrected within the applicable Maximum Dwell Time;
- (e) regardless of whether an Underlying Asset associated with such Purchased Assets is a Defective Asset, a foreclosure or similar type of proceeding is initiated with respect to the Underlying Asset;
- (f) the further sale of the Underlying Asset associated with such Purchased Assets by Guild Parties to any party other than an Approved Investor;
- (g) (1) with respect to any Underlying Asset associated with such Purchased Assets that has been pooled to support a Mortgage-Backed Security issued by Guarantor and fully guaranteed by Ginnie Mae for which Buyer has executed a Form HUD 11711A, the Custodian ceases to hold the Mortgage Loan File and the related Mortgage Loan Documents in respect thereof for the sole and exclusive benefit of Buyer at any time prior



to the issuance of the related Mortgage-Backed Security, or (2) with respect to all other Underlying Assets, the Custodian ceases to hold the related Mortgage Loan File and all Mortgage Loan Documents in respect thereof for the sole and exclusive benefit of Buyer at any time;

- (h) with respect to any Pooled Mortgage Loan or Mortgage-Backed Security, if the Guild Parties have failed to deliver the related Trade Assignment to Buyer in accordance with the requirements set forth in Section 7.2(i);
- (i) with respect to any Underlying Assets that are Pooled Mortgage Loans, if the Applicable Agency has not issued the related Mortgage-Backed Security to the Depository in the name of Buyer or Buyer's nominee on the related Settlement Date;
- (j) with respect to any Purchased Securities, if Buyer has not received the related Takeout Price from the Approved Investor on the related Settlement Date; or
- (k) following the termination of a Temporary Increase, the Aggregate Outstanding Purchase Price exceeds the Aggregate Transaction Limit (as reduced by the termination of such Temporary Increase).

**4.3 Reduction of Asset Value as Alternative Remedy.** In Buyer's sole and good faith discretion, in lieu of requiring full repayment of the Repurchase Price upon the occurrence of a Repurchase Acceleration Event, Buyer may elect to reduce the Asset Value of the related Purchased Asset or Underlying Asset, as applicable, to as low as zero and accordingly require a full or partial repayment of such Repurchase Price or the delivery of other funds or collateral, which additional assets shall be "margin payments" or "settlement payments" as such terms are defined in Bankruptcy Code Sections 741(5) and (8), respectively.

**4.4 Designation as Noncompliant Asset as Alternative Remedy.** In Buyer's sole and good faith discretion, in lieu of requiring full repayment of the Repurchase Price upon the occurrence of a Repurchase Acceleration Event, Buyer may elect to deem the related Underlying Asset a Noncompliant Asset, provided that (a) after such Underlying Asset is deemed to be a Noncompliant Asset, the aggregate original Asset Value of all Noncompliant Assets does not exceed the Type Sublimit for Noncompliant Assets; (b) the Asset Value of the Noncompliant Asset is greater than the Repurchase Price or Seller provides additional Participation Interests related to Additional Underlying Assets or repays part of the Repurchase Price as provided in Section 6.3 in each case as a "margin payment" as such term is defined in Bankruptcy Code Section 741(5); and (c) Guild Parties deliver to Buyer all documentation relating to the Purchased Asset and related Underlying Assets reasonably requested by Buyer.

**4.5 Illegality or Impracticability.** Notwithstanding anything to the contrary in this Agreement, if Buyer determines in its sole and good faith discretion that any law, regulation, treaty or directive or any change therein or in the interpretation or application thereof, or any circumstance materially and adversely affecting the London interbank market, the repurchase market for mortgage loans or mortgage-backed securities or the source or cost of Buyer's funds, shall make it unlawful, impractical or commercially unreasonable for Buyer to enter into or maintain Transactions as contemplated by this Agreement (a) the commitment of Buyer hereunder to enter into or to continue to maintain Transactions shall be cancelled and (b) the Repurchase Price for each Transaction then outstanding shall be due and payable upon the earlier to occur of (i) the date required by any financial institution providing funds to Buyer or, solely in the case of impracticability, within ten (10) days thereafter, (ii) sale of the Purchased Assets in accordance

with the terms of this Agreement, and (iii) the date as of which Buyer determines that such Transactions are unlawful or impractical or commercially unreasonable to maintain; provided that Buyer shall not be liable to any Guild Party for any costs, losses or damages arising from or relating from any actions taken by Buyer pursuant to this Section 4.5.

**4.6 Increased Costs.**

- (a) Notwithstanding anything to the contrary in this Agreement, if Buyer determines in its sole good faith discretion that any change in any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority or any change in the interpretation or application thereof or compliance by Buyer with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the date hereof (i) subjects Buyer to any tax of any kind whatsoever with respect to this Agreement or any Purchased Asset (excluding Excluded Taxes) or materially changes the basis of taxation of payments to Buyer in respect thereof, (ii) imposes, materially modifies or holds applicable any reserve, special deposit, compulsory advance or similar requirement against assets held by deposits or other liabilities in or for the account of Transactions or extensions of credit by, or any other acquisition of funds by any office of Buyer which is not otherwise included in the determination of the Applicable Pricing Rate hereunder, or (iii) imposes on Buyer any other condition, the result of which is to increase the cost to Buyer, by an amount which Buyer deems to be material, of effecting or maintaining purchases hereunder, or to reduce any amount receivable hereunder in respect thereof, then, in any such case, Guild Parties shall promptly pay Buyer such additional amount or amounts as will compensate Buyer for such increased cost or reduced amount receivable thereafter incurred.
- (b) If Buyer has determined in its sole good faith discretion that the adoption of or any change in any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority regarding capital adequacy or in the interpretation or application thereof or compliance by Buyer or any corporation controlling Buyer with any request or directive regarding capital adequacy (whether or not having the force of law) from any Governmental Authority made subsequent to the date hereof has the effect of reducing the rate of return on Buyer's or such corporation's capital as a consequence of its obligations hereunder to a level below that which Buyer or such corporation but for such adoption, change or compliance (taking into consideration Buyer's or such corporation's policies with respect to capital adequacy) by an amount deemed by Buyer to be material, then from time to time, Seller shall promptly pay to Buyer such additional amount or amounts as will thereafter compensate Buyer for such reduction.
- (c) If Buyer becomes entitled to claim any additional amounts pursuant to this Section 4.6, it shall promptly notify Guild Parties of the event by reason of which it has become so entitled. A certificate as to any additional amounts payable pursuant to this subsection submitted by Buyer to Guild Parties shall be conclusive in the absence of manifest error or bad faith by Buyer.

**4.7 Payments Pursuant to Sale to Approved Investors.** Guild Parties shall direct each Approved Investor purchasing an Underlying Asset to pay directly to Buyer, by wire transfer of immediately available funds, the applicable Takeout Price in full and without set-off on the date set forth in the applicable Purchase Commitment. In addition, Guild Parties shall provide Buyer with a Purchase Advice relating to such payment. Guild Parties shall not direct the Approved

Investor to pay to Buyer an amount less than the full Takeout Price or modify or otherwise change the wire instructions for payment of the Takeout Price provided to Approved Investor by Buyer. Buyer shall apply all amounts received from an Approved Investor for the account of Seller in accordance with Section 4.8 below and credit all amounts due Seller to the Over/Under Account in accordance with Section 3.5(b)(ii) above. Buyer may reject any amount received from an Approved Investor and not release the related Underlying Asset if (a) Buyer does not receive a Purchase Advice in respect of any wire transfer, (b) Buyer does not receive the full Takeout Price, without set-off, or (c) the amount received is not sufficient to pay the related Repurchase Price in full. Alternatively, in lieu of rejecting an amount received by Buyer from an Approved Investor, at Buyer's sole option and discretion, if the amount received from the Approved Investor does not equal or exceed the related Repurchase Price, Buyer may accept the amount received from the Approved Investor and deduct the remaining amounts owed by Seller from the Over/Under Account or demand payment of such remaining amount from Seller. If a Guild Party receives any funds intended for Buyer, such Guild Party shall segregate and hold such funds in trust for Buyer and immediately pay to Buyer all such amounts by wire transfer of immediately available funds together with providing Buyer with a settlement statement for the transaction.

**4.8** Application of Payments from Guild Parties or Approved Investors. Unless Buyer determines otherwise, payments made directly by a Guild Party or an Approved Investor to Buyer shall be applied in the following order of priority:

- (a) first, to any amounts due and owing to Buyer pursuant to Section 6.3;
- (b) second, to all costs, expenses and fees incurred or charged by Buyer under this Agreement that are due and owing and related to the Transaction in connection with which the payment is made;
- (c) third, to all costs, expenses and fees incurred or charged by Buyer under this Agreement that are due and owing and not related to a specific Transaction;
- (d) fourth, to the Price Differential then due and owing and the outstanding Purchase Price, in each case, on the Purchased Asset (and allocated to the related Underlying Asset in connection with which the payment is made);
- (e) fifth, to the Price Differential due and owing and the outstanding Purchase Prices, in each case, on any other Purchased Assets (and related Underlying Assets); and
- (f) sixth, to the amount of all other obligations then due and owing by Seller to Buyer under this Agreement and the other Principal Agreements.

Buyer and Guild Parties intend and agree that all such payments shall be "settlement payments" as such term is defined in Bankruptcy Code Section 741(8). After the settlement payments have been applied as set forth above, Buyer shall deposit in the Over/Under Account any amounts that remain.

**4.9** Method of Payment. Except as otherwise specifically provided herein, all payments hereunder must be received by Buyer on the date when due and shall be made in United States dollars by wire transfer of immediately available funds in accordance with Buyer's wire instructions set forth on Exhibit B or Exhibit J, as applicable. Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day, and with respect to payments of the Purchase Price, the Price

Differential thereon shall be payable at the Applicable Pricing Rate during such extension. All payments made by or on behalf of Seller with respect to any Transaction shall be applied to Seller's account in accordance with [Section 3.5\(b\)\(ii\)](#) and [Section 4.8](#) above and shall be made in such amounts as may be necessary in order that all such payments after withholding for or on account of any present or future Taxes imposed by any Governmental Authority, other than any Excluded Taxes, compensate Buyer for any additional cost or reduced amount receivable of making or maintaining Transactions as a result of such Taxes. All payments to be made by or on behalf of Seller with respect to any Transaction shall be made without set-off, counterclaim or other defense.

**4.10 Reserved.**

**4.11 Authorization to Debit.** In addition to any other authorizations to and rights of Buyer hereunder, Guild Parties hereby expressly authorize Buyer, upon the occurrence and during the continuation of a Potential Default, Event of Default or Servicer Termination Event, to debit any account maintained by any Guild Party with any depository institution into which any funds related to the Underlying Assets or related Purchased Items have been deposited (other than escrow accounts maintained for the benefit of the related Mortgagors), including without limitation, any operating, settlement or custodial account, for any and all amounts due Buyer hereunder. For the avoidance of doubt, the foregoing debit rights of Buyer shall not apply to Purchased Assets which have been repurchased by Seller pursuant to [Section 6.5](#).

**4.12 Book Account.** Buyer and Guild Parties shall maintain an account on their respective books of all Transactions entered into between Buyer and Seller and for which the Repurchase Price has not yet been paid. As a courtesy to Guild Parties, Buyer shall provide such information to Guild Parties via the Internet or by telephone or facsimile, if Guild Parties are unable to access the information via the Internet. Notwithstanding the foregoing, Guild Parties shall be responsible for maintaining their own book accounts and records of Transactions entered into with Buyer, amounts due to Buyer in connection with such Transactions and for paying such amounts when due. Failure of Buyer to provide Guild Parties with information regarding any Transaction shall not excuse Guild Parties' timely performance of all obligations under this Agreement, including, without limitation, payment obligations under this Agreement.

**4.13 Full Recourse.** The obligations of Guild Parties from time to time to pay the Repurchase Price, Margin Deficit payments, settlement payments and all other amounts due under this Agreement shall be full recourse obligations of Guild Parties.

**4.14 Alternative Rate.** If prior to any Payment Date, Buyer determines in its sole and reasonable discretion that: (i) adequate and reasonable means do not exist for ascertaining One-Month LIBOR, including, without limitation, because One-Month LIBOR is not available or published on a current basis, and such circumstances are unlikely to be temporary; (ii) the administrator of One-Month LIBOR or a Governmental Authority having jurisdiction over Buyer has made a public statement identifying a specific date after which One-Month LIBOR shall no longer be made available, or used for determining the interest rate of loans, provided that, at the time of such statement, there is no successor administrator that is satisfactory to Buyer, that will continue to provide One-Month LIBOR after such specific date (such specific date, the "[Scheduled Unavailability Date](#)"); or (iii) mortgage loan financing facilities similar to this facility, currently being executed, or that include language similar to that contained in this [Section 4.14](#), are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace One-Month LIBOR, Buyer shall give prompt notice thereof to Guild Parties, whereupon the Applicable Pricing Rate from the date specified in such notice, which may be the Scheduled

Unavailability Date, for such period, and for all subsequent periods until such notice has been withdrawn by Buyer, shall be based on (x) one or more SOFR-Based Rates or (y) another alternative benchmark rate giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated mortgage loan financing facilities for such alternative benchmark rates and, in each case, including any mathematical or other adjustments to such benchmark rates giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated mortgage loan financing facilities for such benchmark rates, which adjustment or method for calculating such adjustment shall be published on an information service as selected by Buyer from time to time in its sole discretion and may be periodically updated) (any such rate, a “**Successor Rate**”). Such Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for Buyer, such Successor Rate shall be applied in a manner as otherwise determined by Buyer in its sole discretion. In connection with the implementation of a Successor Rate, Buyer shall have the right to make Successor Rate Conforming Changes, as determined by Buyer in its sole and reasonable discretion from time to time and, notwithstanding anything to the contrary herein or in any other Principal Agreement, any amendments implementing such Successor Rate Conforming Changes shall become effective without any further action or consent of any other party to this Agreement.

## **ARTICLE 5 FEES**

- 5.1** **Payment of Fees.** Seller shall pay to Buyer those fees set forth in this Agreement and the Transactions Terms Letter when they become due and owing. Without limiting the generality of the foregoing, the Facility Fee shall be deemed due, earned and payable in full on the Effective Date and shall be payable in quarterly installments, with the first installment to be paid on the Effective Date, and the remaining quarterly installments to be paid on the fifth (5th) day of the month immediately following the quarterly anniversary of the Effective Date or if such date is not a Business Day, the Business Day immediately preceding such fifth (5th) day of the month, and if this Agreement is renewed, thereafter as provided in the Transactions Terms Letter. Buyer shall be entitled to withdraw from the Over/Under Account or retain from payments made by Seller or an Approved Investor, subject to Section 4.6, or set off against any Purchase Prices to be paid by Buyer any fees permitted under this Agreement that are due and owing. If such amounts on deposit in the Over/Under Account or payments received in connection with a Transaction or Purchase Prices to be paid by Buyer are not sufficient to pay Buyer all fees owed, Buyer shall notify Seller and Seller shall pay to Buyer, within one (1) Business Day, all unpaid fees.

## **ARTICLE 6 SECURITY; SERVICING; MARGIN ACCOUNT MAINTENANCE; CUSTODY OF MORTGAGE LOAN DOCUMENTS; REPURCHASE TRANSACTIONS; DUE DILIGENCE**

- 6.1** **Precautionary Grant of Security Interest in Purchased Assets.** With respect to the Purchased Assets, although the parties intend that all Transactions hereunder be sales and purchases (other than for accounting and tax purposes) and not loans, and without prejudice to the provisions of Section 6.6 and the expressed intent of the parties, if any Transactions are deemed to be loans, as security for the performance of all of Seller’s obligations hereunder, Seller hereby pledges, assigns and grants to Buyer a continuing first priority security interest in and lien upon the Purchased Assets and related Purchased Items and Buyer shall have all the rights and remedies of a “secured party” under the Uniform Commercial Code with respect to the Purchased Assets and related Purchased Items. Possession of any promissory notes, instruments or documents by the

Custodian shall constitute possession on behalf of Buyer, and Control of an eNote by the DB Custodian shall constitute Control on behalf of Buyer.

As security for the performance of all of Pledgor's obligations hereunder and as a precautionary measure in the event that the conveyance of any Purchased Asset or Participation Interests in any Underlying Assets by Pledgor to Seller is determined not to be a true sale or contribution or the separate existence of Seller from Pledgor is otherwise disregarded at any point, Pledgor hereby pledges, assigns and grants to Buyer a continuing first priority security interest in and lien upon the Purchased Assets and related Underlying Asset Collateral and Buyer shall have all the rights and remedies of a "secured party" under the Uniform Commercial Code with respect to the Purchased Assets and related Underlying Asset Collateral. Possession of any promissory notes, instruments or documents by the Custodian shall constitute possession on behalf of Buyer.

Each Guild Party acknowledges that it has no rights to the Servicing Rights or the Participation Interests in the Servicing Rights related to any Underlying Asset (including Certified Mortgage Loans). Without limiting the generality of the foregoing and for the avoidance of doubt, if any determination is made that the Participation Interests in the Servicing Rights related to such Underlying Asset were not sold by Seller to Buyer or that the Participation Interests in the Servicing Rights are not an interest in such Underlying Assets and are severable from the Underlying Assets despite Buyer's and Guild Parties' express intent herein to treat them as included in the purchase and sale transaction, Pledgor hereby pledges, assigns and grants to Buyer a continuing first priority security interest in and lien upon the Servicing Rights related to such Underlying Assets and Seller hereby pledges, assigns and grants to Buyer a continuing first priority security interest in and lien upon the Participation Interests in the Servicing Rights related to such Underlying Assets, and Buyer shall have all the rights and remedies of a "secured party" under the Uniform Commercial Code with respect thereto. In addition, each Guild Party, as applicable, further grants, assigns and pledges to Buyer a first priority security interest in and lien upon (i) all documentation and rights to receive documentation related to such Servicing Rights and the Participation Interests in the Servicing Rights and the servicing of each of the Underlying Assets, (ii) all Income related to the Purchased Assets and Underlying Assets received by Guild Parties, (iii) all rights to receive such Income, (iv) all other Purchased Assets and Underlying Assets, and (v) all products, proceeds and distributions relating to or constituting any or all of the foregoing (collectively, and together with the pledge of the Servicing Rights and the Participation Interests in the Servicing Rights in the immediately preceding sentence, the "**Related Credit Enhancement**"). The Related Credit Enhancement is hereby pledged as further security for Guild Parties' obligations to Buyer hereunder.

At any time and from time to time, upon the written request of Buyer, and at the sole expense of Guild Parties, Guild Parties will promptly and duly execute and deliver, or will promptly cause to be executed and delivered, such further instruments and documents and take such further action as Buyer may request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the Purchased Assets and related Purchased Items and Underlying Asset Collateral and the liens created hereby. Guild Parties also hereby authorize Buyer to file any such financing or continuation statement in a manner consistent with this Agreement to the extent permitted by applicable law. For purposes of the Uniform Commercial Code and all other relevant purposes, this Agreement shall constitute a security agreement.

If Seller shall, as a result of its ownership of the Participation Interests, become entitled to receive or shall receive any certificate evidencing any Participation Interest, any option rights, whether in

addition to, in substitution for, as a conversion of, or in exchange for the Participation Interests, or otherwise in respect thereof, Seller shall accept the same as the Buyer's agent, hold the same in trust for the Buyer and deliver the same forthwith to the Buyer in the exact form received, duly indorsed by Seller to the Buyer, if required, together with an undated transfer power, if required, covering such certificate duly executed in blank, or if requested, deliver the Participation Interests, re-registered in the name of Buyer, to be held by the Buyer subject to the terms hereof as additional security for the obligations of Seller hereunder. Any sums paid upon or in respect of the Participation Interests upon the liquidation or dissolution of Seller, or otherwise shall be paid over to the Buyer as additional security for the obligations of Seller hereunder. If any sums of money or property so paid or distributed in respect of the Participation Interests shall be received by Seller, Seller shall, until such money or property is paid or delivered to the Buyer, hold such money or property in trust for the Buyer segregated from other funds of Seller as additional security for the obligations of Seller hereunder.

Buyer shall exercise all voting and member rights with respect to the Participation Interests. Notwithstanding the foregoing and consistent with the provisions hereof, prior to the occurrence of an Event of Default which is continuing, Buyer shall notify and consult with Seller prior to the exercise of any rights under this paragraph; provided, however, Buyer may in its sole discretion (x) remove a Servicer or terminate a Servicing Agreement in connection with a Servicing Termination Event or (y) consent to a waiver of a material breach or consent to a material modification of a Servicing Agreement. In no event shall Buyer be required to cast or exercise a vote or other action taken which would impair the Participation Interests, or which would be inconsistent with or result in a violation of any provision of this Agreement. Without limiting the generality of the foregoing, Buyer shall have no obligation to, (i) vote to enable, or take any other action to permit the Seller to issue any interests of any nature or to issue any other interests convertible into or granting the right to purchase or exchange for any interests of such entity, or (ii) sell, assign, transfer, exchange or otherwise dispose of, or grant any option with respect to, the Participation Interests or (iii) create, incur or permit to exist any Lien or option in favor of, or any claim of any Person with respect to, Pledgor's interest in the Participation Interest except for the Lien provided for by this Agreement, or (iv) enter into any agreement or undertaking restricting the right or ability of Pledgor or Buyer to sell, assign or transfer the Participation Interests.

The parties acknowledge that the Participation Interests have been sold by Pledgor to Seller pursuant to a Participation Agreement. Notwithstanding the foregoing, each Guild Party acknowledges and agrees that their respective rights with respect to the Purchased Assets, Purchased Items and Underlying Asset Collateral (including without limitation its security interest in the Purchased Items and Underlying Asset Collateral) are and shall continue to be at all times junior and subordinate to the rights of Buyer under this Agreement. The parties further acknowledge that the Buyer shall enter into Transactions and Purchase Price Increases hereunder with respect to Purchased Assets, Purchased Items and Residual Collateral, free and clear of any obligations under the Participation Agreement and that such Participation Agreement shall not confer any obligations or liabilities on Buyer to any Guild Party. For the sake of clarity, if Buyer releases its security interest granted by Seller to Buyer hereunder in any Purchased Assets or other Purchased Items in accordance with the terms hereof, Buyer's security interest in the related Underlying Assets and related Residual Collateral granted by Pledgor to Buyer hereunder shall be released concurrently therewith.

## **6.2 Servicing.**

- (a) Servicing Rights Owned by Buyer; Buyer's Right to Appoint Servicer. In recognition that each Participation Interest (including the related Servicing Rights of the Underlying

Assets) is sold by Seller to Buyer on a servicing released basis and Buyer is the owner of the Servicing Rights related to each such Underlying Asset, Buyer shall have the sole right to appoint the Servicer for each Underlying Asset.

- (b) Appointment of Servicer. Subject to Buyer's right to appoint a successor Servicer at its sole discretion, Buyer hereby appoints Guild Servicer as the Servicer to subservice the Underlying Assets on behalf of Buyer as agent for Buyer for the period between the Purchase Date and the Repurchase Date of the Purchased Assets relating to such Underlying Assets. The right of Guild Servicer to service the Underlying Assets is on an interim basis only and does not provide or confer a contractual, ownership or other right for Guild Servicer to service the Underlying Assets, it being understood that upon payment of the Purchase Price, Buyer owns the Participation Interests in the related Servicing Rights and may assume servicing or appoint a Successor Servicer at any time. Further, the fact that Guild Servicer may be entitled to a servicing fee for interim servicing of the Underlying Assets or that Buyer may provide a separate notice of default to Guild Servicer regarding the servicing of the Underlying Assets shall not affect or otherwise change Buyer's ownership of the Participation Interests related to the Servicing Rights related to the Underlying Assets.
- (c) Interim Servicing Period; No Servicing Fee or Income. For each Transaction, Guild Servicer's right to interim service an Underlying Asset shall commence on the related Purchase Date and shall automatically terminate without notice on the earlier of (i) [\*\*\*] after the Purchase Date for the related Purchased Asset or (ii) the Repurchase Date. If the interim servicing period expires with respect to any Underlying Asset for any reason other than Seller repurchasing such Purchased Asset and obtaining the release of such Underlying Asset, then such interim servicing period shall automatically terminate if not renewed by Buyer. In connection with any such renewal, Seller or the Servicer, as applicable, shall continue to interim service the Underlying Asset for a [\*\*\*] extension period. Absent any such extension of the interim servicing period, Guild Servicer shall transfer servicing of the Underlying Asset (which shall include the delivery of all Servicing Records related to such Underlying Asset) to Buyer or its designee in accordance with the instructions of Buyer and any other applicable requirements of this Agreement. For the avoidance of doubt, upon expiration of the interim servicing period (including the expiration of any extension period) with respect to any Underlying Asset, Guild Servicer shall have no right to service the related Underlying Asset nor shall Buyer have any obligation to extend the interim servicing period (or continue to extend the interim servicing period), it being understood that upon such expiration, Guild Servicer shall promptly transfer the servicing of the related Underlying Asset to Buyer or its designee in accordance with the instructions of Buyer and any other applicable requirements of this Agreement. Buyer shall have no obligation to pay Guild Servicer, nor shall Guild Servicer have any right to deduct or retain, any servicing fee or similar compensation in connection with the interim servicing of an Underlying Asset.
- (d) Servicing Agreement. If there is a Servicer of the Underlying Assets, other than a Guild Party, Buyer or an Affiliate of Buyer, Guild Parties shall enter into a Servicing Agreement with the Servicer on behalf of Buyer, which such Servicing Agreement shall be on terms acceptable to Buyer in its discretion, and which shall include, at a minimum, (i) a recognition by the Servicer of Buyer's interests and rights to the Participation Interests in the Underlying Assets as provided under this Agreement, including, without limitation, Buyer's ownership of the Participation Interests in the Servicing Rights related to the Underlying Assets; (ii) an obligation for the Servicer to subservice the Underlying



Assets consistent with the degree of skill and care that the Servicer customarily requires with respect to similar Mortgage Loans owned or managed by it but in no event no less than in accordance with Accepted Servicing Practices; (iii) an obligation to comply with all applicable federal, state and local laws and regulations; (iv) an obligation to maintain all state and federal licenses necessary for it to perform its subservicing responsibilities; (v) an obligation not to impair the rights of Buyer in any Underlying Asset or any payment thereon and (vi) an obligation to collect all Income in respect of the Underlying Assets on behalf of Buyer, in trust, in segregated custodial accounts and remit such Income to the Custodial Account within [\*\*\*] of receipt. Further, such Servicing Agreement shall contain express reporting requirements and other rights to allow Buyer to inspect the records of the Servicer with respect to the Underlying Assets. Buyer may terminate the subservicing of any Underlying Asset with the then existing Servicer in accordance with either Section 6.2(f) or Section 6.2(n).

- (e) Servicing Obligations of Guild Servicer. To the extent Guild Servicer shall subservice any Underlying Asset on behalf of Buyer, Guild Servicer shall:
- (i) Subservice and administer the Underlying Assets on behalf of Buyer in accordance with prudent mortgage loan servicing standards and procedures generally accepted in the mortgage banking industry and in accordance with the degree of care and servicing standards generally prevailing in the industry, including all applicable requirements of the Agency Guides, applicable law, FHA Regulations, VA Regulations and RD Regulations, the requirements of any Insurer, as applicable, and the requirements of any applicable Purchase Commitment and the related Approved Investor, so that neither the eligibility of the Underlying Asset and any related Mortgage-Backed Security for purchase under such Purchase Commitment nor the FHA Mortgage Insurance, VA Loan Guaranty Agreement, RD Loan Guaranty Agreement or any other applicable insurance or guarantee in respect of any such Underlying Asset, if any, is voided or reduced by such servicing and administration;
  - (ii) Subject to Section 6.2(g), and to the extent not otherwise held by the Custodian, Guild Servicer shall at all times maintain and safeguard the Mortgage Loan File for the Underlying Asset in accordance with applicable law and lending industry custom and practice and shall hold such Mortgage Loan File in trust for Buyer, and in any event shall maintain and safeguard photocopies of the documents delivered to Buyer pursuant to Section 3.3, and accurate and complete records of its servicing of the Underlying Asset; Guild Servicer's possession of such Mortgage Loan File is for the sole purpose of subservicing such Underlying Asset and such retention and possession by Guild Servicer is in a custodial capacity only;
  - (iii) Buyer may, at any time during Guild Servicer's business hours on reasonable notice, examine and make copies of such documents and records, or require delivery of the originals of such documents and records to Buyer or its designee;
  - (iv) Guild Servicer shall deliver to Buyer all such reports with respect to the Underlying Assets required in the Transactions Terms Letter and herein at the times and on the dates set forth therein and herein. In addition, at Buyer's request, Guild Servicer shall promptly deliver to Buyer reports regarding the status of any Underlying Asset being subserviced by it, which reports shall

include, but shall not be limited to, a description of any default thereunder for more than [\*\*\*] or such other circumstances that could reasonably be expected to cause a material adverse effect with respect to such Underlying Asset, Buyer's title to such Underlying Asset or the collateral securing such Underlying Asset; Guild Servicer is required to deliver such reports until the repurchase of the Underlying Asset by Seller; and

- (v) Guild Servicer shall immediately notify Buyer if Guild Servicer becomes aware of any payment default that occurs under an Underlying Asset.
- (f) Sale or Transfer of Servicing Rights by Buyer. Buyer may sell or transfer any rights to service an Underlying Asset without the prior written consent of Guild Parties or any Servicer.
- (g) Release of Mortgage Loan Files. Guild Servicer shall release its custody of the contents of any Mortgage Loan File only in accordance with the written instructions of Buyer, except when such release is required (1) as incidental to Guild Servicer's subservicing of the related Underlying Asset, (2) to complete the Purchase Commitment, or (3) by law.
- (h) Right to Appoint Successor Servicer. Buyer reserves the right, in its sole discretion, to appoint a successor servicer to subservice any Underlying Asset (each a "**Successor Servicer**"). In the event of such an appointment, Guild Parties or the Servicer, as applicable, shall perform all acts and take all action so that any part of the Mortgage Loan File and related Servicing Records held by Guild Parties or the Servicer, together with all funds in the Custodial Account and other receipts relating to such Underlying Asset, are promptly delivered to the Successor Servicer. Guild Parties shall have no claim for servicing fees, lost profits or other damages if Buyer appoints a Successor Servicer hereunder.
- (i) [Reserved].
- (j) Location of Custodial Account. Seller shall not change the identity or location of a Custodial Account without thirty (30) days prior notice to Buyer. Seller shall from time to time, at its own cost and expense, execute such directions to the depository Eligible Bank, and other papers, documents or instruments as may be reasonably requested by Buyer to reflect Buyer's ownership interest in each Custodial Account.
- (k) Accounting of Custodial Account. If Buyer so requests, Seller shall promptly notify Buyer of each deposit in the Custodial Account, and each withdrawal from the Custodial Account, made by it with respect to the Underlying Assets. Seller shall promptly deliver to Buyer photocopies of all periodic bank statements and other records relating to the Custodial Account as Buyer may from time to time request.
- (l) Servicer Notice. As a condition precedent to Buyer funding the Purchase Price in respect of any Underlying Asset subserviced by a Servicer other than a Guild Party, Buyer, or an Affiliate of Buyer, Guild Parties shall provide to Buyer (i) a Servicer Notice addressed to and agreed to by the Servicer, advising the Servicer of such matters as Buyer may reasonably request, including, without limitation, recognition by the Servicer of Buyer's interest in such Underlying Assets and ownership of the Participation Interests in the Servicing Rights related thereto and the Servicer's agreement that upon receipt of notice

of an Event of Default from Buyer, it will follow the instructions of Buyer with respect to the subservicing of the related Underlying Assets.

- (m) Notification of Servicer Defaults. If a Guild Party should discover that, for any reason whatsoever, any entity responsible to a Guild Party by contract for managing or servicing any such Underlying Asset has failed to perform fully a Guild Party's obligations with respect to the management or servicing of such Underlying Asset as required under this Agreement or any of the obligations of such entities with respect to the Underlying Assets, as delegated by such Guild Party pursuant to any Servicing Agreement such Guild Party shall promptly notify Buyer.
- (n) Termination. Buyer shall have the right at any time to immediately terminate the Guild Parties' or any Servicer's (as applicable) right to subservice the Underlying Assets due to a Servicer Termination Event or for any other reason without payment of any penalty or termination fee. Guild Parties shall cooperate, or cause the Servicer to cooperate, in transferring the servicing of the Underlying Assets to a successor servicer appointed by Buyer in its sole and good faith discretion. For the avoidance of doubt any termination of the Servicer's rights to service by the Buyer as a result of a Servicer Termination Event or an Event of Default shall be deemed part of an exercise of the Buyer's rights to cause the liquidation, termination or acceleration of this Agreement.
- (o) Buyer's Right to Service. After providing thirty (30) days' notice to Seller (unless an Event of Default has occurred and is continuing), Buyer or its designee, at the Buyer's sole discretion, shall be entitled to service some or all of the Underlying Assets, including, without limitation, receiving and collecting all sums payable in respect of same. Upon Buyer's determination and written notice to Guild Parties or the Servicer, as applicable, that Buyer desires to service some or all of the Underlying Assets, Guild Parties shall promptly cooperate, or shall cause the Servicer to promptly cooperate, with all instructions of Buyer and do or accomplish all acts or things necessary to effect the transfer of the servicing to Buyer or its designee, at Guild Parties' sole expense. Upon Buyer's or its designee's servicing of the Underlying Assets, (i) Buyer may, in its own name or in the name of Guild Parties or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for the Underlying Asset(s), but shall be under no obligation to do so; (ii) Guild Parties shall, if Buyer so requests, pay to Buyer all amounts received by Guild Parties upon or in respect of the Underlying Asset(s) or other Purchased Items, advising Buyer as to the source of such funds; and (iii) all amounts so received and collected by Buyer shall be held by it as part of the Purchased Items or applied against any outstanding Repurchase Price owed Buyer.

### **6.3 Margin Account Maintenance.**

- (a) Asset Value. Buyer shall have the right to determine the Asset Value of each Purchased Asset and its related Underlying Asset at any time. For the avoidance of doubt, the Asset Value of a Purchased Asset shall be determined with respect to the Asset Value of the related Underlying Asset; provided that if a Purchased Asset fails to qualify as an Eligible Participation Interest, Buyer may mark the Asset Value of such Purchased Asset (and all related Underlying Assets) to zero.
- (b) Margin Deficit and Margin Call. If Buyer shall determine at any time that (A) the Asset Value of a Purchased Asset (or any related Underlying Asset) subject to a Transaction is

less than the related Purchase Price for such Purchased Asset (or such related Underlying Asset, as applicable), (B) the aggregate Asset Value of all Purchased Assets subject to each Transaction is less than the Aggregate Outstanding Purchase Price for such Transaction, or (C) the aggregate Asset Value of all Purchased Assets subject to all such Transactions is less than the Aggregate Outstanding Purchase Price for such Transactions (in any such case, a “**Margin Deficit**”), then Buyer may, at its sole option and by notice to Guild Parties (as such notice is more particularly set forth below, a “**Margin Call**”), require Guild Parties to either:

- (i) transfer to Buyer or its designee cash or, at Buyer’s sole option, additional Participation Interests related to Eligible Underlying Assets approved by Buyer (“**Additional Underlying Assets**”) so that (A) the individual Asset Value of the Purchased Asset (and related Underlying Assets), (B) the aggregate Asset Value of all Purchased Assets subject to each Transaction, or (C) the aggregate Asset Value of all Mortgage Loans subject to Transactions, as the case may be, including any such cash or additional Participation Interests related to Additional Underlying Assets tendered by the Seller, will thereupon equal or exceed the individual or Aggregate Outstanding Purchase Price(s) as applicable; or
- (ii) pay one or more Repurchase Prices, as applicable, in an amount sufficient to reduce the related Purchase Price so that the related Purchase Price (or the related Aggregate Outstanding Purchase Price) is less than or equal to the Asset Value of the Purchased Asset (and related Underlying Asset(s)) (or the aggregate Asset Value of the Purchased Assets (and related Underlying Asset(s), as applicable).

If Buyer delivers a Margin Call to Seller on or prior to 12:00 p.m. (New York City time) on any Business Day, then Guild Parties shall transfer cash to Buyer or additional Participation Interests related to Additional Underlying Assets, as applicable, no later than 5:00 p.m. (New York City time) that same day. If Buyer delivers a Margin Call to Seller after 12:00 p.m. (New York City time) on [\*\*\*] Business Day, Guild Parties shall be required to transfer cash or Additional Underlying Assets no later than 5:00 p.m. (New York City time) on the [\*\*\*]. Notice of a Margin Call may be provided by Buyer to Guild Parties electronically or in writing, such as via electronic mail or posting such notice on Buyer’s customer website(s).

- (c) Buyer’s Discretion. Buyer’s election not to make a Margin Call at any time there is a Margin Deficit shall not in any way limit or impair its right to make a Margin Call at any time a Margin Deficit exists.
- (d) Over/Under Account. Buyer may, in its sole and good faith discretion, withdraw from the Over/Under Account amounts equal to any Margin Deficit which is not otherwise satisfied by Seller within the time frames provided in this Section 6.3.
- (e) Credit to Repurchase Price. Any cash transferred to Buyer pursuant to this Section 6.3 shall be credited to the Repurchase Price of the related Transaction(s).

#### **6.4 Custody of Mortgage Loan Documents.**

- (a) Custodial Arrangements. With respect to Underlying Assets related to Purchased Assets, Buyer may appoint any Person to act as the Custodian to hold possession of the Mortgage Loan Documents and the Agency Documents (or a portion thereof) and to take actions at

the direction of Buyer. If any Person other than Buyer is appointed as Custodian, it shall be a condition precedent to Buyer entering into any Transactions hereunder that Guild Parties, Buyer and Custodian enter into a Custodial Agreement acceptable to Buyer. Guild Parties hereby consent to any and all such appointments and agrees to deliver the Mortgage Loan Documents and certain of the Agency Documents to the Custodian upon the direction of Buyer. Guild Parties further agree that (i) the Custodian shall be exclusively the agent, bailee and/or custodian of Buyer; (ii) receipt of the Mortgage Loan Documents by the Custodian shall be constructive receipt by Buyer of the Mortgage Loan Documents; (iii) Guild Parties shall not have and shall not attempt to exercise any degree of control over the Custodian or any Mortgage Loan Document held by the Custodian; and (iv) Buyer shall not be liable for any act or omission by the Custodian selected by Buyer with reasonable care.

- (b) Temporary Withdrawal of Mortgage Loan Documents for Correction. Buyer may, in its sole and good faith discretion, permit Guild Parties to withdraw, for a period not to exceed ten (10) Business Days, specified Mortgage Loan Documents for the purpose of correcting or completing such documents or servicing the related Underlying Assets; provided, however, that unless otherwise agreed to by Buyer in writing, in no event shall more than [\*\*\*] Mortgage Loan Files (or Mortgage Loan Documents from more than [\*\*\*] Mortgage Loan Files) shall be released from Custodian's possession at any one time; provided, further, that any Mortgage Loan Documents that are withdrawn by or at the request of a Guild Party and delivered to a Person other than a Guild Party shall at all times be covered by one or more Bailee Agreements, true and complete and fully executed copies of which shall be delivered to Buyer. Notwithstanding the foregoing, Buyer shall be deemed to be in possession of any Mortgage Loan Documents released pursuant to this Section 6.4(b), and the interest of Buyer in the related Underlying Asset shall continue unimpaired until the Mortgage Loan Documents are returned to, or the Repurchase Prices with respect thereto are received by, Buyer.
- (c) Delivery of Mortgage Loan Documents to Approved Investors. Provided that no Potential Default or Event of Default has occurred and is continuing, upon the written request of Guild Parties, Buyer may, at its option and in its sole and good faith discretion, deliver to an Approved Investor set forth in the related Purchase Commitment, or its custodian, the Mortgage Loan Documents relating to a specified Underlying Asset. All such Underlying Assets and the related Mortgage Loan Documents shall at all times be covered by one or more Bailee Agreements, and Buyer or its designee will not release Mortgage Loan Documents to an Approved Investor unless Buyer or its Custodian has received a true and complete and fully executed Bailee Agreement from the Approved Investor. Notwithstanding the foregoing, Buyer shall be deemed to be in possession of any Mortgage Loan Documents released pursuant to this Section 6.4(c), and the interest of Buyer in the related Underlying Asset shall continue unimpaired until the Mortgage Loan Documents are returned to, or the Repurchase Prices with respect thereto are received by, Buyer. If the Approved Investor does not purchase an Underlying Asset as contemplated by the related Purchase Commitment, Guild Parties shall, upon the request of Buyer, assist Buyer in the recovery of any Mortgage Loan Documents not returned by the Approved Investor to Buyer.
- (d) Delivery of Mortgage Loan Documents Relating to Mortgage-Backed Securities. Upon the written request of Guild Parties, Buyer may, at its option and in its sole and good faith discretion, deliver to the certifying custodian, or permit the delivery to the certifying custodian of, the Mortgage Loan Documents relating to those Underlying Assets that are

or will be Pooled Mortgage Loans. All such Underlying Assets and the related Mortgage Loan Documents shall at all times be covered by a Bailee Agreement, and Buyer or its designee will not release Mortgage Loan Documents to a certifying custodian unless Buyer or its designee has received a signed tri-party custodial agreement from such custodian, in a form acceptable to Buyer. Buyer shall have no obligation to release or permit the release of any Mortgage Loan Documents to any certifying custodian that will not sign a custodial agreement acceptable to Buyer. Notwithstanding the foregoing, Buyer shall be deemed to be in possession of any Mortgage Loan Documents released pursuant to this [Section 6.4\(d\)](#), and the interest of Buyer in the related Underlying Asset shall continue unimpaired until the Mortgage Loan Documents are returned to, or proceeds thereof are received by, Buyer. Guild Parties shall pay for all costs of the certifying custodian and use its best efforts to ensure that the issuer delivers the Mortgage-Backed Securities to the Depository in the name of Buyer or Buyer's nominee on the related Settlement Date.

**6.5 Repurchase and Release of Purchased Assets.** Provided that no Event of Default or Potential Default has occurred and is continuing, Seller may repurchase a Purchased Asset (or obtain the release of related Underlying Assets, as applicable) by either:

- (a) paying, or causing an Approved Investor to pay, to Buyer, subject to [Sections 4.7](#) and [4.8](#) above, the Repurchase Price; or
- (b) transferring to Buyer cash and/or additional Participation Interests relating to Underlying Assets satisfactory to Buyer, in aggregate amounts sufficient to cover the amount by which the aggregate amount of Transactions then outstanding hereunder (plus accrued interest and accrued fees with respect thereto) exceeds the Asset Value of the existing Purchased Assets, excluding the Purchased Assets (and related Underlying Assets) to be released; provided that (i) such additional Participation Interests shall be deemed part of a new Transaction, and (ii) the conditions precedent in [Section 7.2](#) shall be satisfied prior to any such transfer.

Upon receipt of the applicable amount, as set forth above, Buyer shall (i) with respect to Underlying Assets, deliver or shall cause the Custodian to deliver the related Mortgage Loan Documents to Guild Parties or Guild Parties' designee, if such documents have not already been delivered pursuant to a Bailee Agreement and (ii) with respect to related Purchased Securities, deliver the Purchased Security to the applicable Guild Party or Approved Investor, as applicable, on a delivery versus payment basis. If any such release gives rise to or perpetuates a Margin Deficit, Buyer shall notify Seller of the amount thereof and Seller shall thereupon satisfy the Margin Call in the manner specified in [Section 6.3\(b\)](#). Buyer shall have no obligation to release a repurchased an Underlying Asset or Purchased Security or terminate its security interest in such Underlying Asset or Purchased Security until such Margin Call is satisfied.

**6.6 Repurchase Transactions.** Beginning on the related Purchase Date and prior to the related Repurchase Date for a Transaction, Buyer shall have free and unrestricted use of all related Purchased Assets (and related Underlying Assets) and may in its sole discretion and without notice to Guild Parties engage in repurchase transactions with respect to any or all of such Purchased Assets or otherwise pledge, hypothecate, assign, transfer or convey any or all of such Purchased Assets (and related Underlying Assets) (such transactions, "Repurchase Transactions"). Nothing contained in this Agreement shall obligate Buyer to segregate any Purchased Asset or Purchased Item delivered to Buyer by Guild Parties. Guild Parties shall not be responsible for any additional obligations, costs or fees in connection with such Repurchase

Transactions. Seller shall not take any action inconsistent with Buyer's ownership of a Purchased Asset (representing the Participation Interests in the related Underlying Assets) and shall not claim any legal, beneficial or other interest in such a Purchased Asset other than the limited right and obligations to provide servicing of such Underlying Assets (representing the Participation Interests in the related Underlying Assets) where Buyer designates Guild Servicer as servicer as provided in Section 6.2.

- 6.7** **Periodic Due Diligence.** Guild Parties acknowledge that Buyer has the right at any time during the term of this Agreement to perform continuing due diligence reviews with respect to the Purchased Assets and the Underlying Assets, for purposes of verifying compliance with the representations, warranties, covenants and specifications made hereunder or under any other Principal Agreement, or otherwise, and Guild Parties agree that upon reasonable (but no less than five (5) Business Day's) prior notice to Guild Parties (provided that upon the occurrence of a Potential Default or an Event of Default, no such prior notice shall be required), Buyer or its authorized representatives will be permitted during normal business hours to examine, inspect, make copies of, and make extracts of, the Mortgage Loan Files, the Servicing Records and any and all documents, records, agreements, instruments or information relating to such Purchased Assets in the possession, or under the control, of any Guild Party, Custodian or Servicer. Further, Guild Parties will make available to Buyer a knowledgeable financial or accounting officer and will instruct such officer to answer candidly and fully, at no cost to Buyer, any and all questions that any authorized representative of Buyer may address to them in reference to the Mortgage Loan Files, Purchased Assets and Underlying Assets. Without limiting the generality of the foregoing, Guild Parties acknowledge that Buyer shall purchase Assets from Seller based solely upon the information provided by Guild Parties to Buyer in the Asset Data Records and the representations, warranties and covenants contained herein, and that Buyer, at its option, has the right, at any time to re-underwrite any of the Underlying Assets itself or engage a third party underwriter to perform such re-underwriting. Guild Parties agree to cooperate with Buyer and any third party underwriter in connection with such re-underwriting, including, but not limited to, providing Buyer and any third party underwriter with access to any and all documents, records, agreements, instruments or information relating to such Purchased Assets in the possession, or under the control, of any Guild Party. Guild Parties and Buyer further agree that all out-of-pocket costs and expenses incurred by Buyer in connection with Buyer's activities pursuant to this Section 6.7 shall be paid by Seller.

## ARTICLE 7 CONDITIONS PRECEDENT

- 7.1** **Initial Transaction.** As conditions precedent to Buyer considering whether to enter into the initial Transaction hereunder:

- (a) Guild Parties shall have delivered to Buyer, in form and substance satisfactory to Buyer:
  - (i) each of the Principal Agreements duly executed by each party thereto and in full force and effect, free of any modification, breach or waiver;
  - (ii) an opinion of Guild Parties' counsel as to such matters as Buyer may reasonably request, including, without limitation, with respect to Buyer's first priority lien on and perfected security interest in the Purchased Assets and Purchased Items; a non-contravention, enforceability and corporate opinion with respect to each Guild Party; an opinion with respect to the inapplicability of the Investment Company Act of 1940 to each Guild Party; and a Bankruptcy Code opinion with

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respect to the matters outlined in Section 14.19, each in form and substance acceptable to Buyer;

- (iii) a Power of Attorney duly executed by each Guild Party and notarized;
- (iv) a certified copy of Seller's articles or certificate of incorporation and bylaws (or corresponding organizational documents if Seller is not a corporation) and, if required by Buyer, a certificate of good standing issued by the appropriate official in Seller's jurisdiction of organization, in each case, dated no less recently than fourteen (14) days prior to the date hereof;
- (v) a certificate of Seller's corporate secretary, substantially in the form of Exhibit C hereto, dated as of the Effective Date, as to the incumbency and authenticity of the signatures of the officers of Seller executing the Principal Agreements and the resolutions of the board of directors of each Guild Party (or its equivalent governing body or Person), substantially in the form of Exhibit D hereto;
- (vi) independently audited financial statements of Guild Parties (and their respective Subsidiaries, on a consolidated basis) for each of the two (2) fiscal years most recently ended (if available), containing a balance sheet and related statements of income, stockholders' equity and cash flows, all prepared in accordance with GAAP, applied on a basis consistent with prior periods, and otherwise acceptable to Buyer, together with an auditor's opinion that is unqualified or otherwise is consented to in writing by Buyer;
- (vii) if more than six (6) months has passed since the close of the most recently ended fiscal year, interim financial statements of Guild Parties covering the period from the first day of the current fiscal year to the last day of the most recently ended month;
- (viii) [reserved];
- (ix) copies of Guild Parties' errors and omissions insurance policy or mortgage impairment insurance policy and blanket bond coverage policy or certificates of insurance for such policies, all in form and content satisfactory to Buyer, showing compliance by Seller with Section 9.9 below;
- (x) if required by Buyer, a subordination agreement, in form and substance satisfactory to Buyer, executed by any Person which is, as of the Effective Date, a creditor of Seller, including each Affiliate of Seller that is a creditor of Seller;
- (xi) an Acknowledgement of Confidentiality of Password Agreement in the form of Exhibit I hereto;
- (xii) the Facility Fee and any other fees then due and owing under the Transaction Terms Letter;
- (xiii) the Participation Certificate re-registered in the name of the Buyer;
- (xiv) a Servicer Notice, if applicable;



- (xv) if so requested by Buyer, the Control Agreement in a form reasonably satisfactory to Buyer duly executed by Seller and the related Eligible Bank;
  - (xvi) if required, a Servicing Agreement signed by the Servicer and Guild Parties;
  - (xvii) if requested by Buyer, a copy of Guild Parties' underwriting guidelines for Mortgage Loans in form and substance acceptable to Buyer in its sole discretion, as amended from time to time; and
  - (xviii) such other documents as Buyer or its counsel may reasonably request.
- (b) Buyer shall have determined that it has received satisfactory evidence that the appropriate Uniform Commercial Code Financing Statements (UCC-1) and/or such other instruments as may be necessary in order to create in favor of Buyer, a perfected first-priority security interest in the Purchased Assets and related Purchased Items and other Underlying Asset Collateral should any of the Transactions be deemed to be loans, and same shall have been duly executed and appropriately filed or recorded in each office of each jurisdiction in which such filings and recordations are required to perfect such first-priority security interest.
- (c) Buyer shall have determined that it has satisfactorily completed its due diligence review of Guild Parties' operations, business, financial condition and underwriting and origination of Mortgage Loans.
- (d) Guild Parties shall have provided evidence, satisfactory to Buyer, that Guild Parties have all Approvals and such Approvals are in good standing.

**7.2** **All Transactions.** As conditions precedent to Buyer (or the Custodian if set forth below) considering whether to enter into any Transaction hereunder (including the initial Transaction) or whether to continue a Transaction, in the case of a Transaction in respect of Mortgage Loans which convert to Pooled Mortgage Loans on the related Pooling Date or a Transaction in respect of Pooled Mortgage Loans which convert to a Mortgage-Backed Security on the related Settlement Date, as applicable:

- (a) Guild Parties shall have delivered to Buyer, in form and substance satisfactory to Buyer and not later than the 4:00 p.m. (New York City time):
- (i) an Asset Data Record for the Underlying Assets subject to the proposed Transaction, which Asset Data Record may be an individual record or part of a group report and shall be authenticated by Seller;
  - (ii) to the Custodian, a complete Mortgage Loan File for each Underlying Asset subject to the proposed Transaction, unless such Underlying Asset is a Wet Mortgage Loan;
  - (iii) [reserved];
  - (iv) for each Underlying Asset that is subject to the proposed Transaction that is also subject to a security interest (including any precautionary security interest) immediately prior to the Purchase Date, a Warehouse Lender's Release or bailee letter or Seller's Release, as applicable, for such Underlying Asset. The secured

party shall have filed Uniform Commercial Code termination statements in respect of any Uniform Commercial Code filings made in respect of such Mortgage Loan, and each such release and Uniform Commercial Code termination statement has been delivered to Buyer prior to each Transaction and to the Custodian as part of the Mortgage Loan File;

- (v) a schedule identifying each Underlying Asset subject to the proposed Transaction as either a Safe Harbor Qualified Mortgage, a Rebuttable Presumption Qualified Mortgage, a Permitted Non-Qualified Mortgage Loan or a Bond Loan – 1st Lien, as applicable; and
  - (vi) such other documents pertaining to the Transaction as Buyer may reasonably request, from time to time.
- (b) Guild Parties hereby acknowledge that, in order for Buyer to satisfy the “good delivery standards” of the Securities Industry and Financial Markets Association (“SIFMA”) as set forth in the SIFMA Uniform Practices Manual and SIFMA’s Uniform Practices for the Clearance and Settlement of Mortgage Backed Securities and other Related Securities, in each case, as amended from time to time, Buyer must deliver each Trade Assignment in respect of Pooled Mortgage Loans or Mortgage-Backed Securities to the related Approved Investor no later than seventy-two (72) hours prior to settlement of the related Mortgage-Backed Security. Guild Parties hereby acknowledge and agree to deliver to Buyer, in form and substance satisfactory to Buyer and not later than 1:00 p.m. (New York City time) on the date on which such seventy-two (72)-hour period commences, each related Trade Assignment (solely to the extent such Pooled Mortgage Loan is not pooled with Mortgage Loans financed by a third party pursuant to a joint pooling arrangement) executed by Seller, together with a true and complete copy of the related Purchase Commitment for any Underlying Assets subject to the proposed Transaction that are subject to a Purchase Commitment;
- (c) for Underlying Assets proposed to be sold under such Transaction with respect to which the related Purchase Price is to be paid to one or more Approved Payees on behalf of Seller, an amount equal to the related Haircut (if any) plus the Minimum Over/Under Account Balance, as set forth in Section 3.5(a), shall be on deposit in the Over/Under Account;
- (d) for all new origination Wet Mortgage Loans or Dry Mortgage Loans as to which the origination funds are being remitted to the closing table that are proposed to be sold under such Transaction, Seller shall have delivered to (i) the applicable Closing Agent (with a copy to Buyer) the Irrevocable Closing Instructions and final closing instructions and, if applicable, (ii) to Buyer a copy of the blanket or individual Closing Protection Letter and the related Assignment of Closing Protection Letter duly executed and naming Buyer as the assignee, each in accordance with Section 9.10;
- (e) on or prior to the Pooling Date for any Pooled Mortgage Loan, Seller shall deliver or cause to be delivered (A) to Buyer, an executed trust receipt from the Custodian relating to such Mortgage Loan in form and substance satisfactory to Buyer, (B) to the Custodian (or otherwise made available to the Custodian), all documents, schedules and forms required by and in accordance with the Custodial Agreement, (C) to Buyer, a copy of each of the applicable Agency Documents, and (D) to Buyer, a Trade Assignment executed by such Seller that satisfies the requirements set forth in Section 7.2(b);

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- (f) on or prior to the related Settlement Date for any Mortgage-Backed Security relating to an Underlying Asset, Guild Parties shall have provided Buyer with the CUSIP number for such Mortgage-Backed Security;
  - (g) Guild Parties shall have paid all fees (including Facility Fees and Unused Facility Fees), expenses, indemnity payments and other amounts that are then due and owing under the Principal Agreements;
  - (h) No rescission notice and/or notice of right to cancel shall have been improperly delivered to the Mortgagor in respect of any Eligible Mortgage Loan, and the rescission period related to such Eligible Mortgage Loan shall have expired;
  - (i) Guild Parties shall have designated one or more Approved Payees, if applicable, to whom the related Haircut (if any) and Purchase Price shall be delivered;
  - (j) the representations and warranties of Guild Parties set forth in Article 8 hereof shall be true and correct in all material respects as if made on and as of the date of each Transaction. At the request of Buyer, Buyer shall have received an officer's certificate signed by a responsible officer of a Guild Party certifying as to the truth and accuracy of same;
  - (k) if required by Buyer, Guild Parties shall have performed all agreements to be performed by them hereunder and under the Guarantee, respectively, and after giving effect to the requested Transaction, there shall exist no Event of Default or Potential Default hereunder;
  - (l) no Potential Default, Event of Default or a Material Adverse Effect shall have occurred and be continuing;
  - (m) if applicable, a Servicing Agreement duly executed by the Servicer and Guild Parties and a Servicer Notice duly executed by the Servicer shall have been delivered to Buyer;
  - (n) Buyer shall have received a copy of any amendments or updates to Guarantor's underwriting guidelines that amends or modifies any underwriting criteria with respect to any eligibility criteria and such amendments and updates are certified by Guarantor to be a true and complete copy (to the extent not already delivered to Buyer) that clearly identifies the changes to the underwriting guidelines, and Buyer shall have approved such amendments unless otherwise waived by Buyer;
  - (o) Buyer shall have received for each Purchased Asset subject to a Purchase Commitment or other hedging arrangement, an assignment of such Purchase Commitment or hedging arrangement duly executed by Seller and the related Approved Investor or hedging party, as applicable, and in favor of Buyer;
  - (p) [reserved];
  - (q) Buyer shall have received a security release certification for each Underlying Asset that is subject to a security interest (including any precautionary security interest) immediately prior to the Purchase Date that is duly executed by the related secured party and Seller and in form and substance satisfactory to Buyer, and such secured party shall have filed Uniform Commercial Code termination statements in respect of any Uniform

Commercial Code filings made in respect of such Underlying Asset, and each such release and Uniform Commercial Code termination statement has been delivered to Buyer prior to each Transaction and to the Custodian as part of the Mortgage Loan File; and

- (r) on or prior to the Pooling Date or Purchase Date for any Pooled Mortgage Loan, to the extent not provided on or prior to the Effective Date, Guild Parties shall have delivered to Buyer, in form and substance satisfactory to Buyer, the Freddie Mac Agreement or Fannie Mae Agreement, as applicable, based on the Agency such Mortgage Loans were certified by, duly executed by each party thereto and in full force and effect, free of any modification, breach or waiver.

For the avoidance of doubt, notwithstanding that foregoing conditions may be satisfied with respect to any Transaction request, Buyer shall be under no obligation to enter into any Transaction, including, without limitation, Transactions the subject of which are eMortgage Loans, with respect to the Uncommitted Amount and whether the Buyer enters into any Transaction, including, without limitation, Transactions the subject of which are eMortgage Loans, with respect to the Uncommitted Amount shall be at the discretion of Buyer.

- 7.3 **Intercreditor Agreements.** If required by Buyer, within sixty (60) calendar days following the Effective Date, Guild Parties shall deliver to Buyer an Intercreditor Agreement signed by each creditor that provides warehouse lines of credit, repurchase facilities or similar mortgage finance arrangements to Guild Parties. By way of example but not limitation, if a Guild Party has a mortgage financing agreement with a syndication of creditors or if an Affiliate of a Guild Party is providing a Guild Party a warehouse line of credit or mortgage financing, Buyer may require that such creditors execute an Intercreditor Agreement. If Guild Parties fail to provide Buyer with any required Intercreditor Agreement within the time frame stated herein, Buyer may, in its sole and good faith discretion, determine that such failure adversely affects the creditworthiness of Guild Parties and may modify the terms and conditions under which it will continue to enter into Transactions with Seller. Buyer shall not be liable to Guild Parties for any costs, losses or damages arising from or relating to any changes made by Buyer to the terms and conditions under which it will continue to enter into Transactions with Seller.

- 7.4 **Satisfaction of Conditions.** The entering into of any Transaction prior to or without the fulfillment by Guild Parties of all the conditions precedent thereto, whether or not known to Buyer, shall not constitute a waiver by Buyer of the requirements that all conditions, including the non-performed conditions, shall be required to be satisfied with respect to all Transactions. All conditions precedent hereunder are imposed solely and exclusively for the benefit of Buyer and may be freely waived or modified in whole or in part by Buyer. Any waiver or modification asserted by Guild Parties to have been agreed by Buyer must be in writing. Buyer shall not be liable to Guild Parties for any costs, losses or damages arising from Buyer's determination that any Guild Party has not satisfactorily complied with any applicable condition precedent.

## ARTICLE 8 REPRESENTATIONS AND WARRANTIES

- 8.1 **Representations and Warranties Concerning Guild Parties.** Each Guild Party represents and warrants to and covenants with Buyer that the following representations and warranties hereto are true and correct as of the Effective Date through and until the date on which all obligations of Guild Parties under this Agreement are fully satisfied.

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- (a) Due Formation and Good Standing. Each Guild Party is (i) duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) has the full legal power and authority and has all governmental licenses, authorizations, consents and approvals, necessary to own its property and to carry on its business as currently conducted, and (iii) is duly qualified to do business and is in good standing in each jurisdiction in which the transaction of its business makes such qualification necessary.
- (b) Authorization. The execution, delivery and performance by each Guild Party of the Principal Agreements and all other documents and transactions contemplated thereby, are within such Guild Party's corporate powers, have been duly authorized by all necessary corporate action and do not constitute or will not result in (i) a breach of any of the terms, conditions or provisions of any Guild Party's articles or certificate of incorporation or bylaws (or corresponding organizational documents if a Guild Party is not a corporation); (ii) a material breach of any legal restriction or any agreement or instrument to which any Guild Party is now a party or by which it is bound; (iii) a material default or an acceleration under any of the foregoing; or (iv) the violation of any law, rule, regulation, order, judgment or decree to which any Guild Party or its property is subject.
- (c) Enforceable Obligation. The Principal Agreements and all other documents contemplated thereby constitute legal, binding and valid obligations of each Guild Party, enforceable against such Guild Party in accordance with their respective terms, except as limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditor's rights.
- (d) Approvals. The execution and delivery of the Principal Agreements and all other documents contemplated thereby and the performance of each Guild Party's obligations thereunder do not require any license, consent, approval, authorization or other action of any Governmental Authority or any other Person, or if required, such license, consent, approval, authorization or other action has been obtained prior to the Effective Date.
- (e) Compliance with Laws. Each Guild Party is not in violation of any of its articles or certificate of incorporation or bylaws (or corresponding organizational documents if such Guild Party is not a corporation), of any provision of any applicable law, or of any judgment, award, rule, regulation, order, decree, writ or injunction of any court or public regulatory body or authority that might have a Material Adverse Effect with respect to such Guild Party.
- (f) Financial Condition. All financial statements of Guarantor delivered to Buyer fairly and accurately present the financial condition of the parties for whom such statements are submitted. The financial statements of Guarantor have been prepared in accordance with GAAP consistently applied throughout the periods involved, and there are no contingent liabilities not disclosed thereby that would adversely affect the financial condition of Guarantor. Since the close of the period covered by the latest financial statement delivered to Buyer with respect to Guarantor, there has been no material adverse change in the assets, liabilities or financial condition of Guarantor nor is Guarantor aware of any facts that, with or without notice or lapse of time or both, would or could result in any such material adverse change. No event has occurred, including, without limitation, any litigation or administrative proceedings, and no condition exists or, to the knowledge of Guarantor, is threatened, that (i) might render such Guarantor unable to perform its obligations under the Principal Agreements and all other documents contemplated

thereby; (ii) would constitute a Potential Default or Event of Default; or (iii) might have a Material Adverse Effect with respect to such Guarantor.

- (g) Credit Facilities. The only credit facilities, including repurchase agreements for mortgage loans and mortgage-backed securities, of each Guild Party that are presently in effect and are secured by mortgage loans or provide for the purchase, repurchase or early funding of mortgage loan sales, are either (i) with Persons disclosed to Buyer at the time of application, or thereafter disclosed to and approved by Buyer, and, if required by Buyer, such Persons have executed and delivered an Intercreditor Agreement (or will execute and deliver an Intercreditor Agreement within sixty (60) days following the Effective Date in accordance with Section 7.3) or (ii) warehouse lenders that are Approved Payees.
- (h) Title to Assets. Each Guild Party has good, valid, insurable (in the case of real property) and marketable title to all of its properties and other assets, whether real or personal, tangible or intangible, reflected on the financial statements delivered to Buyer with respect to such Guild Party, except for such properties and other assets that have been disposed of in the ordinary course of business of such Guild Party's mortgage banking business, and all such properties and other assets are free and clear of all liens except as disclosed in such financial statements.
- (i) Litigation. There are no actions, claims, suits, investigations or proceedings pending, or to the knowledge of any Guild Party, threatened or reasonably anticipated against or affecting any Guild Party, or any of its Subsidiaries or Affiliates or any of the property thereof in any court or before or by any arbitrator, government commission, board, bureau or other administrative agency that, if adversely determined, may reasonably be expected to result in a Material Adverse Effect.
- (j) Payment of Taxes. Each Guild Party has timely filed all Tax returns and reports required to be filed and has paid all taxes, assessments, fees and other governmental charges levied upon it or its property or income (whether or not shown on such Tax returns) that are due and payable, including interest and penalties, or has provided adequate reserves for the payment thereof in accordance with GAAP. Any Taxes, fees and other governmental charges payable by each Guild Party in connection with a Transaction and the execution and delivery of the Principal Agreements have been paid.
- (k) No Defaults. No Guild Party is in default under any indenture, mortgage, deed of trust, agreement or other instrument or contractual or legal obligation to which it is a party or by which it is bound in any respect that may reasonably be expected to result in a Material Adverse Effect.
- (l) ERISA. Each Guild Party and each Plan is in compliance in all material respects with the requirements of ERISA and the Code, and no Reportable Event has occurred with respect to any Plan maintained by each Guild Party or any of its ERISA Affiliates. The present value of all accumulated benefit obligations under each Plan subject to Title IV of ERISA or Section 412 of the Code (based on the assumptions used for purposes of Accounting Standards Codification (ASC) 715) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets of such Plan, and the present value of all accumulated benefit obligations of all Plans (based on the assumptions used for purposes of ASC 715) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets of

all such Plans. Each Guild Party and its Subsidiaries and their ERISA Affiliates do not provide any material medical or health benefits to former employees other than as required by the Consolidated Omnibus Budget Reconciliation Act, as amended, or similar state or local law (collectively, “**COBRA**”) at no cost to the employer. The assets of each Guild Party are not “plan assets” within the meaning of 29 CFR 2510.3-101 as modified by Section 3(42) of ERISA.

- (m) Approved Mortgagee. Guarantor is an approved FHA, VA, RD, Ginnie Mae, Fannie Mae and/or Freddie Mac seller, issuer, mortgagee and/or servicer and is in good standing with these agencies.
- (n) True and Complete Disclosure. The information, reports, financial statements, exhibits and schedules furnished in writing by or on behalf of each Guild Party or any of its Subsidiaries to Buyer in connection with the negotiation, preparation or delivery of this Agreement and the other Principal Agreements or included herein or therein or delivered pursuant hereto or thereto, when taken as a whole, do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they were made, not misleading. All written information furnished after the date hereof by or on behalf of each Guild Party or any of its Subsidiaries to Buyer in connection with this Agreement and the other Principal Agreements and the transactions contemplated hereby and thereby will be true, complete and accurate in every material respect, or (in the case of projections) based on reasonable estimates, on the date as of which such information is stated or certified. There is no fact known to any Guild Party that, after due inquiry, could reasonably be expected to have a Material Adverse Effect that has not been disclosed herein, in the other Principal Agreements or in a report, financial statement, exhibit, schedule, disclosure letter or other writing furnished to Buyer for use in connection with the transactions contemplated hereby or thereby.
- (o) Ownership; Priority of Liens. Seller owns the Participation Interests in all Mortgage Loans identified in the Transactions Terms Letter that are to become Underlying Assets, and any Transaction shall convey all of Seller’s right, title and interest in and to the Participation Interests in such Underlying Assets, including the Servicing Rights related thereto, and other Purchased Items to Buyer, including with respect to each Underlying Asset, the Participation Interests in the Servicing Rights related thereto. This Agreement creates in favor of Buyer, a valid, enforceable first priority lien and security interest in the Purchased Assets and other Purchased Items and Underlying Asset Collateral, prior to the rights of all third Persons and subject to no other liens.
- (p) Investment Company Act. No Guild Party nor any of its Subsidiaries is an “investment company” or a company controlled by an “investment company” within the meaning of the Investment Company Act of 1940, as amended.
- (q) Filing Jurisdictions; Relevant States. Schedule 1 hereto sets forth all of the jurisdictions and filing offices in which a financing statement should be filed in order for Buyer to perfect its security interest in the Purchased Assets and other Purchased Items and Underlying Asset Collateral. Schedule 2 hereto sets forth all of the states or other jurisdictions in which Guarantor originates or has originated Mortgage Loans in its own name or through brokers on or prior to the date of this Agreement.

- (r) Seller Solvent; Fraudulent Conveyance. As of the date hereof and immediately after giving effect to each Transaction, the fair value of the assets of each Guild Party is greater than the fair value of the liabilities (including, without limitation, contingent liabilities if and to the extent required to be recorded as a liability on the financial statements of each Guild Party in accordance with GAAP) of each Guild Party and each Guild Party is and will be solvent, is and will be able to pay its debts as they mature and does not and will not have an unreasonably small capital to engage in the business in which it is engaged and proposes to engage. Each Guild Party does not intend to incur, or believe that it has incurred, debts beyond its ability to pay such debts as they mature. Each Guild Party is not contemplating the commencement of insolvency, bankruptcy, liquidation or consolidation proceedings or the appointment of a receiver, liquidator, conservator, trustee or similar official in respect of each Guild Party or any of its assets. Each Guild Party is not transferring any Asset with any intent to hinder, delay or defraud any of its creditors.
- (s) Custodial Account. All funds required to be segregated and deposited into the Custodial Account have been so segregated and deposited.
- (t) Chief Executive Office. Each Guild Party's chief executive office is located at 5887 Copley Drive, 6th Floor, San Diego, CA 92111.
- (u) True Sales. For each Underlying Asset with respect to which the originator, issuer or prior owner is an Affiliate of Guarantor, any and all interest of such originator, issuer or prior owner has been sold, transferred, conveyed and assigned to Guarantor pursuant to a legal and true sale and such originator, issuer or prior owner retains no interest in such Underlying Asset, and if so requested by Buyer, such sale is covered by an opinion of counsel to that effect in form and substance acceptable to Buyer.
- (v) No Adverse Selection. Guild Parties used no selection procedures that identified the Underlying Assets subject to a Transaction hereunder as being less desirable or valuable than other comparable Mortgage Loans owned by Guild Parties.
- (w) No Broker. No Guild Party has dealt with any broker, investment banker, agent, or other person, except for Buyer, who may be entitled to any commission or compensation in connection with the sale of Purchased Assets or otherwise with respect to the related Underlying Assets pursuant to this Agreement; provided that if Guild Party has dealt with any broker, investment banker, agent, or other person, except for Buyer, who may be entitled to any commission or compensation in connection with the sale of Purchased Assets or otherwise with respect to the related Underlying Assets pursuant to this Agreement, such commission or compensation shall have been paid in full by such Guild Party.
- (x) MERS. Guarantor is a member of MERS in good standing.
- (y) Agency Approvals. Each Guild Party has all requisite Approvals and is in good standing with each Agency, with no event having occurred or each Guild Party having any reason whatsoever to believe or suspect will occur, including, without limitation, a change in insurance coverage which would either make each Guild Party unable to comply with the eligibility requirements for maintaining all such applicable approvals or require notification to the relevant Agency or to HUD, FHA, VA or RD.



- (z) Custodian. If the Custodian is a Person other than Buyer, such Custodian is an eligible custodian under each applicable Agency Guide and Agency Program, and is not an Affiliate of any Guild Party.
- (aa) No Adverse Actions. No Guild Party has received from any Agency, HUD, the FHA, the VA or the RD a notice of extinguishment or a notice indicating material breach, default or material non-compliance which Buyer reasonably determines may entitle such Agency or HUD, the FHA, the VA or the RD to terminate, suspend, sanction or levy penalties against such Guild Party, or a notice from any Agency, HUD, the FHA, the VA or the RD indicating any adverse fact or circumstance in respect of such Guild Party which Buyer reasonably determines may entitle such Agency or HUD, the FHA, the VA or the RD, as the case may be, to revoke any Approval or otherwise terminate, suspend such Guild Party as an approved issuer, seller or servicer, as applicable, or with respect to which such adverse fact or circumstance has caused any Agency, HUD, the FHA, the VA or the RD to terminate such Guild Party.
- (bb) Accuracy of Wire Instructions. With respect to each Underlying Asset subject to a Purchase Commitment by an Agency, as applicable, (1) either the wire transfer instructions as set forth on the applicable Agency Documents are identical to Buyer's designated wire instructions or the Buyer has approved such wire transfer instructions in writing in its sole discretion, or (2) either the payee number set forth on the applicable Agency Documents is identical to the payee number that has been identified by Buyer in writing as Buyer's payee number or the Buyer has approved the related payee number in writing in its sole discretion. With respect to each Pooled Mortgage Loan, the applicable Agency Documents are duly executed by Guild Parties and designate Buyer as the party authorized to receive the related Mortgage-Backed Securities.
- (cc) No Sanctions. Neither any Guild Party nor any of its Affiliates, officers, directors, partners or members, (i) is an entity or person (or to each Guild Party's knowledge, owned or controlled by an entity or person) that (A) is currently the subject of any economic sanctions administered or imposed by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury or any other relevant authority (collectively, "Sanctions") or (B) resides, is organized or chartered, or has a place of business in a country or territory that is currently the subject of Sanctions or (ii) is engaging or will engage in any dealings or transactions prohibited by Sanctions or will directly or indirectly use the proceeds of any Transactions contemplated hereunder, or lend, contribute or otherwise make available such proceeds to or for the benefit of any person or entity, for the purpose of financing or supporting, directly or indirectly, the activities of any person or entity that is currently the subject of Sanctions.
- (dd) Anti-Money Laundering Laws. Each Guild Party has complied with all applicable anti-money laundering laws and regulations, including, without limitation, the USA Patriot Act of 2001, as amended, and the Bank Secrecy Act of 1970, as amended (collectively, the "**Anti Money Laundering Laws**"); each Guild Party has established an anti-money laundering compliance program as required by the Anti-Money Laundering Laws, has conducted the requisite due diligence in connection with the origination of each Underlying Asset for purposes of the Anti-Money Laundering Laws, including with respect to the bona fide identity of the applicable Mortgagor and the origin of the assets used by said Mortgagor to purchase the property in question, and maintains, and will

maintain, sufficient information to identify the applicable Mortgagor for purposes of the Anti-Money Laundering Laws.

- (ee) Beneficial Ownership Certification. The information included in the Beneficial Ownership Certification, if applicable, is true and correct in all respects.
- (ff) Separateness. Each Guild Party is in compliance with the requirements of Section 9.19 hereof.
- (gg) Acquisition of Underlying Assets. With respect to each Underlying Asset acquired by or on behalf of Guarantor from a third-party transferor (the Participation Interests in which have been transferred to the Seller), (i) such Underlying Asset was acquired and transferred on a legal true sale basis pursuant to a purchase agreement, (ii) such transferor received reasonably equivalent value in consideration for the transfer of such Underlying Asset, (iii) no such transfer was made for or on account of an antecedent debt owed by such transferor to Guarantor or Affiliate of Guarantor, and (iv) no such transfer is or may be voidable or subject to avoidance under the Bankruptcy Code. The Guarantor has issued Participation Interests pursuant to the terms of the Participation Agreement to the Seller, and the Guarantor retains no beneficial or economic interests in such Underlying Assets. The issuance of Participation Interests by the Guarantor to the Seller was not for or on account of an antecedent debt owed by the Guarantor to the Seller and is not voidable or subject to avoidance under the Bankruptcy Code.
- (hh) Participation Certificates; Participation Interests.
  - (i) The Participation Certificate represents all of the Participation Interests issued by the Guarantor.
  - (ii) Each Participation Certificate and the related Participation Interests have been duly and validly issued in compliance with applicable law and the Participation Agreement and is fully paid and nonassessable.
  - (iii) Immediately prior to the sale, transfer and assignment of a Participation Certificate or Participation Interests to, and the registration thereof in the name of, Buyer pursuant to this Agreement, the Seller is the record and beneficial owner of, and has good and marketable title to, such Participation Certificate and Participation Interests.
  - (iv) Each Participation Certificate and the related Participation Interests are unencumbered (other than Liens created in favor of Buyer pursuant to this Agreement and Liens created by or through Buyer). Upon consummation of the Transaction contemplated to occur in respect of such any Participation Interests, the Seller will have validly and effectively conveyed to Buyer all legal and beneficial interest in and to such Participation Interests free and clear of any Liens (other than Liens created in favor of Buyer pursuant to this Agreement and Liens created by or through Buyer).
  - (v) There are (x) no outstanding rights, options, warrants or agreements (other than as created by Buyer) for a purchase, sale or issuance, in connection with any Participation Certificate or any Participation Interests, (y) no agreements on the part of Seller to issue, sell or distribute any Participation Certificate or

Participation Interests (other than to Buyer), and (z) no obligations on the part of Seller (contingent or otherwise) to purchase, redeem or otherwise acquire any securities or any interest therein or to pay any dividend or make any distribution in respect of any Participation Certificate or Participation Interests.

- (vi) Each Participation Certificate is a certificated security in registered form. It is the intent of the parties hereto that each Participation Certificate constitute a “security” as that term is defined in Section 8-102 of the New York Uniform Commercial Code.
- (vii) No fraudulent acts were committed by any Guild Party or Affiliates thereof in connection with the issuance of any Participation Certificates or Participation Interests.
- (viii) No Guild Party is a party to any document, instrument or agreement, and there is no document, instrument or agreement, that by its terms modifies or affects the rights and obligations of any holder of such Participation Interests for which Buyer’s consent has not been obtained and no Guild Party has consented to any material change or waiver to any term or provision of any such document, instrument or agreement and no such change or waiver exists (other than changes or waivers to which Buyer has consented).
- (ix) No Participation Interests have been cancelled, satisfied or rescinded in whole or part nor has any instrument been executed that would effect a cancellation, satisfaction or rescission thereof, except in connection with Underlying Assets.
- (x) Other than consents and approvals obtained as of the related Purchase Date or those already granted in the Principal Agreements governing such Participation Interests, no consent or approval by any Person is required in connection with Seller’s sale, and/or Buyer’s acquisition of such Participation Interests, or Buyer’s exercise of any rights or remedies in respect of such Participation Interests or for Buyer’s sale, pledge or other disposition of such Participation Interests. No third party holds any “right of first refusal”, “right of first negotiation”, “right of first offer”, purchase option, or other similar rights of any kind, and no other impediment exists to any such transfer or exercise of rights or remedies with respect to such Participation Interests.

**8.2 Representations and Warranties Concerning Purchased Assets and Underlying Assets.** Each Guild Party represents and warrants to and covenants with Buyer that the representations and warranties contained on Exhibit L hereto are true and correct with respect to each Purchased Asset and Underlying Asset as of the related Purchase Date through and until the date on which such Purchased Asset is repurchased by Seller (or Underlying Asset is released by Buyer, as applicable).

**8.3 Continuing Representations and Warranties.** By submitting an Asset Data Record hereunder, each Guild Party shall be deemed to have represented and warranted the truthfulness and completeness of the representations and warranties set forth in Exhibit L hereto.

**8.4 Amendment of Representations and Warranties.** From time to time as determined necessary by Buyer, Buyer may amend the representations and warranties set forth in Exhibit L hereto. Any

such amendment shall not apply to Transactions entered into prior to the effective date of the amendment and in no event shall the amendment apply to any Transaction on a retroactive basis.

**ARTICLE 9**  
**AFFIRMATIVE COVENANTS**

Each Guild Party hereby covenants and agrees with Buyer that during the term of this Agreement and for so long as there remain any obligations of Guild Parties to be paid or performed under the Principal Agreements:

**9.1 Financial Statements and Other Reports.**

- (a) Interim Statements. Guarantor shall deliver to Buyer financial statements of Guarantor, including statements of income and changes in shareholders' equity for the period from the beginning of such fiscal year to the end of such month, within thirty (30) days after the end of such month, and the related balance sheet as of the end of such month, all in reasonable detail and certified by the chief financial officer of Guarantor, subject, however, to year-end audit adjustments;
- (b) Annual Statements. Guarantor shall deliver to Buyer, within ninety (90) days following the end of such fiscal year, audited financial statements of Guarantor, including statements of income and changes in shareholders' equity for such fiscal year and the related balance sheet as at the end of such fiscal year, all in reasonable detail and accompanied by an unqualified opinion of a certified public accounting firm reasonably satisfactory to Buyer including a management representation letter signed by the chief financial officer of Seller stating that the financial statements fairly present the financial condition and results of operations of Guarantor as of the end of, and for, such year;
- (c) Officer's Certificate. Together with the financial statements required to be delivered pursuant to Sections 9.1(a) and (b), Guarantor shall deliver to Buyer an officer's certificate substantially in a form to be provided by Buyer which shall include funding and production volume reports for the previous month and evidence of compliance with all financial covenants;
- (d) Government Insuring Reports. Guarantor shall provide Buyer within thirty (30) days after the end of each quarter, or as requested by Buyer, the following government insuring reports (including 15 month history):
  - (i) Loans Originated—Current Defaults and Claims Reported – United States (from FHA Connection):
    - (A) Output option: all loans
    - (B) Performance period: current period
    - (C) All insured single family loans with a beginning amortization within the last two years
  - (ii) HUD Pipeline/Uninsured Query:
    - (A) Date range: use default

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- (B) Sort by: originating ID in ascending order
  - (iii) Indemnification Query:
    - (A) Date range: last five years
    - (B) Sort by: case # in descending order
  - (iv) Late Endorsement Query:
    - (A) Loan status: Active, claimed
    - (B) Date range: last two year period
    - (C) Sort by: # days closing to Endr pkg Rcvd in descending order
  - (e) Investor report cards. If requested by Buyer, Guarantor shall deliver to Buyer the most recent report cards from all investors who purchase [\*\*\*] or more of Guarantor's production.
  - (f) Monthly Collateral Tape. If requested by Buyer, Guarantor shall deliver a collateral tape including the data fields (to be determined) representing the Eligible Mortgage Loans subject to transactions under the Agreement as of the end of such month, acceptable to the Buyer in its sole discretion.
  - (g) Hedging Reports. If requested by Buyer, Guild Parties shall deliver to Buyer, or cause to be delivered to Buyer, (i) a reconciliation report, in a form reasonably satisfactory to Buyer, including, without limitation, a report of all outstanding Transactions and their related Purchase Commitments, availability under unused Purchase Commitments and all amounts outstanding and available under other warehouse lines of credit, repurchase agreements and similar credit facilities, and (ii) a loan and rate lock position report and hedge report containing product level pricing and interest rate sensitivity analysis (shocks) or as requested by Buyer (data elements to be agreed upon). To the extent Guild Parties retain any Person(s) to perform hedging services on behalf of Guild Parties, Guild Parties hereby grant Buyer authority to contact, request and receive hedging reports directly from such Person(s) at no cost to Buyer. Further, Guild Parties shall instruct such Person(s), upon reasonable notice from Buyer and during normal business hours, to answer candidly and fully, at no cost to Buyer, any and all questions that Buyer may address to them in reference to the hedging reports of Guild Parties. Guild Parties may have their representatives in attendance at any meetings between Buyer and such Person(s) held in accordance with this authorization.
  - (h) Reports and Information Regarding Purchased Assets. Guild Parties shall deliver to Buyer, with reasonable promptness upon Buyer's request: (i) copies of any reports related to the Purchased Assets and Underlying Assets, (ii) copies of all documentation in connection with the underwriting and origination of any Underlying Asset that evidences compliance with, (x) with respect to all Underlying Assets other than Bond Loans – 1st Lien, the Ability to Repay Rule and, (y) with respect to all Underlying Assets other than Bond Loans – 1st Lien and Permitted Non-Qualified Mortgage Loans, the QM Rule, as applicable, and (iii) any other information in Guild Parties possession related to the Purchased Assets or Underlying Assets.

- (i) **Other Reports.** As may be reasonably requested by Buyer from time to time, Guild Parties shall deliver to Buyer, within thirty (30) days of filing or receipt (i) copies of all regular or periodic financial or other reports, if any, that Guild Parties file with any governmental, regulatory or other agency and (ii) copies of all audits, examinations and reports concerning the operations of Guild Parties from any Approved Investor, Insurer or licensing authority. Guild Parties shall also deliver to Buyer, with reasonable promptness (x) if requested by Buyer, a detailed aging report of all outstanding loans on warehouse/ purchase/ repurchase facilities, and detail of all uninsured government loans in a form reasonably acceptable to Buyer and (y) such further information reasonably related to the business, operations, properties or financial condition of Guild Parties, in such detail and at such times as Buyer, in its sole and good faith discretion, may request. Guild Parties understand and agree that all reports and information provided to Buyer by or relating to Guild Parties may be disclosed to Buyer's Affiliates.

**9.2** **Inspection of Properties and Books.** At no cost to Buyer, Guild Parties shall permit authorized representatives of Buyer to discuss the business, operations, assets and financial condition of Guild Parties and their Affiliates and Subsidiaries with its officers and employees and to examine its books of account and make copies and/or extracts thereof, upon reasonable notice to Guild Parties at Guild Parties' place of business during normal business hours. Further, Guild Parties will provide their accountants with a copy of this Agreement promptly after the execution hereof and will instruct its accountants to answer candidly and fully, at no cost to Buyer, any and all questions that any authorized representative of Buyer may address to them in reference to the financial condition or affairs of Guild Parties and their Affiliates and Subsidiaries. Guild Parties may have their representatives in attendance at any meetings between the officers or other representatives of Buyer and Guild Parties' accountants held in accordance with this authorization.

**9.3** **Notice.** Guild Parties shall give Buyer prompt (but in no event later than three (3) Business Days after becoming aware (except for clause (s), with respect to which notice shall be provided no later than five (5) Business Days after receipt of such notice of settlement, or consent order by Guild Parties) written notice, in reasonable detail, of:

- (a) any and all material changes to the information set forth in the Application;
- (b) any action, suit or proceeding instituted by or against any Guild Party in any federal or state court or before any commission or other regulatory body (federal, state or local, foreign or domestic), or any such action, suit or proceeding threatened against Seller, in any case, if such action, suit or proceeding, or any such action, suit or proceeding threatened against any Guild Party, (i) involves a potential liability, on an individual or aggregate basis, equal to or greater than [\*\*\*] of Guarantor's Tangible Net Worth, (ii) is reasonably likely to result in a Material Adverse Effect if determined adversely, (iii) questions or challenges the validity or enforceability of any of the Principal Agreements or (iv) questions or challenges compliance of any Purchased Asset with, (x) with respect to any Underlying Asset other than Bond Loans – 1st Lien, the Ability to Repay Rule or, (y) with respect to any Underlying Asset other than Bond Loans – 1st Lien and Permitted Non-Qualified Mortgage Loans, the QM Rule;
- (c) the filing, recording or assessment of any federal, state or local tax lien against it, or any of its assets;
- (d) the occurrence of any Potential Default or Event of Default;

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- (e) the actual or threatened suspension, revocation or termination of any Guild Party's licensing or eligibility, in any respect, as an approved, licensed lender, seller, mortgagee or servicer;
  - (f) the suspension, revocation or termination of any existing credit or investor relationship to facilitate the sale and/or origination of residential mortgage loans or residential mortgage-backed securities;
  - (g) (x) any demand(s), whether on an individual or aggregate basis, by an Approved Investor or Insurer for (i) the repurchase of a mortgage loan(s) if the unpaid principal balance of the mortgage loan(s) subject to such demand(s) is equal to or greater than [\*\*\*] or (ii) indemnification if the demanded indemnification amount(s) is equal to or greater than [\*\*\*], or (y) the rejection of an Underlying Asset from a securitization pool due to the objection of any party to such securitization, together with a report by such purchaser or other party and/or any other information received by the Guild Parties detailing the rationale for such rejection or exclusion; provided that notice and the required report and information shall be delivered to Buyer not more than two (2) Business Days following the occurrence of such rejection or exclusion;
  - (h) any potential or existing Underlying Asset where a director, officer, shareholder, member, partner or owner of any Guild Party is the Mortgagor or guarantor or where the related Mortgaged Property is being sold by a director, officer, shareholder, member, partner or owner of such Guild Party;
  - (i) any Purchased Asset or Underlying Asset ceases to be an Eligible Asset or Eligible Underlying Asset, as applicable;
  - (j) any Approved Investor that threatens to set-off amounts owed by any Guild Party to such Approved Investor against the purchase proceeds owed by the Approved Investor to such Guild Party for the Purchased Assets (excluding amounts owed by such Guild Party to the Approved Investor which are directly related to the Underlying Assets and which are expressly allowed to be set-off by the Approved Investor pursuant to the Bailee Agreement);
  - (k) any change in the Executive Management or Key Personnel of any Guild Party;
  - (l) any other action, event or condition of any nature that may reasonably be expected to lead to or result in a Material Adverse Effect with respect to any Guild Party or that, without notice or lapse of time or both, would constitute a default under any material agreement, instrument or indenture to which such Guild Party is a party or to which such Guild Party, its properties or assets may be subject;
  - (m) any (i) change to the location of its chief executive office/chief place of business from that specified in Section 8.1(i), (ii) change in the name, identity or corporate structure (or the equivalent) or change in the location where any Guild Party maintains its records with respect to the Purchased Items, or (iii) reincorporation or reorganization of any Guild Party under the laws of another jurisdiction;

- (n) upon any Guild Party becoming aware of any penalties, sanctions or charges levied, or threatened to be levied, against such Guild Party or any change or threatened change in Approval status, or the commencement of any Agency Audit, investigation, or the institution of any action or the threat of institution of any action against any Guild Party by any Agency, HUD, the FHA, the VA or the RD or any other agency, or any supervisory or regulatory Governmental Authority supervising or regulating the origination or servicing of mortgage loans by, or the issuer or seller status of, any Guild Party;
- (o) with respect to an Underlying Asset that is a Government Mortgage Loan, upon any Guild Party becoming aware of any fact or circumstance which would cause (a) such Mortgage Loan to be ineligible for FHA Mortgage Insurance, a VA loan guaranty or an RD loan guaranty, as applicable, (b) the FHA, the VA or the RD to deny or reject a Mortgagor's application for FHA Mortgage Insurance, a VA loan guaranty or an RD loan guaranty, respectively, or (c) the FHA, the VA or the RD to deny or reject any claim under any FHA Mortgage Insurance Contract, a VA Loan Guaranty Agreement or an RD Loan Guaranty Agreement, respectively;
- (p) upon any Guild Party becoming aware of any termination or threatened termination by any Agency of the Custodian as an eligible custodian;
- (q) any change to the date on which any Guild Party's fiscal year begins from such Guild Party's current fiscal year beginning date;
- (r) upon the earlier of (i) the certification of any Underlying Asset by a certifying custodian to an Agency that such Underlying Asset meets all of the criteria specified in the related Agency Guide for the securitization thereof, or (ii) the pooling of any Underlying Asset for the purpose of backing a Mortgage-Backed Security;
- (s) any settlement with, or issuance of a consent order by, any Governmental Authority, in which the fines, penalties, settlement amounts or any other amounts owed by any Guild Party thereunder exceeds [\*\*\*] of Guarantor's Tangible Net Worth in the aggregate;
- (t) upon any Guild Party becoming aware of any Control Failure with respect to an Underlying Asset that is an eMortgage Loan or any eNote Replacement Failure; and
- (u) upon any Guild Party entering into any mortgage financing facility (including, without limitation, any warehouse, repurchase, purchase or off-balance sheet facility).

**9.4** **Existence, Etc.** Each Guild Party shall (i) preserve and maintain its legal existence and all of its material rights, privileges, licenses and franchises necessary for such Guild Party to conduct its business and to perform its obligations under the Principal Agreements, (ii) comply with the requirements of all applicable laws, rules, regulations and orders of Governmental Authorities (including, without limitation, truth in lending, real estate settlement procedures and all environmental laws) if the failure to comply with such requirements would be reasonably likely (either individually or in the aggregate) to have a Material Adverse Effect, (iii) maintain adequate records and books of account, in which complete entries will be made in accordance with GAAP consistently applied, and (iv) pay and discharge all Taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its properties prior to the date on which penalties attach thereto, except for any such Tax, assessment, charge or levy the payment



of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained in accordance with GAAP.

- 9.5 Servicing of Mortgage Loans.** Subject to Section 6.2 above, Guild Servicer shall subservice all Underlying Assets at Guild Servicer's expense and without charge of any kind to Buyer. Guild Servicer may delegate its obligations hereunder to subservice the Underlying Assets (subject to Section 6.2) to an independent subservicer; provided that such independent subservicer and the related Servicer Notice has been approved by Buyer and such independent subservicer has executed a Servicer Notice with Buyer. The failure of Guild Servicer to obtain the prior approval of Buyer regarding the delegation of its subservicing obligations to an independent subservicer and/or the failure of the independent subservicer to execute and return to Buyer a Servicer Notice shall be considered an Event of Default hereunder. In any event, Guild Servicer or its delegate shall subservice such Underlying Assets with the degree of care and in accordance with the subservicing standards generally prevailing in the industry, including those required by Fannie Mae, Freddie Mac and Ginnie Mae.
- 9.6 Evidence of Purchased Assets.** Guild Parties shall indicate on their books and records (including its computer records) that each Purchased Asset has been included in the Purchased Items and, at the request of Buyer, place on each of its written records pertaining to the Purchased Assets a legend, in form and content satisfactory to Buyer, indicating that such Purchased Assets have been sold to Buyer.
- 9.7 Defense of Title; Protection of Purchased Items.** Seller warrants and will defend the right, title and interest of Buyer in and to all Purchased Items and Underlying Asset Collateral against all adverse claims and demands of all Persons whomsoever. Seller will comply with all applicable laws, rules and regulations of any Governmental Authority applicable to Seller or relating to the Purchased Items or Underlying Asset Collateral and cause the Purchased Items and Underlying Asset Collateral to comply with all applicable laws, rules and regulations of any such Governmental Authority. Seller shall allow Buyer (a) to inspect any Mortgaged Property relating to an Underlying Asset; (b) to appear in or intervene in any proceeding or matter affecting any Purchased Asset or other Purchased Items or the value thereof; (c) to initiate, commence, appear in and defend any foreclosure, action, bankruptcy or proceeding which could affect Buyer's ownership or security of the Purchased Items or the value thereof, or the rights and powers of Buyer; (d) to contest by litigation or otherwise any lien asserted against any Underlying Asset Collateral or other Purchased Items or against the related Mortgaged Property, the improvements, or the personal property identified therein; and/or (e) to make payments on account of such encumbrances, charges, or liens and to service any Underlying Asset and take any action it may deem appropriate to collect all amounts due and owing with respect to any Purchased Items or Underlying Asset Collateral or any part thereof or to enforce any rights with respect thereto. All reasonable costs and expenses, including reasonable attorneys' fees (including, but not limited to, those incurred on appeal), that Buyer may incur with respect to any of the foregoing and any expenditures it may make to protect or preserve the Purchased Items or Underlying Asset Collateral or the rights of Buyer, shall be payable by Seller. Seller shall repay the same to Buyer upon demand with interest, at the Default Rate, from the date any such expenditure shall have been made until the day it is repaid.
- 9.8 Further Assurances.** Each of the Guild Parties shall, at its expense, promptly procure, execute and deliver to Buyer, upon request, all such other and further documents, agreements and instruments in compliance with or accomplishment of the covenants and agreements of Guild Parties in this Agreement.

- 9.9** **Fidelity Bonds and Insurance.** Guarantor shall maintain an insurance policy, in a form and substance satisfactory to Buyer, covering against loss or damage relating to or resulting from any breach of fidelity by Guild Parties, or any officer, director, employee or agent of Guild Parties, any loss or destruction of documents (whether written or electronic), fraud, theft, misappropriation and errors and omissions, such that Buyer shall have the right to pursue any claim for coverage available to any named insured to the full extent allowed by law. This policy shall name Buyer as a loss payee with an unlimited right of action and shall provide coverage in an amount as required by the Fannie Mae Guide. Following approval by Buyer of a specific insurance policy, Guild Parties shall not amend, cancel, suspend or otherwise change such policy without the prior written consent of Buyer.
- 9.10** **Table-Funded Mortgage Loans.** In connection with the funding of each new origination of a Wet Mortgage Loan or Dry Mortgage Loan that is an Eligible Mortgage Loan as to which the origination funds are being remitted to the closing table, Seller shall provide to the applicable Closing Agent (with a copy to Buyer), (i) the Irrevocable Closing Instructions, and (ii) final closing instructions which shall, without limitation, make reference to the Irrevocable Closing Instructions and stipulate the title insurance company that will be issuing the applicable title insurance policy and Closing Protection Letter, which title insurance company shall be an Acceptable Title Insurance Company. In no event shall Seller use such final closing instructions to modify or attempt to modify the terms of the Irrevocable Closing Instructions unless such modifications are agreed to in advance and in writing by Buyer. Seller shall not otherwise modify or attempt to modify the terms of the Irrevocable Closing Instructions without Buyer's prior written approval. If the Closing Agent is not an Acceptable Title Insurance Company, except as otherwise permitted pursuant to Section 3.7(a)(i), Seller shall also (a) confirm that the closing is covered by a blanket Closing Protection Letter issued to Buyer by the title insurance company stipulated in the final closing instructions, and shall provide a copy of such Closing Protection Letter to Buyer; or (b) provide to Buyer (1) a Closing Protection Letter covering the closing issued to Seller by the title insurance company stipulated in the final closing instructions and (2) a duly executed Assignment of Closing Protection Letter relating to the above referenced Closing Protection Letter naming Buyer as the assignee.
- 9.11** **Sharing of Information.** Notwithstanding anything herein or in any other Principal Agreement to the contrary, Guild Parties shall allow Buyer to exchange information related to Guild Parties, the Transactions hereunder and the terms and conditions of the Principal Agreements with Persons who are providing or are contemplating providing credit of any kind to Guild Parties and Guild Parties shall permit each such Person to share such information with Buyer.
- 9.12** **ERISA.** As soon as reasonably possible, and in any event within fifteen (15) days after any Guild Party knows or has reason to believe that any of the events or conditions specified below with respect to any Plan has occurred or exists, a statement signed by a senior financial officer of such Guild Party setting forth details respecting such event or condition and the action, if any, that such Guild Party or its ERISA Affiliate proposes to take with respect thereto (and a copy of any report or notice required to be filed with or given to PBGC by such Guild Party or an ERISA Affiliate with respect to such event or condition):
- (a) any Reportable Event or failure to meet minimum funding standards, provided that a failure to meet the minimum funding standard of Section 412 of the Code or Sections 302 or 303 of ERISA, including, without limitation, the failure to make on or before its due date a required installment under Section 430(j) of the Code or Section 303(j) of ERISA, shall be a reportable event regardless of the issuance of any waivers in accordance with

Section 412(d) of the Code or any request for a waiver under Section 412(c) of the Code for any Plan;

- (b) the distribution under Section 4041(c) of ERISA of a notice of intent to terminate any Plan or any action taken by a Guild Party or an ERISA Affiliate to terminate any Plan;
- (c) the institution by PBGC of proceedings under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the receipt by a Guild Party, any Subsidiary or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by PBGC with respect to such Multiemployer Plan;
- (d) the complete or partial withdrawal from a Multiemployer Plan by a Guild Party, any Subsidiary or any ERISA Affiliate that results in liability under Section 4201 or 4204 of ERISA (including the obligation to satisfy secondary liability as a result of a purchaser default) or the receipt by a Guild Party, any Subsidiary or any ERISA Affiliate of notice from a Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA or that it intends to terminate or has terminated under Section 4041A of ERISA;
- (e) the institution of a proceeding by a fiduciary of any Multiemployer Plan against a Guild Party, any Subsidiary or any ERISA Affiliate to enforce Section 515 of ERISA, which proceeding is not dismissed within 30 days; and
- (f) the adoption of an amendment to any Plan that, pursuant to Section 401(a)(29) of the Code, would result in the loss of tax-exempt status of the trust of which such Plan is a part if a Guild Party, any Subsidiary or an ERISA Affiliate fails to timely provide security to such Plan in accordance with the provisions of said Sections.

**9.13 Additional Repurchase or Warehouse Facility.** Guarantor shall maintain throughout the term of the Agreement, with nationally recognized and established counterparties (other than Buyer), mortgage loan repurchase or warehouse facilities that, in the aggregate: (i) provide funding in an amount equal to at least the Committed Amount and (ii) accommodate wet mortgage loans in an amount not less than the amount provided under the Agreement.

**9.14 MERS.** Each Guild Party will comply in all material respects with the rules and procedures of MERS in connection with the servicing of all Underlying Assets that are registered with MERS and, with respect to Underlying Assets that are eMortgage Loans, the maintenance of the related eNotes on the MERS Registry for as long as such Underlying Assets are so registered.

**9.15 Agency Audit and Approval Maintenance.** Each Guild Party shall (i) at all times maintain copies of relevant portions of all Agency Audits in which there are material adverse findings, including without limitation notices of defaults, notices of termination of approved status, notices of imposition of supervisory agreements or interim servicing agreements, and notices of probation, suspension, or non-renewal, (ii) provide Buyer with copies of such Agency Audits promptly upon Buyer's request, and (iii) take all actions necessary to maintain its respective Approvals.

**9.16 Most Favored Agreement.** Each Guild Party agrees that should any Guild Party or any Affiliate thereof enter into a repurchase agreement (including, without limitation, a renewal of the Agreement), warehouse facility, guaranty or similar credit facility with any Person which by its terms provides more favorable terms with respect to any of the financial covenants or reporting

requirements, then such Guild Party shall provide notice to Buyer and such terms of the Agreement shall be deemed automatically amended to include such more favorable terms, such that such terms operate in favor of Buyer or an Affiliate of Buyer. Each Guild Party further agrees to execute and deliver any new agreements or amendments to the Agreement evidencing such provisions, provided that the execution of such amendment shall not be a precondition to the effectiveness of such amendment, but shall merely be for the convenience of the parties thereto. Further, at the request of Buyer, each Guild Party shall promptly provide Buyer with its financial covenants and any other covenants that Buyer deems material under any such current, future or modified third party agreement and/or copies of any personal and/or corporate guaranties required in connection with such third party agreement.

**9.17 Financial Covenants and Ratios.** Guarantor shall at all times comply with any financial covenants and/or financial ratios set forth in the Transactions Terms Letter.

**9.18 Beneficial Ownership Certification.** Each Guild Party shall at all times either (i) ensure that the such Guild Party has delivered to Buyer a Beneficial Ownership Certification, if applicable, and that the information contained therein is true and correct in all respects, or (ii) deliver to Buyer an updated Beneficial Ownership Certification within one (1) Business Day following the date on which the information contained in any previously delivered Beneficial Ownership Certification ceases to be true and correct in all respects.

**9.19 Special Purpose Entity Provisions.** Seller shall (a) own no assets, and will not engage in any business, other than the assets and transactions specifically contemplated by the Principal Agreements; (b) not incur any Debt or obligation, secured or unsecured, direct or indirect, absolute or contingent, other than pursuant to the Principal Agreements; (c) not make any loans or advances to any Affiliate or third party, and shall not acquire obligations or securities of its Affiliates other than the assets and transactions specifically contemplated by the Principal Agreements; (d) pay its debts and liabilities (including, as applicable, shared personnel expenses and overhead expenses) only from its own assets; (e) comply with the provisions of its organizational documents; (f) do all things necessary to observe organizational formalities and to preserve its existence, and not amend, modify or otherwise change its Governing Documents, or suffer same to be amended, modified or otherwise changed, without the Buyer's prior written consent which shall not be unreasonably withheld; (g) maintain all of its books, records and financial statements separate from those of its Affiliates (except that such financial statements may be consolidated to the extent consolidation is required under GAAP or as a matter of applicable law); provided that (i) appropriate notation shall be made on such financial statements if prepared to indicate the separateness of Seller from such Affiliate and to indicate that Seller's assets and credit are not available to satisfy the debts and other obligations of such Affiliate or any other Person and (ii) such assets shall also be listed on Seller's own separate balance sheet (if prepared) and (iii) Seller shall file its own tax returns if filed, except to the extent consolidation is required or permitted under applicable law; (h) be, and at all times will hold itself out to the public as, a legal entity separate and distinct from any other entity (including any Affiliate), shall correct any known misunderstanding regarding its status as a separate entity, shall conduct business in its own name, shall not identify itself or any of its Affiliates as a division or part of the other; (i) not enter into any transactions with any Affiliates except on commercially reasonable terms similar to those available to unaffiliated parties in an arm's-length transaction; (j) maintain adequate capital in light of its contemplated business purpose, transactions and liabilities; (k) not engage in or suffer any dissolution, winding up, liquidation, consolidation or merger or transfer all or substantially all of its properties and assets to any Person (except as contemplated herein); (l) not commingle its funds or other assets with those of any Affiliate or any other Person and shall maintain its properties and assets in such manner that it would not be

costly or difficult to identify, segregate or ascertain its properties and assets from those of others; (m) will not hold itself out to be responsible for the debts or obligations of any other Person; (n) not form, acquire or hold any Subsidiary or own any equity interest in any other entity; (o) use separate stationery, invoices and checks bearing its own name; (p) allocate fairly and reasonably any overhead for shared office space and services performed by an employee of an Affiliate; and (q) not pledge its assets to secure the obligations of any other Person except as contemplated under the Principal Agreements. Seller shall (i) be a Delaware limited liability company and (ii) not take any Insolvency Action with respect to itself.

**9.20** **Participation Interests as Securities.** The parties acknowledge and agree that the Participation Interests shall constitute and remain “securities” as defined in Section 8-102 of the Uniform Commercial Code. Each Guild Party covenants and agrees that the Participation Interests (i) are not and will not be dealt in or traded on securities exchanges or securities markets, and (ii) are not and will not be investment company securities within the meaning of Section 8-103 of the Uniform Commercial Code. Each Guild Party shall, at its sole cost and expense, take all steps as may be necessary in connection with the indorsement, transfer, delivery and pledge of all Participation Interests to Buyer. Neither Seller nor Guarantor shall issue any new classes under existing Participation Certificates that are subject to Transactions hereunder without Buyer’s prior written consent, which shall not be unreasonably withheld.

**9.21** **Cross-Collateralization.** Each Guild Party’s payment and performance of its obligations under the Agreement shall be cross-collateralized with any and all deposits of money or property or any other indebtedness at any time held or owing to Buyer or any of its Affiliates to or for the credit of the account of any Guild Party and its Affiliates under any agreement(s) between any Guild Party and its Affiliates, on the one hand, and Buyer and/or its Affiliates, on the other hand, irrespective of whether or not Buyer and/or its Affiliates shall have made any demand thereunder and whether or not said obligations shall have matured.

## **ARTICLE 10 NEGATIVE COVENANTS**

Each Guild Party hereby covenants and agrees with Buyer that during the term of this Agreement and for so long as there remain any obligations of any Guild Party to be paid or performed under this Agreement, each Guild Party shall comply with the following:

**10.1** **[Reserved].**

**10.2** **Debt.** No Guild Party shall incur any additional material Debt without the prior written consent of Buyer, which shall not be unreasonably withheld, other than (i) the Existing Debt, (ii) Debt incurred with Buyer or its Affiliates, and (iii) usual and customary accounts payable for a mortgage company.

**10.3** **Lines of Business.** No Guild Party shall engage to any substantial extent in any line or lines of business activity other than the businesses generally carried on by it as of the Effective Date.

**10.4** **Debt and Subordinated Debt.** No Guild Party shall, either directly or indirectly, without the prior written consent of Buyer, pay any Debt or Subordinated Debt if such payment shall cause a Potential Default or Event of Default. Further, if a Potential Default or an Event of Default shall have occurred and for as long as such is occurring, no Guild Party shall, either directly or indirectly, without the prior written consent of Buyer, make any payment of any kind thereafter

on such Debt or Subordinated Debt until all obligations of Guild Parties hereunder have been paid and performed in full.

- 10.5 Loss of Eligibility.** No Guild Party shall, either directly or indirectly, without the prior written consent of Buyer, take, or fail to take, any action that would cause such Guild Party to lose all or any part of its status as an eligible lender, seller, mortgagee or servicer or willfully terminate its status as an eligible lender, seller, mortgagee or servicer without forty-five (45) days prior written notice to Buyer.
- 10.6 Loans to Officers, Employees and Shareholders.** No Guild Party shall, either directly or indirectly, without the prior written consent of Buyer, make any personal loans or advances to any officers, employees, shareholders, members, partners or owners of Seller in an aggregate amount exceeding [\*\*\*] of such Guild Party's Tangible Net Worth; provided, however, that each Guild Party shall be entitled to make a personal loan or advance to a majority shareholder, member, partner or owner of such Guild Party without the prior written consent of Buyer; provided that (i) a Potential Default or an Event of Default is not existing and will not occur as a result thereof, (ii) such Person is also a Guarantor and (iii) such loan or advance is clearly reflected on such Guild Party's financial reports provided to Buyer.
- 10.7 Liens on Purchased Assets and Purchased Items.** Each Guild Party acknowledges that with respect to each Transaction it shall have sold the Purchased Assets and related Purchased Items and Underlying Asset Collateral and shall have granted to Buyer a first priority security interest in such assets in the event such Transaction is deemed a loan. Accordingly, each Guild Party shall not create, incur, assume or suffer to exist any lien upon the Purchased Assets or the Purchased Items, other than as granted to Buyer herein.
- 10.8 Transactions with Affiliates.** No Guild Party shall, directly or indirectly, enter into any transaction with its Affiliates, if any, without the prior written consent of Buyer, including, without limitation, (a) making any loan, advance, extension of credit or capital contribution to an Affiliate, (b) transferring, selling, pledging, assigning or otherwise disposing of any of its assets to or on behalf of an Affiliate, (c) purchasing or acquiring assets from an Affiliate, or (d) paying management fees to or on behalf of an Affiliate; provided, however, that each Guild Party may, without the prior written consent of Buyer, and provided that a Potential Default or an Event of Default is not existing and will not occur as a result thereof, engage in a transaction(s) with any or all of its Affiliates if (i) such transaction is in the ordinary course of such Guild Party's mortgage banking business and (ii) such transaction is upon fair and reasonable terms no less favorable to such Guild Party had such Guild Party entered into a comparable arm's-length transaction with a Person which is not an Affiliate.
- 10.9 Consolidation, Merger, Sale of Assets and Change of Control.** No Guild Party shall, directly or indirectly, (a) wind up, liquidate or dissolve its affairs; (b) enter into any transaction of merger or consolidation with any Person; (c) convey, sell, lease or otherwise dispose of, or agree to do any of the foregoing at any future time, all or substantially all of its property or assets, (d) form or enter into any partnership, joint venture, syndicate or other combination which could have a Material Adverse Effect; or (e) allow a Change of Control to occur with respect to such Guild Party, without prior written consent of Buyer; provided, however, that such Guild Party may, without the prior written consent of Buyer, and provided that a Potential Default or an Event of Default is not existing and will not occur as a result thereof: (i) merge or consolidate with any Person if such Guild Party is the surviving and controlling entity and (ii) in the ordinary course of Guarantor's mortgage banking business, sell equipment that is uneconomic or obsolete and acquire Mortgage Loans for resale and sell Mortgage Loans.

- 10.10 Payment of Dividends and Retirement of Stock.** If a Potential Default or an Event of Default has occurred and is continuing or will occur as a result of such payments, Guild Parties shall not pay any dividends or distributions with respect to any capital stock or other equity interests in Guild Parties, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of Guild Parties.
- 10.11 Purchased Items.** No Guild Party shall attempt to resell, reassign, retransfer or otherwise dispose of, or grant any option with respect to, or pledge or otherwise encumber (except pursuant to this Agreement) any of the Purchased Assets or other Purchased Items or Underlying Asset Collateral or any interest therein. No Guild Party shall, without prior written consent of Buyer, amend or modify, or waive any of the terms and conditions of, or settle or compromise any claim in respect of, any Purchased Item.
- 10.12 Secondary Marketing, Underwriting, Third Party Origination and Interest Rate Risk Management Practices.** Guarantor shall not, without the prior written approval of Buyer, which shall not be unreasonably withheld, change in any material respect any secondary marketing, underwriting, third party origination and interest rate risk management practices of Guarantor that exist as of the Effective Date. By way of example but not limitation, any material change to Guarantor's hedging strategy or any change to add third party origination shall be considered material changes subject to the prior written approval of Buyer. The fact that Guarantor may from time to time disclose to Buyer in writing proposed changes in such practices after the date hereof shall not be deemed Buyer's consent to or written approval thereof unless Buyer has indicated written approval of such changes. It shall be deemed an Event of Default hereunder if Guarantor changes any of the foregoing practices without having obtained such prior written approval from Buyer.
- 10.13 [Reserved].**
- 10.14 Regulation W.** No Guild Party shall use the proceeds from the transfer of funds from Buyer to any Guild Party to effect transactions with any affiliate (as defined in 12 CFR §223.2 or 12 USC §371c) of Buyer.

**ARTICLE 11  
DEFAULTS AND REMEDIES**

- 11.1 Events of Default.** The occurrence of any of the following conditions or events shall be an Event of Default:
- (a) failure of Seller to (A)(i) repurchase the Purchased Assets (or obtain the release of Underlying Assets upon repayment of the related Repurchase Price) on the applicable Repurchase Date, (ii) repurchase the Purchased Assets (or obtain the release of Underlying Assets upon repayment of the related Repurchase Price) pursuant to Section 2.10, or (iii) perform its obligations under Section 6.3(b), or (B) failure of any Guild Party to pay any other amount due under the Principal Agreements within [\*\*\*] following the applicable due date;
  - (b) (i) any Guild Party or any of their respective Subsidiaries or Affiliates shall default under, or fail to perform as required under, or shall otherwise breach the terms of any instrument, agreement or contract between any Guild Party or any of their respective Subsidiaries or Affiliates, on the one hand, and Buyer or any of Buyer's Affiliates on the other; or (ii) any Guild Party or any of their respective Subsidiaries or Affiliates shall

default under, or fail to perform as required under, the terms of any repurchase agreement, loan and security agreement or similar credit facility or agreement for borrowed funds or any other material agreement entered into by any Guild Party or any of their respective Subsidiaries or Affiliates on the one hand, and any third party on the other, which default or failure entitles any party to require acceleration or prepayment of any indebtedness thereunder or shall otherwise fail to pay a matured Debt obligation in excess of [\*\*\*];

- (c) (reserved);
- (d) (reserved);
- (e) any representation, warranty or certification made or deemed made herein or in any other Principal Agreement by any Guild Party or any certificate furnished to Buyer pursuant to the provisions thereof, shall prove to have been false or misleading in any material respect as of the time made or furnished and such occurrence shall not have been remedied within [\*\*\*] (other than the representations and warranties set forth in Section 8.2 which shall be considered solely for the purpose of determining the Asset Value of the Underlying Assets; unless (i) such Guild Party shall have made any such representations and warranties with knowledge that they were materially false or misleading at the time made or (ii) any such representations and warranties have been determined by Buyer to be materially false or misleading on a regular basis, in which case there shall be no such cure period);
- (f) the failure of any Guild Party to perform, comply with or observe any term, covenant or agreement applicable to such Guild Party as contained in Articles 9 and 10 of this Agreement, irrespective of any cure period;
- (g) the failure of any Guild Party to perform, comply with or observe any other term, covenant or agreement applicable to such Guild Party as contained in this Agreement and such occurrence shall not have been remedied within [\*\*\*] after receipt of notice from Buyer of such occurrence;
- (h) an Insolvency Event shall have occurred with respect to any Guild Party or any of their respective Affiliates or Subsidiaries; or any Guild Party shall admit in writing its inability to, or intention not to, perform any of its obligations under this Agreement or any of the other Principal Agreements; or Buyer shall have determined in good faith that any Guild Party is unable to meet its financial commitments as they come due;
- (i) one or more judgments or decrees shall be entered against any Guild Party or any of its Affiliates or Subsidiaries involving a liability of [\*\*\*] or more (to the extent that it is, in the reasonable determination of Buyer, uninsured and provided that any insurance or other credit posted in connection with an appeal shall not be deemed insurance for these purposes), and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within [\*\*\*] after entry thereof;
- (j) any Plan maintained by any Guild Party, any Subsidiary of any Guild Party or any ERISA Affiliate shall be terminated within the meaning of Title IV of ERISA or a trustee shall be appointed by an appropriate United States District Court to administer any Plan, or the Pension Benefit Guaranty Corporation (or any successor thereto) shall institute proceedings to terminate any Plan or to appoint a trustee to administer any Plan if as of



the date thereof any Guild Party's liability, any such Subsidiary's liability or any ERISA Affiliate's liability to the PBGC, the Plan or any other entity on termination under the Plan exceeds the then current value of assets accumulated in such Plan by more than [\*\*\*] (or in the case of a termination involving any Guild Party as a "substantial employer" (as defined in Section 4001 (a)(2) of ERISA) the withdrawing employer's proportionate share of such excess shall exceed such amount);

- (k) any Guild Party or any Subsidiary of any Guild Party or any ERISA Affiliate, in each case, as employer under a Multiemployer Plan shall have made a complete or partial withdrawal from such Multiemployer Plan and the plan sponsor of such Multiemployer Plan shall have notified such withdrawing employer that such employer has incurred a withdrawal liability in (i) an annual amount exceeding [\*\*\*], or (ii) an aggregate amount exceeding [\*\*\*];
- (l) (i) any Person shall engage in any "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan, (ii) a determination that a Plan is "at risk" (within the meaning of Section 303 of ERISA) or any Lien in favor of the PBGC or a Plan shall arise on the assets of any Guild Party or any ERISA Affiliate, (iii) a Reportable Event shall occur with respect to, or proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is, in the reasonable opinion of Buyer, likely to result in the termination of such Plan for purposes of Title IV of ERISA, (iv) any Guild Party or any ERISA Affiliate shall file an application for a minimum funding waiver under Section 302 of ERISA or Section 412 of the Code with respect to any Plan, (v) any obligation for post-retirement medical costs (other than as required by COBRA) exists, or (vi) any other event or condition shall occur or exist with respect to a Plan; and in each case in clauses (i) through (vi) above, such event or condition, together with all other such events or conditions, if any, could reasonably be expected to have a Material Adverse Effect or (vii) the assets of any Guild Party, any Subsidiary of any Guild Party, or any ERISA Affiliate become plan assets within the meaning of 29 CFR 2510.3-101 as modified by Section 3(42) of ERISA;
- (m) any Governmental Authority or any person, agency or entity acting or purporting to act under governmental authority shall have taken any action to (i) condemn, seize or appropriate, or to assume custody or control of, all or any substantial part of the property or assets of any Guild Party or any its Affiliates or Subsidiaries; (ii) displace the management of any Guild Party or any of its Affiliates or Subsidiaries or to curtail its authority in the conduct of their respective business; or (iii) to remove, limit or restrict the approval of Seller or any of its Affiliates or Subsidiaries as an issuer, buyer or a seller/servicer of Mortgage Loans or securities backed thereby, and any such action provided for in this subsection (u) shall not have been discontinued or stayed within [\*\*\*];
- (n) any Guild Party shall purport to disavow its obligations hereunder or shall contest the validity or enforceability of the Principal Agreements or Buyer's interest in any Purchased Asset or other Purchased Items or Underlying Asset Collateral;
- (o) a default shall occur under the Guaranty that continues beyond the expiration of any applicable grace period or the Guarantor shall otherwise fail to perform its obligations

under the Guaranty or, if an individual, shall be incapable of performing its obligations thereunder due to death, incapacity or otherwise;

- (p) a Material Adverse Effect shall occur with respect to any Guild Party;
- (q) a change in any Key Personnel or Executive Management shall occur, if applicable;
- (r) any Principal Agreement shall for whatever reason (including an event of default thereunder) be terminated, without the consent of Buyer (other than, with respect to the Custodial Agreement, due to the resignation of the Custodian for reasons other than a breach by Seller of the Custodial Agreement), or this Agreement shall for any reason cease to create a valid, first priority security interest or ownership interest upon transfer in any of the Purchased Items;
- (s) (i) a breach of any of any Guild Party's or Servicer's subservicing obligations, including, but not limited to, its failure to deposit any funds required to be deposited under Section 6.2(g) into the Custodial Account, or (ii) a Servicer Termination Event shall occur and Guild Parties have not (A) appointed a successor servicer acceptable to Buyer and (B) delivered a fully executed Servicer Notice with such successor servicer, in each case within [\*\*\*] following the occurrence of such Servicer Termination Event;
- (t) if any Guild Party is a member of MERS, any Guild Party's membership in MERS is terminated for any reason;
- (u) failure of Seller to transfer the Purchased Assets to Buyer on the applicable Purchase Date (provided Buyer has tendered the related Purchase Price);
- (v) a default shall occur and be continuing beyond the expiration of any applicable grace period under any other Principal Agreement;
- (w) any Guild Party shall fail to maintain all requisite Approvals;
- (x) a Change of Control shall occur with respect to any Guild Party;
- (y) Guarantor's audited financial statements or notes thereto or other opinions or conclusions stated therein shall be qualified or limited by reference to the status of Guarantor as a "going concern" or reference of similar import; or
- (z) any Guild Party has entered into any settlement with, or consented to the issuance of a consent order by, any Governmental Authority in which the fines, penalties, settlement amounts or any other amounts owed by such Guild Party thereunder exceeds [\*\*\*] in the aggregate; provided that an Event of Default shall be deemed not to occur if Buyer, in its sole discretion, within [\*\*\*] following receipt of notice from Guarantor pursuant to Section 9.3(n), of any Guild Party's entry into any such settlement or consent order, provides written approval to such Guild Party (which may be via electronic mail), that such settlement or consent order by such Guild Party is acceptable to Buyer.

With respect to any Event of Default which requires a determination to be made as to whether such Event of Default has occurred, such determination shall be made in Buyer's reasonable discretion and each Guild Party hereby agrees to be bound by and comply with any such

determination by Buyer. An Event of Default shall be deemed to be continuing unless expressly waived by Buyer in writing.

**11.2 Remedies.** Upon the occurrence of an Event of Default, Buyer may, by notice to Guild Parties, declare all or any portion of the Repurchase Prices related to the outstanding Transactions to be immediately due and payable whereupon the same shall become immediately due and payable, and the obligation of Buyer to enter into Transactions shall thereupon terminate; provided that the acceleration of all Repurchase Prices and termination of Buyer's obligation to enter into Transactions shall immediately occur upon the occurrence of an Event of Default under Section 11.1(h), (m), or (n), notwithstanding that Buyer may not have provided any such notice to Guild Parties. Further, it is understood and agreed that upon the occurrence of an Event of Default, each Guild Party shall strictly comply with the negative covenants contained in Article 10 hereunder and in no event shall any Guild Party declare and pay any dividends, incur additional Debt or Subordinated Debt, make payments on existing Debt or Subordinated Debt or otherwise distribute or transfer any of any Guild Party's property and assets to any Person without the prior written consent of Buyer. Upon the occurrence of any Event of Default, Buyer may also, at its option, exercise any or all of the following rights and remedies:

- (a) enter the office(s) of any Guild Party and take possession of any of the Purchased Assets and Underlying Assets and Underlying Asset Collateral including any records relating thereto;
- (b) communicate with and notify Mortgagors of the Underlying Assets and obligors under other Underlying Assets or on any portion thereof, whether such communications and notifications are in verbal, written or electronic form, including, without limitation, communications and notifications that the Underlying Assets have been assigned to Buyer and that all payments thereon are to be made directly to Buyer or its designee; settle compromise, or release, in whole or in part, any amounts owing on the Underlying Assets or any portion of the Underlying Assets, on terms acceptable to Buyer; enforce payment and prosecute any action or proceeding with respect to any and all Underlying Assets; and where any Underlying Asset is in default, foreclose upon and enforce security interests in, such Underlying Asset by any available judicial procedure or without judicial process and sell property acquired as a result of any such foreclosure;
- (c) collect payments from Mortgagors and/or assume servicing of, or contract with a third party to subservice, any or all Underlying Assets requiring servicing and/or perform any obligations required in connection with Purchase Commitments, with all of any such third party's fees to be paid by Guild Parties. In connection with collecting payments from Mortgagors and/or assuming servicing of any or all Underlying Assets, Buyer may take possession of and open any mail addressed to any Guild Party, remove, collect and apply all payments for any Guild Party, sign any Guild Party's name to any receipts, checks, notes, agreements or other instruments or letters or appoint an agent to exercise and perform any of these rights. If Buyer so requests, Guild Parties shall promptly forward to Buyer or its designee, all further mail and all "trailing" documents, such as title insurance policies, deeds of trust, and other documents, and all loan payment histories, both in paper and electronic format, in each case, as same relate to the Underlying Assets;
- (d) proceed against any Guild Party under this Agreement or against any Guarantor(s) under their respective Guaranty, or both;

- (e) either (x) sell, without notice or demand of any kind, at a public or private sale and at such price or prices as Buyer may deem to be commercially reasonable for cash or for future delivery without assumption of any credit risk, any or all or portions of the Purchased Items or Underlying Asset Collateral on a servicing-retained or servicing-released basis; provided that Buyer may purchase any or all of the Purchased Items or Underlying Asset Collateral at any public or private sale; provided, further, that any Guild Party shall remain liable to Buyer for any amounts that remain owing to Buyer following any such sale and/or credit; or (y) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Items or Underlying Asset Collateral, to give any Guild Party credit for such Purchased Items or Underlying Asset Collateral (including credit for the Servicing Rights in respect of sales on a servicing-retained basis) in an amount equal to the Market Value of the Underlying Assets against the aggregate unpaid Repurchase Price and any other amounts owing by Guild Parties hereunder. Guild Parties shall remain liable to Buyer for any amounts that remain owing to Buyer following a sale and/or credit under the preceding sentence;
- (f) enter into one or more hedging arrangements covering all or a portion of the Purchased Items or Underlying Asset Collateral; and/or
- (g) pursue any rights and/or remedies available at law or in equity against any Guild Party.

**11.3 Treatment of Custodial Account.** During the existence of a Potential Default or an Event of Default, notwithstanding any other provision of this Agreement, no Guild Party shall have the right to withdraw or release any funds in the Custodial Account to itself or for its benefit, nor shall it have any right to set-off any amount owed to it by Buyer against funds held by it for Buyer in the Custodial Account. During the existence of an Event of Default, Guild Parties shall promptly remit to or at the direction of Buyer all funds related to the Purchased Assets in the Custodial Account.

**11.4 Sale of Purchased Assets.** Following an Event of Default, Buyer may securitize or otherwise sell the Purchased Assets with no obligation to reacquire title as provided in Section 6.6 and Buyer shall incur no liability as a result of such transaction. For the avoidance of doubt, Buyer may sell the Purchased Assets as part of a pool comprised of, all or part of, the Purchased Assets and other mortgage loans owned by Buyer; in such instance, the value of the Purchased Assets shall be determined on a pro rata basis. Each Guild Party hereby waives any claims it may have against Buyer arising by reason of the fact that the price at which the Purchased Assets may have been sold at such private sale was less than the price which might have been obtained at a public sale or was less than the aggregate Repurchase Price amount of the outstanding Transactions, even if Buyer accepts the first offer received and does not offer the Purchased Assets, or any part thereof, to more than one offeree.

**11.5 No Obligation to Pursue Remedy.** Buyer shall have the right to exercise any of its rights and/or remedies without presentment, demand, protest or further notice of any kind other than as expressly set forth herein, all of which are hereby expressly waived by Guild Parties. Guild Parties further waive any right to require Buyer to (a) proceed against any Person, (b) proceed against or exhaust all or any of the Purchased Assets or Underlying Asset Collateral or pursue its rights and remedies as against the Purchased Assets or Underlying Asset Collateral in any particular order, or (c) pursue any other remedy in its power. Buyer shall not be required to take any steps necessary to preserve any rights of Guild Parties against holders of mortgages prior in lien to the lien of any Purchased Items or Underlying Asset Collateral or to preserve rights against prior parties. No failure on the part of Buyer to exercise, and no delay in exercising, any right,

power or remedy provided hereunder, at law or in equity shall operate as a waiver thereof; nor shall any single or partial exercise by Buyer of any right, power or remedy provided hereunder, at law or in equity preclude any other or further exercise thereof or the exercise of any other right, power or remedy. Without intending to limit the foregoing, all defenses based on the statute of limitations are hereby waived by Guild Parties. The remedies herein provided are cumulative and are not exclusive of any remedies provided at law or in equity.

- 11.6 No Judicial Process.** Buyer may enforce its rights and remedies hereunder without prior judicial process or hearing, and Guild Parties hereby expressly waive, to the extent permitted by law, any right Guild Parties might otherwise have to require Buyer to enforce its rights by judicial process. Guild Parties also waive, to the extent permitted by law, any defense Guild Parties might otherwise have to its obligations under this Agreement arising from use of nonjudicial process, enforcement and sale of all or any portion of the Purchased Assets or from any other election of remedies. Guild Parties recognize that nonjudicial remedies are consistent with the usages of the trade, are responsive to commercial necessity and are the result of a bargain at arm's length.
- 11.7 Reimbursement of Costs and Expenses.** Buyer may, but shall not be obligated to, advance any sums or do any act or thing necessary to uphold and enforce the lien and priority of, or the security intended to be afforded by, any Purchased Items or Underlying Asset Collateral, including, without limitation, payment of delinquent Taxes or assessments and insurance premiums. All advances, charges, reasonable costs and expenses, including reasonable attorneys' fees and disbursements and losses resulting from any hedging arrangements entered into by Buyer pursuant to Section 11.2(f), incurred or paid by Buyer in exercising any right, power or remedy conferred by this Agreement, or in the enforcement hereof, together with interest thereon, at the Default Rate, from the time of payment until repaid, shall become a part of the Repurchase Price.
- 11.8 Application of Proceeds.** The proceeds of any sale or other enforcement of Buyer's interest in all or any part of the Purchased Assets or Underlying Asset Collateral shall be applied by Buyer:
- (a) first, to the payment of the costs and expenses of such sale or enforcement, including reasonable compensation to Buyer's agents and counsel, and all expenses, liabilities and advances made or incurred by or on behalf of Buyer in connection therewith;
  - (b) second, to the costs of cover and/or related hedging transactions;
  - (c) third, to the payment of any other amounts due under this Agreement other than the aggregate Repurchase Price;
  - (d) fourth, to the payment of the aggregate Repurchase Price;
  - (e) fifth, to all other obligations owed by Guild Parties under this Agreement and the other Principal Agreements; and
  - (f) sixth, in accordance with Buyer's exercise of its rights under Section 11.9 hereof.
- 11.9 Rights of Set-Off.** Buyer shall have the following rights of set-off:
- (a) If Guild Parties shall default in the payment or performance of any of its obligations under this Agreement, Buyer shall have the right, at any time, and from time to time, to set-off claims and to appropriate or apply any and all deposits of money or property or

any other indebtedness at any time held or owing by Buyer to or for the credit of the account of Seller against and on account of the obligations and liabilities of any Guild Party under this Agreement, irrespective of whether or not Buyer shall have made any demand hereunder and whether or not said obligations and liabilities shall have become due; provided, however, that the aforesaid right to set-off shall not apply to any deposits of escrow monies being held on behalf of the Mortgagors related to the Underlying Assets or other third parties. Without limiting the generality of the foregoing, Buyer shall be entitled to set-off claims and apply property held by Buyer with respect to any Transaction against obligations and liabilities owed by any Guild Party to Buyer with respect to any other Transaction. Buyer may set off cash, the proceeds of any liquidation of the Purchased Items and Underlying Asset Collateral and all other sums or obligations owed by Buyer to such Guild Party against all of Guild Parties' obligations to Buyer, whether under this Agreement, under a Transaction, or under any other agreement between the parties, or otherwise, whether or not such obligations are then due, without prejudice to Buyer's right to recover any deficiency. Buyer agrees promptly to notify Guild Parties after any such set-off and application made by Buyer; provided that the failure to give such notice shall not affect the validity of such set-off and application.

- (b) In addition to the rights in subsection (a), Buyer and its Affiliates (collectively, the “**Bank of America Related Entities**”), shall have the right to set-off and to appropriate or apply any and all deposits of money or property or any other indebtedness at any time held or owing by the Bank of America Related Entity to or for the credit of the account of each Guild Party and its Affiliates against and on account of the obligations of Guild Parties under any agreement(s) between a Guild Party and/or its Affiliates, on the one hand, and the Bank of America Related Entity, on the other hand, irrespective of whether or not the Bank of America Related Entity shall have made any demand hereunder and whether or not said obligations shall have matured. In exercising the foregoing right to set-off, any Bank of America Related Entity shall be entitled to withdraw funds in the Over/Under Account which are being held for or owing to Seller to set-off against any amounts due and owing by Seller to the Bank of America Related Entity. If a Bank of America Related Entity other than Buyer intends to exercise its right to set-off in this subsection (b), such Bank of America Related Entity shall provide Guild Parties prior notice thereof, and upon Guild Parties' receipt of such notice, if the basis for such right to set-off is a Guild Party's breach or default of its obligations to the Bank of America Related Entity, Guild Parties shall have [\*\*\*] to cure any such breach or default in order to avoid such set-off.

**11.10 Reasonable Assurances.** If, at any time during the term of the Agreement, Buyer has reason to believe that any Guild Party is not conducting its business in accordance with, or otherwise is not satisfying: (i) all applicable statutes, regulations, rules, and notices of federal, state, or local governmental agencies or instrumentalities, all applicable requirements of Approved Investors and Insurers and prudent industry standards or (ii) all applicable requirements of Buyer, as set forth in this Agreement, then, Buyer shall have the right to demand, pursuant to notice from Buyer to Guild Parties specifying with particularity the alleged act, error or omission in question, reasonable assurances from Guild Parties that such a belief is in fact unfounded, and any failure of Guild Parties to provide to Buyer such reasonable assurances in form and substance reasonably satisfactory to Buyer, within the time frame specified in such notice, shall itself constitute an Event of Default hereunder, without a further cure period. Guild Parties hereby authorize Buyer to take such actions as may be necessary or appropriate to confirm the continued eligibility of Guild Parties for Transactions hereunder, including without limitation (i) ordering credit reports and/or appraisals with respect to any Underlying Asset, (ii) contacting Mortgagors, licensing

authorities and Approved Investors or Insurers, and (iii) performing due diligence reviews on the Underlying Assets and related Mortgage Loan Files pursuant to Section 6.7.

## ARTICLE 12 INDEMNIFICATION

- 12.1 Indemnification.** Each Guild Party shall indemnify and hold harmless each of the Bank of America Related Entities and any of their respective officers, directors, employees, agents and advisors (each, an “**Indemnified Party**”) from and against any and all liabilities, obligations, losses, damages, penalties, judgments, suits, costs, expenses and disbursements of any kind whatsoever (including reasonable fees and disbursements of its counsel) that may be imposed upon, incurred by or asserted against such Indemnified Party in any way relating to or arising out of the Principal Agreements, any other document referred to therein or any of the transactions contemplated thereby, or any Purchased Items or Underlying Asset Collateral or any Guild Party’s obligations thereunder, unless caused by the gross negligence or willful misconduct of the Bank of America Related Entities. Each Guild Party also agrees to reimburse an Indemnified Party as and when billed by such Indemnified Party for all such Indemnified Party’s costs and expenses incurred in connection with the enforcement or the preservation of such Indemnified Party’s rights under this Agreement, any other Principal Agreement ( provided that if the terms of any Principal Agreement conflict with the foregoing, the terms of the Principal Agreement shall control) or any transaction contemplated hereby or thereby, including without limitation the reasonable fees and disbursements of its counsel.
- 12.2 Reimbursement.** Guild Parties shall reimburse the Bank of America Related Entities for all expenses required in the Transactions Terms Letter to be reimbursed when they become due and owing. In addition, Guild Parties agree to pay as and when billed by Buyer all of the out-of-pocket costs and expenses incurred by Buyer in connection with (i) the consummation and administration of the transactions contemplated hereby including, without limitation, all the due diligence, inspection, testing and review costs and expenses incurred by Buyer with respect to Purchased Assets or the Underlying Assets or Underlying Asset Collateral prior to the Effective Date or pursuant to Section 6.7, or otherwise, (ii) the development, preparation and execution of, and any amendment, supplement or modification to, any Principal Agreement or any other documents prepared in connection therewith, and (iii) all the reasonable fees, disbursements and expenses of counsel to Buyer incurred in connection with any of the foregoing.
- 12.3 Payment of Taxes**
- (a) All payments made by any Guild Party under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, levies, imposts, duties, deductions, charges, assessments, fees or withholdings (including backup withholdings), and all liabilities (including penalties, interest and additions to tax) with respect thereto imposed by any Governmental Authority (collectively, “**Taxes**”), but excluding income taxes (however denominated), branch profits taxes and franchise taxes imposed by the United States, a state or a foreign jurisdiction under the laws of which Buyer is organized or of its applicable lending office, or any political subdivision thereof (such exclusions from Taxes, “**Excluded Taxes**”), all of which shall be paid by a Guild Party for its own account not later than the date when due. If any Guild Party is required by law or regulation to deduct or withhold any Taxes from or in respect of any amount payable hereunder, it shall: (i) make such deduction or withholding; (ii) pay the amount so deducted or withheld to the appropriate Governmental Authority not later than the date when due; (iii) deliver to Buyer, promptly, original tax receipts and other evidence

satisfactory to Buyer of the payment when due of the full amount of such Taxes; and (iv) pay to Buyer such additional amounts as may be necessary so that such Buyer receives, free and clear of all Indemnified Taxes (as defined below), a net amount equal to the amount it would have received under this Agreement, as if no such deduction or withholding had been made. In addition, Guild Parties agree to timely pay to the relevant Governmental Authority in accordance with applicable law any current or future stamp, court or documentary taxes, intangible, filing, excise, property or similar Taxes (including, without limitation, mortgage recording taxes, transfer taxes and similar fees) imposed by any Governmental Authority that arise from any payment made hereunder or from the execution, delivery, performance or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, this Agreement (“**Other Taxes**”). Taxes other than Excluded Taxes shall be referred to in this Agreement as “**Indemnified Taxes**.”

- (b) Each Guild Party shall, within ten (10) days after demand therefor, indemnify and hold Buyer harmless from and against the full amount of any and all Indemnified Taxes (including any Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) and Other Taxes arising with respect to the Purchased Assets, the Principal Agreements and other documents related thereto and fully indemnify and hold Buyer harmless from and against any and all liabilities or expenses with respect to or resulting from any delay or omission to pay such Taxes, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or assessed by the relevant Governmental Authority. A certificate as to the amount of any payment or liability of Buyer with respect to such Indemnified Taxes or Other Taxes delivered to any Guild Party by Buyer shall be conclusive absent manifest error.
- (c) Any Buyer that is not incorporated under the laws of the United States, any State thereof, or the District of Columbia (a “**Foreign Buyer**”) and that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under this Agreement shall provide Seller with properly completed United States Internal Revenue Service (“**IRS**”) Form W-8BEN, W-8BEN-E, W-8IMY or W-8ECI or any successor form prescribed by the IRS, certifying that such Foreign Buyer is entitled to benefits under an income tax treaty to which the United States is a party which reduces or eliminates the rate of withholding Tax on payments of interest or certifying that the income receivable pursuant to this Agreement is effectively connected with the conduct of a trade or business in the United States on or prior to the date upon which each such Foreign Buyer becomes a Buyer. If an IRS form previously delivered expires or becomes obsolete or inaccurate in any respect, each Foreign Buyer will update such form or promptly notify Guild Parties of its legal inability to do so. For any period with respect to which a Foreign Buyer has failed to provide Guild Parties with the appropriate IRS forms prescribed by this Section 12.3(c) (unless such failure is due to a change in treaty, law, or regulation occurring subsequent to the date on which such form originally was required to be provided), such Foreign Buyer shall not be entitled to any “gross-up” of Indemnified Taxes or indemnification under Section 12.3(b) with respect to Taxes imposed by the United States; provided, however, that should a Foreign Buyer, which is otherwise exempt from a withholding tax, become subject to Taxes because of its failure to deliver an IRS form required hereunder, Guild Parties shall take such steps as such Foreign Buyer shall reasonably request to assist such Foreign Buyer to recover such Taxes.



- (d) Nothing contained in this Section 12.3 shall require Buyer to make available any of its tax returns or other information that it deems to be confidential or proprietary or otherwise subject Buyer to any material unreimbursed cost or expense or materially prejudice the legal or commercial position of Buyer.

**12.4 Buyer Payment.** If any Guild Party fails to pay when due any costs, expenses or other amounts payable by it under this Article 12, such amount may be paid on behalf of such Guild Party by Buyer, in its discretion and Guild Parties shall remain liable for any such payments by Buyer. No such payment by Buyer shall be deemed a waiver of any of Buyer's rights under any of the Principal Agreements.

**12.5 Agreement Not to Assert Claims.** Each Guild Party agrees not to assert any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to the Principal Agreements, the actual or proposed use of the proceeds of the Transactions, this Agreement or any of the transactions contemplated hereby or thereby. THE FOREGOING INDEMNITY AND AGREEMENT NOT TO ASSERT CLAIMS EXPRESSLY APPLIES, WITHOUT LIMITATION, TO THE NEGLIGENCE (BUT NOT GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF THE INDEMNIFIED PARTIES.

**12.6 Survival.** Without prejudice to the survival of any other agreement of Guild Parties hereunder, the covenants and obligations of each Guild Party contained in this Article 12 shall survive the payment in full of the Repurchase Prices and all other amounts payable hereunder and delivery of the Purchased Items by Buyer against full payment therefor.

### **ARTICLE 13 TERM AND TERMINATION**

**13.1 Term.** Provided that no Event of Default or Potential Default has occurred and is continuing, and except as otherwise provided for herein, this Agreement shall commence on the Effective Date and continue until the Expiration Date. Following expiration or termination of this Agreement, all amounts due Buyer under the Principal Agreements shall be immediately due and payable without notice to Guild Parties and without presentment, demand, protest, notice of protest or dishonor, or other notice of default, and without formally placing Guild Parties in default, all of which are hereby expressly waived by each Guild Party.

**13.2 Termination.**

- (a) Buyer may, with or without cause, terminate this Agreement at any time by providing [\*\*\*] notice to Guild Parties. Each Guild Party acknowledges and understands that Buyer is under no obligation whatsoever to continue the term of this Agreement for any period of time and may terminate this Agreement at any time for any reason. By way of example but not limitation, Buyer may immediately terminate this Agreement by providing notice to Guild Parties if (i) this Agreement or any Transaction is deemed by a court or by statute to not constitute a "repurchase agreement," a "securities contract," or a "master netting agreement," as each such term is defined in the Bankruptcy Code, (ii) payments or security offered hereunder are deemed by a court or by statute not to constitute "settlement payments" or "margin payments" as each such term is defined in the Bankruptcy Code, (iii) this Agreement or any Transaction is deemed by a court or by statute not to constitute an agreement to provide financial accommodations as described in Bankruptcy Code Section 365(c)(1) or (iv) Buyer

determines that there has been fraud, misrepresentation or any similar intentional conduct on behalf of any Guild Party, its officers, directors, employees, agents and/or its representatives with respect to any of any Guild Parties' obligations, responsibilities or actions undertaken in connection with this Agreement. Further, Buyer may, without cause and for any reason whatsoever, terminate this Agreement with respect to the Uncommitted Amount at any time pursuant to Section 2.1.

- (b) Upon termination of this Agreement for any reason, all outstanding amounts due to Buyer under the Principal Agreements shall be immediately due and payable without notice to Guild Parties and without presentment, demand, protest, notice of protest or dishonor, or other notice of default, and without formally placing Guild Parties in default, all of which are hereby expressly waived by each Guild Party. Further, any termination of this Agreement shall not affect the outstanding obligations of Guild Parties under this Agreement or any other Principal Agreement and all such outstanding obligations and the rights and remedies afforded Buyer in connection therewith, including, without limitation, those rights and remedies afforded Buyer under this Agreement, shall survive any termination of this Agreement. Buyer shall not be liable to Guild Parties for any costs, loss or damages arising from or relating to a termination by Buyer in accordance with any subsection of this Section 13.2.

- 13.3** Extension of Term. Upon mutual agreement of Guild Parties and Buyer, the term of this Agreement may be extended. Such extension may be made subject to the terms and conditions hereunder and to any other terms and conditions as Buyer, in its sole and good faith discretion, may determine to be necessary or advisable. Under no circumstances shall such an extension by Buyer be interpreted or construed as a forfeiture by Buyer of any of its rights, entitlements or interest created hereunder. Each Guild Party acknowledges and understands that Buyer is under no obligation whatsoever to extend the term of this Agreement beyond the initial term.

#### **ARTICLE 14 GENERAL**

- 14.1** Integration; Servicing Provisions Integral and Non-Severable. This Agreement, together with the other Principal Agreements, and all other documents executed pursuant to the terms hereof and thereof, constitute the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all prior or contemporaneous oral or written communications with respect to the subject matter hereof, all of which such communications are merged herein. All Transactions hereunder constitute a single business and contractual relationship and each Transaction has been entered into in consideration of the other Transactions. Accordingly, each of Buyer and the Guild Parties agree that payments, deliveries, and other transfers made by either of them in respect of any Transaction shall be deemed to have been made in consideration of payments, deliveries, and other transfers in respect of any other Transactions hereunder, and the obligations to make any such payments, deliveries, and other transfers may be applied against each other and netted. Without limiting the generality of the foregoing, the provisions of this Agreement related to the servicing and Servicing Rights of the Underlying Assets are integral, interrelated, and are non-severable from the purchase and sale provisions of the Agreement. Buyer has relied upon such provisions as being integral and non-severable in determining whether to enter into this Agreement and in determining the Purchase Price methodology for such Mortgage Loans. The integration of these servicing provisions is necessary to enable Buyer to obtain the maximum value from the sale of the Underlying Assets by having the ability to sell the Servicing Rights related to such Underlying Assets free from any claims or encumbrances. Further, the fact that Seller or the Servicer may be entitled to a servicing fee for interim servicing

of the Underlying Assets or that Buyer may provide a separate notice of default to Seller or the Servicer regarding the servicing of the Underlying Assets shall not affect or otherwise change the intent of Guild Parties and Buyer regarding the integral and non-severable nature of the provisions in the Agreement related to servicing and Servicing Rights nor will such facts affect or otherwise change Buyer's ownership of the Participation Interests in the Servicing Rights related to the Underlying Assets.

- 14.2** **Amendments.** No modification, waiver, amendment, discharge or change of this Agreement shall be valid unless the same is in writing and signed by the party against whom the enforcement of such modification, waiver, amendment, discharge or change is sought.
- 14.3** **No Waiver.** No failure or delay on the part of Guild Parties or Buyer in exercising any right, power or privilege hereunder and no course of dealing between Guild Parties and Buyer shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.
- 14.4** **Remedies Cumulative.** The rights and remedies herein expressly provided are cumulative and not exclusive of any rights or remedies that Guild Parties or Buyer would otherwise have. No notice or demand on Guild Parties in any case shall entitle Guild Parties to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of Buyer to any other or further action in any circumstances without notice or demand.
- 14.5** **Assignment.** The Principal Agreements may not be assigned by any Guild Party. The Principal Agreements, along with Buyer's right, title and interest, including its security interest, in any or all of the Purchased Assets and other Purchased Items and Underlying Asset Collateral, may, at any time, be transferred or assigned, in whole or in part, by Buyer, and upon providing notice to Guild Parties of such transfer or assignment, any transferee or assignee thereof may enforce the Principal Agreements and such security interest directly against Guild Parties.
- 14.6** **Successors and Assigns.** The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.
- 14.7** **Participations.** Buyer may from time to time sell or otherwise grant participations in this Agreement, and the holder of any such participation, if the participation agreement so provides, (i) shall, with respect to its participation, be entitled to all of the rights of Buyer and (ii) may exercise any and all rights of set-off or banker's lien with respect thereto, in each case as fully as though Guild Parties were directly obligated to the holder of such participation in the amount of such participation; provided, however, that Guild Parties shall not be required to send or deliver to any of the participants other than Buyer any of the materials or notices required to be sent or delivered by it under the terms of this Agreement, nor shall it have to act except in compliance with the instructions of Buyer.
- 14.8** **Invalidity.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been included.
- 14.9** **Additional Instruments.** Guild Parties shall execute and deliver such further instruments and shall do and perform all matters and things necessary or expedient to be done or observed for the

purpose of effectively creating, maintaining and preserving the security and benefits intended to be afforded by this Agreement.

**14.10 Survival.** All representations, warranties, covenants and agreements herein contained on the part of Guild Parties shall survive any Transaction and shall be effective so long as this Agreement is in effect or there remains any obligation of Guild Parties hereunder to be performed.

**14.11 Notices.**

(a) All notices, demands, consents, requests and other communications required or permitted to be given or made hereunder in writing shall be mailed (first class, return receipt requested and postage prepaid) or delivered in person or by overnight delivery service or by facsimile, addressed to the respective parties hereto at their respective addresses set forth below or, as to any such party, at such other address as may be designated by it in a notice to the other:

If to Guild Parties: The address set forth in the Transactions Terms Letter

If to Buyer: Bank of America, N.A.  
31303 Agoura Road  
Mail Code: CA6-917-02-63  
Westlake Village, California 91361  
Attention: Adam Gadsby, Managing Director  
Telephone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Facsimile: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
E-mail: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

With copies to:

Bank of America, N.A.  
One Bryant Park, 11th Floor  
Mail Code: NY1-100-11-01  
New York, New York 10036  
Attention: Eileen Albus, Director, Mortgage Finance  
Telephone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Facsimile: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
E-mail: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

and

Bank of America, N.A.  
One Bank of America Center  
150 North College Street  
Mail Code: NC1-028-24-02  
Charlotte, North Carolina 28255  
Attention: Greg Lumelsky, Assistant General Counsel  
Telephone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Facsimile: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Email: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

All written notices shall be conclusively deemed to have been properly given or made when duly delivered, if delivered in person or by overnight delivery service, or on the third (3rd) Business Day after being deposited in the mail, if mailed in accordance herewith, or upon transmission by the receiving party of a facsimile confirming receipt, if delivered by facsimile. Notwithstanding the foregoing, any notice of termination shall be deemed effective upon mailing, transmission, or delivery, as the case may be.

- (b) All notices, demands, consents, requests and other communications required or permitted to be given or made hereunder which are not required to be in writing may also be provided electronically either (i) as an electronic mail sent and addressed to the respective parties hereto at their respective electronic mail addresses set forth below, or as to any such party, at such other electronic mail address as may be designated by it in a notice to the other or (ii) with respect to Buyer, via a posting of such notice on Buyer's customer website(s).

If to Guild Parties: The email address(es) specified in the Transactions Terms Letter, if any.

If to Buyer: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

[Redacted pursuant to Item 601(a)(6) of Reg. S-K]

**14.12 Governing Law.** This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the laws of the State of New York, without regard to principles of conflicts of laws (other than Section 5-1401 of the New York General Obligations Law).

**14.13 Submission to Jurisdiction; Service of Process; Waivers.** All legal actions between or among the parties regarding this Agreement, including, without limitation, legal actions to enforce this Agreement or because of a dispute, breach or default of this Agreement, shall be brought in the federal or state courts located in New York County, New York, which courts shall have sole and exclusive in personam, subject matter and other jurisdiction in connection with such legal actions. The parties hereto irrevocably consent and agree that venue in such courts shall be convenient and appropriate for all purposes. and, to the extent permitted by law, waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same. The parties hereto further irrevocably consent and agree that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to its address set forth in Section 14.11(a), and that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction.

**14.14 Waiver of Jury Trial.** Each of Guild Parties and Buyer hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement, any other Principal Agreement or the transactions contemplated hereby or thereby.

**14.15 Counterparts.** This Agreement and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Agreement (each a "**Communication**") may be in the form of an Electronic Record and may be executed using Electronic Signatures (including, without limitation, facsimile and .pdf) and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record.

This Agreement may be executed simultaneously in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but each counterpart shall be deemed to be an original and all such counterparts shall constitute one and the same agreement. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by Buyer of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. Electronic Signatures and facsimile signatures shall be deemed valid and binding to the same extent as the original. For purposes hereof, "Electronic Record" and "Electronic Signature" shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

**14.16** **Headings.** The headings in this Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning or interpretation of any provisions hereof.

**14.17** **Joint and Several Liability of Each Guild Party.** To the extent there is more than one Person which is named as a Seller under this Agreement, each such Person shall be jointly and severally liable for the rights, covenants, obligations and warranties and representations of "Seller" as contained herein and the actions of any Person (including another Seller) or third party shall in no way affect such joint and several liability. Each such Seller acknowledges and agrees that (a) a Potential Default or an Event of Default is hereby considered a Potential Default or an Event of Default by each Seller, and (b) the Buyer shall have no obligation to proceed against one Seller before proceeding against the other Seller. Each such Seller hereby waives any defense to its obligations under this Agreement or any other Principal Agreement based upon or arising out of the disability or other defense or cessation of liability of one Seller versus the other. A Seller's subrogation claim arising from payments to Buyer shall constitute a capital investment in another Seller (1) subordinated to any claims of Buyer, and (2) equal to a ratable share of the equity interests in such Seller.

**14.18** **Confidential Information.** To effectuate this Agreement, Buyer and Guild Parties may disclose to each other certain confidential information relating to the parties' operations, computer systems, technical data, business methods, and other information designated by the disclosing party or its agent to be confidential, or that should be considered confidential in nature by a reasonable person given the nature of the information and the circumstances of its disclosure (collectively the "**Confidential Information**"). Confidential Information can consist of information that is either oral or written or both, and may include, without limitation, any of the following: (i) any reports, information or material concerning or pertaining to businesses, methods, plans, finances, accounting statements, and/or projects of either party or their affiliated or related entities; (ii) any of the foregoing related to the parties or their related or affiliated entities and/or their present or future activities and/or (iii) any term or condition of any agreement (including this Agreement) between either party and any individual or entity relating to any of their business operations. With respect to Confidential Information, the parties hereby agree, except as otherwise expressly permitted in this Agreement:

- (a) not to use the Confidential Information except in furtherance of this Agreement;
- (b) to use reasonable efforts to safeguard the Confidential Information against disclosure to any unauthorized third party with the same degree of care as they exercise with their own information of similar nature; and

- (c) not to disclose Confidential Information to anyone other than employees, agents or contractors with a need to have access to the Confidential Information and who are bound to the parties by like obligations of confidentiality, except that the parties shall not be prevented from using or disclosing any of the Confidential Information which: (i) is already known to the receiving party at the time it is obtained from the disclosing party; (ii) is now, or becomes in the future, public knowledge other than through wrongful acts or omissions of the party receiving the Confidential Information; (iii) is lawfully obtained by the party from sources independent of the party disclosing the Confidential Information and without confidentiality and/or non-use restrictions; or (iv) is independently developed by the receiving party without any use of the Confidential Information of the disclosing party. Notwithstanding anything contained herein to the contrary, Buyer may share any Confidential Information of Guild Parties with an Affiliate of Buyer for any valid business purpose, such as, but not limited to, to assist an Affiliate in evaluating a current or potential business relationship with Guild Parties.

In addition, the Principal Agreements and their respective terms, provisions, supplements and amendments, and transactions and notices thereunder (other than the tax treatment and tax structure of the transactions), are proprietary to Buyer and shall be held by Guild Parties in strict confidence and shall not be disclosed to any third party without the consent of Buyer except for (i) disclosure to Guild Parties' direct and indirect parent companies, directors, attorneys, agents or accountants, provided that such attorneys or accountants likewise agree to be bound by this covenant of confidentiality, or are otherwise subject to confidentiality restrictions; (ii) upon prior written notice to Buyer, disclosure required by law, rule, regulation or order of a court or other regulatory body; (iii) upon prior written notice to Buyer, disclosure to any approved hedge counterparty to the extent necessary to obtain any hedging hereunder; (iv) any disclosures or filing required under Securities and Exchange Commission ("SEC") or state securities' laws; (v) the tax treatment and tax structure of the transactions, which shall not be deemed confidential; (vi) the Guild Parties' regulators; or (vii) to Guild Parties' other lenders and secondary market investors, provided that in the case of (ii), (iii) and (iv), Guild Parties shall take reasonable actions to provide Buyer with prior written notice; provided, further, that in the case of (vii) such disclosure shall only specify the (x) Aggregate Transaction Limit and (y) existence and term of this Agreement; provided, further, that in the case of (iv), Guild Parties shall not file any of the Principal Agreements other than the Agreement with the SEC or state securities office unless Guild Parties have (x) provided at least thirty (30) days (or such lesser time as may be demanded by the SEC or state securities office) prior written notice of such filing to Buyer, and (y) redacted all pricing information and other commercial terms.

If any party or any of its successors, Subsidiaries, officers, directors, employees, agents and/or representatives, including, without limitation, its insurers, sureties and/or attorneys, breaches its respective duty of confidentiality under this Agreement, the nonbreaching party(ies) shall be entitled to all remedies available at law and/or in equity, including, without limitation, injunctive relief.

**14.19 Intent.** Guild Parties and Buyer recognize and intend that:

- (a) this Agreement and each Transaction hereunder constitutes a "repurchase agreement" as that term is defined in Section 101(47)(A)(i) of the Bankruptcy Code, a "securities contract" as that term is defined in Section 741(7)(A)(i) of the Bankruptcy Code and a "master netting agreement" as that term is defined in Section 101(38A)(A) of the Bankruptcy Code and that the pledge of the Related Credit Enhancement in Section 6.1 hereof constitutes "a security agreement or other arrangement or other credit

enhancement” that is “related to” the Agreement and Transactions hereunder within the meaning of Sections 101(38A)(A), 101(47)(A)(v) and 741(7)(A)(xi) of the Bankruptcy Code. Guild Parties and Buyer further recognize and intend that this Agreement is an agreement to provide financial accommodations and is not subject to assumption pursuant to Bankruptcy Code Section 365(a);

- (b) Buyer’s right to liquidate the Purchased Items and Underlying Asset Collateral delivered to it in connection with the Transactions hereunder or to accelerate or terminate this Agreement or otherwise exercise any other remedies herein is a contractual right to liquidate, accelerate or terminate such Transaction as described in Bankruptcy Code Sections 555, 559 and 561; any payments or transfers of property made with respect to this Agreement or any Transaction to: (i) satisfy a Margin Deficit, (ii) comply with a Margin Call, or (iii) satisfy the provision of Guarantees and/or additional security agreements to provide enhancements to satisfy a deficiency in the Over/Under Account, shall in each case be considered a “margin payment” as such term is defined in Bankruptcy Code Section 741(5);
- (c) any payments or transfers of property by Seller (i) on account of a Haircut, (ii) in partial or full satisfaction of a repurchase obligation, or (iii) fees and costs under this Agreement or under any Transaction shall in each case constitute “settlement payments” as such term is defined in Bankruptcy Code Section 741(8); and
- (d) each of (i) the Guarantees and/or additional security agreements delivered by Guarantor to Buyer pursuant to Section 2.9 hereof, (ii) the pledge of the amounts on deposit or held in the Over/Under Account pursuant to Section 3.5(e) hereof, and (iii) the pledge of the servicing rights and ancillary collateral related to the Purchased Items and Underlying Asset Collateral in Section 6.1 hereof, each constitutes “a security agreement or other arrangement or other credit enhancement” that is “related to” the Agreement and Transactions hereunder within the meaning of Sections 101(38A)(A), 101(47)(A)(v) and 741(7)(A)(xi) of the Bankruptcy Code.

**14.20 Right to Liquidate.** It is understood that either party’s right to liquidate Purchased Items and Underlying Asset Collateral delivered to it in connection with Transactions hereunder or to terminate or accelerate obligations under this Agreement or any individual Transaction, are contractual rights for same as described in Sections 555 and 559 of the Bankruptcy Code.

**14.21 Insured Depository Institution.** If a party hereto is an “insured depository institution” as such term is defined in the Federal Deposit Insurance Act (as amended, the “**FDIA**”), then each Transaction hereunder is a “qualified financial contract” as that term is defined in the FDIA and any rules, orders or policy statements thereunder except insofar as the type of assets subject to such Transaction would render such definition inapplicable.

**14.22 Netting Contract.** This Agreement constitutes a “netting contract” as defined in and subject to Title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991 (“**FDICIA**”) and each payment entitlement and payment obligation under any Transaction hereunder shall constitute a “covered contractual payment entitlement” or “covered contractual payment obligation”, respectively, as defined in and subject to the FDICIA except insofar as one or more of the parties hereto is not a “financial institution” as that term is defined in the FDICIA.

**14.23 [Reserved].**



- 14.24 Examination and Oversight by Regulators.** Guild Parties agree that the transactions with Buyer under this Agreement may be subject to regulatory examination and oversight by one or more Governmental Authorities. Guild Parties shall comply with all requests made by Buyer to assist Buyer in complying with regulatory requirements imposed on Buyer.
- 14.25 [Reserved].**
- 14.26 Tax Treatment.** Each party to this Agreement acknowledges that it is its intent, solely for purposes of United States federal income tax purposes and any corresponding provisions of state, local and foreign law, but not for bankruptcy or any other non-tax purpose, to treat each Transaction as indebtedness of Seller that is secured by the Purchased Assets and to treat the Purchased Assets as beneficially owned by Seller in the absence of an Event of Default by Seller. All parties to this Agreement agree to such tax treatment and agree to take no action inconsistent with this treatment, unless required by law.
- 14.27 ISDA Stay Protocol.** Buyer and each Guild Party agree that (i) to the extent that prior to the date hereof both parties have adhered to the 2018 ISDA U.S. Resolution Stay Protocol (the “**Protocol**”), the terms of the Protocol are incorporated into and form a part of this Agreement, and for such purposes this Agreement shall be deemed a Protocol Covered Agreement and each party shall be deemed to have the same status as “Regulated Entity” and/or “Adhering Party” as applicable to it under the Protocol; (ii) if clause (i) does not apply, to the extent that prior to the date hereof the parties have executed a separate agreement the effect of which is to amend the qualified financial contracts between them to conform with the requirements of the QFC Stay Rules (the “**Bilateral Agreement**”), the terms of the Bilateral Agreement are incorporated into and form a part of this Agreement and each party shall be deemed to have the status of “Covered Entity” or “Counterparty Entity” (or other similar term) as applicable to it under the Bilateral Agreement; or (iii) if clause (i) and clause (ii) do not apply, the terms of Section 1 and Section 2 and the related defined terms (together, the “**Bilateral Terms**”) of the form of bilateral template entitled “Full-Length Omnibus (for use between U.S. G-SIBs and Corporate Groups)” published by ISDA on November 2, 2018 (currently available on the 2018 ISDA U.S. Resolution Stay Protocol page at [www.isda.org](http://www.isda.org), and a copy of which is available upon request), the effect of which is to amend the qualified financial contracts between the parties thereto to conform with the requirements of the QFC Stay Rules, are hereby incorporated into and form a part of this Agreement, and for such purposes this Agreement shall be deemed a “Covered Agreement,” Buyer shall be deemed a “Covered Entity” and each Guild Party shall be deemed a “Counterparty Entity.” In the event that, after the date of this Agreement, both parties hereto become adhering parties to the Protocol, the terms of the Protocol will replace the terms of this paragraph. In the event of any inconsistencies between this Agreement and the terms of the Protocol, the Bilateral Agreement or the Bilateral Terms (each, the “**QFC Stay Terms**”), as applicable, the QFC Stay Terms will govern. Terms used in this paragraph without definition shall have the meanings assigned to them under the QFC Stay Rules. For purposes of this paragraph, references to “this Agreement” include any related credit enhancements entered into between the parties or provided by one to the other. In addition, the parties agree that the terms of this paragraph shall be incorporated into any related covered affiliate credit enhancements, with all references to Buyer replaced by references to the covered affiliate support provider.
- 14.28 Amendment and Restatement.** Buyer and Guarantor entered into the Original Agreement. Buyer and Guild Parties desire to enter into this Agreement in order to amend and restate the Original Agreement in its entirety. The amendment and restatement of the Original Agreement shall become effective on the Effective Date, and each of Buyer and each Guild Party shall hereafter be bound by the terms and conditions of this Agreement and the other Principal

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Agreements. This Agreement amends and restates the terms and conditions of the Original Agreement, and is not a novation of any of the agreements or obligations incurred pursuant to the terms of the Original Agreement. Accordingly, all of the agreements and obligations incurred pursuant to the terms of the Original Agreement are hereby ratified and affirmed by the parties hereto and remain in full force and effect. For the avoidance of doubt, it is the intent of Buyer and Guarantor that the security interests and liens granted in the Purchased Assets pursuant to Section 6.1 of the Original Agreement shall continue in full force and effect. All references to the Original Agreement in any Principal Agreement or other document or instrument delivered in connection therewith shall be deemed to refer to this Agreement and the provisions hereof. As between Buyer and Guild Parties, notwithstanding that one or more Principal Agreements may refer to the Guarantor as the seller thereunder, such reference shall not impact the validity or enforceability of such Principal Agreement in any respect, and to the extent necessary in the context thereof, such reference shall be deemed to refer to the applicable Guild Party hereunder.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BUYER:

BANK OF AMERICA, N.A.

By: /s/ Adam Robitshek

Name: Adam Robitshek

Title: Director

SELLER:

GUILD MORTGAGE CO SPE W40, LLC

By: Guild Mortgage Company, its Manager

By: /s/ Amber Elwell

Name: Amber Elwell

Title: CFO

ACKNOWLEDGED AND AGREED TO BY:

GUILD MORTGAGE COMPANY

By: /s/ Amber Elwell

Name: Amber Elwell

Title: CFO

GUILD MORTGAGE COMPANY, LLC

By: /s/ Amber Elwell

Name: Amber Elwell

Title: CFO

Signature Page to Amended and Restated Master Repurchase Agreement (BANA/Guild)

**EXHIBIT A**  
**GLOSSARY OF DEFINED TERMS**

**Ability to Repay Rule:** 12 CFR 1026.43(c), including all applicable official staff commentary.

**Acceptable Title Insurance Company:** A nationally recognized title insurance company that has not been disapproved by Buyer in a writing provided to Guild Parties.

**Accepted Servicing Practices:** With respect to any Underlying Asset, those accepted and prudent mortgage servicing practices and procedures (including collection procedures) of prudent mortgage lending institutions which service mortgage loans of the same type as such Underlying Asset in the jurisdiction where the related Mortgaged Property is located.

**Acknowledgement of Confidentiality of Password Agreement:** That certain Acknowledgement of Confidentiality of Password Agreement attached hereto as Exhibit I.

**Additional Underlying Assets:** Those additional Eligible Underlying Assets related to the additional Participation Interests or cash provided by Seller to Buyer pursuant to Section 6.3 of this Agreement.

**Affiliate:** With respect to any specified entity, any other entity controlling or controlled by or under common control with such specified entity. For the purposes of this definition, “control” when used with respect to a specified entity means the power to direct the management and policies of such entity, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms “controlling” and “controlled” having meanings correlative to the foregoing.

**Agency:** Fannie Mae, Freddie Mac or Ginnie Mae, as applicable.

**Agency-Required eNote Legend:** The legend or paragraph required by Fannie Mae or Freddie Mac, as applicable, to be set forth in the text of an eNote, which includes the provisions set forth on Exhibit 18 to the DB Custodial Agreement, as may be amended from time to time by Fannie Mae or Freddie Mac, as applicable.

**Agency Audit:** Any Agency, HUD, FHA, VA and RD audits, examinations, evaluations, monitoring reviews and reports of its origination and servicing operations (including those prepared on a contract basis for any such Agency, HUD, FHA, VA or RD).

**Agency Documents:** The documents set forth on Exhibit 16 to the Custodial Agreement and all additional documents as may be required, supplemented or modified from time to time by the applicable Agency.

**Agency Eligible Escrow Mortgage Loan:** An Agency Eligible Mortgage Loan or Government Mortgage Loan in respect of which (i) the full original principal amount of such Mortgage Loan has not been fully advanced or disbursed as of the related origination date, (ii) all subsequent advances or disbursements are made in accordance with the Agency Guides and (iii) has been approved by Buyer in its sole discretion.

**Agency Eligible Mortgage Loan:** A Mortgage Loan that is originated in Strict Compliance with the Agency Guides and the eligibility requirements specified for the applicable Agency Program, and is eligible for sale to or securitization by such Agency.

**Agency Guides:** The Ginnie Mae Guide, the Fannie Mae Guide, the Freddie Mac Guide, the FHA Regulations, the VA Regulations or the RD Regulations, as the context may require, in each case as such guidelines have been or may be amended, supplemented or otherwise modified from time to time (i) by Ginnie Mae, Fannie Mae, Freddie Mac, the FHA, the VA or the RD, as applicable, in the ordinary course of business and, with respect to material amendments, supplements or other modifications, as to which Buyer shall not have reasonably objected within ten (10) days of receiving notice of such or (ii) by Ginnie Mae, Fannie Mae, Freddie Mac, the FHA, the VA or the RD, as applicable, at the request of Guild Parties and as to which (x) Guild Parties have given notice to Buyer of any such material amendment, supplement or other modification and (y) Buyer shall not have reasonably objected.

**Agency Program:** The Ginnie Mae Program, the Fannie Mae Program and/or the Freddie Mac Program, as the context may require.

**Aggregate Outstanding Purchase Price:** The aggregate outstanding Purchase Price of all Transactions or specified Purchased Assets (and related Underlying Assets), as the case may be, as of any date of determination.

**Aggregate Transaction Limit:** The maximum aggregate principal amount of Transactions (measured by the related outstanding Purchase Price) that may be outstanding at any one time, as set forth in the Transactions Terms Letter.

**Anti-Money Laundering Laws:** As defined in [Section 8.1\(dd\)](#) of this Agreement.

**Applicable Pricing Rate:** With respect to any date of determination, the greater of (i) One-Month LIBOR or a Successor Rate and (ii) 0%. It is understood that the Applicable Pricing Rate shall be adjusted on a daily basis.

**Application:** The application or “Buyer Application Profile,” including all supporting documentation, submitted by Guild Parties to Buyer with respect to this Agreement.

**Approvals:** With respect to Guild Parties, the approvals obtained by the applicable Agency, HUD, the FHA, the VA or the RD in designation of Guarantor as a Ginnie Mae-approved issuer, a Ginnie Mae-approved servicer, a FHA-approved mortgagee, a VA-approved lender, an RD-approved lender, a Fannie Mae-approved lender or a Freddie Mac-approved Seller/Servicer, as applicable, in good standing.

**Approved Investor:** Any Agency, any private institution or Governmental Authority as approved by Buyer in its sole and good faith discretion, purchasing such Underlying Assets or Mortgage-Backed Securities on a forward basis from Seller pursuant to a Purchase Commitment.

**Approved Payee:** As defined in the Transactions Terms Letter and as described in [Section 3.7](#) of this Agreement.

**Asset:** A Mortgage Loan, or in the case of a Pooled Mortgage Loan, the resulting Mortgage-Backed Security pursuant to [Section 3.8](#), as the context may require.

**Asset Data Record:** A document containing the information set forth on Buyer’s website(s), which may be amended, supplemented and modified from time to time as further set forth in the Handbook or such other information as Buyer may reasonably request from time to time, completed by Seller and submitted to Buyer with respect to each Eligible Underlying Asset.

**Asset Value:** With respect to each Purchased Asset and Underlying Asset and for any date of determination, an amount equal to the following, as applicable, as the same may be reduced in accordance with Section 4.3, and, in the case of each Underlying Asset, as shall include the Participation Interests in the related Servicing Rights:

(a) if the Underlying Asset has Standard Status, the product of the related Type Purchase Price Percentage and the least of: (i) the Market Value of such Underlying Asset; (ii) the unpaid principal balance of such Underlying Asset; (iii) the purchase price paid by Seller for such Underlying Asset if it is a Mortgage Loan; and (iv) the Takeout Price committed by the related Approved Investor, as evidenced by the related Purchase Commitment, if applicable;

(b) if the Underlying Asset is a Noncompliant Asset, the product of the related Type Purchase Price Percentage for a Noncompliant Asset and the least of: (i) the Market Value of such Underlying Asset; (ii) the unpaid principal balance of such Underlying Asset; (iii) the purchase price paid by Seller for such Underlying Asset if it is a Mortgage Loan; and (iv) the Takeout Price committed by the related Approved Investor, as evidenced by the related Purchase Commitment, if applicable; or

(c) if the Underlying Asset is a Defective Asset, zero. For the avoidance of doubt, the Asset Value of a Participation Interest shall be derived from the sum of the Asset Values of the Underlying Assets held by Guarantor.

**Assignment:** A duly executed assignment to Buyer in recordable form of an Underlying Asset, of the indebtedness secured thereby and of all documents and rights related to such Underlying Asset.

**Assignment of Closing Protection Letter:** An assignment assigning and subrogating Buyer to all of Seller's rights in a Closing Protection Letter, substantially in the form of Exhibit F hereto.

**Assignment of Fidelity Bond and Errors and Omission Policy:** An assignment assigning and subrogating Buyer to all of Seller's rights in a Fidelity Bond and Errors and Omissions Policy, substantially in the form of Exhibit G hereto.

**Authoritative Copy:** With respect to an eNote, the unique copy of such eNote that is within the Control of the Controller.

**Bailee Agreement:** A bailee agreement or bailee letter that is in a form acceptable to Buyer.

**Bailee Letter:** As defined in the DB or BONY Custodial Agreement.

**Bankruptcy Code:** Title 11 of the United States Code, now or hereafter in effect, as amended, or any successor thereto.

**Beneficial Ownership Certification:** A certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

**Beneficial Ownership Regulation:** 31 C.F.R. § 1010.230.

**Bilateral Agreement:** As defined in Section 14.27 of this Agreement.

**Bilateral Terms:** As defined in Section 14.27 of this Agreement.

**Bond Loans – 1<sup>st</sup> Liens:** Unless defined otherwise in the Transactions Terms Letter, a first lien mortgage loan (i) that was originated and underwritten in accordance with a qualifying local or state governmental homeownership program administered by a Housing Finance Agency (as defined under 24 CFR 266.5) and (ii) with respect to which Seller has obtained a Purchase Commitment on or prior to the related Purchase Date.

**Bond Loans – 2<sup>nd</sup> Liens:** Unless defined otherwise in the Transactions Terms Letter, a second lien mortgage loan (i) that was originated and underwritten in accordance with a qualifying local or state governmental homeownership program administered by a Housing Finance Agency (as defined under 24 CFR 266.5) and (ii) with respect to which Seller has obtained a Purchase Commitment on or prior to the related Purchase Date.

**BONY Custodial Agreement:** That certain Custodial Agreement, dated as of March 20, 2012, among Buyer, Guarantors and BONY Custodian, as the same may be amended, supplemented or otherwise modified from time to time.

**BONY Custodian:** The Bank of New York Mellon Trust Company, N.A. and its permitted successors under the BONY Custodial Agreement.

**Business Day:** Any day, excluding Saturday, Sunday and any day that is a legal holiday under the laws of the State of New York and the State of California or as may otherwise be published on Buyer's website(s).

**Calculation Period:** With respect to: (a) the Payment Date occurring in the month following the end of the first calendar quarter following the Effective Date, the period beginning on the Effective Date and ending on the last day of the calendar quarter in which such Effective Date occurs, (b) for each subsequent Payment Date, the prior calendar quarter and (c) with respect to the date this Agreement is terminated pursuant to the terms herein, the period beginning on the first day of the calendar quarter in which such termination is to occur and ending on the Expiration Date.

**Capital Stock:** As to any Person, any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent equity ownership interests in a Person which is not a corporation, including any and all member or other equivalent interests in any limited liability company, limited partnership, trust, and any and all warrants or options to purchase any of the foregoing, in each case, designated as "securities" (as defined in Section 8-102 of the Uniform Commercial Code) in such Person, including all rights to participate in the operation or management of such Person and all rights to such Person's properties, assets, interests and distributions under the related organizational documents in respect of such Person. "Capital Stock" also includes (i) all accounts receivable arising out of the related organizational documents of such Person; (ii) all general intangibles arising out of the related organizational documents of such Person; and (iii) to the extent not otherwise included, all proceeds of any and all of the foregoing (including within proceeds, whether or not otherwise included therein, any and all contractual rights under any revenue sharing or similar agreement to receive all or any portion of the revenues or profits of such Person).

**Cash Equivalents:** Any (a) securities with maturities of ninety (90) days or less from the date of acquisition issued or fully guaranteed or insured by the United States Government or any agency thereof, (b) certificates of deposit and Eurodollar time deposits with maturities of ninety (90) days or less from the date of acquisition and overnight bank deposits of any commercial bank having capital, surplus and retained earnings in excess of [\*\*\*], (c) repurchase obligations of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than seven days with respect to securities issued or fully guaranteed or insured by the United States Government, (d) commercial paper of

a domestic issuer rated at least A-1 or the equivalent thereof by S&P or p-1 or the equivalent thereof by Moody's and in either case maturing within ninety (90) days after the day of acquisition, (e) securities with maturities of ninety (90) days or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody's, (f) securities with maturities of ninety (90) days or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (b) of this definition, or (g) shares of money market, mutual or similar funds which invest exclusively in assets satisfying the requirements of clauses (a) through (f) of this definition.

**Change of Control:** Change of Control shall mean any of the following, with respect to any Person:

- (a) if such Person is a corporation, any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), other than a trustee or other fiduciary holding securities of such Person under an employee benefit plan of such Person, becomes the "beneficial owner" (as defined in Rule 13d-3 promulgated under the Exchange Act), directly or indirectly, of securities of any Guild Party representing [\*\*\*] of (A) the outstanding shares of common stock of such Person or (B) the combined voting power of such Person's then-outstanding securities;
- (b) if such Person is a legal entity other than a corporation, the majority voting control of such Person, or its equivalent, under such Person's governing documents is transferred to any Person;
- (c) such Person is party to a merger or consolidation, or series of related transactions, which results in the voting securities or majority voting control interest of such Person outstanding immediately prior thereto failing to continue to represent (either by remaining outstanding or by being converted into voting securities or a majority voting controlling interest of the surviving or another entity) at least fifty (50%) percent of the combined voting power of the voting securities or majority voting control interest of such Person or such surviving or other entity outstanding immediately after such merger or consolidation;
- (d) the sale or disposition of all or substantially all of any Guild Party's assets (or consummation of any transaction, or series of related transactions, having similar effect);
- (e) the dissolution or liquidation of any Guild Party;
- (f) if such Person is a Delaware limited liability company, any Guild Party enters into any transaction or series of transactions to adopt, file, effect or consummate a Division, or otherwise permits any such Division to be adopted, filed, effected or consummated;
- (g) Guarantor ceases to own directly or indirectly [\*\*\*] of the Capital Stock of Seller; or
- (h) any transaction or series of related transactions that has the substantial effect of any one or more of the foregoing.

**Closed-End Second Lien Mortgage Loan:** Unless defined otherwise in the Transactions Terms Letter, a second lien mortgage loan for a fixed amount drawn at closing and underwritten in accordance with Seller's underwriting guidelines for second lien mortgages, as the same have been approved by Buyer.

**Closing Agent:** The Person designated by Guild Parties and approved by Buyer in accordance with Section 3.7 to receive Purchase Prices from Buyer, for the account of Guild Parties, for the purpose of (i) funding an Underlying Asset or (ii) in the case of a new origination Wet Mortgage Loan or Dry Mortgage



Loan as to which the origination funds are being remitted to the closing table, originating such Mortgage Loan in accordance with local law and practice in the jurisdiction where such Mortgage Loan is being originated.

**Closing Protection Letter:** A document issued by a title insurance company to Guild Parties and/or Buyer and relied upon by Buyer to provide closing protection for one or more mortgage loan closings and to insure Guild Parties and/or Buyer, without limitation, against embezzlement by the Closing Agent and loss or damage resulting from the failure of the Closing Agent to comply with all applicable closing instructions.

**COBRA:** As defined in Section 8.1(l) of this Agreement.

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

**Committed Amount:** The portion of the Aggregate Transaction Limit that is committed, as set forth in the Transactions Terms Letter.

**Confidential Information:** As defined in Section 14.18 of this Agreement.

**Contingent Obligations:** Any obligation of Guild Parties arising from an existing condition or situation that involves uncertainty as to outcome and that will be resolved by the occurrence or nonoccurrence of some future event, including, without limitation, any obligation guaranteeing or intended to guarantee any Debt, leases, dividends or other obligations of any other Person in any manner, whether directly or indirectly; provided, however, that endorsements of instruments for deposit or collection in the ordinary course of business shall not be included. With respect to guarantees, the amount of the Contingent Obligation shall be equal to the stated or determinable amount of the primary obligation in respect of the guarantee or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof, as determined by Buyer.

**Control:** With respect to an eNote, the “control” of such eNote within the meaning of UETA and/or, as applicable, E-SIGN, which is established by reference to the MERS eRegistry and any party designated therein as the Controller.

**Control Failure:** With respect to an eNote, (i) if the Controller status of the eNote shall not have been transferred to Buyer, (ii) Buyer shall otherwise not be designated as the Controller of such eNote in the MERS eRegistry (other than pursuant to a Bailee Letter), (iii) if the eVault shall have released the Authoritative Copy of an eNote in contravention of the requirements of the DB Custodial Agreement, or (iv) if the DB Custodian initiated any changes on the MERS eRegistry in contravention of the terms of the DB Custodial Agreement.

**Controller:** With respect to an eNote, the party designated in the MERS eRegistry as the “Controller”, and who in such capacity shall be deemed to be “in control” or to be the “controller” of such eNote within the meaning of UETA or E-SIGN, as applicable.

**Conventional Conforming Mortgage Loan:** Unless defined otherwise in the Transactions Terms Letter, a first lien mortgage loan that fully conforms to all underwriting standards, loan amount limitations and other requirements of that standard Agency mortgage loan purchase program accepting only the highest quality mortgage loans underwritten without dependence on expanded criteria provisions, or that is approved by Desktop Underwriter or Loan Prospector.

**Correspondent Mortgage Loan:** A Mortgage Loan originated by a third party originator and acquired by Guarantor in accordance with Guarantor's correspondent Mortgage Loan program.

**Current Assets:** Those assets set forth in the consolidated balance sheet of Guild Parties, prepared in accordance with GAAP, as current assets, defined as those assets that are now cash or will by their terms or disposition be converted to cash within one (1) year of the date of the determination.

**Current Liabilities:** Those liabilities set forth in the consolidated balance sheet of Guild Parties, prepared in accordance with GAAP, as current liabilities, defined as those liabilities due upon demand or within one (1) year of the date of determination.

**Custodial Account:** A segregated time or demand deposit account for the benefit of Buyer with an Eligible Bank, which shall be only be established and maintained by Seller if requested by Buyer.

**Custodial Agreement:** Each of the BONY Custodial Agreement and DB Custodial Agreement, individually or collectively, as the context may require.

**Custodian:** Each of BONY Custodian and DB Custodian, individually or collectively, as the context may require, or such other custodian selected by Buyer.

**DB Custodial Agreement:** That certain Custodial Agreement, to be entered into among Buyer, Guarantors and DB Custodian, as the same may be amended, supplemented or otherwise modified from time to time.

**DB Custodian:** Deutsche Bank National Trust Company and its permitted successors under the DB Custodial Agreement.

**Debt:** The debt of Guild Parties consisting of, without duplication: (a) indebtedness for borrowed money, including principal, interest, fees and other charges; (b) obligations evidenced by bonds, debentures, notes or other similar instruments; (c) obligations to pay the deferred purchase price of property or services; (d) obligations as lessee under leases that shall have been or should be in accordance with GAAP, recorded as capital leases; (e) obligations secured by any lien upon property or assets owned by Guild Parties, even though Guild Parties have not assumed or become liable for payment of such obligations; (f) obligations in connection with any letter of credit issued for the account of Guild Parties; (g) obligations under direct or indirect guarantees in respect of and obligations, contingent or otherwise, to purchase or otherwise acquire, or otherwise assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to above; and (h) all Contingent Obligations.

**Default Rate:** As determined by Buyer's in its sole discretion, a rate up to the lesser of (i) a rate equal to the sum of (a) the Applicable Pricing Rate, (b) the related Type Margin and (c) [\*\*\*] and (ii) the maximum non-usurious interest rate, if any, that at any time, or from time to time, may be contracted for, taken, reserved, charged or received under the laws of the United States and the State of New York, per annum.

**Defective Asset:** An Underlying Asset:

- (a) that is not or at any time ceases to be an Eligible Underlying Asset;
- (b) that has not been repurchased within the Maximum Dwell Time for a Noncompliant Asset or is ineligible to be a Noncompliant Asset because the Aggregate Outstanding Purchase Price of other Underlying Assets that are deemed to be Noncompliant Assets is equal to or exceeds the permitted

Type Sublimit for Noncompliant Assets (to the extent any such Type Sublimit is set forth in the Transactions Terms Letter);

- (c) that is a Mortgage Loan and is the subject of fraud by any Person involved in the origination of such Mortgage Loan;
- (d) that is a Mortgage Loan and the related Mortgaged Property is the subject of material damage or waste and such damage or waste shall not have been remedied within [\*\*\*] after receipt of notice from Buyer to do so;
- (e) for which any breach of a warranty or representation set forth in Section 8.2 occurs;
- (f) that is a Mortgage Loan where the related Mortgagor fails to make the first payment due under the Mortgage Note on or before the applicable due date, including any applicable grace period.

**Delaware LLC Act:** Chapter 18 of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 et seq., as amended.

**Delegatee:** With respect to an eNote, the party designated in the MERS eRegistry as the “Delegatee” or “Delegatee for Transfers”, who in such capacity is authorized by the Controller to perform certain MERS eRegistry transactions on behalf of the Controller such as Transfers of Control and Transfers of Control and Location.

**Depository:** The Federal Reserve Bank of New York, or as otherwise defined in the glossary of the Ginnie Mae Guide, the Fannie Mae Guide or the Freddie Mac Guide, as applicable.

**Dividing LLC:** A Delaware limited liability company that is effecting a Division pursuant to and in accordance with Section 18-217 of the Delaware LLC Act.

**Division:** The division of a Dividing LLC into two or more domestic limited liability companies pursuant to and in accordance with Section 18-217 of the Delaware LLC Act.

**Dry Mortgage Loan:** A Mortgage Loan for which Buyer or its Custodian has possession of the related Mortgage Loan Documents, in a form and condition acceptable to Buyer, prior to the payment of the Purchase Price.

**Effective Date:** That effective date set forth in the Transactions Terms Letter.

**Electronic Agent:** MERSCORP Holdings, Inc., or its successor in interest or assigns.

**Electronic Record:** With respect to an eMortgage Loan, the related eNote and all other documents comprising the Mortgage Loan File electronically created and that are stored in an electronic format, if any.

**Electronic Tracking Agreement:** One or more Electronic Tracking Agreements with respect to (x) the tracking of changes in the ownership, mortgage servicers and servicing rights ownership of Purchased Mortgage Loans held on the MERS System, and (y) the tracking of the Control of eNotes held on the MERS eRegistry, each in a form acceptable to Buyer.

**Eligible Asset:** With respect to any Transaction, from an after the related Purchase Date, an Eligible Participation Interest.

**Eligible Underlying Asset:** With respect to any Transaction (i) from and after the related Purchase Date, an Eligible Mortgage Loan, and (ii) from and after the related Pooling Date, an Eligible Mortgage Loan that is a Pooled Mortgage Loan, as the context may require.

**Eligible Bank:** A bank selected by Guild Parties and approved by Buyer in writing and authorized to conduct trust and other banking business in any state in which Guild Parties conduct operations.

**Eligible Mortgage Loan:** An Underlying Asset that is a Mortgage Loan that meets the eligibility criteria set forth in the Transactions Terms Letter.

**Eligible Participation Interests:** Each Participation Interest, including related additional Participation Interests, sold or proposed to be sold to Buyer in a Transaction that satisfies each of the following criteria: (i) as to which the representations and warranties in Section 8.1(hh) and Section 8.2 are true and correct, (ii) is wholly and directly owned by Seller, (iii) is evidenced by a Participation Certificate, (iv) represents a [\*\*\*] participation interest in the Eligible Underlying Assets, (v) has been issued pursuant to the Participation Agreement, as approved by Buyer in its sole and absolute discretion (vi) is otherwise approved by Buyer in its discretion, and (vii) satisfies such other eligibility criteria as may be set forth in the Transactions Terms Letter or otherwise mutually agreed to by Buyer and Guild Parties; provided that notwithstanding the failure of the Participation Interests to conform to the requirements of this definition, Buyer may, subject to such terms, conditions and requirements and Type Purchase Price Percentage adjustments as Buyer may require, designate in writing any such non-conforming Participation Interests as an Eligible Asset.

**Eligible Security:** A Mortgage-Backed Security that meets the eligibility criteria set forth in the Transactions Terms Letter.

**eMortgage Loan:** A Mortgage Loan with respect to which there is an eNote and as to which some or all of the other documents comprising the related Mortgage Loan File may be created electronically and not by traditional paper documentation with a pen and ink signature.

**eNote:** With respect to any eMortgage Loan, the electronically created and stored Mortgage Note that is a Transferable Record.

**eNote Delivery Requirement:** As defined in Section 3.3(a).

**eNote Replacement Failure:** As defined in the DB Custodial Agreement.

**ERISA:** The Employee Retirement Income Security Act of 1974, as amended from time to time and any successor statute.

**ERISA Affiliate:** Any person (as defined in Section 3(9) of ERISA) that together with Seller or any of its Subsidiaries would be a member of the same “controlled group” or treated as a single employer within the meaning of Section 414 of the Code or ERISA Section 4001.

**E-SIGN:** The Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001 et seq.

**eVault:** An electronic repository established and maintained by an eVault Provider for delivery and storage of eNotes.

**eVault Provider:** Document Systems, Inc. d/b/a DocMagic, or its successor in interest or assigns, or such other entity agreed upon by DB Custodian and Buyer.

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**Event of Default:** Any of the conditions or events set forth in Section 11.1.

**Excluded Taxes:** As defined in Section 12.2(a) of this Agreement.

**Executive Management:** Chairman of the board of directors, chief executive officer, president, and chief financial officer.

**Expiration Date:** The earliest of (i) the Expiration Date set forth in the Transactions Terms Letter, (ii) at Buyer's option, upon the occurrence of an Event of Default and (iii) the date on which this Agreement shall terminate in accordance with the provisions hereof or by operation of law.

**Facility Fee:** The non-refundable, annual commitment fee, as set forth in the Transactions Terms Letter.

**Fannie Mae:** The Federal National Mortgage Association and any successor thereto.

**Fannie Mae Agreement:** The Wiring Instruction and Release of Interest Agreement, to be entered into, by and among Buyer, Guarantor, the Custodian and Fannie Mae.

**Fannie Mae Guide:** The Fannie Mae MBS Selling and Servicing Guide, as such guide may hereafter from time to time be amended.

**Fannie Mae Program:** The Fannie Mae Guaranteed Mortgage-Backed Securities Programs, as described in the Fannie Mae Guide.

**FDIA:** As defined in Section 14.21 of this Agreement.

**FDIC:** The Federal Deposit Insurance Corporation or any successor thereto.

**FDICIA:** As defined in Section 14.22 of this Agreement.

**FHA:** The Federal Housing Administration of the United States Department of Housing and Urban Development and any successor thereto.

**FHA Mortgage Insurance:** Mortgage insurance authorized under Sections 203(b), 213, 221(d)(2), 222, and 235 of the Federal Housing Administration Act and provided by the FHA.

**FHA Mortgage Insurance Contract:** A contractual obligation of the FHA respecting the insurance of a Mortgage Loan.

**FHA Regulations:** The regulations promulgated by HUD under the FHA Act, codified in 24 Code of Federal Regulations, and other HUD issuances relating to Government Mortgage Loans, including the related handbooks, circulars, notices and mortgagee letters.

**FHA Streamline Refinance Mortgage Loan:** A Government Mortgage Loan originated and underwritten in accordance with the "FHA streamline refinance" program and FHA Regulations.

**FICO Score:** The credit score of the Mortgagor provided by Fair, Isaac & Company, Inc. or such other organization providing credit scores on the origination date of a Mortgage Loan; provided that if (a) two separate credit scores are obtained on such origination date, the FICO Score shall be the lower credit score; and (b) three separate credit scores are obtained on such origination date, the FICO Score shall be the middle credit score.

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**Foreign Buyer:** As defined in Section 12.2(c) of this Agreement.

**Freddie Mac:** The Federal Home Loan Mortgage Corporation and any successor thereto.

**Freddie Mac Agreement:** The Repurchase Addendum to Freddie Mac Forms 996 and 996E, to be entered into, by and among the Buyer, Guarantor, the Custodian and Freddie Mac.

**Freddie Mac Guide:** The Freddie Mac Sellers' and Servicers' Guide, as such Guide may hereafter from time to time be amended.

**Freddie Mac Program:** The Freddie Mac Home Mortgage Guarantor Program or the Freddie Mac FHA/VA Home Mortgage Guarantor Program, as described in the Freddie Mac Guide.

**GAAP:** Generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and the statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession and that are applicable to the circumstances as of the date of determination.

**Ginnie Mae:** Government National Mortgage Association or any successor thereto.

**Ginnie Mae Guide:** The Ginnie Mae Mortgage-Backed Securities Guide I or II, as such Guide may hereafter from time to time be amended.

**Ginnie Mae Program:** The Ginnie Mae Mortgage-Backed Securities Programs, as described in the Ginnie Mae Guide.

**Government Mortgage Loan:** Government Mortgage Loan: Unless defined otherwise in the Transactions Terms Letter, a first lien mortgage loan that is:

(a) subject to FHA Mortgage Insurance under a FHA Mortgage Insurance Contract and is so insured, or is subject to a current binding and enforceable commitment for such insurance pursuant to the provisions of the National Housing Act, as amended, was originated in Strict Compliance with the Ginnie Mae Guide, is eligible for inclusion in the Ginnie Mae Program, and unless otherwise agreed to by Buyer in its sole discretion, does not exceed the applicable maximum mortgage limits as set forth in the FHA Regulations;

(b) subject to a guarantee by the VA under a VA Loan Guaranty Agreement, or is subject to a current binding and enforceable commitment for such guarantee pursuant to the provisions of the Servicemen's Readjustment Act, as amended, was originated in Strict Compliance with VA Regulations and the Ginnie Mae Guide, is eligible for inclusion in the Ginnie Mae Program, and unless otherwise agreed to by Buyer in its sole discretion, does not exceed the applicable maximum mortgage limits as set forth in the VA Regulations; or

(c) eligible to be guaranteed by the RD under a RD Loan Guaranty Agreement, and is so guaranteed pursuant to the provisions of the RD Regulations, and was originated in Strict Compliance with RD Regulations and the Ginnie Mae Guide, is eligible for inclusion in the Ginnie Mae Program, and unless otherwise agreed to by Buyer in its sole discretion, does not exceed the applicable maximum mortgage limits as set forth in the RD Regulations.

**Governmental Authority:** With respect to any Person, any nation or government, any state or other political subdivision, agency or instrumentality thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any court or arbitrator having jurisdiction over such Person, any of its Subsidiaries or any of its properties.

**Guarantee:** A guarantee signed by a Guarantor in favor of Buyer, in a form acceptable to Buyer.

**Guarantor:** As set forth in the introductory paragraph of this Agreement.

**Haircut:** With respect to any Transaction with respect to which the Purchase Price is being paid to one or more Approved Payees on behalf of Guild Parties, if the Purchase Price is less than the amount that such Approved Payees are entitled to receive in respect of the related Mortgage Loans, the positive result (if any) equal to such amount minus such Purchase Price, which shall be considered a "settlement payment" as defined in Bankruptcy Code Section 741(8).

**Handbook:** The guide prepared by Buyer containing additional policies and procedures, as same may be amended from time to time.

**HARP Mortgage Loan:** Unless otherwise defined in the Transactions Terms Letter, a Mortgage Loan that fully conforms to the Home Affordable Refinance Program (as such program is amended, supplemented or otherwise modified, from time to time), and is referred to by Fannie Mae as a "Refi Plus mortgage loan" or "DU Refi Plus mortgage loan", and by Freddie Mac as a "Relief Refinance Mortgage".

**Hash Value:** With respect to an eNote, the unique, tamper-evident digital signature of such eNote that is stored with MERS.

**HomePath Mortgage Loan:** Unless otherwise defined in the Transactions Terms Letter, a Mortgage Loan that fully conforms to Fannie Mae's HomePath mortgage loan program (as such program is amended, supplemented or otherwise modified, from time to time), and is referred to as a "HomePath Mortgage" by Fannie Mae; provided that such HomePath mortgage loan is not a "HomePath Renovation Mortgage" pursuant to the terms of such HomePath mortgage loan program.

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

**Income:** With respect to any Purchased Asset or Underlying Asset at any time, any principal and/or interest thereon and all dividends, Proceeds and other collections and distributions thereon.

**Indemnified Party or Indemnified Parties:** As defined in Section 12.1 of this Agreement.

**Insolvency Action:** With respect to any Person, the taking by such Person of any action resulting in an Insolvency Event.

**Insolvency Event:** The occurrence of any of the following events:

(a) such Person shall become insolvent or generally fail to pay, or admit in writing its inability to pay, its debts as they become due, or shall voluntarily commence any proceeding or file any petition under any bankruptcy, insolvency or similar law or seeking dissolution, liquidation or reorganization or the appointment of a receiver, trustee, custodian, conservator or liquidator for itself or a substantial portion of its property, assets or business or to effect a plan or other arrangement with its creditors, or shall file any answer admitting the jurisdiction of the court and the material allegations of an involuntary petition filed against it in any bankruptcy, insolvency or similar proceeding, or shall be adjudicated

bankrupt, or shall make a general assignment for the benefit of creditors, or such Person, or a substantial part of its property, assets or business, shall be subject to, consent to or acquiesce in the appointment of a receiver, trustee, custodian, conservator or liquidator for itself or a substantial property, assets or business;

(b) corporate action shall be taken by such Person for the purpose of effectuating any of the foregoing;

(c) an order for relief shall be entered in a case under the Bankruptcy Code in which such Person is a debtor; or

(d) involuntary proceedings or an involuntary petition shall be commenced or filed against such Person under any bankruptcy, insolvency or similar law or seeking the dissolution, liquidation or reorganization of such Person or the appointment of a receiver, trustee, custodian, conservator or liquidator for such Person or of a substantial part of the property, assets or business of such Person, or any writ, order, judgment, warrant of attachment, execution or similar process shall be issued or levied against a substantial part of the property, assets or business of such Person, and such proceeding or petition shall not be dismissed, or such execution or similar process shall not be released, vacated or fully bonded, within [\*\*\*] after commencement, filing or levy, as the case may be.

**Insurer:** A private mortgage insurer, which is acceptable to Buyer in its sole and good faith discretion.

**Intercreditor Agreement:** An agreement substantially in the form acceptable to Buyer.

**Interest Only Mortgage Loan:** A Mortgage Loan which, by its terms, requires the related Mortgagor to make monthly payments of only accrued interest for a certain period of time following origination. After such interest-only period, the loan terms provide that the Mortgagor's monthly payment will be recalculated to cover both interest and principal so that such Mortgage Loan will amortize fully on or prior to its final payment date.

**Irrevocable Closing Instructions:** Closing instructions, including wire instructions, in the form of Exhibit B issued in connection with funds disbursed for the funding of new origination Wet Mortgage Loans or Dry Mortgage Loans as to which the origination funds are being remitted to the closing table.

**Jumbo Asset Depletion Mortgage Loan:** A Jumbo Mortgage Loan that (a) is not a Qualified Mortgage and (b) was originated by Seller or a third party originator and acquired by Seller in accordance with Seller's origination and/or underwriting guidelines, taking into account the related Mortgagor's documented and qualifying income from existing assets other than wages and salaries.

**Jumbo High DTI Mortgage Loan:** A Jumbo Mortgage Loan which meets the criteria set forth in the Transactions Terms Letter.

**Jumbo High LTV Mortgage Loan:** A Jumbo Mortgage Loan which meets the criteria set forth in the Transactions Terms Letter.

**Jumbo Interest Only Mortgage Loan:** A Jumbo Mortgage Loan that is an Interest Only Mortgage Loan.

**Jumbo Mortgage Loan:** Unless defined otherwise in the Transactions Terms Letter, a first lien mortgage loan (i) with respect to which Guild Parties have obtained a Purchase Commitment on or prior to the related Purchase Date, unless otherwise agreed to by Buyer (ii) for which the original loan amount is greater than the conforming limit in the jurisdiction where the related Mortgaged Property is located,



and (iii) meets the transaction requirements set forth on the applicable schedule to the Transactions Terms Letter.

**Jumbo Non-Warrantable Condo Mortgage Loan:** A Jumbo Mortgage Loan as to which the related Mortgaged Property constitutes a condominium unit that was not originated in compliance with, or no longer satisfies the requirements of, the applicable Agency guidelines.

**Key Personnel:** Any employee, officer, director, agent or representative of any Guild Party identified in the Transactions Terms Letter as a Key Person.

**Lien:** Any mortgage, lien, pledge, charge, security interest or similar encumbrance.

**Liquidity:** As of any date of determination, the sum of (i) Guarantor's unrestricted and unencumbered cash and Cash Equivalents, (ii) the voluntary and unrestricted amount of any reduction in the principal amount of Guarantor's loan repurchase or warehouse facility with The [\*\*\*] and [\*\*\*] and (iii) the balance in the Over/Under Account exclusive of funds held due to a Margin Deficit or Margin Call. By way of example but not limitation, cash in escrow and/or impound accounts shall not be included in this calculation.

**Location:** With respect to an eNote, the location of such eNote which is established by reference to the MERS eRegistry.

**Manufactured Home Loan:** A Conventional Conforming Mortgage Loan or Government Mortgage Loan secured by a manufactured home (as defined by HUD) provided that (a) such manufactured home is attached to a permanent foundation, is no longer transportable (mobile homes) and is considered and treated as "real estate" under applicable law (b) such manufactured home is originated in compliance with Title II under FHA 203(b) and (c) such Conventional Conforming Mortgage Loan or Government Mortgage Loan is eligible for securitization by an Agency pursuant to the terms of the applicable Agency Guides.

**Margin Call:** A margin call, as defined and described in [Section 6.3](#).

**Margin Deficit:** A margin deficit, as defined and described in [Section 6.3](#).

**Marginable Assets:** As of any date of determination, with respect to a Guild Party, the sum of the balance sheet values of (i) all of such Guild Party's and its consolidated Subsidiaries' assets that are subject to financing or other arrangement that allow the counterparty to such financing to make margin calls or demands if such assets decline in value, including mortgage loans held for sale and servicing rights and (ii) interest rate lock commitments and other financial derivative instruments (net of derivative liabilities) of such Guild Party and its consolidated Subsidiaries.

**Market Value:** With respect to an Asset, the fair market value of the Asset as determined by Buyer in its sole discretion without regard to any market value assigned to such Asset by any Guild Party. Buyer's determination of Market Value shall be conclusive upon the parties, absent manifest error on the part of Buyer. At no time and in no event will the Market Value of a Purchased Asset be greater than the Market Value of such Purchased Asset on the Purchase Date. Any Asset that is not an Eligible Asset shall have a Market Value of zero.

**Master Netting Agreement:** The master netting agreement dated as of the date hereof among Buyer, Guarantor and certain Affiliates and Subsidiaries of Buyer and/or Guarantor, in form and substance acceptable to Buyer, as the same shall be modified and supplemented and in effect from time to time.

**Material Adverse Effect:** Any of the following, in each case, as such material adverse effect or material change is determined by Buyer: (i) the occurrence of a material adverse change with respect to the business, operations, properties, financial condition or prospects of any Guild Party, or any Affiliate that is a party to any Principal Agreement taken as a whole, (ii) any material adverse effect on the ability of Seller, or any Affiliate that is a party to any Principal Agreement to perform its obligations under any of the Principal Agreements to which it is a party and to avoid any Event of Default, (iii) a material adverse effect on the legality, validity, binding effect or enforceability of any of the Principal Agreements against any Guild Party or any Affiliate that is a party to any Principal Agreement, (iv) a material adverse effect on the rights and remedies of Buyer under any of the Principal Agreements, or (v) a material adverse effect on the marketability, collectability, value or enforceability of a material portion of the Purchased Assets; or (vi) a material adverse effect on the Approvals of Guild Parties, in each case as determined by Buyer in its sole good faith discretion.

**Maximum Dwell Time:** The maximum number of days an Underlying Asset can be not repurchased by Seller before such Underlying Asset may be deemed to be a Noncompliant Asset and with respect to a Noncompliant Asset, the maximum number of days that an Underlying Asset can be deemed to be a Noncompliant Asset before such Noncompliant Asset may be deemed to be a Defective Asset, all as set forth in the Transactions Terms Letter.

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

**MERS eDelivery:** The transmission system operated by the Electronic Agent that is used to deliver eNotes, other Electronic Records and data from one MERS eRegistry member to another using a system-to-system interface and conforming to the standards of the MERS eRegistry.

**MERS eRegistry:** The electronic registry operated by the Electronic Agent that acts as the legal system of record that identifies the Controller, Delegatee and Location of the Authoritative Copy of registered eNotes.

**MERS Org IDs:** As defined in the DB Custodial Agreement.

**MERS System:** The mortgage electronic registry system operated by the Electronic Agent that tracks changes in Mortgage ownership, mortgage servicers and servicing rights ownership.

**Minimum Over/Under Account Balance:** The balance required to be maintained by Seller in the Over/Under Account, as provided in [Section 3.5\(a\)](#) of this Agreement, which balance is specified set forth in the Transactions Terms Letter.

**Moody's:** Moody's Investors Service, Inc. or any successor thereto.

**Mortgage:** A first-lien or second-lien mortgage, deed of trust, security deed or similar instrument on improved real property.

**Mortgage-Backed Security:** Any fully-modified pass-through mortgage-backed security that is (i) either issued by Guarantor and fully guaranteed by Ginnie Mae or issued and fully guaranteed with respect to timely payment of interest and ultimate payment of principal by Fannie Mae or Freddie Mac; (ii) evidenced by a book-entry account in a depository institution having book-entry accounts at the applicable Depository; and (iii) backed by a Pool, in substantially the principal amount and with substantially the other terms as specified with respect to such Mortgage-Backed Security in the related Purchase Commitment.

**Mortgage Loan**: Any mortgage loan of a Type identified on any schedule attached to the Transactions Terms Letter, which mortgage loan may be either a Dry Mortgage Loan or a Wet Mortgage Loan.

**Mortgage Loan Documents**: With respect to each Underlying Asset, each document listed on Exhibit 12 to the Custodial Agreement.

**Mortgage Loan File**: With respect to each Mortgage Loan, that file that contains the Mortgage Loan Documents and is delivered to Buyer or its Custodian.

**Mortgage Note**: A promissory note secured by a Mortgage and evidencing a Mortgage Loan.

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

**Mortgagor**: The obligor of a Mortgage Loan.

**Multiemployer Plan**: A multiemployer plan within the meaning of Sections 3(37) or 4001(a)(3) of ERISA.

**Net Income**: For any period, the net income of any Person for such period as determined in accordance with GAAP.

**Net Worth**: With respect to any Person, the excess of total assets of such Person, over total liabilities of such Person, determined in accordance with GAAP.

**Noncompliant Asset**: As of any date of determination, an Underlying Asset that has been:

- (a) not repurchased within the Maximum Dwell Time permitted, given the type of Underlying Asset, but less than the Maximum Dwell Time for Noncompliant Assets;
- (b) rejected by the Approved Investor set forth in the related Purchase Commitment; or
- (c) if such Asset is an Underlying Asset, it is determined to be ineligible for sale as an Underlying Asset of the type originally stipulated.

**One-Month LIBOR**: The daily rate per annum (rounded to three (3) decimal places) for one-month U.S. dollar denominated deposits as offered to prime banks in the London interbank market, as published on the Official ICE LIBOR Fixings page by Bloomberg or in the Wall Street Journal as of the date of determination.

**Other Mortgage Loan Documents**: In addition to the Mortgage Loan Documents, with respect to any Mortgage Loan, the following: (i) the original recorded Mortgage, if not included in the Mortgage Loan Documents; (ii) a copy of the preliminary title commitment showing the policy number or preliminary attorney's opinion of title and the original policy of mortgagee's title insurance or unexpired commitment for a policy of mortgagee's title insurance, if not included in the Mortgage Loan Documents; (iii) the original Closing Protection Letter and a copy of the Irrevocable Closing Instructions; (iv) the original Purchase Commitment, if any; (v) the original FHA certificate of insurance or commitment to insure, the VA certificate of guaranty or commitment to guaranty, the RD Loan Guaranty Agreement or the Insurer's certificate or commitment to insure, as applicable; (vi) the survey, flood certificate, hazard insurance policy and flood insurance policy, as applicable; (vii) the original of any assumption, modification, consolidation or extension agreements, with evidence of recording thereon or copies stamp certified by an authorized officer of Guild Parties to have been sent for recording, if any; (viii) copies of each instrument

necessary to complete identification of any exception set forth in the exception schedule in the title policy; (ix) the loan application; (x) verification of the Mortgagor's employment and income, if applicable; (xi) verification of the source and amount of the downpayment; (xii) credit report on Mortgagor; (xiii) appraisal of the Mortgaged Property (or in the case of any HARP Mortgage Loan, an appraisal or a waiver thereof, and/or a point value estimate, as permitted by the applicable Agency Guides); (xiv) the original executed disclosure statement; (xv) tax receipts, insurance premium receipts, ledger sheets, payment records, insurance claim files and correspondence, current and historical computerized data files, underwriting standards used for origination and all other related papers and records; (xvi) the original of any guarantee executed in connection with the Mortgage Note (if any); (xvii) the original of any security agreement, chattel mortgage or equivalent document executed in connection with the Mortgage; (xviii) all copies of powers of attorney or similar instruments, if applicable; (xix) copies of all documentation in connection with the underwriting and origination of any Underlying Asset that evidences compliance with, (1) with respect to all Underlying Assets other than a Bond Loan – 1st Lien, the Ability to Repay Rule and, (2) with respect to all Underlying Assets other than a Bond Loan – 1st Lien and a Permitted Non-Qualified Mortgage Loan, the QM Rule; and (xx) all other documents relating to the Underlying Asset.

**Other Taxes:** As defined in Section 12.3(a) of this Agreement.

**Over/Under Account:** That account maintained by Buyer, as described in Section 3.5.

**Participation Agreement:** The Master Participation Agreement to be entered into between Seller, as initial participant, and Guarantor, pursuant to which Participation Interests in Underlying Assets are issued by the Guarantor to the Seller, as the same may be amended, restated, supplemented or otherwise modified from time to time if approved by Buyer in writing.

**Participation Certificate:** A participation certificate that evidences [\*\*\*] of the Participation Interests issued by the Guarantor to Seller, as applicable.

**Participation Interests:** With respect to each Underlying Asset, (i) all of the economic, beneficial and equitable ownership interests (together with the related Servicing Rights) therein that are issued by the Guarantor pursuant to the Participation Agreement and owned by Seller, which Participation Interests shall be evidenced by a Participation Certificate, and (ii) any and all of the beneficial interests, including units of trust interest designated as "securities" (as defined in Section 8-102 of the Uniform Commercial Code), issued by the Guarantor in respect of the Underlying Assets including, without limitation, all its rights to participate in the operation or management of the Guarantor and all its rights to properties, assets, participation interests and distributions under the Participation Agreement in respect of such participation interests. "Participation Interests" also include all accounts receivable and general intangibles arising out of the Participation Agreement in respect of Underlying Assets, and, to the extent not otherwise included, all proceeds of any and all of the foregoing.

**Payment Date:** With respect to (i) Unused Facility Fees, by the [\*\*\*] following the end of each [\*\*\*], (ii) Over/Under Account interest, the [\*\*\*] of each [\*\*\*], and (iii) Price Differential, the [\*\*\*] of each [\*\*\*]; provided, however, in each case, Buyer may change the Payment Date from time to time upon thirty (30) days prior notice to Guild Parties.

**PBGC:** The Pension Benefit Guaranty Corporation and any successor thereto.

**Permitted Non-Qualified Mortgage Loan:** A Jumbo Interest Only Mortgage Loan, a Jumbo High DTI Mortgage Loan or a Jumbo Asset Depletion Mortgage Loan.

**Person:** Includes natural persons, corporations, limited partnerships, general partnerships, limited liability companies, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and governments and agencies and political subdivisions thereof.

**Plan:** Any Multiemployer Plan or single-employer plan as defined in Section 4001 of ERISA, that is maintained and contributed to by (or to which there is an obligation to contribute of), or at any time during the five (5) calendar years preceding the date of this Agreement was maintained or contributed to by (or to which there is an obligation to contribute of), a Guild Party or by a Subsidiary of a Guild Party or an ERISA Affiliate.

**Pool:** A pool of fully amortizing first lien residential Mortgage Loans eligible in the aggregate to back a Mortgage-Backed Security.

**Pooled Mortgage Loan:** Any Underlying Asset that is part of a Pool of Underlying Assets certified by the Custodian to an Agency that will be exchanged on the related Settlement Date for a Mortgage-Backed Security backed by such Pool in accordance with the terms of the applicable Agency Guide.

**Pooling Date:** With respect to Pooled Mortgage Loans, the date on which an Agency pool number is assigned to the related Pool.

**Potential Default:** The occurrence of any event or existence of any condition that, but for the giving of notice, the lapse of time, or both, would constitute an Event of Default.

**Power of Attorney:** That certain power of attorney attached hereto as Exhibit H.

**Price Differential:** For each Purchased Asset or Transaction as of any date of determination, an amount equal to the product of (a) (i) prior to the occurrence of an Event of Default, the sum of the Applicable Pricing Rate plus the applicable Type Margin, or (ii) following the occurrence and during the continuance of an Event of Default, the Default Rate, and (b) the Purchase Price for such Purchased Asset or Transaction. Price Differential will be calculated in accordance with Section 2.6.

**Principal Agreements:** This Agreement, the Transactions Terms Letter, the Guarantee, the Electronic Transfer Agreement, the Custodial Agreement, the Master Netting Agreement, any Servicing Agreement together with the related Servicer Notice, the Guarantee(s), if applicable, and all other documents and instruments evidencing the Transactions, as same may from time to time be supplemented, modified or amended, and any other agreement entered into between Buyer and any Guild Party in connection herewith or therewith.

**Proceeds:** The total amount receivable or received when Purchased Assets or Underlying Assets or proceeds are sold, collected, exchanged or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes, without limitation, all rights to payment, including return premiums, with respect to any insurance relating thereto and all escrow withholds and escrow payments for Property Charges, as applicable.

**Property Charges:** All taxes, fees, assessments, water, sewer and municipal charges (general or special) and all insurance premiums, leasehold payments or ground rents.

**Protocol:** As defined in Section 14.27 of this Agreement

**Purchase Advice:** In connection with each wire transfer to be made to Buyer by Guild Parties or an Approved Investor, a written or electronic notification setting forth (a)(i) the loan number assigned by Seller or last name of the Mortgagor for each Mortgage Loan that is related to the Transaction in connection with which a payment is being made, or (ii) the CUSIP in respect of any related Mortgage-Backed Security; (b) the amount of the wire transfer to be applied in the Transaction; and (c) the total amount of the wire.

**Purchase Commitment:** A trade ticket or other written commitment issued in favor of Seller by an Approved Investor pursuant to which that Approved Investor commits to purchase one or more Underlying Assets, and as to which the Takeout Price for such Underlying Assets is for an amount that is not less than the outstanding Repurchase Price for such Purchased Assets (or related Underlying Assets), together with the related correspondent, whole loan or forward purchase agreement by and between Guild Parties and the Approved Investor governing the terms and conditions of any such purchases, all in form and substance satisfactory to Buyer.

**Purchase Date:** The date on which Buyer purchases a Purchased Asset from Seller. If the Purchase Price is paid by wire transfer, the Purchase Date shall be the date such funds are wired. If the Purchase Price is paid by a cashier's check, the Purchase Date shall be the date such check is issued by the bank. If the Purchase Price is paid by a funding draft, the Purchase Date shall be the date that the draft is posted by the bank on which the draft is drawn.

**Purchase Price:** The price at which each Purchased Asset (based on the related Underlying Assets) is transferred by Seller to Buyer (or in the case of a Purchase Price Increase, in connection with the increase to the Asset Value of the related Underlying Assets on the related Purchase Price Increase Date) which, except as otherwise may be set forth in the Transactions Terms Letter, shall be equal to the product of the applicable Type Purchase Price Percentage and the least of (i) the unpaid principal balance of the related Underlying Asset, (ii) the Market Value of such Underlying Asset, (iii) the purchase price committed by the related Approved Investor, if applicable, as evidenced by the related Purchase Commitment, or (iv) the purchase price paid by Seller for such Underlying Asset. For the sake of clarity, the Purchase Price for each Mortgage-Backed Security subject to a Transaction pursuant to Section 3.8 shall be the same Purchase Price that was paid for the Underlying Assets backing such Mortgage-Backed Security. For Pooled Mortgage Loans, the Purchase Price shall be the Type Purchase Price Percentage multiplied by the Takeout Price.

**Purchase Price Increase:** An increase in the Purchase Price for the Participation Interests based upon Guarantor allocating additional Underlying Assets to the Participation Interests to which such portion of the Purchase Price is allocated, as requested by Seller pursuant to the terms hereof. The allocation of Underlying Assets to the Participation Interests and corresponding increase in value of the Participation Interests shall be used to determine a Purchase Price Increase with respect to such Participation Interests pursuant to the definition of Purchase Price, and such Purchase Price Increase shall be added to the Purchase Price with respect to Participation Interests for purposes of determining the outstanding Purchase Price hereunder.

**Purchase Price Increase Date:** The date on which a Purchase Price Increase is made.

**Purchased Assets:** Collectively, the Participation Interests, each as represented by the applicable Participation Certificate, together with (x) beneficial interests in the Underlying Assets represented thereby, and (y) the Purchased Items related to the Participation Interests transferred by Sellers to Buyer in a Transaction hereunder.

**Purchased Items:** All now existing and hereafter arising right, title and interest of Seller in, under and to the following:

(a) all Purchased Assets, now owned or hereafter acquired and all beneficial interest of Seller in any Underlying Assets, including all beneficial ownership interests in Mortgage Notes and Mortgages evidencing such Underlying Assets and the related Mortgage Loan Documents, for which a Transaction has been entered into between Buyer and Seller hereunder and for which the Repurchase Price has not been paid in full and all Mortgage Loans, including all Mortgage Notes and Mortgages evidencing such Mortgage Loans and the related Mortgage Loan Documents, which, from time to time, are delivered, or caused to be delivered, to Buyer (including delivery to a custodian or other third party on behalf of Buyer) as additional security for the performance of Seller's obligations hereunder;

(b) all Purchased Securities, now owned or hereafter acquired, that are supported by Underlying Assets, all right to the payment of monies in non-cash distributions on account thereof and all new, substituted and additional securities at any time issued with respect thereto;

(c) all Income relating to the Purchased Assets or Underlying Assets and all rights to receive such Income;

(d) the Custodial Account and all amounts on deposit therein;

(e) all rights of Seller under all related Purchase Commitments (including the right to receive the related Takeout Price), purchase agreements or other hedging arrangements, agreements, contracts or take-out commitments relating to or constituting any or all of the foregoing, now existing and hereafter arising, covering any part of the Purchased Assets or Underlying Assets, and all rights to receive documentation relating thereto, and all rights to deliver Underlying Assets and Purchased Securities to permanent investors and other purchasers pursuant thereto and all Proceeds resulting from the disposition of such Purchased Assets;

(f) all now existing and hereafter established accounts maintained with broker-dealers by Seller for the purpose of carrying out transactions under Purchase Commitments relating to any part of the Purchased Assets;

(g) all now existing and hereafter arising rights of Seller to service, administer and/or collect on the Purchased Assets or Underlying Assets hereunder and any and all rights to the payment of monies on account thereof;

(h) all Servicing Rights related to the Underlying Assets, all related Servicing Records, and all rights of Seller to receive from any third party or to take delivery of any Servicing Records or other documents which constitute a part of the Mortgage Loan Files, all rights of Seller to receive from any third party or to take delivery of any records or other documents which constitute a part of the Mortgage Loan Files, including, without limitation, the Other Mortgage Loan Documents;

(i) all now existing and hereafter arising accounts, contract rights and general intangibles constituting or relating to any of the Purchased Assets or Underlying Assets;

(j) all mortgage and other insurance and all commitments issued by Insurers, the FHA, the VA or the RD, as applicable, to insure or guaranty any Underlying Asset, including, without limitation, all FHA Mortgage Insurance Contracts, VA Loan Guaranty Agreements and RD Loan Guaranty Agreements relating to such Underlying Assets and the right to receive all insurance proceeds and

condemnation awards that may be payable in respect of the premises encumbered by any Mortgage; and all other documents or instruments delivered to Buyer in respect of the Underlying Assets;

(k) all documents, files, surveys, certificates, correspondence, appraisals, computer programs, tapes, discs, cards, accounting records and other information and data of Seller relating to Purchased Assets and Underlying Assets;

(l) all rights, but not any obligations or liabilities, of Seller with respect to the Approved Investors relating to the Underlying Assets;

(m) all property of Seller, in any form or capacity now or at any time hereafter in the possession or control of Buyer, including, without limitation, all deposit accounts and any funds at any time held therein, into which Proceeds of the Purchased Assets or Underlying Assets are at any time deposited;

(n) all products and Proceeds of the foregoing Purchased Assets and Underlying Assets;

(o) all of such Seller's interests in any other assets relating to the Purchased Assets, including the Participation Interests and the Underlying Assets;

(p) the Participation Agreement; and

(q) any funds of Seller at any time deposited or held in the Over/Under Account.

**Purchased Security:** A Mortgage-Backed Security backed by Mortgage Loans that, immediately prior to the related Settlement Date, were Underlying Assets, and issued to the Depository in the name of Buyer or Buyer's nominee on the Settlement Date and all documents, instruments, chattel paper, and general intangibles and all products and proceeds relating to or constituting any or all of the foregoing.

**Purchased Security Takeout Date:** With respect to a Purchased Security, the date specified in the related Purchase Commitment on which the sale of such Purchased Security to the Takeout Investor will be settled on a delivery-versus-payment basis.

**QFC Stay Rules:** The regulations codified at 12 C.F.R. 252.2, 252.81-8, 12 C.F.R. 382.1-7 and 12 C.F.R. 47.1-8, which, subject to limited exceptions, require an express recognition of the stay-and-transfer powers of the FDIC under the Federal Deposit Insurance Act and the Orderly Liquidation Authority under Title II of the Dodd Frank Wall Street Reform and Consumer Protection Act and the override of default rights related directly or indirectly to the entry of an affiliate into certain insolvency proceedings and any restrictions on the transfer of any covered affiliate credit enhancements.

**QFC Stay Terms:** As defined in Section 14.27 of this Agreement.

**QM Rule:** 12 CFR 1026.43(e), including all applicable official staff commentary.

**Qualified Mortgage:** A Mortgage Loan that satisfies the criteria for a "qualified mortgage" as set forth in the QM Rule.

**RD:** The United States Department of Agriculture Rural Development and any successor thereto.

**RD Loan Guaranty Agreement:** The obligation of the United States to pay a specific percentage of a Mortgage Loan (subject to a maximum amount) upon default of the Mortgagor.



**RD Regulations:** The regulations promulgated by the RD under the Consolidated Farm and Rural Development Act of 1977; and other RD issuances relating to rural housing loans codified in the Code of Federal Regulations.

**Rebuttable Presumption Qualified Mortgage:** A Qualified Mortgage with an annual percentage rate that exceeds the average prime offer rate for a comparable mortgage loan as of the date the interest rate is set by [\*\*\*] or more percentage points for a first-lien Mortgage Loan or by [\*\*\*] or more percentage points for a subordinate-lien Mortgage Loan.

**Related Credit Enhancement:** As defined in [Section 6.1](#) of this Agreement.

**Reportable Event:** An event described in Section 4043(c) of ERISA with respect to a Plan as to which the thirty (30) days' notice requirement has not been waived by the PBGC.

**Repurchase Acceleration Event:** Any of the conditions or events set forth in [Section 4.2](#).

**Repurchase Date:** The date on which Seller is to repurchase a Purchased Asset (or obtain the release of an Underlying Asset) subject to a Transaction from Buyer, as specified in the related Transactions Terms Letter and/or Asset Data Record, or if not so specified, the date identified to Buyer by Seller as the date that the related Purchased Asset (or Underlying Asset, as applicable) is to be sold pursuant to a Purchase Commitment; provided, however, that if the Repurchase Date is not a date within the Maximum Dwell Time for an Underlying Asset with Standard Status, Buyer may, at its discretion, deem such Underlying Asset a Noncompliant Asset and Buyer may pursue any rights and remedies accorded Buyer hereunder as a result thereof, including, without limitation, charging Seller any applicable fees as a result thereof. The Repurchase Date for each Purchased Asset (or Underlying Asset, as applicable) shall in no event occur later than one year after the Purchase Date of such Purchased Asset (or Underlying Asset, as applicable).

**Repurchase Price:** The price at which a Purchased Asset is to be transferred from Buyer or its designee to Seller (or an Underlying Asset is to be released to Guild Parties, as applicable) upon termination of a Transaction, which shall be equal to the sum of (i) the Purchase Price, (ii) any applicable fees and indemnities owed by Guild Parties in connection with the Purchased Asset (or Underlying Asset, as applicable) and (iii) the Price Differential due on such Purchase Price pursuant to [Section 2.6](#) as of the date of such determination.

**Repurchase Transaction:** A repurchase transaction, as defined and described in [Section 6.6](#).

**Request for Temporary Increase:** As defined in [Section 2.10](#).

**S&P:** S&P Global Ratings, a division of S&P Global Inc., and any successor thereto.

**Safe Harbor Qualified Mortgage:** A Qualified Mortgage with an annual percentage rate that does not exceed the average prime offer rate for a comparable mortgage loan as of the date the interest rate is set by [\*\*\*] or more percentage points for a first-lien Mortgage Loan or by [\*\*\*] or more percentage points for a subordinate-lien Mortgage Loan.

**Sanctions:** As defined in [Section 8.1\(cc\)](#).

**Scheduled Unavailability Date:** As defined in [Section 4.14](#) of this Agreement.

**Seller:** As set forth in the introductory paragraph of this Agreement.

**Seller's Release:** A notice substantially in the form of Exhibit P attached hereto.

**Selling System:** The Freddie Mac automated system by which sellers and servicers of mortgage loans to Freddie Mac transfer mortgage summary and record data or mortgage accounting and servicing information from their computer system or service bureau to Freddie Mac, as more fully described in the Freddie Mac Guide.

**Servicer:** Guild Servicer, or such other entity responsible for servicing of the Underlying Assets, which is acceptable to Buyer and approved by Buyer in writing, or any successor or permitted assigns.

**Servicer Notice:** The notice acknowledged by the Servicer substantially in the form of Exhibit K hereto.

**Servicer Termination Event:** The occurrence of any of the following conditions or events shall be a Servicer Termination Event:

- (a) Servicer ceases to meet the qualifications for maintaining all Approvals, such Approvals are revoked or such Approvals are materially modified;
- (b) Servicer becomes subject to any material penalties and/or sanctions by any Agency, HUD, FHA, VA or RD;
- (c) Servicer fails to service the Eligible Underlying Assets subject to Transactions materially in accordance with applicable Agency Guides resulting in a diminution in value of any such Eligible Underlying Asset;
- (d) Servicer fails to service the Eligible Underlying Assets subject to Transactions materially in accordance with the related Servicing Agreement or otherwise default under the related Servicing Agreement, after giving effect to any applicable notice or grace periods;
- (e) Servicer fails to maintain all state and federal licenses necessary to do business in any jurisdiction where Mortgaged Property is located if such license is required, or to be in compliance with any licensing laws of any jurisdiction where Mortgaged Property is located;
- (f) Reserved;
- (g) (i) Servicer or any of its Subsidiaries or Affiliates shall default under, or fail to perform as required under, or shall otherwise breach the terms of any instrument, agreement or contract between Servicer or such other entity on the one hand, and Buyer or any of Buyer's Affiliates on the other; or (ii) Servicer or any of its Subsidiaries or Affiliates shall default under, or fail to perform as required under, the terms of any repurchase agreement, loan and security agreement or similar credit facility, any agreement for borrowed funds or any other material agreement entered into by Servicer or such other entity and any third party;
- (h) an Insolvency Event shall have occurred with respect to Servicer or any of its Affiliates or Subsidiaries; or Servicer shall admit in writing its inability to, or intention not to, perform any of its obligations under this Agreement or any of the other Principal Agreements to which it is a party; or Buyer shall have determined in good faith that Servicer is unable to meet its financial commitments as they come due;
- (i) a Change of Control shall occur with respect to Servicer; or (j) a Material Adverse Effect shall occur with respect to Servicer.

**Servicing Agent:** With respect to an eNote, the field entitled, "Servicing Agent" in the MERS eRegistry.

**Servicing Agreement:** If the Underlying Assets are serviced by any third party servicer, the agreement with that third party in form and substance acceptable to Buyer.

**Servicing Records:** All servicing agreements, files, documents, records, data bases, computer tapes, copies of computer tapes, proof of insurance coverage, insurance policies, appraisals, other closing documentation, payment history records, and any other records relating to or evidencing the servicing of a Mortgage Loan.

**Servicing Rights:** The contractual, possessory or other rights of Guild Parties, Servicer or any other Person, whether arising under a Servicing Agreement, the Custodial Agreement or otherwise, to administer or service a Mortgage Loan or to possess related Servicing Records.

**Settlement Date:** With respect to a Mortgage-Backed Security, the date on which the applicable Agency delivers such Mortgage-Backed Security to the Depository and it is registered as a book-entry security in the name of the Depository.

**SOFR:** With respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark (or a successor administrator) on the Federal Reserve Bank of New York's website (or any successor source) and, in each case, that has been selected or recommended by the relevant Governmental Authority.

**SOFR-Based Rate:** SOFR or Term SOFR.

**Standard Status:** As of any date of determination, a Purchased Asset has been subject to a Transaction for less than the applicable Maximum Dwell Time and is not a Noncompliant Asset or a Defective Asset.

**Strict Compliance:** The compliance of Guild Parties and Mortgage Loans that are intended to be Agency Eligible Mortgage Loans with the requirements of the applicable Agency Guide, as applicable and as amended by any agreements between Guild Parties and the applicable Agency, sufficient to enable Guild Parties to issue and Ginnie Mae to guarantee or Fannie Mae or Freddie Mac to issue and guarantee a Mortgage-Backed Security; provided that until copies of any such agreements between Guild Parties and Fannie Mae, Freddie Mac or Ginnie Mae, as applicable, have been provided to Buyer by Guild Parties and agreed to by Buyer, such agreements shall be deemed, as between Guild Parties and Buyer, not to amend the requirements of the applicable Agency Guide.

**Subordinated Debt:** Debt of Guild Parties that has been subordinated to Buyer as provided in this Agreement or as otherwise approved by Buyer.

**Subsidiary:** With respect to any Person, any corporation, partnership or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more Subsidiaries of such Person.

**Successor Rate:** A rate determined by Buyer in accordance with Section 4.14 hereof.

**Successor Rate Conforming Changes:** With respect to any proposed Successor Rate, any spread adjustments or other conforming changes to the timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters as may be appropriate, in

the discretion of Buyer, to reflect the adoption and implementation of such Successor Rate and to permit the administration thereof by Buyer in a manner substantially consistent with market practice (or, if Buyer determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such Successor Rate exists, in such other manner of administration as Buyer determines to be necessary in its sole discretion).

**Successor Servicer:** Any successor subservicer of the Underlying Assets appointed by Buyer as described in Section 6.2(h) of this Agreement.

**Takeout Price:** The purchase price to be paid for a Purchased Asset (or Underlying Asset, as applicable) by the related Approved Investor pursuant to the related Purchase Commitment.

**Tangible Net Worth:** As of any date of determination, (i) the Net Worth of Guarantor and its consolidated Subsidiaries, on a combined basis, determined in accordance with GAAP, minus (ii) all intangibles determined in accordance with GAAP (including, without limitation, goodwill, capitalized financing costs and capitalized administration costs but excluding originated and purchased mortgage servicing rights) and any and all advances to, investments in and receivables held from Affiliates, and minus (iii) loans held for investment and real estate owned net of acceptable financing (financing must be deemed acceptable by Buyer).

**Taxes:** As defined in Section 12.2(a) of this Agreement.

**Temporary Increase:** As defined in Section 2.10 of this Agreement.

**Temporary Modification to Aggregate Transaction Limit:** Shall have the meaning assigned thereto in Section 3.9(a).

**Temporary Modification to Minimum Over/Under Account Balance:** Shall have the meaning assigned thereto in Section 3.9(b).

**Temporary Modification to Type Sublimit:** Shall have the meaning assigned thereto in Section 3.9(c).

**Term SOFR:** The forward-looking term rate for any period that is approximately one (1) month in duration (as determined by Buyer) and that is based on SOFR and that has been selected or recommended by the relevant Governmental Authority, in each case as published on an information service as selected by Buyer from time to time in its reasonable discretion.

**Texas Cash-Out Refinance Mortgage Loan:** A Mortgage Loan originated in the state of Texas pursuant to Article XVI, Section 50(a)(6) of the Texas Constitution.

**TILA-RESPA Integrated Disclosure Rule:** The Truth-in-Lending Act and Real Estate Settlement Procedures Act Integrated Disclosure Rule, adopted by the Consumer Financial Protection Bureau, which is effective for residential mortgage loan applications received on or after October 3, 2015.

**Total Liabilities:** As of any date of determination, the sum of (i) the total liabilities of Guarantor on any given date of determination, to be determined in accordance with GAAP consistent with those applied in the preparation of Guarantor's financial statements, plus (ii) to the extent not already included under GAAP, the total aggregate outstanding amount owed by Guarantor under any purchase, repurchase, refinance or other similar credit arrangements (including the voluntary and unrestricted amount of any reduction in the principal amount of Seller's loan repurchase or warehouse facility with The Bank of New York Mellon Trust Company, N.A. and US Bank National Association), plus (iii) to the extent not already

included under GAAP, any “off balance sheet” purchase, repurchase, refinance or other similar credit arrangements, minus (iv) non-recourse debt.”

**Trade Assignment:** An assignment to Buyer of a forward trade between an Approved Investor and Seller with respect to one or more Purchased Assets or Purchased Securities (or Underlying Assets, as applicable), as applicable, in each case in substantially the form of Exhibit N hereto.

**Transaction:** As set forth in the Recitals of this Agreement.

**Transactions Terms Letter:** The document executed by Buyer and Seller, referencing this Agreement and setting forth certain specific terms, and any additional terms, with respect to this Agreement.

**Transferable Record:** An Electronic Record under E-SIGN and UETA that (i) would be a note under the Uniform Commercial Code if the Electronic Record were in writing, (ii) the issuer of the Electronic Record has expressly agreed is a “transferable record”, and (iii) for purposes of E-SIGN, relates to a loan secured by real property.

**Type:** A specific type of mortgage loan, as set forth in the Transactions Terms Letter.

**Type Margin:** With respect to each Type of Underlying Asset that corresponds to the Type, the corresponding annual rate of interest that shall be added to the Applicable Pricing Rate to determine the annual rate of interest for the related Purchase Price, as set forth in the Transactions Terms Letter.

**Type Purchase Price Percentage:** With respect to each Type of Underlying Asset that corresponds to the Type, the corresponding purchase price percentage, as set forth in the Transactions Terms Letter.

**Type Sublimit:** Any of the applicable Type Sublimits, as set forth in the Transactions Terms Letter.

**UETA:** The Official Text of the Uniform Electronic Transactions Act as approved by the National Conference of Commissioners on Uniform State Laws at its Annual Conference on July 29, 1999.

**Unauthorized Servicing Agent Modification:** As defined in the DB Custodial Agreement.

**Uncommitted Amount:** The portion of the Aggregate Transaction Limit that is uncommitted, as set forth in the Transactions Terms Letter or such other amount as may be determined by Buyer in its sole discretion.

**Underlying Asset:** Any Mortgage Loan the legal title of which is owned by Guarantor and allocated to the related Participation Interest purchased by Seller.

**Underlying Asset Collateral:** All now existing and hereafter arising right, title and interest of Guarantor in, under and to the following:

(a) all Purchased Assets, now owned or hereafter acquired and all beneficial interest of Guarantor in any Underlying Assets, including all beneficial ownership interests in Mortgage Notes and Mortgages evidencing Underlying Assets and the related Mortgage Loan Documents, for which a Transaction has been entered into between Buyer and Seller hereunder and for which the Repurchase Price has not been paid in full or a Mortgage-Backed Security has not been issued to Buyer and all Mortgage Loans, including all Mortgage Notes and Mortgages evidencing such Mortgage Loans and the related Mortgage Loan Documents, which, from time to time, are delivered, or caused to be delivered, to Buyer (including

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delivery to a custodian or other third party on behalf of Buyer) as additional security for the performance of Seller's obligations hereunder;

(b) all Purchased Securities now owned or hereafter acquired, that are supported by Underlying Assets, all right to the payment of monies in non-cash distributions on account thereof and all new, substituted and additional securities at any time issued with respect thereto;

(c) all Income relating to the Purchased Assets or Underlying Assets and all rights to receive such Income;

(d) the Custodial Account and all amounts on deposit therein;

(e) all rights of Guarantor under all related Purchase Commitments (including the right to receive the related Takeout Price), purchase agreements or other hedging arrangements, agreements, contracts or take-out commitments relating to or constituting any or all of the foregoing, now existing and hereafter arising, covering any part of the Purchased Assets or Underlying Assets, and all rights to receive documentation relating thereto, and all rights to deliver Underlying Assets and Purchased Securities to permanent investors and other purchasers pursuant thereto and all Proceeds resulting from the disposition of such Purchased Assets;

(f) all now existing and hereafter established accounts maintained with broker-dealers by Guarantor for the purpose of carrying out transactions under Purchase Commitments relating to any part of the Purchased Assets;

(g) all now existing and hereafter arising rights of Guarantor to service, administer and/or collect on the Purchased Assets or Underlying Assets hereunder and any and all rights to the payment of monies on account thereof;

(h) all Servicing Rights related to the Underlying Assets, all related Servicing Records, and all rights of Guarantor to receive from any third party or to take delivery of any Servicing Records or other documents which constitute a part of the Mortgage Loan Files, all rights of Guarantor to receive from any third party or to take delivery of any records or other documents which constitute a part of the Mortgage Loan Files; including, without limitation, the Other Mortgage Loan Documents;

(i) all now existing and hereafter arising accounts, contract rights and general intangibles constituting or relating to any of the Purchased Assets or Underlying Assets;

(j) all mortgage and other insurance and all commitments issued by Insurers, the FHA, the VA or the RD, as applicable, to insure or guaranty any Underlying Asset, including, without limitation, all FHA Mortgage Insurance Contracts, VA Loan Guaranty Agreements and RD Loan Guaranty Agreements relating to such Underlying Assets and the right to receive all insurance proceeds and condemnation awards that may be payable in respect of the premises encumbered by any Mortgage; and all other documents or instruments delivered to Buyer in respect of the Underlying Assets;

(k) all documents, files, surveys, certificates, correspondence, appraisals, computer programs, tapes, discs, cards, accounting records and other information and data of Guarantor relating to Purchased Assets and Underlying Assets;

(l) all rights, but not any obligations or liabilities, of Guarantor with respect to the Approved Investors relating to the Underlying Assets;

(m) all property of Guarantor, in any form or capacity now or at any time hereafter in the possession or control of Buyer, including, without limitation, all deposit accounts and any funds at any time held therein, into which Proceeds of the foregoing Purchased Assets or Underlying Assets are at any time deposited;

(n) all products and Proceeds of the foregoing Purchased Assets and Underlying Assets;

(o) all of such Guarantor's interests in any other assets relating to the Purchased Assets, including the Participation Interests and the Underlying Assets;

(p) the Participation Agreement; and

(q) any funds of Guarantor at any time deposited or held in the Over/Under Account.

**Underwriter Approval:** Written evidence, in form and substance acceptable to Buyer, that an Underlying Asset has been underwritten to the satisfaction of the Approved Investor issuing the applicable Purchase Commitment.

**Uniform Commercial Code:** The Uniform Commercial Code as in effect on the date hereof in the State of New York or the Uniform Commercial Code as in effect in the applicable jurisdiction.

**Unused Facility Fee:** The fee set forth in the Transactions Terms Letter payable by Guild Parties quarterly in arrears on each Payment Date, based upon the unused portion of the Aggregate Transaction Limit; provided, however, that no fee shall be due on a Payment Date if the Used Amount is less than the specified percentage of the Aggregate Transaction Limit that is set forth in the Transactions Terms Letter.

**USDA:** The United States Department of Agriculture.

**Used Amount:** As defined in the Transactions Terms Letter.

**VA:** The Department of Veterans Affairs and any successor thereto.

**VA Loan Guaranty Agreement:** The obligation of the United States to pay a specific percentage of a Mortgage Loan (subject to a maximum amount) upon default of the Mortgagor pursuant to the Servicemen's Readjustment Act, together with all amendments, modifications, supplements and restatements thereto.

**VA Regulations:** Regulations promulgated by the U.S. Department of Veterans Affairs pursuant to the Servicemen's Readjustment Act, as amended, codified in 38 Code of Federal Regulations, and other VA issuances relating to Government Mortgage Loans, including related handbooks, circulars and notices.

**VA Streamline Refinance Mortgage Loan:** A Government Mortgage Loan originated and underwritten in accordance with the "VA Streamline Refinance" program and VA Regulations.

**Warehouse Lender's Release:** A notice substantially in the form of Exhibit Q attached hereto.

**Wet Mortgage Loan:** A Mortgage Loan wherein Buyer purchases a Participation Interest from Seller prior to receipt by Buyer or its Custodian of the related Mortgage Loan Documents, subject to Guild Parties' obligation to deliver the related Mortgage Loan Documents within the applicable Maximum Dwell Time.

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**Wet Mortgage Loans Sublimit:** The maximum aggregate principal amount of Underlying Assets that may be Wet Mortgage Loans at any time, as set forth in the Transactions Terms Letter.



CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

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**AMENDED AND RESTATED**  
**MASTER REPURCHASE AGREEMENT**

among

**The Bank of New York Mellon,**  
as the Agent for the Buyers from time to time party hereto

**the Buyers**  
party hereto

and

**Guild Mortgage Company**

and

**Guild Mortgage Company, LLC**  
as Sellers

**The Bank of New York Mellon**  
Lead Arranger and Sole Bookrunner

Dated as of October 24, 2019

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**SCHEDULES AND EXHIBITS:**

- Schedule I: Approved Investors [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Schedule II: Subsidiaries and Other Investments [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Schedule III: Debt, Contingent Liabilities and Other Liens [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Schedule IV: Authorized Representatives of the Sellers and the Agent [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit A: Form of Transaction Request [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Exhibit B: Form of Opinion [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Exhibit C: Sellers' Tax ID Numbers [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Exhibit D: Underwriting Guidelines [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Exhibit E: Form of Certificate of Sellers and Resolution [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Exhibit F: Compliance Certificate [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Exhibit G: Form of Repurchase Request [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Exhibit H: Form of Servicer Notice [Omitted pursuant to Item 601(a)(5) of Regulation S-K]  
Exhibit I: Form of Servicer Instruction Letter [Omitted pursuant to Item 601(a)(5) of Regulation S-K]

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**AMENDED AND RESTATED**

**MASTER REPURCHASE AGREEMENT**

This is the AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT dated as of October 24, 2019 (the “Agreement Date”), among GUILD MORTGAGE COMPANY, a California corporation (“GMC”) and GUILD MORTGAGE COMPANY, LLC, a Delaware limited liability company (“GMCLLC”); each of GMC and GMCLLC is a “Seller” and are, collectively, the “Sellers”), the Buyers (defined below), and THE BANK OF NEW YORK MELLON (a Buyer, and in its capacity as administrative agent hereunder, the “Agent”).

Section 1.     Applicability.

From time to time, on a committed basis, the parties will enter into transactions in which a Seller agrees to transfer to Agent, for the benefit of Buyers as more particularly set forth in the Administration Agreement, Eligible Assets against the transfer of Buyers’ funds by Agent, acting on their behalf, with the simultaneous agreement of Agent, acting on behalf of Buyers, to transfer such Mortgage Loans and similar types of property to such Seller at a date certain not later than the Termination Date. Each such transaction (a “Transaction”) shall be governed by this Repurchase Agreement unless otherwise agreed in writing.

This Repurchase Agreement amends and restates in its entirety all of the terms of that certain Amended and Restated Master Repurchase Agreement, dated as of October 25, 2018, among the Sellers, the Agent and the institutions who are Buyers thereunder (the “Prior Repurchase Agreement”). On the Effective Date the Transactions under the Prior Repurchase Agreement and all Purchased Assets under the Prior Repurchase Agreement (respectively, the “Prior Transactions” and the “Prior Purchased Assets”) shall be deemed to be Transactions and Purchased Assets, respectively, under and as defined in this Repurchase Agreement, and the terms herein shall be applicable to all Transactions, including, without limitation, the Prior Transactions (including, without limitation, the Pricing Rate provisions applicable to Transactions hereunder).

Section 2.     Definitions.

As used herein, the following terms have the following meanings (all terms defined in this Section 2 or in another provision of this Repurchase Agreement in the singular have the same meanings when used in the plural and vice versa).

“ABR Rate” shall mean for any day, (i) the Alternate Base Rate for such day, plus (ii) the Pricing Spread.

“ABR Transaction” means, for purposes of determining the applicable Pricing Rate, the Purchase Price for Transactions or portions thereof which a Seller has designated in a Pricing Designation to the Agent in accordance with Section 4(a)(i) or 6(b) that the Pricing Rate therefore shall be based on the Alternate Base Rate. If the Sellers have not delivered a Pricing Designation with respect to any Transaction or portion thereof, such Transaction or portions thereof shall be deemed to be an ABR Transaction.

“Accepted Servicing Practices” means, with respect to any Mortgage Loan, those mortgage servicing practices of prudent 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.

“Acquisition” means any transaction, or any series of related transactions, consummated on or after the date of this Agreement, by which a Seller or any of its Subsidiaries (i) acquires any going business or all or substantially all of the assets of any firm, corporation or limited liability company, or division thereof, whether through purchase of assets, merger, payments to individuals (such as sign-on bonuses) or otherwise or (ii) directly or indirectly acquires (in one transaction or as the most recent transaction in a series of transactions) at least a majority (in number of votes) of the securities of a corporation which have ordinary voting power for the election of directors (other than securities having such power only by reason of the happening of a contingency) or a majority (by percentage or voting power) of the outstanding ownership interests of a partnership or limited liability company.

“Additional Documents” is defined in the Custody Agreement (as the documents in respect of each Purchased Asset that are listed on Schedule B to the Custody Agreement.)

“Additional Purchased Assets” is defined in Section 5(a).

“Adjusted Tangible Net Worth” means as of any date of determination, Tangible Net Worth on such date, less (i) MSR on such date, plus (ii) the lesser of (x) MSR on such date, or (y) the Appraised Value on such date, less (iii) real estate owned and advances for real estate owned on the balance sheet of any Seller as of such date, less (iv) Mortgage Loans held for investment, and plus (v) reserves for foreclosures, investment loan losses general loan losses and real estate owned loan losses maintained by the Sellers as of such date (provided that the sum of all such reserves, for purposes of calculating Adjusted Tangible Net Worth, shall not exceed the sum of the amounts in clauses (iii) and (iv)).

“Administration Agreement” means the Amended and Restated Administration Agreement dated as of the Agreement Date, among the Agent, the Buyers and the Sellers, as supplemented, amended or restated from time to time.

“Administrative Fee” is defined in Section 41(b).

“Affiliate” means with respect to any Person, any “affiliate” of such Person, as such term is defined in the Bankruptcy Code. For the avoidance of doubt, “corporation”, as used in the definition of “affiliate” in the Bankruptcy Code, is understood by the parties to include a limited liability company.

“Agency” means FNMA, FHLMC or GNMA as applicable.

“Agent” means BNY Mellon, with its main office in New York, New York, in its capacity as administrative agent and a contractual representative of the Buyers pursuant to the Administration Agreement, and not in its individual capacity as a Buyer, and any successor Agent appointed pursuant to Administration Agreement.

“Agreement Accounting Principles” means GAAP, applied in a manner consistent with that used in preparing the financial statements referred to in Section 12(d). Unless otherwise specified, all accounting terms not specifically defined herein shall be construed in accordance with the Agreement Accounting Principles. All references herein to consolidated and consolidating financial statements shall mean the statements of the Sellers and all consolidated Subsidiaries thereof.

“Alternate Base Rate” means, for any day, a rate of interest per annum equal to the highest of (i) the Prime Rate for such day, (ii) the sum of Federal Funds Effective Rate for such day plus [\*\*\*] per annum, and (iii) the sum of the LIBOR Base Rate on such date plus [\*\*\*] per annum.

“Anti-Corruption Laws” means, with respect to any Person, any Requirement of Law of any jurisdiction concerning or relating to bribery or corruption that is applicable to such Person, including, without limitation, the U.S. Foreign Corrupt Practices Act and the U.K Bribery Act.

“Anti-Terrorism Laws” means any Legal Requirement related to terrorism, anti-terrorism, money laundering or anti-money laundering, including, without limitation, the Patriot Act, The Currency and Foreign Transactions Reporting Act (also known as the Bank Secrecy Act, 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959), the Trading With the Enemy Act (50 U.S.C. § 1 et seq., as amended) and Executive Order No. 13,224, 66 Fed. Reg. 49,079 (2001), the Money Laundering Control Act of 1986 (18 U.S.C. §§ 1956 and 1957), any executive order or other mandate issued by the President of the United States of America (Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or the Anti-Terrorism Order (the “Anti-Terrorism Order”) or any enabling legislation or executive order relating to any of the same.

“Appraised Value” means with respect to servicing rights owned by the Sellers for residential Mortgage Loans at any date, the market value, expressed as a percentage, of the unpaid principal balance of such Mortgage Loans as set forth in the most recent appraisal delivered pursuant to Section 13(b)(xiv); provided, however, that if an appraisal is not delivered as required hereby, the term “Appraised Value” shall mean such market value, expressed as a percentage of the unpaid principal balance, at the time of determination, of such Mortgage Loans, as the Agent shall, in its reasonable business judgment, establish. For purposes of determining Adjusted Tangible Net Worth, the market value percentage for determining such Appraised Value shall never exceed [\*\*\*].

“Approved Closing Agent” means a title agent, escrow agent or correspondent approved by the Sellers to close Mortgage Loans on a Seller’s behalf and who are included in a list of Approved Closing Agents provided to the Agent (title agents or escrow agents of a correspondent must also be included on such list). Sellers shall provide the Approved Closing Agent list to the Agent upon any addition or deletion of an agent to or from the list, and at any other time to the Agent or any Buyer upon the Agent’s or such Buyer’s request.

“Approved Investor” means as of any time, any of the institutions listed on Schedule I attached hereto (including institutions which are Approved Investors for specific types of Mortgage Loans, as set forth on Schedule I) and any other institution in a written request from the Sellers to the Agent and the Buyers and approved in writing by the Agent, such approval not to be unreasonably withheld, conditioned or delayed. Any such institutions listed on Schedule I or previously approved by the Agent may be eliminated as an Approved Investor (or as an Approved Investor of a specific type) by written notice to a Seller from the Agent, which elimination notice shall be given only for reasonable cause or at the election of the Majority Buyers, and in either case any commitments issued by any such formerly-Approved Investor after such elimination shall not constitute Approved Investor Commitments, but commitments of such formerly-Approved Investor existing at the time of such elimination shall continue to be Approved Investor Commitments.

“Approved Investor Commitment” means a commitment, issued by an Approved Investor of the required type, to purchase Mortgage Loans, to exchange Securities for Mortgage Loans or to purchase Securities.

“Asset Type” means an Eligible Conforming Mortgage Loan, an Eligible Conforming Non-Owner Occupied Mortgage Loan, an Eligible Conforming High CLTV Loan, an Eligible Jumbo Mortgage Loan, an Eligible State Bond Loan, an Eligible Down Payment Assistance Loan, an Expanded Guidelines Loan, a Non-Qualified Mortgage Loan, an Eligible Standalone Second Mortgage Loan, or an Eligible Single-Close CTP Mortgage Loan.

“Asset Value” means, with respect to each Asset Type that is an Eligible Asset on any given day, a value equal to the Asset Valuation Amount for each such Eligible Asset, multiplied by the Purchase Price Percentage appurtenant to such Eligible Asset, as follows:

Eligible Asset	Purchase Price Percentage
Eligible Conforming Mortgage Loans not otherwise set forth in this table	[***] ([***] if the same has been a Purchased Asset for more than [***], and [***] if the same has been a Purchased Asset for more than [***])
Eligible Conforming Non-Owner Occupied Loans	[***] ([***] if the same has been a Purchased Asset for more than [***], and [***] if the same has been a Purchased Asset for more than [***])
Eligible Conforming High CLTV Loan	[***] ([***] if the same has been a Purchased Asset for more than [***])
Eligible Jumbo Mortgage Loans up to	[***]



Eligible Asset	Purchase Price Percentage
[***]	([***] if the same has been a Purchased Asset for more than [***])
Eligible Jumbo Mortgage Loans which are Oversize Jumbo Loans over [***], up to [***]	[***] ([***] if the same has been a Purchased Asset for more than [***])
Eligible State Bond Loans	[***] ([***] if the same has been a Purchased Asset for more than [***], and [***] if the same has been a Purchased Asset for more than [***])
Eligible Conforming Mortgage Loans originated under the FNMA Home Affordable Refinance Program, the FHLMC Relief Refinance Program or the FNMA Homepath Mortgage Program	[***] ([***] if the same has been a Purchased Asset for more than [***])
Eligible Down Payment Assistance Loan	[***] ([***] if the same has been a Purchased Asset for more than [***], and 0% if the same has been a Purchased Asset for more than [***])
Expanded Guidelines Loan	[***] ([***] if the same has been a Purchased Asset for more than [***])
Non-Qualified Mortgage Loan	[***] ([***] if the same has been a Purchased Asset for more than [***])
Eligible Standalone Second Mortgage Loan	[***] ([***] if the same has been a Purchased Asset for more than [***])
Eligible Single-Close CTP Mortgage Loan	[***] ([***] if the same has been a Purchased Asset for more than [***])

Ineligible Assets. The Asset Value of a Purchased Asset shall be zero if:

- (i) except as otherwise set forth below in this definition, the Purchased Asset ceases to be an Eligible Asset;
- (ii) the related Mortgage Note has been released from the Custodian's possession, or any other document has been released from its Purchased Asset File (other than to an Approved Investor pursuant to a bailee letter), and any of the following applies: (a) such release has been for more than [\*\*\*]; or (b) the Custodian has not received a trust receipt therefor; or (c) the Asset Value thereof, when combined with the Asset Value of all other such Purchased Assets similarly released under a trust receipt, is more than [\*\*\*];
- (iii) its actual possession has been transferred from the Custodian to an Approved Investor pursuant to a bailee letter and not returned to the Custodian for more than [\*\*\*], or [\*\*\*] for deliveries to such Approved Investors as the Agent may have specifically approved for extended bailee letters, the same to be so identified on the list of Approved Investors); or
- (iv) it is delivered to an Approved Investor under an extended bailee letter permitted pursuant to clause (iii) above at a time when the Asset Value of all Purchased Assets that, at such time, have been transferred from the Custodian to Approved Investors pursuant to such extended bailee letters and not returned to the Custodian, is [\*\*\*] or more of the Maximum Purchase Price; or
- (v) the Agent has determined (which determination shall be made in a commercially reasonable manner) that the Purchased Asset is not eligible for whole loan sale or securitization in a transaction consistent with the prevailing sale and securitization industry for assets of substantially the same type as the Purchased Assets (including Sellers' prior completed securitization transactions).

Transactions relating to certain types of Purchased Assets shall be subject to the following limits:

Wet Loans: With respect to Wet Loans, during the days of each calendar month shown in the first column below, the aggregate Asset Value of all Mortgage Loans that are Wet Loans shall not exceed the percentage of the Maximum Purchase Price shown in the same row of the second column:

<b>During these days each month</b>	<b>Wet Loans' maximum percentage of Maximum Purchase Price</b>
first [***] and last [***]	[***]%
any other day	[***]%

Sublimits:

(a) Transaction Period Sublimits. (i) the Asset Value of all Eligible Assets which have been Purchased Assets for more than [\*\*\*], but not more than [\*\*\*] (and which otherwise continue to be Eligible Assets during such period), shall not exceed [\*\*\*]% of the Maximum Purchase Price, and (ii) the Asset Value of all Eligible Assets which have been Purchased Assets for more than [\*\*\*] days, but not more than [\*\*\*] days (and which otherwise continue to be Eligible Assets during such period), shall not exceed [\*\*\*]% of the Maximum Purchase Price.

(b) Asset Type Sublimits. The aggregate Asset Value of all Purchased Assets that are of the type or grouping described in the first column below shall not exceed the percentage of the Maximum Purchase Price in the same row of the second column below (Purchased Assets that are within more than one Maximum Purchase Price percentage or “sublimit” below shall be included in each applicable sublimit in determining the remaining Asset Value under each sublimit):

Type or types of Purchased Assets	Maximum Percentage of the Maximum Purchase Price
Eligible Conforming Mortgage Loans	[***]%
Eligible Conforming Non-Owner Occupied Mortgage Loans	[***]%
Eligible Conforming High CLTV Loan	[***]%
Eligible Jumbo Mortgage Loans, including Oversize Jumbo Loans (combined)	[***]% (Subject to Cumulative Sublimit)
Oversize Jumbo Loans	[***]% (Subject to Cumulative Sublimit)

Eligible State Bond Loans	[***]% (Subject to Cumulative Sublimit)
<i>Eligible State Bond High CLTV Loans</i>	[***]% <i>(Sublimit for those originated under the Rural Housing Loan Program – this sublimit is included in the [***] Maximum Purchase Price Sublimit for Eligible State Bond Loans)</i> (Subject to Cumulative Sublimit)
	[***]% <i>(Sublimit for those not originated under the Rural Housing Loan Program – this sublimit is included in the [***] Maximum Purchase Price Sublimit for Eligible State Bond Loans)</i> (Subject to Cumulative Sublimit)
Eligible Conforming Mortgage Loans originated under the FNMA Home Affordable Refinance Program, the FHLMC Relief Refinance Program, or the FNMA Homepath Mortgage Program	[***]% (Subject to Cumulative Sublimit)
Eligible Downpayment Assistance Loan	[***]% (Subject to Cumulative Sublimit)
Expanded Guidelines Loan	[***]% (Subject to Cumulative Sublimit)
Non-Qualified Mortgage Loan	[***]% (Subject to Cumulative Sublimit)
Eligible Standalone Second Mortgage Loan	[***]% (Subject to Cumulative Sublimit)
Eligible Single-close CTP Mortgage Loan	[***]% (Subject to Cumulative Sublimit)

Cumulative Sublimit. With respect to the types of Purchased Assets in the table above that are “Subject to Cumulative Sublimit” the maximum percentage of the Maximum Purchase Price for such types of Purchased Assets on a combined basis for all such types of Purchased Assets shall not be more than [\*\*\*]%.

Notwithstanding anything in this Agreement to the contrary, the Agent in its sole discretion may approve Transactions which are not in strict compliance with the eligibility or sublimit requirements regarding qualification of a Purchased Asset as an Eligible Asset as follows: (i) with respect to any Purchased Asset that fails or ceases to satisfy any eligibility or sublimit requirement for any reason, the Agent may waive such eligibility or sublimit requirement for such Purchased Asset and apply the Asset Value otherwise applicable to such Purchased Asset (had such Purchased Asset satisfied all such eligibility and sublimit requirements) as determined by the Agent, provided that the aggregate Asset Value of all such Purchased Assets for which the Agent provides such waivers shall not exceed [\*\*\*]; and (ii) with respect to any Purchased Asset, if the satisfaction of eligibility or sublimit requirements cannot be independently determined because of events beyond the reasonable control of the Sellers (i.e. natural disasters, transmission failures, etc.), the Agent may waive strict compliance with such eligibility or sublimit requirements in any amount for periods up to [\*\*\*], provided that, if such determination cannot be made after the [\*\*\*], the Sellers must certify in writing that all such eligibility requirements and limits are in fact satisfied.

“Asset Valuation Amount” means, with respect to each Mortgage Loan that is an Eligible Asset, a value determined as follows: each Mortgage Loan shall be valued at the lowest of (A) the unpaid principal balance of such Mortgage Loan on its Purchase Date, or (B) the net acquisition cost (including any discounts and excluding any servicing released premium) of such Mortgage Loan, if acquired by a Seller, or (C) the weighted average purchase price (expressed as a percentage of par) committed to under those Approved Investor Commitments which could cover such Purchased Asset applied to the unpaid principal balance of such Purchased Asset as of its Purchase Date or (D) market value, as determined by the Agent (in cooperation with the Custodian), based upon whole loan prices currently available, as and when the Agent, in its sole discretion (with no requirement to do so), chooses to calculate market value. The values described in (A), (B) and (C) of the preceding sentence shall be as determined by the Sellers as of the Purchase Date (or other applicable date) of the applicable Purchased Asset and reported to the Custodian.

In any determination of “market value” of any of the Eligible Asset types listed in clause (D) above, the Agent or the Custodian may, at the Sellers’ expense, obtain third party market pricing information from companies specializing in providing market valuations for such types of mortgage loans.

“Assignment and Acceptance” is defined in Section 24.

“Assignment of Mortgage” means, with respect to any Mortgage, an assignment of the Mortgage, notice of transfer or equivalent instrument in recordable form, sufficient under the

Laws of the jurisdiction wherein the related Mortgaged Property is located to reflect the assignment of the Mortgage to the Agent or the Custodian, as its agent.

“Available Commitment” shall have the meaning specified in the Administration Agreement.

“Available Deposits” means the sum of those free collected balances maintained in accounts in the name of any Seller (or held by a Seller in trust for third parties) with a Buyer (after deducting float and balances required by such Buyer under its normal practices to compensate such Buyer for the maintenance of such accounts and taking into consideration reserve requirements applicable to such accounts) and which balances are not included in determining “Available Deposits” under any other arrangements between such Buyer and a Seller.

“Available Purchase Price” means, for any day, the Maximum Purchase Price minus the Purchase Price outstanding on that day.

“Bankruptcy Code” means the United States Bankruptcy Code of 1978, as amended from time to time.

“Basic Eligibility Requirements” means, with respect to each Seller, a Mortgage Loan with respect to which each of the following statements is accurate and complete:

(i) Such Seller is the legal and equitable owner and holder of such Mortgage Loan, the Mortgage Note evidencing such Mortgage Loan, the Mortgage securing such Mortgage Note and the other Purchased Asset Documents and has full power and authority to sell such Mortgage Loan, Mortgage, Mortgage Note and other Purchased Asset Documents in a Transaction. Such Mortgage Loan and each commitment of a Person to purchase Mortgage Loans and Securities from such Seller (including Approved Investor Commitments) has been duly and validly issued to such Seller, and each Mortgage Loan is subject to no Liens except as may be granted pursuant to the Repurchase Documents.

(ii) Each requirement 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 such Mortgage Loan has been complied with.

(iii) With respect to each Mortgage Loan of a Seller which is the subject of a Transaction:

A. the Purchased Asset Documents with respect to such Mortgage Loan (other than a Wet Loan) have been duly executed and delivered by the parties thereto at a closing,

B. said Purchased Asset Documents are valid and enforceable in accordance with their terms, without defense or offset, subject to bankruptcy and

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similar laws and other general restrictions on creditors' rights and equitable principles (whether raised in an equity proceeding or an action at law),

C. the Mortgaged Property is free and clear of all Liens subject only to (a) the Lien of current real property taxes and assessments not yet due and payable; (b) covenants, conditions and restrictions, rights of way, easements and other matters of the public record, as of the date of recording, as are acceptable to mortgage lending institutions generally and specifically referred to in a lender's title insurance policy delivered to the originator of such Mortgage Loan and (i) referred to or otherwise considered in the appraisal made for the originator of such Mortgage Loan or (ii) which do not materially adversely affect the appraised value of such property as set forth in such appraisal; (c) the Mortgage that is the subject of any Transaction, (d) any first or second Mortgage on the Mortgaged Property contemplated in any Eligible Asset, and (e) 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 such Purchased Asset Documents or the use, enjoyment, value or marketability of the related property,

D. such Mortgage Loan is covered by, and is in compliance with, the terms of the relevant Approved Investor Commitment,

E. with respect to such Mortgage Loan (x) the legal description in the Purchased Asset Documents with respect thereto shall be as shown by a survey in the Sellers' possession or as shown on a recorded plat referred to in the description contained in the Mortgage, and (y) the Sellers will have a title insurance policy or binder, in American Land Title Association form, from a recognized title insurance company, insuring the priority of such valid first lien (or second lien, in the case of Standalone Second Mortgage Loans) and meeting the usual requirements of institutional purchasers of Mortgage Loans or of securities in respect thereof,

F. at the time of delivery of the Required Purchased Asset Documents to the Custodian, the Sellers will have received with respect to such Mortgage Loan a policy, or other satisfactory evidence, of flood insurance, fire and casualty insurance in accordance with applicable law, with the local equivalent of the standard New York mortgagee clause and the applicable regulations of the Federal Insurance Administration of the Department of Housing and Urban Development, unless, as to flood insurance, the Sellers will have received satisfactory documentation to demonstrate that the mortgaged premises are not located in a special flood hazard area as determined by such agency. Such documentation will be retained in the Sellers' files relating to such Mortgage Loan,

G. it has been correctly described in the Transaction Request submitted to the Custodian in respect of such Mortgage Loan,

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H. it has been fully funded to the mortgagor or to an escrow or closing agent by wire transfer, transmittal through an "Automated Clearing House" or any similar clearing house for interbank transfers of funds, cashier's check or a check written against the Sellers' controlled disbursement account with the Agent, which has been identified as a check in the related Transaction Request and for which the Agent has notified the Custodian that such check has been presented for payment and that good funds are available to fund the controlled disbursement account to cover such check,

I. the Custodian has in its possession (other than with respect to Wet Loans) all Required Purchased Asset Documents other than those documents and instruments which are in the possession of the Sellers pursuant to a trust receipt or in the possession of a Person to whom delivery was made pursuant to a bailee letter,

J. the Mortgage has been or will be promptly duly recorded where necessary and complies with all applicable state or local recording, registration and filing laws and regulations,

K. there are no defenses, counterclaims or offsets of any nature whatsoever with respect to such Mortgage Loan or the indebtedness evidenced and secured thereby or with respect to any Required Mortgage Document and such Mortgage Loan is otherwise free of default, and, other than the related Required Purchased Asset Documents and Additional Required Purchased Asset Documents, there are no instruments or documents evidencing, securing or guaranteeing payment of the indebtedness constituting such Mortgage Loan,

L. (a) with respect to Mortgage Loans other than MERS Mortgage Loans, each Assignment of Mortgage (i) has been duly authorized by all necessary corporate action by the Sellers, duly executed and delivered by the Sellers and is the legal, valid and binding obligation of the Sellers enforceable in accordance with its terms, subject to bankruptcy and similar laws and other general restrictions on creditors' rights and equitable principles, and (ii) complies with all applicable laws including all applicable recording, filing and registration laws and regulations and is adequate and legally sufficient for the purpose intended to be accomplished thereby, including, without limitation, the assignment of the rights, powers and benefits of a Seller as mortgagee, and (b) with respect to MERS Mortgage Loans, the interest of the Custodian and the Buyers in such Mortgages has been registered on the MERS System,

M. such Seller has complied with all applicable laws, rules and regulations in respect of such Purchased Asset if it is insured by FHA or guaranteed by VA and the related insurance or guarantee is in full force and effect. Such Purchased Asset complies in all respects with all applicable requirements for purchase under the GNMA standard form of selling contract for FHA insured and VA guaranteed loans and any supplement thereto then in effect,



N. such Seller has received an appraisal (but only if an appraisal is required pursuant to the applicable Underwriting and Acquisition Guidelines relating to such Mortgage Loan or is required by an applicable Approved Investor) on the property underlying such Purchased Asset, which appraisal is in conformity with the applicable requirements of any law or any governmental rule, regulation, policy, guideline or directive (whether or not having the force of law), or any interpretation thereof, including, without limitation, the provisions of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, as amended, reformed or otherwise modified from time to time, and any rules promulgated to implement such provisions,

O. all fire and casualty policies covering the premises encumbered by such Purchased Asset (a) name such Seller as the insured under a standard mortgagee clause not less favorable in coverage to the mortgagee than is customarily used in the state where such premises is located, (b) are in full force and effect, and (c) afford insurance against fire and such other risks as are usually insured against in the broad form of extended coverage insurance from time to time available, as well as insurance against flood hazards as required by FHA or VA,

P. with respect to MERS Mortgage Loans of a Seller, (i) such Seller is in full compliance with all terms and conditions of membership in MERS, including the MERSCORP, Inc. "Rules of Membership" most recently promulgated by MERSCORP, Inc., the "MERS Procedures Manual" most recently promulgated by MERS, and any and all other guidelines or requirements set forth by MERS or MERSCORP, as each of the foregoing may be modified from time to time, including, but in no way limited to compliance with guidelines and procedures set forth with respect to technological capabilities, drafting and recordation of Mortgages, registration of Mortgages on the MERS System, including registration of the interest of the Custodian and the Buyers in such Mortgages and membership requirements, and (ii) such Seller employs officers who have the authority, pursuant to a corporate resolution from MERS, to execute assignments of mortgage in the name of MERS for its own account, and pursuant to the MERS Affiliate Agreement, for its account, in the event de-registration from the MERS System is necessary or desirable,

Q. All Mortgage Loans that are the subject of a Transaction must be first-lien priority Mortgage Loans (except for Standalone Second Mortgage Loans, which must be at least a second-priority Mortgage Loan),

R. All Mortgage Loans that are the subject of a Transaction have closed through an Approved Closing Agent,

S. Such Seller owns all right, title and interest in and to the servicing rights related to such Mortgage Loan, and

(iv) With respect to each Mortgage Loan of a Seller which is the subject of a Transaction, there shall be no breach by a Seller of any of the following covenants (the sole remedy for which shall be the removal of such Mortgage Loan as Eligible Asset):

A. No Seller shall (a) amend or modify, or waive any of the terms and conditions of, or settle or compromise any claim in respect of, any Mortgage Loan or any rights related to any of the foregoing, if such amendment, modification or waiver materially and adversely affects the Asset Value of such Mortgage Loan, or impairs the marketability of such Mortgage Loan or (b) release any security or obligor, or, through any other activity or inactivity, cause any Mortgage Loan which shall have been eligible for purchase to become ineligible for purchase in accordance with the Approved Investor Commitment related to such Mortgage Loan.

B. No Seller shall sell, assign, transfer or otherwise dispose of, or grant any option with respect to, or pledge or otherwise encumber, any of the Purchased Asset Documents or any interest therein, except as permitted by any of the Repurchase Documents with respect to repurchases by the Sellers of Mortgage Loans.

C. Each Seller shall hold all escrow funds collected in respect of the Mortgage Loan in trust, without commingling the same with any other funds, and apply the same for the purposes for which such funds were collected provided that such obligation with respect to the Mortgage Loan shall not arise until [\*\*\*] after the origination or acquisition of the applicable Mortgage Loan.

D. Each Seller shall observe and perform all of its obligations in connection with each Approved Investor Commitment related to the Mortgage Loan. Within forty-eight (48) hours after a request therefor by the Agent or the Custodian, a copy of each Approved Investor Commitment certified by the Sellers or, if requested by the Agent or the Custodian at any time after a Default has occurred, the originals or an electronic version of such Approved Investor Commitments shall be delivered to the Agent.

E. Each Seller shall promptly notify the Agent and the Custodian if and when the Sellers receive any prepayment (which term excludes the principal portion of scheduled monthly payments made on a Mortgage Loan) arising from or relating to the Mortgage Loan and hold the same in trust, as security for the Obligations, until such Mortgage Loan is no longer included in any determination of Asset Value or, if a Default has occurred and is continuing, then immediately remit to the Agent such prepayments (and all interest and earnings thereon or with respect thereto).

“BNY Mellon” means The Bank of New York Mellon.

“Business Day” means (i) with respect to any borrowing, payment or rate selection of Eurodollar Transactions (and if applicable, LIBOR Transactions), any day, on which interbank

wire transfers can be made on the Fedwire system and on which trading is carried on in the London Interbank Market for Dollar deposits except (x) a Saturday or a Sunday, or (y) any day which in New York City, New York or the State of California shall be a legal holiday or a day on which banking institutions are authorized or required by law or other government action to be closed, and (ii) for all other purposes, any day on which interbank wire transfers can be made on the Fedwire system, except (x) a Saturday or a Sunday, or (y) any day which in New York City, New York or the State of California shall be a legal holiday or a day on which banking institutions are authorized or required by law or other government action to be closed.

“Buy-Down Agreement” means a written agreement between a Seller and a Buyer setting forth the terms and conditions under which such Buyer has agreed to a reduced pricing rate on account of LIBOR Transactions outstanding hereunder based upon Available Deposits maintained by such Seller with such Buyer.

“Buy-Down Buyer” is defined in Section 6(c).

“Buy-Down Rate” means a rate per annum equal to [\*\*\*]%.

“Buyers” means The Bank of New York Mellon and the other Buyers party hereto from time to time, and their respective successors in interest and assigns.

“Capitalized Lease” of a Person means any lease of Property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

“Capita] Lease Obligations” means, for any Person, all obligations of that Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) Property, to the extent such obligations are required by GAAP to be classified and accounted for as a capital lease on that Person’s balance sheet, and, for purposes of this Repurchase Agreement, the amount of those obligations shall be their capitalized amount, as determined in accordance with GAAP.

“Cash Equivalent Investments” means (i) short-term obligations of, or fully guaranteed by, the United States of America, (ii) commercial paper rated A-1 or better by S&P or P-1 or better by Moody’s, (iii) demand deposit accounts maintained in the ordinary course of business, and (iv) certificates of deposit issued by and time deposits with commercial banks (whether domestic or foreign) having capital and surplus in excess of [\*\*\*]; provided in each case that the same provides for payment of both principal and interest (and not principal alone or interest alone) and is not subject to any contingency regarding the payment of principal or interest.

“Ceiling Rate” means, on any day, the maximum nonusurious rate of interest permitted for that day by whichever of applicable federal or New York law permits the higher interest rate, stated as a rate per annum.

“Change of Control” means the acquisition by any Person, or two or more Persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Exchange) of outstanding shares of voting stock or other

indicia of ownership of any Seller at any time if after giving effect to such acquisition such Person or Persons owns fifty percent (50%) or more of such outstanding voting stock or other indicia of ownership of such Seller, unless such Person or Persons immediately prior to such acquisition, already owned [\*\*\*] of such outstanding voting stock or other indicia of ownership of such Seller.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Collection Account” means account no. [\*\*\*], a blocked Seller’s account (under the sole dominion and control of the Agent) with BNY Mellon, or such other account (or accounts) with BNY Mellon as the Agent shall from time to time designate by written notice to the Sellers, into which all Income shall be deposited following any Event of Default.

“Commitment” is defined in the Administration Agreement.

“Conforming Mortgage Loan” means a first priority Single-family Mortgage Loan (other than a Conforming Non-Owner Occupied Mortgage Loan) which (i) either is insured by the FHA or guaranteed by the VA or which fully conforms to all underwriting and other requirements for sale to FNMA, FHLMC or GNMA, (ii) if said Mortgage Loan has a loan-to-value which is greater than [\*\*\*], and is not subject to a commitment by the VA or FHA to guarantee or insure repayment thereof then said Mortgage Loan is either (x) covered by a policy of mortgage insurance acceptable to the applicable Agency and the Agent or (y) originated under either the FNMA Homepath Mortgage Program or the FNMA Home Affordable Refinance Program (as set out in the FNMA Selling Guide - Announcement 9-04 dated March 4, 2009 as amended from time to time) or the Freddie Mac Relief Refinance Program as set out in Chapter A24 of the Freddie Mac Single Family Seller/Servicer Guide, (iii) if the Mortgage Loan is originated under the FNMA Home Affordable Refinance Program it had a loan-to-value which did not exceed [\*\*\*] (including any subordinate financing - commonly known as a CLTV), except that if such FNMA Home Affordable Refinance Program Mortgage Loan is a refinance of a Mortgage Loan held by a Seller (i.e. so-called “DU Refi Plus – same servicer”), such loan-to-value and CLTV requirement is not applicable, (iv) if the Mortgage Loan is originated under the Freddie Mac Relief Refinance Program, it had a loan-to-value and a CLTV which did not exceed [\*\*\*], and (v) if the Mortgage Loan is originated under the FNMA Homepath Mortgage Program, it had a loan to value which did not exceed [\*\*\*], and a CLTV which did not exceed [\*\*\*].

“Conforming Non-Owner Occupied Mortgage Loan” means a first priority Single-family Mortgage Loan on a property other than the Mortgagor’s primary residence which (i) fully conforms to all underwriting and other requirements for sale to FNMA or FHLMC, (ii) if said Mortgage Loan has a loan-to-value which is greater than [\*\*\*], and is not subject to a commitment by the VA or FHA to guarantee or insure repayment thereof then said Mortgage Loan is either (x) covered by a policy of mortgage insurance acceptable to the applicable Agency and the Agent or (y) originated under either the FNMA Homepath Mortgage Program or the FNMA Home Affordable Refinance Program (as set out in the FNMA Selling Guide - Announcement 9-04 dated March 4, 2009 as amended from time to time) or the Freddie Mac Relief Refinance Program as set out in Chapter A24 of the Freddie Mac Single Family

Seller/Servicer Guide, (iii) if the Mortgage Loan is originated under the FNMA Home Affordable Refinance Program it had a loan-to-value which did not exceed [\*\*\*] (including any subordinate financing - commonly known as a CLTV), except that if such FNMA Home Affordable Refinance Program Mortgage Loan is a refinance of a Mortgage Loan held by a Seller (i.e. so-called "DU Refi Plus – same servicer"), such loan-to-value and CLTV requirement is not applicable (iv) if the Mortgage Loan is originated under the Freddie Mac Relief Refinance Program, it had a loan-to-value and a CLTV which did not exceed [\*\*\*], and (v) if the Mortgage Loan is originated under the FNMA Homepath Mortgage Program, it had a loan to value which did not exceed [\*\*\*], and a CLTV which did not exceed [\*\*\*].

"Contingent Obligation" of a Person means any agreement, undertaking or arrangement by which such Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes or is contingently liable upon, the obligation or liability of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person, or otherwise assures any creditor of such other Person against loss, including, without limitation, any comfort letter, operating agreement, take-or-pay contract or the obligations of any such Person as general partner of a partnership with respect to the liabilities of such partnership.

"Controlled Group" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the Sellers or any of their Subsidiaries, are treated as a single employer under Section 414 of the Code.

"Custodian" means The Bank of New York Mellon Trust Company, N.A. and any successor under the Custody Agreement.

"Custody Agreement" means the Custody Agreement dated December 27, 2007 among the Sellers, the Agent and The Bank of New York (predecessor to the Custodian), as amended or restated from time to time.

"Debt" means, with respect to any Person, on any day, the sum of the following (without duplication):

(a) all obligations created or issued by a Person for borrowed money (whether by loan, the issuance and sale of debt securities or the sale of Property to another Person subject to an understanding or agreement, contingent or otherwise, to repurchase such Property from such Person);

(b) obligations of such Person to pay the deferred purchase or acquisition price of Property or services, other than trade accounts payable (other than for borrowed money) arising, and accrued expenses incurred, in the ordinary course of business so long as such trade accounts payable are payable and paid within ninety (90) days of the date the related invoice is received for the respective goods delivered or the respective services rendered;

(c) indebtedness of others secured by a lien on the Property of such Person, whether or not the respective indebtedness so secured has been assumed by such Person;

(d) obligations (contingent or otherwise) of such Person in respect of letters of credit or similar instruments issued for account of such Person;

(e) Capital Lease Obligations of such Person;

(f) obligations of such Person under residential mortgage loan repurchase agreements or like arrangements (exclusive of indemnification or contingent purchase agreements with Approved Investors which in either case could require the repurchase of Mortgage Loans under certain circumstances);

(g) indebtedness of others Guaranteed on a recourse basis by such Person;

(h) all obligations of such Person incurred in connection with the acquisition or carrying of fixed assets by such Person;

(i) indebtedness of general partnerships of which such Person is a general partner; and

(j) any Guarantees or contingent liabilities of such Person for any of the indebtedness described in clauses (a) through (i) above.

“Default” means an Event of Default or an event that with notice, the lapse of time or both would become an Event of Default.

“Defaulting Party” is defined in Section 31(b).

“Dollars” and “\$” means lawful money of the United States of America.

“Down Payment Assistance Loan” means a first Mortgage Loan under a FNMA, FHLMC, FHA or VA loan program which would be a Conforming Mortgage Loan except that the loan to value ratio exceeds the loan to value ratio permitted for a Conforming Mortgage Loan, pursuant to which the Mortgagor receives assistance from a local authority or any other organization for the down-payment or closing costs, usually in the form of a second mortgage that is funded at closing (either by a Seller out of its own cash, or table funded by the provider).

“Due Diligence Costs” is defined in Section 32.

“Effective Date” means the date when the conditions precedent set forth in Section 3(b) have been satisfied.

“Electronic Tracking Agreement” means an Electronic Tracking Agreement among the Agent, GMC, MERS and MERSCORP, Inc., as supplemented, amended or restated from time to time.

“Eligible Asset” means, as of any date, an Asset Type, which:

- (i) meets the Basic Eligibility Requirements and which is a Residential Mortgage Loan;
- (ii) has no monthly installment of principal and/or interest which is more than 29 days past due;
- (iii) has a note date not more than [\*\*\*] or more prior to its Purchase Date;

(iv) if it is a Wet Loan, the Seller thereof expects such Wet Loan to close on the Purchase Date and become a valid lien securing actual indebtedness by funding to the order of the mortgagor thereunder, has not learned of any information to the contrary and has not received any returned proceeds of such Wet Loan from the escrow or closing agent for such Wet Loan;

- (v) if subject to a bailee letter or trust receipt and if said Purchased Asset was:

A. withdrawn by a Seller for purposes of correcting clerical or other non-substantive documentation problems: (i) the promissory note and other documents relating to said Purchased Asset were returned to the Custodian within [\*\*\*] from the date of withdrawal, (ii) said Purchased Asset was released to a Seller pursuant to a trust receipt and (iii) the Asset Value of said Purchased Assets when added to the Asset Value of all other Purchased Assets which have been similarly released to the Sellers does not exceed [\*\*\*];

B. shipped by the Custodian directly to an Approved Investor for “whole loan” purchase, or for purposes of formation of a pool supporting a Security, in either case pursuant to a bailee letter, and the full purchase price therefor has been paid pursuant to Section 4(b) (or said Purchased Asset has been returned to the Custodian) within the time limit for such bailments set forth in the “*ineligible asset*” section of the definition of “Asset Value”; or

D. not previously included in a determination of Asset Value, then shipped to an investor and returned, for whatever reason, to the Custodian; and

- (vi) is a Qualified Mortgage Loan.

“Eligible Conforming High CLTV Loan” means an Eligible Conforming Mortgage Loan except that (i) the loan to value ratio may be (A) up to [\*\*\*], and (B) up to [\*\*\*] when taking into account an existing second mortgage, and (ii) is originated for purposes of re-financing a loan serviced by a Seller as of the Effective Date.

“Eligible Conforming Mortgage Loan” means an Eligible Asset which: (i) is either a Conforming Mortgage Loan or a Conforming Non-Owner Occupied Mortgage Loan; and (ii) is subject to an Approved Investor Commitment.

“Eligible Conforming Non-Owner Occupied Mortgage Loan” means an Eligible Asset which: (i) is a Conforming Non-Owner Occupied Mortgage Loan; and (ii) is subject to an Approved Investor Commitment.

“Eligible Down Payment Assistance Loan” means an Eligible Asset which is a Down Payment Assistance Loan that (i) has a loan to value ratio when combined with any related second mortgage loan of more than [\*\*\*] but less than or equal to [\*\*\*], and (ii) a loan to value ratio of [\*\*\*] or less (up to [\*\*\*] if, with respect to a VA or FHA Mortgage Loan, the mortgage insurance premium and/or HUD REO closing costs are included in the principal amount of such Mortgage Loan).

“Eligible Jumbo Mortgage Loan” means an Eligible Asset which: (i) is a Jumbo Mortgage Loan; (ii) meets the parameters for purchase of either (A) at least two Approved Investors identified on Schedule I as an Approved Jumbo Loan Investor or (B) a Jumbo Loan High LTV Purchaser; (iii) notwithstanding clause (ii), in the case of an Oversize Jumbo Loan, there shall be an Approved Investor Commitment specifically covering such Mortgage Loan; (iv) is made to an obligor with a FICO Score of not less than [\*\*\*] (or not less than [\*\*\*] if the loan has a loan to value ratio of [\*\*\*] or less); and (v) has a loan to value of [\*\*\*] (a [\*\*\*] LTV where the Approved Investor is a Jumbo Loan High LTV Purchaser) or less.

“Eligible Single-Close CTP Mortgage Loan” means an Eligible Asset which (i) is a Single-Close CTP Mortgage Loan, (ii) has an original principal balance that does not exceed the applicable FNMA or FHLMC Guidelines, (iii) has a loan to value conforming to the applicable FNMA or FHLMC guidelines (provided that the LTV must not exceed [\*\*\*] on second homes or [\*\*\*] on single unit investor properties), (iv) includes a maximum [\*\*\*] contingency reserve for change orders, and (v) is not a condominium, cooperative or seasonal property.

“Eligible Standalone Second Mortgage Loan” means an Eligible Asset which (i) is a Standalone Second Mortgage Loan, (ii) is made to an obligor having a FICO Score of not less than [\*\*\*], (iii) for which the combined loan to value of such Mortgage Loan and the first priority Mortgage Loan on the same property does not exceed [\*\*\*], and (iv) is subject to an Approved Investor Commitment.

“Eligible State Bond Loan” means an Eligible Asset which (i) is originated under the Underwriting and Acquisition Guidelines of a state bond Approved Investor or the Rural Housing Loan Program, and (ii) has a loan-to-value ratio that is not greater than [\*\*\*] (up to [\*\*\*] if, with respect to a VA or FHA Mortgage Loan or the Rural Housing Loan Program, the mortgage insurance premium is included in the principal amount of such Mortgage Loan).

“Eligible State Bond High CLTV Loan” means an Eligible Asset which is otherwise an Eligible State Bond Loan, where the loan-to-value ratio (taking into account all Mortgages encumbering the subject Single-family residence) is not greater than [\*\*\*].

“Embargoed Person” has the meaning ascribed to such term in Section 12(ff).

“Employee Benefit Plan” shall mean any employee benefit plan, program, arrangement, practice or contract, maintained by or on behalf of Borrower or an ERISA Affiliate, which provides benefits or compensation to or on behalf of employees or former employees, whether



formal or informal, whether or not written, including but not limited to the following types of plans:

(1) Executive Arrangements - any bonus, incentive compensation, stock option, deferred compensation, commission, severance, "golden parachute", "rabbi trust", or other executive compensation plan, program, contract, arrangement or practice;

(2) ERISA Plans - any "employee benefit plan" as defined in Section 3(3) of ERISA), including, but not limited to, any defined benefit pension plan, profit sharing plan, money purchase pension plan, savings or thrift plan, stock bonus plan, employee stock ownership plan, Multiemployer Plan, or any plan, fund, program, arrangement or practice providing for medical (including post-retirement medical), hospitalization, accident, sickness, disability, or life insurance benefits;

(3) Other Employee Fringe Benefits - any stock purchase, vacation, scholarship, day care, prepaid legal services, severance pay or other fringe benefit plan, program, arrangement, contract or practice.

"Environmental Laws" means any and all federal, state, local and foreign statutes, laws, judicial decisions, regulations, ordinances, rules, judgments, orders, decrees, plans, injunctions, permits, concessions, grants, franchises, licenses, agreements and other governmental restrictions relating to (i) the protection of the environment, (ii) the effect of the environment on human health, (iii) emissions, discharges or releases of pollutants, contaminants, hazardous substances or wastes into surface water, ground water or land, or (iv) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances or wastes or the clean-up or other remediation thereof.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time and any successor Law, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" means any Person that is a member of any group of the organizations or which such Person is a member that are (i) described in Section 414(b) or (c) of the Code, or (ii) solely for purposes of potential liability under Section 302(c)(11) of ERISA and Section 412(c)(11) of the Code and the lien created under Section 302(f) of ERISA and Section 412(n) of the Code, described in Section 414(m) or (o) of the Code.

"Eurodollar Base Rate" shall mean, with respect to any Eurodollar Transaction, a rate of interest per annum, as determined by the Agent, obtained by dividing:

(a) the Eurodollar Benchmark Rate on the day that is two Business Days prior to the first day of the applicable Interest Period, by

(b) a number equal to 1.00 minus the Reserve Percentage.

"Eurodollar Benchmark Rate" means, with respect to any Eurodollar Transaction for any Interest Period, the rate per annum equal to the ICE Benchmark Administration Limited LIBOR Rate (or such successor thereto if the ICE Benchmark Administration Limited is no longer

making such a rate available) appearing on the applicable Bloomberg screen (or other commercially available source as designated by the Agent from time to time for purposes of providing quotations of interest rates applicable to Dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period, as the rate for Dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the “Eurodollar Benchmark Rate” with respect to such Eurodollar Transaction for such Interest Period shall be the rate at which Dollar deposits for a maturity comparable to such Interest Period of [\*\*\*] are offered by the principal London office of the Person serving as Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period. In no event shall the Eurodollar Benchmark Rate ever be less than zero.

“Eurodollar Rate” means, with respect to a Eurodollar Transaction for the relevant Interest Period, the sum of the Eurodollar Base Rate applicable to such Interest Period and the Pricing Spread.

“Eurodollar Transaction” means, for purposes of determining the applicable Pricing Rate, the Purchase Price for Transactions or portions thereof which a Seller has designated in a Pricing Designation to the Agent in accordance with Section 4(a)(i) or 6(b) that the Pricing Rate therefore shall be based on the Eurodollar Rate.

“Event of Default” is defined in Section 14.

“Event of Insolvency” means, for any Person:

(a) that such Person or any Subsidiary shall have discontinued or abandoned operation of its business (unless, in the case of a Subsidiary, such business shall have been transferred to, and is being continued by, such Person or another Subsidiary of such Person);

(b) that such Person or any Subsidiary shall (i) fail generally to, (ii) admit to the Agent or any Buyer its inability to or (iii) publicly admit in writing its inability to, pay its debts as they become due;

(c) a proceeding shall have been instituted in a court having jurisdiction in the premises seeking a decree or order for relief in respect of such Person or any Subsidiary in an involuntary case under any applicable bankruptcy, insolvency, liquidation, reorganization or other similar law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of such Person or any Subsidiary, or for any substantial part of its property, or for the winding-up or liquidation of its affairs and such proceeding shall not have been dismissed within sixty (60) calendar days of its filing;

(d) that such Person or any Subsidiary shall have commenced a voluntary case under any applicable bankruptcy, insolvency or other similar Law now or hereafter in effect, or such Person’s or any Subsidiary’s consent to the entry of an order for relief in an involuntary case under any such Law, or consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of such

Person, or for any substantial part of its property, or any general assignment for the benefit of creditors;

(e) that such Person or any Subsidiary shall become insolvent (unless, in the case of a Subsidiary, such Subsidiary's business shall have been transferred to, and is being continued by, such Person or another Subsidiary of such Person); or

(f) if such Person or any Subsidiary is a corporation, such Person or any Subsidiary, or any of their subsidiaries, shall take any corporate action in furtherance of, or the action of which would result in any of the actions in respect of such Person or Subsidiary set forth in the preceding clauses (a), (b), (c), (d) or (e).

“Exchange Act” means the Securities Exchange Act of 1934.

“Excluded Taxes” is defined in Section 8(e).

“Expanded Guidelines Loan” means a Single-family Mortgage Loan which (i) does not satisfy the requirements of any other Asset Type but which otherwise satisfies the requirements for an Eligible Asset as set forth in the definition of “Eligible Asset” (except that it need not be a Qualified Mortgage Loan), (ii) is a first mortgage lien, (iii) is made to an obligor with a FICO Score of not less than [\*\*\*], (iv) has a maximum loan to value ratio of not more than [\*\*\*].

“Expenses” means all present and future expenses reasonably incurred by or on behalf of the Agent or the Buyers in connection with this Repurchase Agreement or any of the other Repurchase Documents and any amendment, supplement or other modification or waiver related hereto or thereto, whether incurred heretofore or hereafter, which expenses shall include the cost of title, lien, judgment and other record searches; reasonable attorneys' fees; and costs of preparing and recording any Uniform Commercial Code financing statements or other filings necessary to perfect the security interest created hereby.

“Facility Fee” means an amount equal to the product of (x) [\*\*\*] basis points [\*\*\*] per annum and (y) the Maximum Purchase Price, due and payable as provided in Section 41(a).

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

“FDIA” is defined in Section 36(c).

“Federal Fund Effective Rate” means, for any day, the greater of (a) the rate calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and as published on the next succeeding Business Day by Federal Reserve Bank of New York as the federal funds effective rate, and (b) [\*\*\*].

“FHA” means the Federal Housing Administration, an agency within the United States Department of Housing and Urban Development, or any successor thereto, and including the Federal Housing Commissioner and the Secretary of Housing and Urban Development where appropriate under the FHA Regulations.

“FHA-Approved Mortgagee” means an institution that is approved by FHA to act as a servicer and mortgagee of record with respect to a Mortgage Loan insured by FHA.

“FHA Mortgage Loan” means a Mortgage Loan that is secured by a first lien on land and the Single-Family residence constructed thereon and is insured by FHA.

“FHLMC” means the Federal Home Loan Mortgage Corporation or other agency, corporation or instrumentality of the United States to which the powers and duties of the Federal Home Loan Mortgage Corporation have been transferred.

“FHLMC-Approved Lender” means an institution that is approved by FHLMC to act as a lender in connection with the origination of any Mortgage Loan purchased by FHLMC.

“FICO Score” means, on any date, and with respect to an obligor under a Mortgage Note, the credit rating score for such obligor on such date calculated in accordance with the procedures of Fair, Issac and Company, Inc.

“FNMA” means Fannie Mae or any other agency, corporation or instrumentality of the United States to which the powers and duties of Fannie Mae have been transferred.

“FNMA-Approved Lender” means an institution that is approved by FNMA to act as a lender in connection with the origination of any Mortgage Loan purchased by FNMA.

“GAAP” generally accepted accounting principles in the United States of America, applied on a consistent basis and applied to both classification of items and amounts, including the official interpretations thereof by the Financial Accounting Standards Board, its predecessors and successors. If at any time after the Effective Date any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Repurchase Document, and either the Majority Buyers or the Sellers shall so request, the Agent, the Buyers and the Sellers shall negotiate in good faith to amend such ratio or requirement to reflect such change in GAAP (subject to the approval of the Majority Buyers), provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Sellers shall provide to the Agent and the Buyers financial statements and other documents required under the Repurchase Documents or as reasonably requested thereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

“GAAP Carrying Value” means, with respect to any asset of Sellers, the value at which such asset is carried on the books of the Sellers in accordance with GAAP after excluding capitalized items. Any changes in the methodology used for adjusting such book value shall be subject to the prior approval of the Agent.

“Gestation Facility” means any Debt, whether accounted for as a sale or a financing, the purpose of which is to purchase or finance Mortgage Loans originated by a Seller which such Seller has identified as fully qualified for initial certification for the purpose of creating a pool of Mortgage Loans to support the issuance of a Security.

“GMC” has the meaning ascribed to such term in the introductory paragraph to this Repurchase Agreement.

“GMCLLC” has the meaning ascribed to such term in the introductory paragraph to this Repurchase Agreement.

“GMCLLC Affiliate Loan” means the loan in the amount of [\*\*\*] made by GMCLLC to [\*\*\*].

“GNMA” means the Government National Mortgage Association or other agency, corporation or instrumentality of the United States as to which the powers and duties of the Governmental National Mortgage Association have been transferred.

“GNMA Security” means a security representing an undivided fractional interest in a pool of Mortgage Loans, which security is issued by a Seller and guaranteed as to full and timely payment of principal and interest by GNMA without regard as to whether a Seller collects any payments on such Mortgage Loans.

“Governmental Authority” means the United States, any state, county, municipality or other political subdivision thereof or any governmental authority (including any foreign governmental authority), agency, authority, department or commission (including any taxing authority) or any instrumentality of any of the foregoing (including any court or tribunal) exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation, partnership or other entity directly or indirectly owned by or controlled by the foregoing.

“Guarantee” means, as to any Person, any obligation of such Person directly or indirectly guaranteeing any Debt of any other Person or in any manner providing for the payment of any Debt of any other Person or otherwise protecting the holder of such Debt against loss (whether by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, or to take-or-pay or otherwise); provided that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Guarantee of a Person shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith. The terms “Guarantee” and “Guaranteed” used as verbs have correlative meanings.

“Hedging Program” means a program for hedging interest rate risks of a Seller.

“Income” means at any time and with respect to any Purchased Asset, all principal thereof then due thereon, if any, and all interest, dividends or other distributions, if any, then due thereon.

“Indemnified Party” is defined in Section 17.

“Interest Period” means with respect to any Eurodollar Transaction, the period commencing on a Business Day, as selected by the Sellers pursuant to this Agreement, and ending on the numerically corresponding day in the calendar month that is one, two or three months thereafter, as the Sellers may elect; provided, that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period.

“Interest Rate Protection Agreement” means, with respect to any or all of the Mortgage Loans, any short sale of U.S. Treasury Securities, or futures contract, or mortgage related security, or Eurodollar futures contract, or options related contract, or interest rate swap, cap or collar agreement or similar arrangements providing for protection against fluctuations in interest rates or the exchange of nominal interest obligations, either generally or under specific contingencies, entered into by a Seller in accordance with such Seller’s hedging policies and procedures.

“Interim Funder Category” shall mean the category of the same name on the MERS System that reflects the security interest of inter alia, mortgage warehouse lenders, in the Mortgage Loans that have been pledged by borrowers of such mortgage warehouse lender.

“Investment” of a Person means any loan, advance (other than commission, travel and similar advances to officers and employees made in the ordinary course of business), extension of credit (other than accounts receivable arising in the ordinary course of business on terms customary in the trade) or contribution of capital by such Person; stocks, bonds, mutual funds, partnership interests, notes, debentures or other securities owned by such Person; any deposit accounts and certificates of deposit owned by such Person; and structured notes, derivative financial instruments and other similar instruments or contracts owned by such Person.

“Jumbo Loan High LTV Purchaser” means any Approved Investor which, with the prior written consent of the Agent, is designated on Schedule I hereto as a “Jumbo Loan High LTV Purchaser.” Any Approved Investor listed on Schedule I as a Jumbo Loan High LTV Purchaser may be eliminated as a Jumbo Loan High LTV Purchaser by written notice to a Seller from the Agent, which elimination notice shall be given only for reasonable cause or at the election of the Majority Buyers.

“Jumbo Mortgage Loan” means a Conforming Mortgage Loan except for size, but which has an original principal balance of not more than [\*\*\*], or in the case of an Oversize Jumbo Loan, not more than [\*\*\*].

“Key Person” means any of (i) Mary Ann McGarry, (ii) Terry Schmidt, or (iii) any two of James Madsen, Mike Rish and David Battany.

“Late Payment Fee” is defined in Section 6(a).

“Law” means any law, statute, code, ordinance, order, rule, regulation, treaty, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other determination, direction or requirement (including any of the foregoing which relate to environmental standards or controls, energy regulations and occupational safety and health standards or controls) of any (domestic or foreign) arbitrator, court or other Governmental Authority, in each case applicable to or binding upon a Person or any of its Property or to which such Person or any of its Property is subject, including, without limitation, any such law, statute, code, ordinance, order, rule, regulation, treaty, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other determination, direction or requirement (or amendment thereto) enacted or promulgated after the date hereof and any change in the interpretation or application thereof by any Governmental Authority charged with the administration thereof or compliance by such Person (or any corporation directly or indirectly owning or controlling such Person).

“Lead Arranger” means The Bank of New York Mellon.

“LIBOR Base Rate” shall mean, for any day, with respect to any LIBOR Transaction (or for purposes of the definition of Alternate Base Rate), a rate of interest per annum, as determined by the Agent on such day, obtained by dividing:

- (a) the LIBOR Benchmark Rate on such day, by
- (b) a number equal to 1.00 minus the Reserve Percentage.

“LIBOR Benchmark Rate” means, for any day and with respect to any LIBOR Transaction, the rate per annum equal to the ICE Benchmark Administration Limited LIBOR Rate (or such successor thereto if the ICE Benchmark Administration Limited is no longer making such a rate available) appearing on the applicable Bloomberg screen (or other commercially available source as designated by the Agent from time to time for purposes of providing quotations of interest rates applicable to Dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, on such day as the rate for deposits in Dollars for a period of one month. In the event that such rate is not available at such time for any reason, then the “LIBOR Benchmark Rate” with respect to such LIBOR Transaction shall be the rate at which Dollar deposits of [\*\*\*] are offered by the principal London office of the Person serving as Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, on such day for a period of one month. In no event shall the LIBOR Benchmark Rate ever be less than zero.

“LIBOR Rate” shall mean for any day, the sum of the LIBOR Base Rate for such day and the Pricing Spread.

“LIBOR Transaction” means, for purposes of determining the applicable Pricing Rate, the Purchase Price for Transactions or portions thereof which a Seller has designated in a Pricing Designation to the Agent in accordance with Section 4(a)(i) or 6(b) that the Pricing Rate therefore shall be based on the LIBOR Rate.

“Lien” means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, the

interest of a vendor or lessor under any conditional sale, Capitalized Lease or other title retention agreement) and any mortgage loan repurchase obligation.

“Liquidity” means, on any date, with respect to all Sellers, the value of (i) the sum of all cash owned by each of the Sellers on such date and held by them in unrestricted domestic accounts, plus (ii) all cash representing Margin Excess under Section 5(e) which has not been distributed to the Sellers, plus (iii) the sum of the market value of all unrestricted and unencumbered marketable securities owned by each of the Sellers on such date.

“Liquidity Requirement” means the requirement that the Sellers, on any date, have Liquidity that is in the aggregate not less than the greater of (i) [\*\*\*], and (ii) an amount equal to [\*\*\*] of the average daily amount of the total Marginable Assets of the Sellers over the immediately prior [\*\*\*] period, of which not less than [\*\*\*] thereof shall consist of cash owned by the Sellers on such date that is unencumbered and held by them in unrestricted domestic accounts.

“Loss” is defined in Section 17(a).

“Majority Buyers” shall have the meaning specified in the Administration Agreement.

“Marginable Assets” means, as of any date of determination, with respect to each Seller, the sum of the balance sheet values of (a) all of such Seller’s and its consolidated Subsidiaries’ assets that are subject to financing or other arrangements that allow the counterparty to such financing make margin calls or demands if such assets decline in value, including Mortgage Loans held for sale and servicing rights, and (b) interest rate lock commitments and other financial derivative instruments (net of derivative liabilities) of such Seller and its consolidated Subsidiaries.

“Margin Deficit” is defined in Section 5(a).

“Margin Excess” is defined in Section 5(e).

“Mark-to-Market” is defined in Section 5(a).

“Material Adverse Change” means either (i) a material adverse change in (a) the business, Property, condition (financial or otherwise), results of operations, or prospects of GMCLLC, GMC and their Subsidiaries taken as a whole, or (b) the ability of any Seller to perform its obligations under the Repurchase Documents, or (ii) any change in circumstances which adversely affects the validity or enforceability of any of the Repurchase Documents or the rights or remedies of the Agent or the Buyers thereunder, provided, however that “Material Adverse Change” shall not include any diminishment of Net Worth which occurs in the ordinary course of business of GMCLLC, GMC and their Subsidiaries taken as a whole.

“Material Adverse Effect” means either (i) a material adverse effect on (a) the business, Property, condition (financial or otherwise), results of operations, or prospects of GMCLLC, GMC and their Subsidiaries taken as a whole, or (b) the ability of any Seller to perform its obligations under the Repurchase Documents, or (ii) any adverse effect on the validity or enforceability of any of the Repurchase Documents or the rights or remedies of the Agent or the Buyers thereunder, provided, however that “Material Adverse Effect” shall not include any



diminishment of Net Worth which occurs in the ordinary course of business of GMCLLC, GMC and their Subsidiaries taken as a whole.

“Maximum Purchase Price” means [\*\*\*]. Subject to the terms hereof, the Maximum Purchase Price may be increased in accordance with the terms of Section 4(g).

“MERS” means Mortgage Electronic Registration Systems, Inc., a corporation organized and existing under the laws of the State of Delaware, or any successor thereto.

“MERS Affiliate Agreement” shall mean that certain MERS Affiliate Agreement dated as of May 5, 2006 among MERS, GMC and Guild Financial Express, Inc., and all amendments thereto.

“MERS Mortgage Loan” means any Purchased Asset registered with MERS on the MERS System.

“MERS System” means the system of recording transfers of mortgages electronically maintained by MERS.

“Moody’s” means Moody’s Investors Service, Inc. or any successors.

“Mortgage” means a mortgage, deed of trust, security deed or similar instrument purporting to create a first lien or similar interest in real estate and improvements thereon.

“Mortgage Loan” means a loan of money evidenced by a Mortgage Note and secured by a Mortgage.

“Mortgage Note” means a note evidencing the indebtedness secured by a Mortgage.

“Mortgaged Property” means the Property securing payment of a Mortgage Loan.

“Mortgagor” means the obligor or obligors on a Mortgage Note, including any Person who has assumed or guaranteed the obligations of the obligor thereon.

“MSR” shall mean, as of any date of determination, the purchased mortgage loan servicing rights, capitalized excess mortgage loan servicing rights and originated mortgage loan servicing rights of the Sellers and their consolidated Subsidiaries on such date, included on the balance sheet of a Seller.

“Multiemployer Plan” means, with respect to any Person, a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA which is or was at any time during the current year or the immediately preceding five years contributed to by any Seller or any ERISA Affiliate thereof on behalf of its employees and which is covered by Title IV of ERISA.

“Net Income” means, with respect to any Person and for any period, the net income of such Person for such period as determined in accordance with Agreement Accounting Principles.

“Net Worth” means as of any date of determination thereof, the sum of the net worth of GMC and GMCLLC and their consolidated Subsidiaries, on a consolidated basis as determined in accordance with Agreement Accounting Principles.

“Nondefaulting Party” is defined in Section 31(b).

“Non-excluded Taxes” is defined in Section 8(a).

“Nonexempt Buyer” is defined in Section 8(e).

“Non-Qualified Mortgage Loan” means a Single-family Mortgage Loan which (i) does not satisfy the requirements of any other Asset Type but which otherwise satisfies the requirements for an Eligible Asset as set forth in the definition of “Eligible Asset” (except that it is not a Qualified Mortgage Loan), (ii) is a first mortgage lien, (iii) has an original principal amount of not more than [\*\*\*], (iv) has an underwritten debt-to-income ratio of [\*\*\*] or less, (v) is made to an obligor who has a FICO Score of [\*\*\*] or more, and (vi) is subject to an Approved Investor Commitment.

“OFAC” is defined in Section 12(ff).

“Obligations” means any amounts due and payable by the Sellers to the Agent and/or Buyers, or any of them, in connection with a Transaction, together with Price Differential and any interest (including interest which would be payable as post-petition interest in connection with any bankruptcy or similar proceeding) and all other fees, expenses and other amounts which are payable or owing by the Sellers to the Agent or the Buyers, or any of them, hereunder or under any of the Repurchase Documents. For avoidance of doubt, the term “Obligations” shall include all Obligations under the Prior Repurchase Agreement.

“Operating Account” means the account referred to in Section 10(b).

“Other Taxes” is defined in Section 8(b).

“Overdraft Funds” are any funds advanced by BNY Mellon to fund a Transaction for the purchase of Purchased Assets requested by Sellers prior to the time when Sellers have submitted a Transaction Request for such funding as required under Sections 3(b)(v)(a) and 4(a)(i)(a) hereof, which funds shall only be advanced by BNY Mellon if all of the following requirements are satisfied: (a) such funding would qualify as and meet the requirements for an ordinary Transaction except that the Transaction Request for such funding was submitted after the applicable deadline set forth in the above referenced Sections (and such funding shall be deemed a Transaction under this Agreement), (b) the Transaction Request for the funding of Overdraft Funds must be received by BNY Mellon no later than 4:00 p.m. (New York City time) on the Business Day such Overdraft Funds were advanced, (c) BNY Mellon shall not have actual knowledge of the existence of a Default, and (d) after giving effect to such funding, the sum of all outstanding Transactions (including the Transactions funded by such funding) shall not exceed the Maximum Purchase Price.

“Oversize Jumbo Loans” means an Eligible Jumbo Mortgage Loan which has an original principal balance in excess of [\*\*\*] but does not exceed [\*\*\*].

“Patriot Act” is defined in Section 12(gg).

“Payment Date” means the last day of each month, or if such day of any month is not a Business Day, the next Business Day.

“PBGC” means the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

“Periodic Advance Repurchase Payment” is defined in Section 6(a).

“Permitted Servicing Facilities” means, collectively, credit facilities provided by one or more commercial banks or bank syndicates in favor of either or both Sellers secured by the Sellers’ mortgage loan servicing rights.

“Person” means any individual, corporation, company, voluntary association, partnership, joint venture, limited liability company, trust, unincorporated association or government (or any agency, instrumentality or political subdivision thereof).

“Plan” means, with respect to any Person, any employee benefit or similar plan that is or was at any time during the current year or immediately preceding five years established or maintained by such Person or any ERISA Affiliate thereof and that is covered by Title IV of ERISA, other than a Multiemployer Plan.

“Post-default Rate” means a rate equal to the lesser of (x) the sum of (i) the Alternate Base Rate, (ii) the Pricing Spread and (iii) [\*\*\*] percent [\*\*\*], and (y) the Ceiling Rate for that day.

“Pricing Designation” means an irrevocable notice from a Seller to the Agent not later than (i) 11:00 a.m. (New York City time) on the day (which must be a Business Day) that any ABR Transaction, LIBOR Transaction or Eurodollar Transaction (or part thereof) is to be converted to or continued as a new ABR Transaction or LIBOR Transaction, and (ii) 11:00 a.m. (New York City time) at least three Business Days before the day (which must be a Business Day) that any ABR Transaction, LIBOR Transaction or Eurodollar Transaction (or part thereof) is to be converted to or continued as a Eurodollar Transaction, specifying:

(i) the day on which an ABR Transaction, LIBOR Transaction or Eurodollar Transaction is to be converted to or continued as, as the case may be, a new ABR Transaction, LIBOR Transaction or Eurodollar Transaction,

(ii) the aggregate amount of each such ABR Transaction, LIBOR Transaction or Eurodollar Transaction being converted or continued, as the case may be (which in the case of a Eurodollar Transaction or LIBOR Transaction must be in a minimum amount of [\*\*\*], and in the case of an ABR Transaction must be in a minimum amount of [\*\*\*], and

(iii) with respect to each new Eurodollar Transaction, the Interest Period applicable thereto.

“Price Differential” means, with respect to any Transaction as of any date, the aggregate amount obtained by daily application of the Pricing Rate (or, during the continuation of an Event of Default, by daily application of the Post-default Rate) for such Transaction to the Purchase Price for such Transaction on a 360-day per year basis for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the Repurchase Date (reduced by any amount of such Price Differential previously paid by the Sellers to the Agent for the benefit of the Buyers with respect to such Transaction.)

“Pricing Rate” means:

(a) with respect to each LIBOR Transaction for which a Seller has given the Agent prior notice in accordance with Section 4(a)(i) or 6(b), a rate per annum equal to the LIBOR Rate for such day;

(b) with respect to each Eurodollar Transaction for which a Seller has given the Agent at least three Business Days prior notice in accordance with Section 4(a)(i) or 6(b), the Eurodollar Rate for the applicable Interest Period elected by such Seller in such notice to (but not including) the last day of such Interest Period at the interest rate determined by the Agent as applicable to such Eurodollar Transaction based upon the Sellers’ selections under Section 4(a)(i) or 6(b) and otherwise in accordance with the terms hereof. Not more than [\*\*\*] different Interest Periods may be in effect at any time and no Interest Period may end after the Termination Date;

(c) with respect to each ABR Transaction for which a Seller has given the Agent prior notice in accordance with Section 4(a)(i) or 6(b), or if no notice of any other Pricing Rate has been given to the Agent, the ABR Rate, such rate to be adjusted simultaneously with each change in the ABR Rate; and

(d) with respect to each Swingline Transaction, the LIBOR Rate.

Each Pricing Rate shall be computed on the basis of a year of three hundred sixty (360) days applied for the actual number of days involved. Notwithstanding anything to the contrary set forth herein, in no event shall the Pricing Rate exceed the Ceiling Rate.

With respect to any Prior Transaction which is has not been repurchased by the Sellers prior to the Effective Date, the Pricing Rate for such Transaction shall be computed as follows: (i) prior to the Effective Date, the Pricing Rate shall be that as defined under the Prior Repurchase Agreement, and (ii) on and after the Effective Date, the Pricing Rate hereunder shall apply. Each calculation by the Agent of the amount of the Pricing Rate shall be conclusive, absent manifest error.

“Pricing Spread” means, so long as no Event of Default has occurred and is then continuing, (i) with respect to each LIBOR Transaction, [\*\*\*] (ii) with respect to each Eurodollar Transaction, [\*\*\*], (iii) with respect to each Swingline Transaction, [\*\*\*], and (iv) with respect to each ABR Transaction, [\*\*\*]. On the last day of any month, if for the month then ending the average of the daily amount of the Transactions for such month was greater than or equal to [\*\*\*] of the Commitments of all Buyers for such month, then for the following

calendar month the Pricing Spread for each type of Transaction shall be [\*\*\*]% less than the percentages set forth in the first sentence of this definition.

“Prime Rate” means a rate per annum equal to the prime rate of interest publicly announced from time to time by BNY Mellon, changing when and as said prime rate changes. The Sellers, the Buyers and the Agent acknowledge that to the extent interest is based on the Prime Rate, the Prime Rate is only one of the bases for computing interest on loans made by the Buyers, and by basing interest on the Prime Rate, the Buyers have not committed to charge, and the Sellers have not in any way bargained for, interest based on a lower or the lowest rate at which any Buyer may now or in the future make extensions of credit to other Persons.

“Prior Administration Agreement” means the Amended and Restated Administration Agreement dated as of October 25, 2018, among the Agent, the Buyers who are parties thereto and the Sellers.

“Prior Repurchase Agreement” has the meaning ascribed to such term in Section 1.

“Prohibited Person” is defined in Section 12(ff).

“Property” means any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

“Purchase Date” means the date on which Purchased Assets are transferred by Seller to the Agent for the benefit of the Buyers.

“Purchase Price” means, as the context requires, either (i) the funds to be transferred by the Agent to Seller for the purchase of particular Purchased Assets subject to a Transaction or (ii) the aggregate Asset Value of the Purchased Assets on the Purchase Date, and thereafter (except where the Agent and the Sellers agree otherwise) such aggregate amount decreased by the amount (without duplication) of any cash (other than payments of Price Differential), Income and Periodic Advance Repurchase Payments actually received by the Agent for the benefit of the Buyers pursuant to Section 6 or applied to reduce the Sellers’ obligations pursuant to Section 5(a).

“Purchase Price Percentage” means the applicable percentage set forth in the chart in the definition of “Asset Value” as the Purchase Price Percentage.

“Purchased Asset Documents” means the Required Purchased Asset Documents, the Additional Documents and any other documents related to each Purchased Asset.

“Purchased Asset File” is defined in the Custody Agreement.

“Purchased Assets” means and includes the Purchased Mortgage Loans, any Additional Purchased Assets, as, in each case, are listed in a Purchased Assets Schedule delivered to the Agent and the Custodian, and the Sellers’ interest in the other Repurchase Assets that are appurtenant to such Purchased Assets. For avoidance of doubt, the term “Purchased Assets” shall include all Purchased Assets under the Prior Repurchase Agreement.

“Purchased Assets Report” means a report delivered with each Transaction Request or upon the request of the Agent, including a Purchased Assets Schedule, setting forth information with respect to the Purchased Assets (and Mortgage Loans proposed to be the subject of a Transaction on the related Purchase Date, if applicable) in the form attached to Exhibit A (the Transaction Request form.)

“Purchased Assets Schedule” means with respect to any Transaction on any day, a schedule of Purchased Assets in computer-readable electronic medium generated by Seller and delivered to the Agent and the Custodian, which provides information (including the information set forth on Schedule C to the Custody Agreement (as the same may be amended from time to time)) relating to the Purchased Assets in a format acceptable to the Agent and the Custodian.

“Purchased Mortgage Loans” means the Mortgage Loans sold and transferred by the Sellers to the Agent (for the benefit of the Buyers) in a Transaction or Transactions.

“Qualified Mortgage Loan” means a residential mortgage loan which conforms to the requirements of a “Qualified Mortgage Loan” under the rules and regulations of the Consumer Financial Protection Bureau promulgated on January 10, 2013, as amended, supplemented, modified or revised from time to time.

“Reaffirmation of Agreements” means that certain Reaffirmation of Agreements of even date herewith among Sellers and the Agent.

“Recourse Debt” of any Person means on a consolidated basis that Person’s Debt minus liabilities relating to securitizations accounted for as financings under Financial Accounting Standards Board Standard No. 140.

“Recourse Servicing” means any servicing rights under a Servicing Agreement which obligates any Seller either to repurchase Mortgage Loans upon default by the borrower thereunder or to indemnify any party having an interest in such Mortgage Loans against any loss arising from such a default for reasons other than a breach of any representations or warranties regarding the condition of such Mortgage Loans at origination which were made by a Seller as originator of such Mortgage Loans.

“Register” is defined in Section 24.

“Regulation D” means Regulation D of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation U” means Regulation U of the Board of Governors of the Federal Reserve System (or any successor), as the same may be modified and supplemented and in effect from time to time.

“Regulation Z” means Regulation Z of the Board of Governors of the Federal Reserve System (or any successor), as the same may be modified and supplemented and in effect from time to time.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the thirty day notice period is waived under subsections .21, .22, .24, .26, .27 or .28 of PBGC Reg. § 4043.

“Repurchase Agreement” means this Amended and Restated Master Repurchase Agreement as supplemented, amended, restated or replaced from time to time.

“Repurchase Assets” is defined in Section 9.

“Repurchase Date” means the date on which a Seller is required to repurchase the Purchased Assets subject to a Transaction from the Agent for the benefit of the Buyers on a date requested pursuant to Section 4(c) or (if earlier) on the Termination Date, including any date determined by application of the provisions of Section 4 or Section 15.

“Repurchase Documents” means this Repurchase Agreement, the Custody Agreement, each Servicer Notice, the Electronic Tracking Agreement, the Administration Agreement, the Security Agreement, the Reaffirmation of Agreements and any control agreement for the Collection Account.

“Repurchase Price” means the price at which Purchased Assets are to be transferred from the Agent on behalf of the Buyers to a Seller upon termination of a Transaction, which will be determined in each case as the sum of the outstanding Purchase Price and the accrued and unpaid Price Differential as of the date of such determination that relates solely to the Purchased Assets that are the subject of the terminating Transaction. Whenever the Repurchase Price for less than all of the Purchased Assets is to be determined, the Repurchase Price will only include unpaid Price Differential then outstanding that relates solely to the Purchased Assets that are the subject of the terminating Transaction.

“Repurchase Request” means a written request from Seller to the Agent and the Custodian, substantially in the form of Exhibit G, to repurchase a Purchased Asset.

“Required Purchased Asset Documents” means the documents (including the promissory note, if any) for each Purchased Asset that are required by the Custody Agreement to be delivered to the Custodian.

“Requirement of Law” means as to any Person, any Law (whether now in effect or hereafter enacted or promulgated) that is binding upon such Person or any material portion of its Property or to which such Person or any material portion of its Property is subject. The term “Requirement of Law” shall include (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder, issued in connection therewith or in implementation thereof, (ii) all requests, rules, guidelines and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), or the United States or foreign regulatory authorities, in each case pursuant to Basel III, and (iii) ERISA, Anti-Corruption Laws, Anti-Terrorism Laws, Bankruptcy Laws, and the Patriot Act), and any amendments, modification, extensions, replacements or supplements thereto.

“Reserve Percentage” means, for any day during any Interest Period, the reserve percentage in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the Federal Reserve Board for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding (currently referred to as “Eurocurrency liabilities” in Regulation D). The applicable Eurodollar Base Rate or the applicable LIBOR Base Rate shall be adjusted automatically as of the effective date of any change in the Reserve Percentage.

“Residential Mortgage Loan” means a Single-family Mortgage Loan.

“Rural Housing Loan Program” means the Rural Development Single Family Housing Loan Program administered by the USDA.

“S&P” means Standard & Poor’s Ratings Service (a division of The McGraw Hill Companies) or any successor.

“Sanctions Laws and Regulations” means any sanctions, prohibitions or requirements imposed, administered or enforced from time to time by the U.S. government (including, without limitation, Department of the Treasury’s Office of Foreign Assets Control and the U.S. Department of State), the United Nations Security Council, the European Union, Her Majesty’s Treasury or any other relevant sanctions authority, including those administered by OFAC; any laws, rules and regulations regarding such sanctions, prohibitions or requirements; and any applicable anti-money laundering and anti-terrorism financing laws, rules or regulations.

“Sanctioned Country” means at any time, a country or territory which is the subject or target of any Sanctions Laws and Regulations. “SEC” means the Securities and Exchange Commission.

“Security or Securities” means any FHLMC Security, FNMA Security or GNMA Security.

“SIPA” or “Securities Investor Protection Act of 1970” as such term is defined in Section 37(a).

“Section 4402” is defined in Section 31.

“Seller” means collectively, and jointly and severally, GMC and GMCLLC.

“Servicer” means GMC, GMCLLC, another Person retained by a Seller to service the relevant Mortgage Loans or any Seller if such Seller itself services the relevant Mortgage Loans.

“Servicer Instruction Letter” means a letter executed by the Sellers in the form of Exhibit I.

“Servicer Notice” means the notice acknowledged by the Servicer (when a Seller is not the Servicer) substantially in the form of Exhibit H.



“Servicing Agreement” means a servicing agreement between a Seller and Servicer, if any, as the same may be amended from time to time.

“Servicing Portfolio” means all Mortgage Loans then being serviced by GMC and GMCLLC either for their own account with respect to Purchased Assets or for others under Servicing Agreements (excluding Subservicing Agreements)

“Settlement Account” means the Sellers’ non-interest bearing demand checking account no. [\*\*\*] to be maintained with the Agent and to be used for (a) the Agent’s deposits of the Purchase Prices for purchases of Purchased Assets from the Sellers; (b) the Agent’s deposits of Repurchase Price payments received from Seller or for Seller’s account, (c) the Agent’s distribution to the Buyers of the Repurchase Price payments received in accordance with Section 4.1 of the Administration Agreement and (d) only if and when (i) no Default has occurred unless it has been either cured by the Sellers or waived in writing by the Agent and (ii) no Event of Default has occurred unless the Agent has declared in writing that it has been cured or waived, the Agent’s transfer to the Operating Account of proceeds in excess of the Repurchase Price of transfers of Purchased Assets to an Approved Investor. The Settlement Account is (and shall continuously be) part of the Repurchase Assets. The Settlement Account shall be subject to setoff by the Agent for the benefit of the Agent and any Buyer against any of the outstanding Obligations. The Settlement Account shall be an Agent-controlled account from which the Sellers shall have no right to directly withdraw funds, but instead such funds may be withdrawn or paid out only against the order of the Agent or its designee, although under the circumstances described in clause (d) of the first sentence of this definition and subject to the conditions specified in that clause, the Agent shall use diligent and reasonable efforts to cause proceeds of Purchased Assets received from an Approved Investor in excess of the Repurchase Price therefor (if there are any such excess proceeds) that are received as therein described and that are deposited to the Settlement Account before 3:00 PM (New York City time) on a Business Day to be transferred to the Operating Account on that same Business Day, and will cause such excess proceeds (if any) received after that time to be transferred to the Operating Account no later than the next Business Day.

“Single-Employer Plan” means a single-employer plan as defined in Section 4001(a)(15) Of ERISA which is subject to the provisions of Title IV of ERISA.

“Single-family” is a preface that means that a Mortgage Loan is secured by a Mortgage covering, or the property that is the subject of a Mortgage is real property improved by, a one-, two-, three- or four-family residence.

“Single-Close CTP Mortgage Loan” means a first priority Single-family Mortgage Loan which is single-close construction-to-permanent loan eligible for sale to FNMA or FHLMC at funding and administered by a construction loan administrator approved by FNMA or FHLMC and acceptable to the Agent.

“Standalone Second Mortgage Loan” means a Single-family Mortgage Loan which is a second priority mortgage subject only to the lien of a first priority Mortgage Loan on the same property.

“Subsidiary” means, with respect to any Person, any corporation, partnership or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person. Except as specifically noted on Schedule II, all Subsidiaries of GMCLLC as of the Agreement Date are listed on Schedule II.

“Substantial Portion” means, with respect to the Property of a Seller and its Subsidiaries, Property which (i) represents more than [\*\*\*] of the consolidated assets of such Seller and its Subsidiaries as would be shown in the consolidated financial statements of such Seller and its Subsidiaries as at the beginning of the twelve-month period ending with the month in which such determination is made, or (ii) is responsible for more than [\*\*\*] of the consolidated net sales or of the consolidated Net Income of such Seller and its Subsidiaries as reflected in the financial statements referred to in clause (i) above.

“Supplemental Facility” means a committed or uncommitted residential mortgage funding facility (which includes a warehouse line of credit, repurchase facility and off-balance sheet funding facility), other than this Repurchase Agreement, in favor of one or more of the Sellers for the origination of one or more Asset Types.

“Swingline Transaction” has the meaning ascribed to such term in the Administration Agreement.

“Tangible Net Worth” means Net Worth less (i) the sum of any other assets of the Sellers and any of their consolidated Subsidiaries which would be treated as intangibles under Agreement Accounting Principles (other than capitalized servicing rights) including, without limitation, any write-up of assets, good-will, research and development costs, trade-marks, trade names, service marks, copyrights, patents and unamortized debt discount and (ii) expenses and loans or other extensions of credit to officers, employees or Affiliates of any of the Sellers or of any of their consolidated Subsidiaries other than Mortgage Loans made to such Persons in the ordinary course of business (excluding any loans or extensions of credit to Subsidiaries). The Sellers acknowledge that in determining Tangible Net Worth under this Repurchase Agreement, the GMCLLC Affiliate Loan shall not be included in the “loans or extensions of credit to officers, employees or Affiliates” described in clause (ii) of this definition.

“Tax Treatment Certificate” is defined in Section 8(e)(ii).

“Taxes” is defined in Section 8(a).

“Termination Date” means October 22, 2020 or the date when a Termination Event occurs, whichever is earlier.

“Termination Event” means and includes a Change of Control, a Change in Executive Management, the termination date specified by the Sellers in accordance with Section 7(e), the

occurrence and continuance of an Event of Default and the election of the Agent (at its option or upon the request of the Majority Buyers) to declare a Termination Event by reason thereof, or the written agreement of the Sellers, the Agent and the Majority Buyers to terminate this Repurchase Agreement.

“Total Liabilities” means, on any date, all liabilities of the Sellers and their Subsidiaries on such date as, in accordance with GAAP, are reflected on each Seller’s consolidated balance sheet.

“Transaction” is defined in Section 1. For avoidance or doubt, the term “Transaction” shall include all Transactions under the Prior Repurchase Agreement.

“Transaction Request” means a request from a Seller to the Agent, substantially in the form of Exhibit A, to enter into a Transaction.

“Underwriting and Acquisition Guidelines” means and includes the Mortgage Loan Underwriting and Acquisition Guidelines and due diligence manual for Mortgage Loans for Seller and its Affiliates, a copy of which is attached as Exhibit D, as they may be supplemented, amended or restated from time to time by the Sellers, with notification of all material changes and copies of changed pages to be given to the Agent promptly after such changes are made.

“Uniform Commercial Code” and “UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York; provided that if by reason of mandatory provisions of law, the perfection or the effect of perfection or non-perfection of the security interest in any Repurchase Assets or the continuation, renewal or enforcement thereof is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “Uniform Commercial Code” means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection.

“Unfunded Liabilities” means the amount (if any) by which the present value of all vested and unvested accrued benefits under all Single Employer Plans exceeds the fair market value of all such Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plans using PBGC actuarial assumptions for single employer plan terminations.

“USDA” means the United States Department of Agriculture.

“USDA-Approved Lender” means an institution that is approved by USDA to act as a lender in connection with the origination of any Mortgage Loan originated under the Rural Housing Loan Program.

“VA” means the U.S. Department of Veterans Affairs, an agency of the United States of America, or any successor, and includes the Secretary of Veterans Affairs.

“VA-Approved Lender” means an institution that is approved by the VA to act as a lender in connection with the origination of any Mortgage Loan guaranteed by the VA.

“Wet Loan” means a Purchased Mortgage Loan (whether a Seller originated it or acquired it from an Affiliate or a third party):

(a) that would qualify without exception as an Eligible Asset except that one or more of its Required Purchased Asset Documents has not been delivered to the Custodian so as to satisfy all requirements to permit such Seller to sell it pursuant to this Repurchase Agreement without restriction;

(b) that such Seller reasonably expects to fully qualify as an Eligible Asset when the Required Purchased Asset Documents have been delivered to the Custodian;

(c) as to which such Seller actually and reasonably expects that such full qualification can and will be achieved on or before [\*\*\*] after a Transaction that includes that Purchased Mortgage Loan (and such Seller hereby agrees to take such steps as are reasonably necessary to ensure it achieves full qualification as an Eligible Asset); and

(d) for which such Seller has delivered to the Agent and the Custodian a copy of a dated summary schedule (by fax or electronic transmission on or before the date of the related Transaction) duly executed by an authorized representative and in form acceptable to the Agent, (1) listing the Wet Loans subject to Transactions (i) by Seller loan number and showing for each (ii) the Customer name, (iii) the loan date (or, if it has not yet closed, its scheduled closing date), (iv) the original loan amount and (v) the loan interest rate, (2) certifying that, for each such Purchased Mortgage Loan, the Purchased Asset Documents have been executed and delivered by all appropriate Persons and such Purchased Mortgage Loan has been originated, closed, funded and (if applicable) conveyed to such Seller and (3) certifying that (x) the Purchased Asset Documents and other closing documentation for such Mortgage Loan are in the possession of (i) its closer or authorized agent or (ii) such Seller, or (y) such file has been shipped and is in transit to the Custodian or to Seller (who will ship such file to the Custodian promptly after reviewing it to confirm that it is correct and complete) — submission to the Agent of each summary schedule shall be deemed to constitute a certification by the officer executing it as stated in clauses (2) and (3) above, whether or not such certifications are actually recited in such summary schedule).

Each Purchased Mortgage Loan that satisfies the foregoing requirements shall be an Eligible Asset subject to the condition subsequent of physical delivery of its Mortgage Note (if any), Mortgage and all other Required Purchased Asset Documents to the Custodian within [\*\*\*] after execution of the related Transaction. Each Wet Loan that a Seller requests be purchased in a Transaction shall be irrevocably deemed purchased by the Agent and shall automatically become a Purchased Mortgage Loan effective on the date of the related Transaction, and such Seller shall take all steps necessary or appropriate to cause the delivery of such Wet Loan and its Required Purchased Asset Documents to the Custodian to be completed in all respects, including causing the original promissory note evidencing such Mortgage Loan to be physically delivered to the Custodian within [\*\*\*] after the execution of the Transaction and, if requested by the Agent, to give written notice to any Person in possession of the Required Purchased Asset Documents for such Purchased Mortgage Loan that it has been purchased by the Agent. Upon delivery to the Custodian of the Required Purchased Asset

Documents relative to a Wet Loan, such Mortgage Loan shall no longer be subject to this Repurchase Agreement's limitations applicable to Wet Loans.

Section 3. Conditions Precedent.

(a) Conditions Precedent to Initial Transaction. The Agent's obligation to enter into the initial Transaction hereunder, for the benefit of the Buyers, is subject to the satisfaction, immediately prior to or concurrently with the making of such Transaction, of the condition precedent that the Agent shall have received from such Seller any fees and expenses payable hereunder, and all of the following documents, each of which shall be satisfactory to the Agent, Buyers and their counsel in form and substance:

(i) Documents. This Repurchase Agreement, an Amended and Restated Administration Agreement and a Reaffirmation of Agreements shall be duly executed by the parties thereto and delivered to the Agent.

(ii) Opinions of Counsel. An opinion or opinions of counsel to the Sellers, substantially in the forms of Exhibit B.

(iii) Organizational Documents. A certificate of existence of each of the Sellers delivered to the Agent prior to the Effective Date (or if unavailable, as soon as available thereafter) and an officer's certificate substantially in the form of Exhibit E including certified copies of the charter or articles of incorporation or formation, by-laws or operating agreement, as applicable, resolutions (or equivalent documents) and officers' incumbency certificate of each Seller and of all corporate or limited liability company authority of each Seller's officers, general partner or other authority for each Seller with respect to the execution, delivery and performance of the Repurchase Documents and each other document to be delivered by the Sellers from time to time in connection herewith.

(iv) Good Standing. A certificate of "good standing" from the Secretary of State of each State in which each Seller is organized or is qualified to do business, dated not more than 30 days prior to the date of this Repurchase Agreement.

(v) Security Interest. Evidence that all other actions necessary or, in the opinion of the Agent, desirable to perfect and protect the Agent's and Buyers' interest in the Purchased Assets and other Repurchase Assets have been taken, including UCC searches and duly authorized and filed Uniform Commercial Code financing statements on Form UCC-1.

(vi) Underwriting and Acquisition Guidelines. A true and correct copy of the Underwriting and Acquisition Guidelines to be attached as Exhibit D.

(vii) Tax Identification Number. Each Seller's federal tax identification number, to be listed on Exhibit C.

(viii) Bonds and Insurance. A copy of each Seller's fidelity bond and policy of insurance containing errors and omissions coverage and such other insurance as the Agent shall require, each of which policies, where applicable, shall be in such form, with such companies, in such amounts and with such deductibles as are in accordance with all FNMA, FHLMC and GNMA requirements and reasonably satisfactory to the Agent.

(ix) Onsite Agency Review Reports. A copy of the "on-site review report," "limited review report" or "audit report," as the case may be, prepared by HUD, FNMA and FHLMC in respect of each Seller and its operations most recently received by such Seller as of the Effective Date.

(x) Other Documents. Such other documents as the Agent may reasonably request, in form and substance reasonably acceptable to the Agent.

(b) Conditions Precedent to all Transactions. The Agent's obligation to enter into each Transaction, for the benefit of Buyers, is subject to the satisfaction of the following further conditions precedent, both immediately prior to entering into such Transaction and also after giving effect thereto:

(i) No Default. No Default or Event of Default shall have occurred and be continuing under the Repurchase Documents.

(ii) Accounts. The Sellers shall have continued to maintain at BNY Mellon the Operating Account, Collection Account and Settlement Account.

(iii) Asset Values Equal or Exceed Repurchase Price. After giving effect to the requested Transaction, the Asset Values of all Purchased Assets that have not been repurchased equal or exceed the aggregate Repurchase Price (after deducting therefrom any accrued but unpaid Price Differential) for all outstanding Transactions, and the amount requested in such Transaction does not exceed the Available Purchase Price.

(iv) Representations True. Both immediately prior to the Transaction and also after giving effect thereto, the representations and warranties made by Seller in Section 12, shall be true, correct and complete on and as of such Purchase Date in all material respects with the same force and effect as if made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date).

(v) Transaction Forms Delivered. Seller shall have delivered to the Agent and the Custodian (a) a Transaction Request, (b) a Purchased Assets Schedule and (c) a Purchased Assets Report not later than (i) 11:00 a.m. (New York City time) on the proposed Purchase Date in the case of ABR Transactions or LIBOR Transactions, (ii) 4:00 p.m. (New York City time) on the proposed Purchase Date in the case of each Swingline Transaction, and (iii) 11:00 a.m. (New York City time) three Business Days prior to the proposed Purchase Date in

the case of each Eurodollar Transaction. (During any period that the Custodian is BNY Mellon or an Affiliate of BNY Mellon, the delivery of the foregoing Transaction forms to the Custodian as required by this Repurchase Agreement shall be deemed delivery to the Agent as well.)

(vi) Files and Schedules Delivered to Custodian. The Sellers shall have delivered to the Custodian (A) the Purchased Asset File with respect to each Purchased Asset (other than a Wet Loan) and (B) the Purchased Assets Schedule.

(vii) Wet Loans' Purchased Asset Files. For each Wet Loan, on the [\*\*\*] following the applicable Purchase Date and in accordance with the terms of the Custody Agreement, the Sellers shall deliver to the Custodian the Purchased Asset File.

(viii) No Material Adverse Change. As of the date of such Transaction, no Material Adverse Change shall have occurred since December 31, 2018.

(ix) Electronic Tracking Agreement. To the extent any Seller is selling Mortgage Loans which are registered on the MERS System, the Agent or Custodian shall be in possession of an Electronic Tracking Agreement entered into, duly executed and delivered by MERS, such Seller and the Agent and being in full force and effect, free of any modification, breach or waiver.

(x) Amendments to Organizational Documents. If there has been any amendment to any Seller's organizational documents or the organizational documents of any equity owner of any Seller, a true and correct copy of such amendment(s) shall have been delivered by Seller to the Agent.

(xi) Transaction Request is Certification. Each Transaction Request delivered by a Seller hereunder shall constitute a certification by such Seller that all the conditions set forth in this Section 3 have been satisfied (both as of the date of such notice or request and as of the date of such purchase).

(xii) Updated Opinions. Upon request, the Agent shall have received from outside counsel to the Sellers an updated favorable opinion or opinions, in form and substance satisfactory to the Agent, covering and updating such matters that were originally addressed in the initial opinion issued.

Section 4. Initiation; Termination.

(a) Transaction Requests. The following conditions and requirements shall apply with respect to any request for a Transaction:

(i) Sellers shall have delivered to the Agent (by fax (or by any electronic means acceptable to the Agent) to the Agent (a) a Transaction Request, (b) a Purchased Assets Schedule and (c) a Purchased Assets Report not later than

(i) 11:00 a.m. (New York City time) on the proposed Purchase Date in the case of ABR Transactions or LIBOR Transactions, (ii) 4:00 p.m. (New York City time) on the proposed Purchase Date in the case of each Swingline Transaction, and (iii) 11:00 a.m. (New York City time) three Business Days prior to the proposed Purchase Date in the case of each Eurodollar Transaction.

(ii) In no event shall a Transaction be entered into when the Repurchase Date for such Transaction would be later than the Termination Date.

(iii) Except as to Wet Loans, the Sellers shall deliver (or cause to be delivered) to the Custodian the Purchased Asset File pertaining to each Eligible Asset in accordance with the terms of the Custody Agreement.

(iv) Subject to the provisions of this Section 4, the Purchase Prices for the Purchased Assets subject to such Transaction will then be made available to a Seller by the Agent's (on behalf of the Buyers) wire transferring immediately available funds in the aggregate amount of such Purchase Prices.

(b) Sales of Purchased Assets to Approved Investors. The Custodian may ship Purchased Asset Files to an Approved Investor (or its trustee or documents custodian, which may be the Custodian) under cover of a suitable bailee letter (or, if the Custodian is also documents custodian for the Approved Investor, such custodian shall deliver a suitable bailee letter to the Agent) prior to the related Assets' repurchase by Seller and purchase by such Approved Investor. The proceeds of the sale or other disposition of Purchased Assets must be paid directly by the Approved Investor to the Settlement Account, or only if the affected Purchased Assets are being securitized, paid to a third party disbursement agent who is obligated pursuant to written agreement to receive and disburse to the Agent (for the benefit of Buyers) the cash amount (which shall be equal to the Repurchase Price for such Purchased Assets) specified in a conditional (as hereinafter provided) release and relinquishment agreement executed by the Agent that conditions such release and relinquishment of the Agent's interests in such Purchased Assets on payment of such specified amount to the Agent (for the benefit of Buyers.) Seller must give notice to Agent in an electronic format acceptable to Agent of the Purchased Assets for which proceeds have been received from either the purchasing Approved Investor or such third party disbursement agent (to enable Seller to reconcile payments received with Purchased Assets sold.) Upon receipt of Seller's Notice, Agent will apply any proceeds deposited into the Settlement Account to the Repurchase Price of the Purchased Assets identified by Seller in its Notice, and those Purchased Assets will be deemed and considered to have been repurchased by such Seller immediately prior to such purchase by the Approved Investor. The Agent and the Buyers are entitled to rely upon Seller's affirmation that deposits in the Settlement Account represent payments from Approved Investors (whether paid directly or by a third party disbursement agent) for the purchase of the Purchased Assets specified by Seller in its Notice. If the payment from an Approved Investor or disbursing agent for the purchase of Purchased Assets is less than the Repurchase Price for the Purchased Assets identified by Seller in its Notice, Seller must pay to Agent, and Seller authorizes Agent to charge the Operating Account for, an amount equal to that deficiency. Overdraft Funds advanced by BNY Mellon on any Business Day for Purchased Assets shall be repaid by Sellers the same Business Day from the funding of a Swing Line Transaction or regular Transaction for such Purchased Assets as provided in



Sections 3.2 and 3.3, respectively, of the Administration Agreement. Provided that no Default or Event of Default exists, Agent will pay over to Seller by depositing into the Operating Account the excess amount (if any) paid by an Approved Investor (either directly or through such a third party disbursement agent) for Purchased Assets over the sum of the Repurchase Price for those Assets, provided that any Overdraft Funds which have not been repaid as aforesaid shall first be repaid from such excess by the Agent's crediting the applicable account of BNY Mellon and thereafter such excess net of such payment shall be deposited into the Operating Account. To the extent that any Overdraft Funds are not so repaid, following an Event of Default, then such Overdraft Funds shall be repaid pursuant to Section 15(a). In the event that a repurchase described in this Section occurs on a date other than a Payment Date, the Agent may elect to defer Seller's payment of the accrued Price Differential in respect of the Purchased Assets so repurchased until the next Payment Date.

(c) Redemptions. The Sellers may repurchase Purchased Assets without penalty or premium (whether for release and retransfer to Seller or for transfer to another one of Seller's warehousing or repurchase facilities permitted pursuant to this Repurchase Agreement), subject to the last sentence of this Section 4(c), on any date. The Repurchase Price payable for the repurchase of any such Purchased Asset shall be reduced as provided in Section 6(i). If the Sellers intend to make such a repurchase, then by 1:00 p.m. (New York City time) on the requested Repurchase Date (which must be a Business Day) Seller shall both (i) deliver to the Agent a Repurchase Request, substantially in the form of Exhibit G, and (ii) either (x) remit to the Agent in collected funds the Repurchase Price for the Purchased Asset(s) to be redeemed or (y) request shipment of Purchased Asset Files for such Purchased Assets to the other lender or repo counterparty and provide the contact information and address to which they are to be shipped under cover of an appropriate bailee letter (or if the Custodian is also documents custodian for such other lender or repo counterparty, have such custodian deliver to the Agent an appropriate bailee letter in form and substance acceptable to the Agent.) The amounts set forth on the Repurchase Request shall be applied to the Repurchase Price for the designated Purchased Assets. In the event that a repurchase described in this Section occurs on a date other than a Payment Date, the Agent may elect to defer Seller's payment of the accrued Price Differential in respect of the Purchased Assets so repurchased until the next Payment Date.

(d) All Repurchases. On the Repurchase Date, termination of the Transaction will be effected by reassignment to Seller or its designee of any Purchased Assets being redeemed against the simultaneous transfer of the Repurchase Price (other than accrued Price Differential if the Agent has elected to defer payment thereof to the next Payment Date) to an account of the Agent for the benefit of the Buyers. The Sellers are obligated to obtain the Purchased Asset Files from the Custodian at the Sellers' expense on the Repurchase Date.

(e) Delivery of Additional Mortgage Loans. From time to time the Sellers may deliver Eligible Assets to the Agent without entering into a new transaction, and such Eligible Assets shall be treated as Purchased Assets subject to the existing Transactions, as if delivered in the immediately preceding Transaction.

(f) Revaluation of Purchased Assets. Agent reserves the right, but shall have no obligation, to revalue any Purchased Asset to its market value, as determined by the Agent (in cooperation with the Custodian), based upon whole loan prices currently available, whereupon

the Asset Value of such Purchased Asset shall be the lesser of (x) its Asset Value as determined in accordance with the definition of that term, without regard to the provisions of this Section 4(f), and (y) the applicable Purchase Price Percentage times such market value. If any such revaluation results in a Margin Deficit, Seller shall pay it in accordance with the requirements of Section 5(a).

(g) Increase in Maximum Purchase Price. By written notice to the Agent before the Termination Date, the Sellers may request an increase to the existing Maximum Purchase Price to an amount up to [\*\*\*]. No such request shall be made following the occurrence and during the continuance of a Default or Event of Default. The Agent's obligations with respect to such notice and the participation by one or more Buyers, at their option, in such increase will be governed by the terms of the Administration Agreement.

Section 5. Margin Amount Maintenance.

(a) If at any time the aggregate Asset Value of all Purchased Assets subject to all outstanding Transactions is less than the aggregate Repurchase Price for all such Transactions (a "Margin Deficit"), then the Agent shall by notice to the Sellers (as such notice is more particularly set forth below, a "Mark-to-Market"), require the Sellers to transfer to the Custodian or other designee of the Agent, for the benefit of Buyers, cash or Eligible Assets approved by the Agent in its sole discretion ("Additional Purchased Assets") so that the aggregate Asset Value of the Purchased Assets, including any such Additional Purchased Assets or cash, will thereupon equal or exceed the aggregate Repurchase Price for all Transactions. For purposes of the calculation of the Mark-to-Market, the Agent will exclude accrued and unpaid Price Differential that is otherwise included in the aggregate Repurchase Price (which, if so excluded, will be due on the next Payment Date). If the Agent delivers a Mark-to-Market to Seller at or before 4:00 p.m. (New York City time) on any Business Day, then the Sellers shall transfer cash or Additional Purchased Assets to the Custodian or other designee of the Agent, for the benefit of Buyers, on the next Business Day after the Business Day on which a Mark-to-Market is delivered to the Sellers. If the Agent delivers a Mark-to-Market to Seller after 4:00 p.m. (New York City time) on any Business Day, the Sellers shall be required to transfer cash or Additional Purchased Assets on the second Business Day thereafter.

(b) The Agent's election, in its sole and absolute discretion, not to make a Mark-to-Market at any time there is a Margin Deficit shall not in any way limit or impair its right to make a Mark-to-Market at any time a Margin Deficit exists.

(c) Any cash transferred to the Agent pursuant to Section 5(a) above shall be credited to the Repurchase Price of the related Transactions.

(d) On any day, the aggregate amount of Transactions outstanding under the Repurchase Agreement shall in no event exceed the Maximum Purchase Price. If notice is given at or before 10:00 a.m. (New York City time), then by 2:00 p.m. on that same Business Day (or if notice is given after 10:00 a.m., then by 2:00 p.m. on the next Business Day) the Sellers shall repurchase enough Purchased Assets that the Repurchase Price equals or is less than the Maximum Purchase Price.

(e) On any day on which the aggregate Asset Value of the Purchased Assets subject to Transactions exceeds the then outstanding aggregate Repurchase Price of all Transactions (a “Margin Excess”), provided that no Default or Event of Default has occurred and is continuing or would exist after such action by the Agent, the Agent, upon receipt of written request from Seller, shall remit cash or release Purchased Assets to Seller, as requested by the Sellers, in either case in an amount equal to the lesser of (i) the amount requested by the Sellers and (ii) such Margin Excess. To the extent that the Agent remits cash to the Sellers, such cash shall be additional Purchase Price with respect to the Transactions (but any such additional Purchase Price paid pursuant to this Section 5(e) shall not be included in the Repurchase Price for any Purchased Assets and no Price Differential shall accrue on any such additional Purchase Price paid pursuant to this Section 5(e)). Any request received by the Agent after 11:30 a.m. (New York City time) shall be remitted by the Agent on the next Business Day.

(f) The Agent shall not be obligated to remit an amount or release Purchased Assets requested pursuant to a request for Margin Excess which (i) Agent determines is based on erroneous information or would result in a Transaction other than in accordance with the terms of this Repurchase Agreement; (ii) does not reflect the current determination of Asset Value as provided in the definition thereof; (iii) exceeds the Available Purchase Price or (iv) would result in any Buyer’s Available Commitment being exceeded.

Section 6. Periodic Advance Repurchase Payments: Income.

(a) Notwithstanding that the Agent, the Buyers and the Sellers intend that the Transactions hereunder be sales to the Agent for the benefit of the Buyers of the Purchased Assets, the Sellers shall pay to the Agent for the benefit of the Buyers on each Payment Date (i) the accrued and unpaid Price Differential and (ii) the amount of any unpaid Margin Deficit (each such payment of Margin Deficit, a “Periodic Advance Repurchase Payment”). Notwithstanding the preceding sentence, if the Sellers fail to pay all or part of any Periodic Advance Repurchase Payment due by 1:00 p.m. (New York City time on any Payment Date or the date that is two (2) Business Days after the Sellers’ receipt of notice from the Agent that such Periodic Advance Repurchase Payment has become due, whichever is earlier, the Pricing Rate shall be equal to the Post-default Rate until the Periodic Advance Repurchase Payment is received in full by the Agent (any such amounts in excess of the standard Price Differential, the “Late Payment Fee”). Any payment received after 1:00 p.m. (New York City time shall be deemed to have been received by the Agent on the next Business Day.

(b) The Pricing Rate applicable to the Purchase Price for one or more Transactions or portions thereof may be initially set forth in a Transaction Request. Any ABR Transaction, Eurodollar Transaction or LIBOR Transaction shall continue as an ABR Transaction, Eurodollar Transaction or LIBOR Transaction, respectively, until (i) with respect to Eurodollar Transactions the Interest Period with respect thereto ends, and (ii) with respect to an ABR Transaction or LIBOR Transaction, the Agent receives a Pricing Designation notifying the Agent of a change in the applicable Pricing Rate. At the end of an Interest Period with respect to any Eurodollar Transaction, such Eurodollar Transaction shall be automatically converted into an ABR Transaction unless a Seller shall have given the Agent a new Pricing Designation establishing a new Pricing Rate with respect to the Purchase Price amounts previously subject to such Eurodollar Transaction. A Seller must give the Agent a Pricing Designation not later than

(i) 11:00 a.m. on the date that a Pricing Designation is to take effect in the case of a requested ABR Transactions or LIBOR Transactions, and (ii) 11:00 a.m. at least three Business Days prior to the date that a Pricing Designation is to take effect in the case of a requested Eurodollar Transaction. Each Pricing Designation shall be irrevocable.

(c) Notwithstanding the provisions of Section 6(b), a Seller and any individual Buyer (a “Buy-Down Buyer”) may notify the Agent in writing that such Seller and such Buy-Down Buyer have entered into a Buy-Down Agreement with respect to all (or any part of, as designated in such notice) LIBOR Transactions from time to time outstanding and held by such Buy-Down Buyer, and, that, pursuant to said Buy-Down Agreement, the Pricing Rate applicable to such LIBOR Transactions during any calculation period shall be the Buy-Down Rate (or such other rate as the Buy-Down Buyer and the Sellers may agree to under the Buy-Down Agreement) and shall be based on the assumption that such Seller shall maintain sufficient Available Deposits with such Buy-Down Buyer. The Agent shall (until otherwise notified by such Seller and such Buy-Down Buyer to the contrary) compute each Pricing Differential payable pursuant to Section 6(a) consistently with the provisions of this Section 6(c). The Agent shall have no obligation to verify the amount of any Available Deposits supporting such pricing. Such Seller shall pay all deficiency fees or other amounts payable under its Buy-Down Agreement with each Buy-Down Buyer directly to such Buy-Down Buyer within [\*\*\*] calendar days of receipt of a billing statement from such Buy-Down Buyer and all such amounts shall be deemed to be Obligations hereunder.

(d) Before the occurrence of any Event of Default, the Sellers (or their Servicer) shall collect all Income and properly allocate all such Income from the Purchased Assets to the Purchased Assets in its consolidated books and records.

(e) After the occurrence of an Event of Default, the Sellers shall hold all Income then in its hands or in the hands of any Servicer, and all Income thereafter received by either, in trust for the Agent (for the benefit of Buyers), all such Income shall constitute the property of the Agent (for the benefit of Buyers) and shall not be commingled with other property of the Sellers or any Affiliate of any Seller, and the Sellers shall transfer all such Income from Sellers’ master clearing account to the Collection Account with the Agent within [\*\*\*] Business Days after receipt. Funds deposited in the Collection Account during any month shall be held therein, in trust for the Agent for the benefit of the Buyers, until the next Payment Date.

(f) With respect to each Payment Date on or after the occurrence of an Event of Default, funds on deposit in the Collection Account shall be applied as follows:

- (i) first, to the payment of all costs and fees (including Late Payment Fees) payable by the Sellers pursuant to this Repurchase Agreement;
- (ii) second, to the Agent for the benefit of Buyers in payment of any accrued and unpaid Price Differential;

(iii) third, without limiting the rights of the Agent under Section 5, to the Agent for the benefit of the Buyers, in the amount of any unpaid Margin Deficit; and

(iv) the balance shall be retained in the Collection Account and applied as provided above on the next Payment Date unless the Agent has declared in writing that any and all Events of Default have been cured or waived, in which case the balance shall be paid to Sellers.

(g) If and to the extent any payment is not made when due under this Repurchase Agreement or any of the other Repurchase Documents, the Sellers authorize the Agent for the benefit of the Buyers to charge any amounts so due and unpaid against any or all of the Sellers' accounts with the Agent or any Buyer; provided that such right to charge the Sellers' accounts shall not apply to (i) any deposit of escrow monies being held on behalf of the mortgagors under Purchased Assets or on behalf of other third Persons that are not Affiliates of Seller, (ii) securities issued by any Seller or any Affiliate of a Seller for which the Agent or such Buyer is acting as underwriter or placement agent, (iii) investment assets that are held by the Agent or such Buyer acting as securities intermediary for a Seller but that are not Purchased Assets or (iv) any assets of a special purpose entity formed by a Seller to hold real estate or to issue asset-backed securities and that are held in an account designated in writing as such when the account was established. The Agent agrees to use reasonable efforts to promptly advise the Sellers of any charge made pursuant to this Section 6(g), but its failure to do so will not affect the validity or collectability of such charge.

(h) Any funds from an Approved Investor's purchase of a Purchased Asset shall be sent to the Settlement Account and the Agent shall promptly (i) apply any funds to that Purchased Asset's Repurchase Price and, unless a Default or an Event of Default shall have occurred and be continuing, (ii) transfer any funds in excess of such Repurchase Price to the Operating Account.

(i) The Agent shall offset against the Repurchase Price of each such Transaction all Income (if any) and Periodic Advance Repurchase Payments (if any) actually received by the Agent pursuant to Section 6(a), excluding any Late Payment Fees paid pursuant to Section 6(a).

Section 7. Requirements of Law; Indemnification.

(a) If any Requirement of Law (other than with respect to that Buyer, any amendment made to the Buyer's certificate of incorporation and by-laws or other organizational or governing documents) or any change in the interpretation or application thereof or compliance by any Buyer with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the date hereof:

(i) shall subject the Buyer to any Tax or increased Tax of any kind whatsoever with respect to this Repurchase Agreement or any Transaction or change the basis of taxation of payments to the Buyer in respect thereof;

(ii) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, or other extensions of credit by, or any other acquisition of funds by, any office of the Buyer which is not otherwise included in the determination of LIBOR or Eurodollar Rate herein; or

(iii) shall impose on the Buyer any other condition;

and the result of any of the foregoing is to increase the cost to the Buyer, by an amount which the Buyer reasonably deems to be material, of entering, continuing or maintaining any Transaction or to reduce any amount due or owing hereunder in respect thereof, then, in any such case, the Sellers shall promptly pay the Buyer such additional amount or amounts as calculated by the Buyer in good faith as will compensate the Buyer for such increased cost or reduced amount receivable equal to such increased costs or additional amounts reasonably determined by the Buyer. Notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or United States or foreign regulatory authorities, shall in each case be deemed to be a basis for compensation under this Section 7(a), regardless of the date enacted, adopted, issued or implemented.

(b) If any Buyer shall have determined that the adoption of or any change in any Requirement of Law (other than with respect to that Buyer, any amendment made to the Buyer's certificate of incorporation and by-laws or other organizational or governing documents) regarding capital adequacy or in the interpretation or application thereof or compliance by the Buyer or any corporation controlling the Buyer with any request or directive regarding capital adequacy (whether or not having the force of law) from any Governmental Authority made subsequent to the date hereof shall have the effect of reducing the rate of return on the Buyer's or such corporation's capital as a consequence of its obligations hereunder to a level below that which the Buyer or such corporation could have achieved but for such adoption, change or compliance (taking into consideration the Buyer's or such corporation's policies with respect to capital adequacy) by an amount deemed by the Buyer to be material, then from time to time, the Sellers shall promptly pay to the Buyer such additional amount or amounts as will compensate the Buyer for such reduction. Notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or United States or foreign regulatory authorities, shall in each case be deemed to be a basis for compensation under this Section 7(b), regardless of the date enacted, adopted, issued or implemented.

(c) Notwithstanding anything contained herein to the contrary, if a Eurodollar Transaction shall be terminated for any reason prior to the last day of the Interest Period applicable thereto, or if any repurchase of a Eurodollar Transaction is made by the Sellers for any reason on a date which is prior to the last day of the Interest Period applicable thereto, the

Sellers agree to indemnify the Agent and the Buyers against, and to pay on demand directly to the Agent and the Buyers the amount (as reasonably determined by the Agent or Buyers requiring indemnification) equal to any loss or out-of-pocket expense suffered by the Agent or Buyers as a result of such failure to borrow or convert, or such termination, repayment or prepayment, including any loss, cost or expense suffered by the Agent or Buyers in liquidating or employing deposits acquired to fund or maintain the funding of such Eurodollar Transaction, or redeploying funds prepaid or repaid, in amounts which correspond to such Eurodollar Transaction, and any internal processing charge customarily charged by the Agent or Buyers in connection therewith. A statement setting forth the calculations of any additional amounts payable pursuant to this Section submitted by the Agent or Buyers requiring indemnification to the Sellers shall be conclusive absent manifest error.

(d) If any Buyer becomes entitled to claim any additional amounts pursuant to this Section, the Agent shall notify the Sellers of the event by reason of which it has become so entitled. A certificate as to any additional amounts payable pursuant to this Section submitted by such Buyer shall be conclusive in the absence of manifest error and the Sellers agree to pay the Buyer the amount shown as due on any such certificate within [\*\*\*] after the receipt by the Sellers of such certificate.

(e) The Sellers may elect to reduce the Maximum Purchase Price or terminate this Repurchase Agreement by giving an irrevocable written notice to the Agent specifying as the date of reduction or termination date a date no earlier than [\*\*\*] and no later than [\*\*\*] after the date of the notice, and on the date so specified, provided that (i) in the case of a reduction of the Maximum Purchase Price, the amount of Obligations that exceed aggregate Asset Value of the Purchased Assets shall be paid to the Agent in full (together with all accrued and unpaid Pricing Differential thereon) in immediately available funds, and (ii) in the case of a termination of this Repurchase Agreement, the Obligations (including all accrued and unpaid Pricing Differential and the Facility Fee accrued through such termination date) shall be paid to the Agent in full in immediately available funds, in which event this Repurchase Agreement shall terminate and the Facility Fee shall cease to accrue after the specified termination date, although all accrued and unpaid Facility Fee through the specified termination date shall be earned and shall be due and payable on such termination date and no refund of the Facility Fee shall be required.

Section 8. Taxes.

(a) Any and all payments by the Sellers under or in respect of this Repurchase Agreement or any other Repurchase Documents to which a Seller is a party shall be made free and clear of, and without deduction or withholding for or on account of, any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities (including penalties, interest and additions to tax) with respect thereto, whether now or hereafter imposed, levied, collected, withheld or assessed by any taxation authority or other Governmental Authority (collectively, "Taxes"), unless required by law. If a Seller shall be required under any applicable Requirement of Law to deduct or withhold any Taxes from or in respect of any sum payable under or in respect of this Repurchase Agreement or any of the other Repurchase Documents to any Buyer, (i) such Seller shall make all such deductions and withholdings in respect of Taxes, (ii) such Seller shall pay the full amount deducted or withheld in respect of

Taxes to the relevant taxation authority or other Governmental Authority in accordance with any applicable Requirement of Law, and (iii) the sum payable by such Seller shall be increased as may be necessary so that after Sellers have made all required deductions and withholdings (including deductions and withholdings applicable to additional amounts payable under this Section 8) such Buyer receives an amount equal to the sum it would have received had no such deductions or withholdings been made in respect of Non-excluded Taxes. For purposes of this Repurchase Agreement the term “Non-excluded Taxes” are Taxes other than, in the case of a Buyer, (i) Taxes that are imposed on its overall net income (and franchise taxes imposed in lieu thereof) by the jurisdiction under the laws of which such Buyer is organized or of its applicable lending office, or any political subdivision thereof, unless such Taxes are imposed as a result of such Buyer having executed, delivered or performed its obligations or received payments under, or enforced, this Repurchase Agreement or any of the other Repurchase Documents (in which case such Taxes will be treated as Non-excluded Taxes), and (ii) any U.S. Federal withholding Taxes imposed under FATCA.

(b) In addition, Sellers hereby agree to pay any present or future stamp, recording, documentary, excise, property or value-added taxes, or similar taxes, charges or levies that arise from any payment made under or in respect of this Repurchase Agreement or any other Repurchase Document or from the execution, delivery or registration of, any performance under, or otherwise with respect to, this Repurchase Agreement or any other Repurchase Document (collectively, “Other Taxes”).

(c) The Sellers, jointly and severally, will indemnify such Buyer for, and hold it harmless against, the full amount of Non-excluded Taxes and Other Taxes, and the full amount of Taxes of any kind imposed by any jurisdiction on amounts payable under this Section 8 imposed on or paid by such Buyer and any liability (including penalties, additions to tax, interest and expenses) arising therefrom or with respect thereto. The indemnity by the Sellers provided for in this Section 8 shall apply and be made whether or not the Non-excluded Taxes or Other Taxes for which indemnification hereunder is sought have been correctly or legally asserted (but the Sellers reserve the right to make a claim against such Buyer in the event they determines that the amount of such indemnity is incorrect). Amounts payable by the Sellers under the indemnity set forth in this Section 8 shall be paid within [\*\*\*] from the date on which such Buyer makes written demand therefor.

(d) Within thirty (30) days after the date of any payment of Taxes, the Sellers (or any Person making such payment on behalf of Sellers) shall furnish to the Agent (for such Buyer) a certified copy of the original official receipt evidencing payment thereof or give a written notice to the Agent stating the date and amount of Taxes paid, to whom paid and that Seller (or such Person making such payment on behalf of Sellers) has not received any official receipt therefor.

(e) For purposes of Section 8(e), the terms “United States” and “United States person” shall have the meanings specified in Section 7701 of the Internal Revenue Code. Each Buyer (including for avoidance of doubt any assignee, successor or participant) that either (i) is not incorporated under the laws of the United States, any State thereof, or the District of Columbia or (ii) whose name does not include “Incorporated,” “Inc.,” “Corporation,” “Corp.,” “P.C.,” “insurance company,” or “assurance company” (a “Nonexempt Buyer”) shall deliver or



cause to be delivered to the Sellers the following properly completed and duly executed documents:

(i) in the case of a Nonexempt Buyer that is not a United States person, a complete and executed (x) U.S. Internal Revenue Form W-8BEN with Part II completed in which such Buyer claims the benefits of a tax treaty with the United States providing for a zero or reduced rate of withholding (or any successor forms thereto), including all appropriate attachments or (y) a U.S. Internal Revenue Service forms W-8ECI (or any successor forms thereto); or

(ii) in the case of an individual, (x) a complete and executed U.S. Internal Revenue Service Form W-8BEN (or any successor forms thereto) or (y) a complete and executed U.S. Internal Revenue Service Form W-9 (or any successor forms thereto) (each a “Tax Treatment Certificate”); or

(iii) in the case of a Nonexempt Buyer that is organized under the laws of the United States, any State thereof, or the District of Columbia, a complete and executed U.S. Internal Revenue Service Form W-9 (or any successor forms thereto), including all appropriate attachments; or

(iv) in the case of a Nonexempt Buyer that (x) is not organized under the laws of the United States, any State thereof, or the District of Columbia and (y) is treated as a corporation for U.S. federal income tax purposes, a complete and executed U.S. Internal Revenue Service Form W-8BEN claiming a zero rate of withholding (or any successor forms thereto) and a Tax Treatment Certificate; or

(v) in the case of a Nonexempt Buyer that (A) is treated as a partnership or other non-corporate entity, and (B) is not organized under the laws of the United States, any State thereof, or the District of Columbia, (x)(i) a complete and executed U.S. Internal Revenue Service Form W-8IMY (or any successor forms thereto) (including all required documents and attachments) and (ii) a Tax Treatment Certificate, and (y) without duplication, with respect to each of its beneficial owners and the beneficial owners of such beneficial owners looking through chains of owners to individuals or entities that are treated as corporations for U.S. federal income tax purposes (all such owners, “beneficial owners”), the documents that would be required by clause (i), (ii), (iii), (iv), (vi), (vii) and/or this clause (v) of this Section 8(e) with respect to each such beneficial owner if such beneficial owner were such Buyer, provided, however, that no such documents will be required with respect to a beneficial owner to the extent the actual Buyer is determined to be in compliance with the requirements for certification on behalf of its beneficial owner as may be provided in applicable U.S. Treasury regulations, or the requirements of this clause (v) are otherwise determined to be unnecessary, all such determinations under this clause (v) to be made in the sole discretion of the Sellers, provided, however, that such Buyer shall be provided an opportunity to establish such compliance as reasonable; or

(vi) in the case of a Nonexempt Buyer that is disregarded for U.S. federal income tax purposes, the document that would be required by clause (i), (ii), (iii), (iv), (v), (vii) and/or this clause (vi) of this Section 8(e) with respect to its beneficial owner if such beneficial owner were such Buyer; or

(vii) in the case of a Nonexempt Buyer that (A) is not a United States person and (B) is acting in the capacity as an “intermediary” (as defined in U.S. Treasury Regulations), (x)(i) a U.S. Internal Revenue Service Form W-8IMY (or any successor form thereto) (including all required documents and attachments) and (ii) a Tax Treatment Certificate, and (y) if the intermediary is a “non-qualified intermediary” (as defined in U.S. Treasury Regulations), from each person upon whose behalf the “non-qualified intermediary” is acting the documents that would be required by clause (i), (ii), (iii), (iv), (v), (vi), and/or this clause (vii) of this Section 8(e) with respect to each such person if each such person were such Buyer.

If the forms referred to above in this Section 8(e) that are provided by a Buyer at the time it first becomes a party as a Buyer to this Repurchase Agreement or, with respect to a grant of a participation, the effective date thereof, indicate a United States interest withholding tax rate in excess of zero, withholding tax at such rate shall be treated as Taxes other than “Non-excluded Taxes” (“Excluded Taxes”) and shall not qualify as Non-excluded Taxes unless and until such Buyer provides the appropriate form certifying that a lesser rate applies, whereupon withholding tax at such lesser rate shall be considered Excluded Taxes solely for the periods governed by such form. If, however, on the date a Person becomes an assignee, successor or participant to this Repurchase Agreement, the Buyer transferor was entitled to indemnification or additional amounts under this Section 8, then the Buyer assignee, successor or participant shall be entitled to indemnification or additional amounts to the extent (and only to the extent), that the Buyer transferor was entitled to such indemnification or additional amounts for Non-excluded Taxes, and the Buyer assignee, successor or participant shall be entitled to additional indemnification or additional amounts for any other or additional Non-excluded Taxes.

(f) For any period with respect to which a Buyer has failed to provide the Sellers with the appropriate form, certificate or other document described in Section 8(e) (other than (i) if such failure is due to a change in any applicable Requirement of Law, or in the interpretation or application thereof, occurring after the date on which a form, certificate or other document originally was required to be provided, (ii) if such form, certificate or other document otherwise is not required under Section 8(e), or (iii) if it is legally inadvisable or otherwise commercially disadvantageous for such Buyer to deliver such form, certificate or other document), such Buyer shall not be entitled to indemnification or additional amounts under Section 8(a) or Section 8(c) with respect to Non-excluded Taxes imposed by the United States by reason of such failure; provided, however, that should a Buyer become subject to Non-excluded Taxes because of its failure to deliver a form, certificate or other document required hereunder, the Sellers shall take such steps as such Buyer shall reasonably request, to assist such Buyer in recovering such Non-excluded Taxes.

(g) Without prejudice to the survival of any other agreement of the Sellers hereunder, the agreements and obligations of the Sellers contained in this Section 8 shall survive

the termination of this Repurchase Agreement. Nothing contained in this Section 8 shall require any Buyer to make available any of its tax returns or any other information that it deems to be confidential or proprietary.

Section 9. Security Interest.

(a) Although the parties intend that all Transactions hereunder be sales and purchases (other than for accounting and tax purposes) and not loans, to secure the Agent and the Buyers in the event any such Transactions are deemed to be loans, each Seller hereby pledges to the Agent for the benefit of Buyers as security for the performance by the Sellers of the Obligations, and hereby presently grants, assigns and pledges to the Agent for the benefit of Buyers, a fully perfected first priority security interest in the Purchased Assets, the related records and all servicing rights related to the Purchased Assets, the Repurchase Documents relating to the Purchased Assets, any Property relating to any Purchased Asset or to its related Mortgaged Property, any Approved Investor Commitments relating to any Purchased Asset, all insurance policies and insurance proceeds relating to any Purchased Asset or the related Mortgaged Property, including any payments or proceeds under any related primary insurance or hazard insurance; any Income relating to any Purchased Asset, the Collection Account, the Settlement Account, the Operating Account and any other contract rights, deposit accounts (excluding any Interest Rate Protection Agreements but including any interest of Seller in escrow accounts) and any other payments, rights to payment (including payments of interest or finance charges), payment intangibles and other general intangibles to the extent that the foregoing relate to any Purchased Asset; and any other assets relating (i) to the Purchased Assets (including any other accounts) or any interest in the Purchased Assets, (ii) to the servicing of the Purchased Assets, (iii) to Sellers' interest under the related Servicing Agreement, (iv) to all collateral for any of the Purchased Assets and (v) to distributions in respect of the Purchased Assets; and any other proceeds, property, rights, title or interests with respect to any of the foregoing, in all instances, whether now owned or hereafter acquired, now existing or hereafter created (collectively, the "Repurchase Assets").

( b ) Section 9(a) is intended to constitute a security agreement or other arrangement or other credit enhancement related to this Repurchase Agreement and transactions hereunder as defined under Section 101(47)(v) of the Bankruptcy Code.

(c) The Sellers hereby authorize the Agent to file such financing statement or statements relating to the Repurchase Assets as the Agent, at its option, may deem appropriate. The Sellers shall pay the filing costs for any financing statement or statements prepared pursuant to this Section 9.

Section 10. Payment, Transfer and Custody.

(a) Unless otherwise mutually agreed in writing, all transfers of funds to be made by the Sellers hereunder shall be made in Dollars, in immediately available funds, without deduction, set-off or counterclaim, to the following Agent's account:

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The Bank of New York Mellon  
6023 Airport Road  
Oriskany, New York 13424  
ABA: [\*\*\*]  
Attention: Daizon Camp  
Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Account Number: [\*\*\*]  
For Credit To: GMC

not later than 1:00 p.m. (New York City time) - 2:00 p.m. if electronically submitted on the date when such payment shall become due (and each such payment made after such time shall be deemed to have been made on the next succeeding Business Day). The Sellers acknowledge that it has no rights of withdrawal from the foregoing account.

(b) On the Purchase Date for each Transaction, ownership of the Purchased Assets shall be transferred to the Agent for the benefit of the Buyers against the simultaneous transfer of the Purchase Price therefore from the Buyers to the Settlement Account and the Agent's transfer of the Purchase Price from the Settlement Account to the following account of the Sellers (the "Operating Account"): Account No. [\*\*\*], for the account of the Sellers, The Bank of New York Mellon, ABA No. [\*\*\*], Attn: Terry Schmidt, simultaneously with the delivery to the Agent for the benefit of the Buyers of the Purchased Assets relating to each Transaction. With respect to the Purchased Assets being sold by Seller on a Purchase Date, Seller hereby sells, transfers, conveys and assigns to the Agent for the benefit of the Buyers without recourse, but subject to the terms of this Repurchase Agreement, all the right, title and interest of Seller in and to the Purchased Assets (on a servicing released basis) together with all right, title and interest of Seller in and to any appurtenant Repurchase Assets and the proceeds thereof. On each Repurchase Date, the repurchase of Purchased Assets and the termination of the applicable Transaction will be governed by Section 4(d).

(c) In connection with such sale, transfer, conveyance and assignment, on or prior to each Purchase Date, the Sellers shall deliver or cause to be delivered and released to the Custodian the Purchased Asset Files for all Purchased Assets. The Custodian shall act as the agent for the Agent to effect the delivery of Purchased Assets transferred to the Sellers on each Repurchase Date pursuant to Section 4(d).

Section 11. Hypothecation or Pledge of Purchased Assets.

Title to all Purchased Assets including the appurtenant Repurchase Assets shall pass to the Agent for the benefit of Buyers and the Agent (for the benefit of the Buyers) shall have free and unrestricted use of the Agent's interest in therein. The Agent shall be permitted, with the consent of each Buyer and on behalf and for the benefit of Buyers, to engage in repurchase transactions with the Purchased Assets, or to pledge, re-pledge, transfer, hypothecate or re-hypothecate the Purchased Assets. Nothing contained in this Repurchase Agreement shall obligate the Agent to segregate any Purchased Assets delivered to the Agent by the Sellers.

Section 12. Representations.

The Sellers represent and warrant to the Agent and the Buyers that as of the Purchase Date of any Purchased Assets by the Agent (for the benefit of the Buyers) from the Sellers and as of the date of this Repurchase Agreement and any Transaction hereunder and at all times while the Repurchase Documents and any Transaction hereunder is in full force and effect:

(a) Existence and Standing. Each of the Sellers and their Subsidiaries is a corporation, partnership (in the case of Subsidiaries only) or limited liability company duly and properly incorporated or organized, as the case may be, validly existing and (to the extent such concept applies to such entity) in good standing under the laws of its jurisdiction of incorporation or organization and has all requisite power and authority to own or lease its property and to conduct its business in each jurisdiction in which its business is conducted.

(b) Authorization and Validity. The Sellers have the power and authority and legal right to execute and deliver this Repurchase Agreement, an Administration Agreement, a Reaffirmation of Agreements and all other Repurchase Documents to which they are parties. The Sellers have the power and authorization to consummate the transactions contemplated therein and in the other Repurchase Documents and to perform their respective obligations thereunder. The execution and delivery by the Sellers of the foregoing and all other Repurchase Documents, the consummation of the transactions therein contemplated and the performance of their respective obligations thereunder have been duly authorized by proper corporate, partnership or limited liability company proceedings, and the Repurchase Documents to which any of the Sellers is a party constitute legal, valid and binding obligations of such Seller enforceable against such Seller in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

(c) No Conflict; Government Consent. Neither the execution and delivery by the Sellers of the Repurchase Documents, nor the consummation of the transactions therein contemplated, nor compliance with the provisions thereof will violate (i) any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on either of the Sellers or any of their Subsidiaries or (ii) any Seller's or any Subsidiary's articles or certificate of incorporation, partnership agreement, certificate of partnership, articles or certificate of organization, by-laws, or operating or other management agreement, as the case may be, or (iii) the provisions of any indenture, instrument or agreement to which a Seller or any of its Subsidiaries is a party or is subject, or by which it, or its Property, is bound, or conflict with or constitute a default thereunder, or result in, or require, the creation or imposition of any Lien in, of or on the Property of any Seller or a Subsidiary pursuant to the terms of any such indenture, instrument or agreement. No order, consent, adjudication, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, or other action in respect of any governmental or public body or Governmental Authority, or any subdivision thereof, which has not been obtained by a Seller or any of its Subsidiaries, is required to be obtained by such Seller or any of its Subsidiaries in connection with the execution and delivery of the Repurchase Documents, the Transactions under this Agreement, the payment and performance by a Seller of the Obligations or the legality, validity, binding effect or enforceability of any of

the Repurchase Documents (other than filings to perfect the Liens granted pursuant to this Repurchase Agreement or the Security Agreement).

(d) Financial Statements. The December 31, 2018 consolidated financial statements of GMCLLC, GMC and their Subsidiaries heretofore delivered to the Buyers were prepared in accordance with GAAP in effect on the date such statements were prepared and fairly present the consolidated financial condition and operations of GMCLLC, GMC and their Subsidiaries at such date and the consolidated results of their operations for the period then ended.

(e) Material Adverse Change. Since December 31, 2018, no Material Adverse Change has occurred.

(f) Taxes. The Sellers and their Subsidiaries have filed all United States federal tax returns and all other tax returns which are required to be filed and have paid all taxes due pursuant to said returns or pursuant to any assessment received by the Sellers or any of its Subsidiaries, except such taxes, if any, as are being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided in accordance with Agreement Accounting Principles and as to which no Lien exists. The United States income tax returns of the Sellers and their Subsidiaries were last audited by the Internal Revenue Service through the fiscal year ended December 31, 2008. No tax liens have been filed and no claims are being asserted with respect to any such taxes, except for the state tax audit being conducted by the California Department of Revenue as of the date of this Repurchase Agreement. The charges, accruals and reserves on the books of the Sellers and their Subsidiaries in respect of any taxes or other governmental charges are adequate in all material respects.

(g) Litigation and Contingent Obligations. There is no litigation, arbitration, governmental investigation, proceeding or inquiry pending or, to the knowledge of any of their officers, threatened against or affecting the Sellers or any of their Subsidiaries which could reasonably be expected to have a Material Adverse Effect or which seeks to prevent, enjoin or delay the making of any Loans. Other than any liability incident to any litigation, arbitration or proceeding which could not reasonably be expected to have a Material Adverse Effect, the Sellers have no material contingent obligations not provided for or disclosed in the financial statements referred to in Section 12(d).

(h) Subsidiaries. Schedule II hereto contains an accurate list of all Subsidiaries of the Sellers as of the date of this Agreement, setting forth their respective jurisdictions of organization and the percentage of their respective capital stock or other ownership interests owned by the Sellers or other Subsidiaries. All of the issued and outstanding shares of capital stock or other ownership interests of such Subsidiaries have been (to the extent such concepts are relevant with respect to such ownership interests) duly authorized and issued and are fully paid and non-assessable.

(i) ERISA. There are no Unfunded Liabilities under any Single Employer Plans. Neither Seller nor any other member of the Controlled Group has incurred, or is reasonably expected to incur, any withdrawal liability to Multiemployer Plans. Each Plan complies in all material respects with all applicable requirements of law and regulations, no

Reportable Event has occurred with respect to any Plan, none of the Sellers or any other members of the Controlled Group has withdrawn from any Plan or initiated steps to do so, and no steps have been taken to reorganize or terminate any Plan. Sellers and each ERISA Affiliate have made full and timely payment of all amounts (A) required to be contributed under the terms of each Employee Benefit Plan and applicable law and (B) required to be paid as expenses of each Employee Benefit Plan. No Employee Benefit Plan has or would have an “amount of unfunded benefit liabilities (as defined in Section 4001(a)(18) of ERISA) if such Employee Benefit Plan were terminated as of this date. Sellers are not currently nor will it knowingly become subject to any liability (including withdrawal liability), tax or penalty whatsoever to any person whomsoever with respect to any Employee Benefit Plan including, but not limited to, any tax, penalty or liability arising under Title I or Title IV of ERISA or Chapter 43 of the Code.

(j) Accuracy of Information. No information, exhibit or report furnished by the Sellers or any of their Subsidiaries to the Agent or to any Buyer in connection with the negotiation of, or compliance with, the Repurchase Documents contained any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statements contained therein not misleading.

(k) Regulation U. Margin stock (as defined in Regulation U) constitutes less than 25% of the value of those assets of a Seller and its Subsidiaries which are subject to any limitation on sale, pledge, or other restriction hereunder.

(l) Material Agreements. No Seller or any Subsidiary is a party to any agreement or instrument or subject to any charter or other corporate restriction which could reasonably be expected to have a Material Adverse Effect. No Seller or any Subsidiary is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in (i) any agreement to which it is a party, which default could reasonably be expected to have a Material Adverse Effect or (ii) any agreement or instrument evidencing or governing Debt.

(m) Compliance With Laws. The Sellers and their Subsidiaries have complied with all applicable statutes, rules, regulations, orders and restrictions of any domestic or foreign government or any instrumentality or agency thereof, having jurisdiction over the conduct of their respective businesses or the ownership of their respective Property.

(n) Ownership of Properties. Except as set forth on Schedule III hereto, on the date of this Agreement, the Sellers and their Subsidiaries will have good title, free of all Liens other than those permitted by Section 13(q), to all of the Property and assets reflected in the financial statements provided to the Agent as owned by the Sellers and their Subsidiaries.

(o) Plan Assets; Prohibited Transactions. The Sellers are not an entity deemed to hold “plan assets” within the meaning of 29 C.F.R. § 2510.3-101 of an employee benefit plan (as defined in Section 3(3) of ERISA) which is subject to Title I of ERISA or any plan (within the meaning of Section 4975 of the Code), and neither the execution of this Agreement nor the purchase and sale of Mortgage Loans hereunder gives rise to a prohibited transaction within the meaning of Section 406 of ERISA or Section 4975 of the Code.

(p) Investment Company Act. No Seller or any Subsidiary is an “investment company” or a company “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940, as amended.

(q) Public Utility Holding Company Act. No Seller or any Subsidiary is a “holding company” or a “subsidiary company” of a “holding company”, or an “affiliate” of a “holding company” or of a “subsidiary company” of a “holding company”, within the meaning of the Public Utility Holding Company Act of 1935, as amended.

(r) GNMA, FHA, VA, FNMA, FHLMC and USDA Eligibility . Each Seller (other than GMCLLC) is: (i) an FHA-Approved Mortgagee in good standing, a VA-Approved Lender, a FHLMC-Approved Lender, a FNMA-Approved Lender and a USDA-Approved Lender, and meets all eligible requirements of law and governmental regulation so as to be eligible to originate, purchase, hold and service Mortgage Loans insured by FHA or supporting any Security; (ii) an approved seller and servicer in good standing of Mortgage Loans to each Agency and USDA; and (iii) an approved issuer and servicer in good standing of Securities for FHLMC, FNMA and GNMA and meets all FHLMC, FNMA and GNMA requirements, requirements of law and governmental regulations so as to be able to issue Securities and to originate and service the Mortgage Loans that secure such Securities.

(s) Acting as Principal. The Sellers will engage in such Transactions as principal (or, if agreed in writing in advance of any Transaction by the other party hereto, as agent for a disclosed principal).

(t) Purchased Assets Schedule. The information set forth in the related Purchased Assets Schedule and all other information or data furnished by, or on behalf of, the Sellers to the Agent or the Buyers is complete, true and correct in all material respects, and the Sellers acknowledge that neither the Agent nor any Buyer has verified the accuracy of such information or data.

(u) Solvency. Neither the Repurchase Documents nor any Transaction thereunder are entered into in contemplation of insolvency or with intent to hinder, delay or defraud any of Seller’s creditors. The transfer of the Mortgage Loans subject hereto is not undertaken with the intent to hinder, delay or defraud any of Seller’s creditors. None of the Sellers is insolvent within the meaning of 11 U.S.C. Section 101(32) of the Bankruptcy Code and the transfer and sale of the Mortgage Loans pursuant hereto (i) will not cause any Seller to become insolvent, (ii) will not result in any property remaining with any Seller to be unreasonably small capital, and (iii) will not result in debts that would be beyond any Seller’s ability to pay as same mature.

(v) No Broker. The Sellers have not dealt with any broker, investment banker, agent, or other person, except for the Agent, who may be entitled to any commission or compensation in connection with the sale of Purchased Assets pursuant to this Repurchase Agreement.



(w) Ability to Perform. The Sellers do not believe, and have no reason or cause to believe, that it cannot perform each and every one of their covenants contained in the Repurchase Documents.

(x) No Default. No Default or Event of Default has occurred and is continuing.

(y) Underwriting and Acquisition Guidelines. The Underwriting and Acquisition Guidelines provided to the Agent are the true and correct Underwriting and Acquisition Guidelines of the Sellers, and any amendments thereto have been delivered to the Agent.

(z) Adverse Selection. Seller has not purposely selected the Purchased Assets in a manner so as to adversely affect the Agent's or any Buyer's interests.

(aa) Purchased Assets.

(i) No Seller has assigned, pledged, or otherwise conveyed or encumbered any Purchased Asset, or any Mortgage Loan that such Seller proposes or has proposed to be made subject to a Transaction, to any Person other than the Agent, and immediately prior to the sale of such Mortgage Loan to the Agent for the benefit of the Buyers, such Seller was the sole owner of such Mortgage Loan and had good and marketable title thereto, free and clear of all Liens, in each case except for Liens to be released simultaneously with the sale to the Agent for the benefit of the Buyers hereunder.

(ii) The provisions of this Repurchase Agreement are effective to either constitute a sale of Purchased Assets to the Agent for the benefit of the Buyers or to create in favor of the Agent for the benefit of the Buyers a valid security interest in all right, title and interest of the Sellers in, to and under the Repurchase Assets.

(bb) Chief Executive Office/Jurisdiction of Organization. On the Agreement Date, Sellers' chief executive office is, and has been, located at 5898 Copley Drive, 5<sup>th</sup> Floor, San Diego, California 92111. The jurisdiction of organization of GMC is California and jurisdiction of organization of GMCLLC is Delaware.

(cc) Location of Books and Records. The location where the Sellers keep their books and records, including all computer tapes and records related to the Repurchase Assets that are not in the possession of the Servicer or the Custodian, is its chief executive office.

(dd) Hedging. The Sellers shall have entered into Interest Rate Protection Agreements in accordance with their hedging policies.

(ee) True and Complete Disclosure. (a) The information, reports, financial statements, exhibits and schedules furnished in writing by or on behalf of the Sellers to the Agent or Buyers in connection with the negotiation, preparation or delivery of this Repurchase Agreement and the other Repurchase Documents or included herein or therein or delivered

pursuant hereto or thereto (other than with respect to the Purchased Assets), when taken as a whole, do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they were made, not misleading. All written information furnished after the date hereof by or on behalf of the Sellers to the Agent or Buyers in connection with this Repurchase Agreement and the other Repurchase Documents and the transactions contemplated hereby (other than with respect to the Purchased Assets) and thereby will be true, complete and accurate in every material respect, or (in the case of projections) based on reasonable estimates, on the date as of which such information is stated or certified. There is no fact known to any Seller, after due inquiry, that could reasonably be expected to have a Material Adverse Effect that has not been disclosed herein, in the other Repurchase Documents or in a report, financial statement, exhibit, schedule, disclosure letter or other writing furnished to the Agent for use in connection with the transactions contemplated hereby or thereby.

(ff) No Embargoed Persons.

(i) None of the Sellers' assets constitute property of, or are beneficially owned, directly or indirectly, by any Person targeted by economic or trade sanctions under US law, including but not limited to, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq., the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq. (the "Trading With the Enemy Act"), any of the foreign assets control regulations of the Treasury (31 C.F.R., Subtitle B, Chapter V, as amended) (the "Foreign Assets Control Regulations") or any enabling legislation or regulations promulgated thereunder or executive order relating thereto (which includes, without limitation, (A) Executive Order No. 13224, effective as of September 24, 2001, and relating to Blocking Property and Prohibiting Transaction With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) (the "Executive Order") and (B) the USA Patriot Act, if the result of such ownership would be that the portion of any Transaction of any Buyer would be in violation of law ("Embargoed Person");

(ii) No Embargoed Person has any interest of any nature whatsoever in the Sellers if the result of such interest would be that any portion of a Transaction of any Buyer would be in violation of law;

(iii) The Sellers have not engaged in business with Embargoed Persons if the result of such business would be that any portion of a Transaction of any Buyer would be in violation of law; and

(iv) Neither of the Sellers nor any of their Affiliates (A) is or will become a "blocked person" as described in the Executive Order, the Trading With the Enemy Act or the Foreign Assets Control Regulations or (B) engages or will engage in any dealings or transactions, or be otherwise associated, with any such "blocked person". For purposes of determining whether or not a representation is true or a covenant is being complied with under this paragraph, the Sellers shall not be required to make any investigation into (A) the ownership

of publicly traded stock or other publicly traded securities or (B) the beneficial ownership of any collective investment fund.

(gg) Anti-Corruption Laws and Sanctions.

(i) The Sellers have implemented and maintain in effect policies and procedures designed to ensure compliance by the Sellers and their respective Subsidiaries, directors, officers, employees and agents with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions Laws and Regulations. The Sellers and their respective Subsidiaries, directors, officers and employees, and, to the knowledge of the Sellers their agents that will act in any capacity in connection with or benefit from the Transactions, are in compliance with Anti-Corruption Laws and applicable Sanctions Laws and Regulations, and no action, suit or proceeding by or before any Governmental Authority involving either Seller or any of its subsidiaries with respect to any potential violation of the Anti-Corruption Laws or Anti-Terrorism Laws is pending, or to the knowledge of the Sellers threatened. No proceeds of any Transaction will be used by Sellers in violation any Anti-Corruption Laws, Anti-Terrorism Laws or Sanctions Laws and Regulations, and none of the funds or assets of the Sellers that are used to pay any amount due pursuant to this Agreement shall constitute funds obtained from transactions with or relating to an Embargoed Person or a Sanctioned Country.

(ii) Neither Seller or their respective Subsidiaries, directors, officers and employees, and, to the knowledge of the Sellers their agents, is a Person that is, or is owned or controlled by Persons that are: (i) the subject of Sanctions Laws and Regulations or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions Laws and Regulations. The Sellers have provided to the Agent and the Buyers all information regarding the Sellers and their respective Subsidiaries, directors, officers and employees, and, to the knowledge of the Sellers their agents, necessary for the Agent and the Buyers to comply with “know your customer” and Anti-Terrorism Laws and such information is correct.

(hh) USA Patriot Act. The Sellers acknowledge that pursuant to the requirements of the USA Patriot Act, (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Patriot Act”) the Agent and the Buyers are required to obtain, verify and record information that identifies the Sellers, which information includes the name and address of the Sellers and other information that will allow the Agent and the Buyers to identify the Sellers in accordance with the Patriot Act. The Sellers agree to provide to the Agent promptly after any request by the Agent, such information as the Agent and any Buyer shall require for purposes of complying with the requirements of the Patriot Act, the federal regulations issued pursuant to the Patriot Act and any customer identification program established by the Agent or any Buyer pursuant to the Patriot Act and such regulations.

(ii) Qualified Mortgage Loans. All Eligible Assets are Qualified Mortgage Loans.

(jj) Beneficial Ownership Certification. As of the date hereof, the information included in the Beneficial Ownership Certification is true and correct in all respects.

Section 13. Covenants.

On and as of the date of this Repurchase Agreement and each Purchase Date and each day until this Repurchase Agreement is no longer in force, each of the Sellers covenants as follows:

(a) Preservation of Existence; Compliance with Law. Each Seller shall:

(i) Preserve and maintain its legal existence and all of its material rights, privileges, licenses and franchises necessary for the operation of its business;

(ii) Comply with the requirements of all applicable laws, rules, regulations and orders, whether now in effect or hereafter enacted or promulgated by any applicable Governmental Authority (including compliance in all material respects with all environmental laws);

(iii) Maintain all licenses, permits or other approvals necessary for it to conduct its business and to perform its obligations under the Repurchase Documents, and shall conduct its business strictly in accordance with applicable law;

(iv) Keep adequate records and books of account, in which complete entries will be made in accordance with GAAP consistently applied; and

(v) Permit representatives of the Agent and the Buyers, upon reasonable notice (unless an Event of Default shall have occurred and is continuing, in which case, no prior notice shall be required), during normal business hours, to examine, copy and make extracts from its books and records, to inspect any of its Properties, and to discuss its business and affairs with its officers, all to the extent reasonably requested by the Agent.

(b) Financial Reporting. The Sellers will maintain, for themselves and each Subsidiary, a system of accounting established and administered in accordance with generally accepted accounting principles, and furnish to the Buyers:

(i) Within 90 days after the close of each of its fiscal years, an unqualified audit report certified by independent certified public accountants, acceptable to the Buyers, prepared in accordance with Agreement Accounting Principles on a consolidated and consolidating basis (consolidating statements need not be certified by such accountants) for each of GMC and GMCLLC and their respective Subsidiaries, including balance sheets as of the end of such period, related profit and loss and changes in shareholders' equity statements, and a statement of cash flows, accompanied by (a) any management letter prepared by said accountants and (b) to the extent that such report and/or statements do not include a footnote or other statement therein to the effect that such accountants have obtained no knowledge of any Default or Event of Default (or if, in the opinion of such accountants, any Default or Event of Default shall exist, stating

the nature and status thereof), a certificate of said accountants that, in the course of their examination necessary for their certification of the foregoing, they have obtained no knowledge of any Default or Event Default (or if, applicable, stating the nature and status any Default or Event Default).

(ii) As soon as available but in any event within 30 days after each month end, for each of GMC and GMCLLC and its respective Subsidiaries, consolidated and consolidating unaudited balance sheets as at the close of each such period and consolidated and consolidating profit and loss statements (showing a breakout of servicing sales gains attributed to servicing originated in prior periods), a changes in shareholders' equity statement and a statement of cash flows for the period from the beginning of such fiscal year to the end of such month, all certified (subject to normal year-end adjustments) by its chief financial officer.

(iii) Together with the financial statements required under Sections 13(b)(i) and (ii), a compliance certificate in substantially the form of Exhibit F hereto signed by the respective chief financial officers for each of GMC and GMCLLC which (x) shows the calculations necessary to determine compliance with this Agreement as currently in effect (regardless of whether this Agreement was in effect at the date for which such financial statements were prepared), (y) confirms that no Default or Event of Default exists, or if any Default or Event of Default exists, stating the nature and status thereof, and (z) sets forth the amounts outstanding under each Supplemental Facility and confirms that no default exists thereunder, or if any such default exists, stating the nature and status thereof.

(iv) As soon as available but in any event within 30 days after each month end, (a) a production information report and (b) a servicing report and analysis which shall show the total servicing portfolio, a reconciliation of the servicing portfolio from the prior period, a breakdown of the servicing portfolio by investor type, capitalized vs. non-capitalized and the status of all Mortgage Loans serviced by the Sellers, all in such form and detail and including such additional information as the Agent may reasonably request. To the extent that the unpaid principal balance of those Mortgage Loans included in the Servicing Portfolio of GMC and GMCLLC which consist of Recourse Servicing is more than \$[\*\*\*], such servicing report shall show separately information concerning such Mortgage Loans.

(v) As soon as available but in any event within fifteen (15) days after the end of each month, (a) a secondary marketing report (including a commitment status report) for such month reasonably satisfactory to the Agent, (b) pipeline management report, (c) delinquency and foreclosure reports.

(vi) If requested by the Agent at any time within ninety (90) days after the beginning of each fiscal year of the Sellers, a copy of the plan and

forecast (including a projected consolidated and consolidating balance sheet, income statement and cash flow statement) of each Seller for such fiscal year.

(vii) Within five (5) Business Days of submission thereof by a Seller, copies of all documents adverse to such Seller submitted in connection with any audits by any of FNMA, FHLMC or GNMA; within ten (10) Business Days of receipt thereof by such Seller, copies of all compliance and audit reports received from any of FNMA, FHLMC or GNMA; and promptly upon receipt, a copy of any notice from (i) any Agency to the effect that it is or is contemplating withdrawing its approval of such Seller as a FHA-Approved Mortgagee, FHLMC-Approved Buyer, FNMA-Approved Buyer or VA-Approved Buyer or as an approved seller and servicer for FNMA, FHLMC or GNMA or (ii) any mortgage insurer which insures any of the Purchased Assets to the effect that it is contemplating withdrawing its approval of such Seller as an approved originator of insured Mortgage Loans.

(viii) No Seller or any of its Subsidiaries currently maintains any Single Employer Plans. In the event that any Seller or any of its Subsidiaries adopts or sponsors a Single Employer Plan in the future, then within 270 days after the close of each fiscal year, Sellers will deliver a statement of the Unfunded Liabilities of each Single Employer Plan, certified as correct by an actuary enrolled under ERISA.

(ix) (A) As soon as possible and in any event within 10 days after a Seller knows that any Reportable Event has occurred with respect to any Plan, a statement, signed by the chief financial officer of such Seller, describing said Reportable Event and the action which such Seller proposes to take with respect thereto, (B) at the same time and in the same manner as such notice must be provided to the PBGC, or to an Employee Benefit Plan participant, beneficiary or alternative payee, any notice required under Section 101(d), 302(f)(4), 303, 307, 4041(b)(1)(A)s or 4041(c)(1)(A) of ERISA or under Section 401(a)(29) or 412 of the Code with respect to any Employee Benefit Plan, and (C) upon the request of the Agent, (x) true and complete copies of any and all documents, government reports and determination or opinion letters for any Employee Benefit Plan, or (y) a current statement of withdrawal liability for each Multiemployer Employee Benefit Plan

(x) With respect to any Mortgaged Properties, as soon as possible and in any event within 10 days after receipt by a Seller, a copy of (a) any notice or claim to the effect that such Seller or any of its Subsidiaries is or may be liable to any Person as a result of the release by such Seller, any of its Subsidiaries, or any other Person of any toxic or hazardous waste or substance into the environment, and (b) any notice alleging any violation of any federal, state or local environmental, health or safety law or regulation by such Seller or any of its Subsidiaries.

(xi) Promptly upon the furnishing thereof to the shareholders of a Seller, copies of all financial statements, reports and proxy statements so furnished.

(xii) Promptly upon the filing thereof, copies of all registration statements and annual, quarterly, monthly or other regular reports which a Seller or any of its Subsidiaries files with the SEC.

(xiii) Within five (5) days after the end of each calendar month and within one (1) Business Day after any request therefor by the Agent, a report providing a reconciliation of the Asset Value by record.

(xiv) Within thirty (30) days of the end of each fiscal quarter of GMC and GMCLLC (or more frequently if requested by the Agent), an appraisal of the servicing rights owned by the Sellers for residential Mortgage Loans prepared by either an independent third party proposed by the Sellers and acceptable to the Agent, or if required by the Agent, an independent third party appraiser selected by the Agent, the cost of which in either case shall be borne by the Sellers.

(xv) Within thirty (30) days of the end of each month a status report relating to all Mortgage Loans that are the subject of Transactions in a form approved by the Agent and the Buyers.

(xvi) Within thirty (30) days after the end of each month a status report on all repurchase and indemnifications in a form reasonably satisfactory to the Agent and the Buyers.

Notwithstanding anything to the contrary set forth in this Section 13(b), the Sellers shall not be obligated to provide the statements and balance sheets required by subsections (i), (ii) and (iv) above on a "consolidating" basis for any period during which Subsidiaries of the Sellers account for less than [\*\*\*] of consolidated assets and less than [\*\*\*] of consolidated gross revenues of the Sellers and their consolidated Subsidiaries (but such statements, including, where required, such statements prepared on a consolidated basis, shall otherwise be required as provided for in said subsections). Any requirement of the Sellers to deliver any of the reports or information to the Buyers pursuant to this Section 13(b) may also be satisfied by the Sellers' either (i) posting electronic copies to a secure online data room to which all Buyers have access and informing the Buyers by e-mail of such a posting or (ii) sending electronic copies directly to the Buyers by e-mail, provided that to the extent that any such report or information requires a certification or signature, then an original signed counterpart thereof shall be delivered to the Agent. Email addresses of each Buyer shall be the email address designated by each such Buyer to the Sellers from time to time.

(c) Other Information. The Sellers will furnish to the Buyers the following additional information:

(i) Promptly, notice of (i) the occurrence of any event which constitutes a Default or an Event of Default, detailing the nature of such Default

or Event of Default and any actions taken or proposed to be taken with respect to such Default or Event of Default, (ii) the commencement of any action, suit or proceeding before any court, arbitrator, Governmental Authority or Agency which (A) could result in liability or loss of [\*\*\*] or more in the aggregate, in excess of any applicable insurance coverage, to a Seller or any of its Subsidiaries or (B) would otherwise have a Material Adverse Effect, (iii) with respect to a Seller, any change in the chief executive officer, (iv) any threatened loss of any authorization, qualification, license or permit issued by any Governmental Authority or Agency to a Seller the loss of which could have a Material Adverse Effect, (v) any written correspondence or notification from any Governmental Authority or Agency, which revokes or threatens to revoke, limits or threatens to limit, or imposes or threatens to impose any material restrictions on, any approvals or authorizations granted by such Governmental Authority or Agency to a Seller or any Subsidiary thereof, together with a copy thereof, or (vi) any violation of any requirements or guidelines established by any Governmental Authority or Agency, which might have a material adverse effect on the status of either a Seller or any Subsidiary thereof as a lender, seller or servicer approved by such Governmental Authority.

(ii) Promptly after becoming available, copies of the “on-site review reports,” “limited review reports” or “audit reports,” as the case may be prepared by HUD, FNMA and FHLMC in respect of a Seller and its operations, received by a Seller after the Effective Date.

(iii) Promptly, any notice from MERS of a default or cancellation of a Seller’s MERS membership and any other information the Agent may reasonably request with respect to such Seller’s MERS membership.

(iv) Notice of (x) any demand for payment or delivery of additional property or collateral by a lender or buyer, as the case may be, under a Supplemental Facility received by a Seller which is based on a “margin call,” mark to market adjustment or similar requirement under such Supplemental Facility, which notice shall be given promptly after such demand is received by a Seller; and (y) any amendment to a Supplemental Facility which amends the purchase price percentage, loan margin or similar discount with respect to loans purchased or constituting collateral under a Supplemental Facility, which notice shall be given on or before the date that such amendment becomes effective.

(v) Such other information (including non-financial information) as the Agent or any Buyer may from time to time reasonably request.

(d) Use of Purchase Price. The Sellers will, and will cause each Subsidiary to, only use the proceeds of the Purchase Price, to originate mortgage loans in the operation of the Sellers’ mortgage banking business, to pay Price Differential, Fees, expenses and other Obligations. The Sellers will not, nor will it permit any Subsidiary to, use any of the proceeds of the Loans to purchase or carry any “margin stock” (as defined in Regulation U) or to make any



Acquisition (other than those permitted by Section 13(p)) or to make any Acquisition for which the board of directors of the Person being acquired has not consented to such Acquisition.

(e) Notice of Default. The Sellers will, and will cause each Subsidiary to, give prompt notice in writing to the Buyers of the occurrence of any Default or Event of Default and of any other development, financial or otherwise, which could reasonably be expected to have a Material Adverse Effect.

(f) Conduct of Business. The Sellers will, and will cause each Subsidiary to, carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted and to do all things necessary to remain duly incorporated or organized, validly existing and (to the extent such concept applies to such entity) in good standing as a domestic corporation, partnership or limited liability company in its jurisdiction of incorporation or organization, as the case may be, and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted. The Sellers will adhere in all material respects to customary practices and standards in the industry to comply with their obligations under such Purchased Assets with respect to the real estate securing such Purchased Assets, including without limitation, the payment of all taxes and insurance premiums related thereto and maintenance of such real estate in compliance with all Laws.

(g) Taxes. The Sellers will, and will cause each Subsidiary to, timely file complete and correct United States federal and applicable foreign, state and local tax returns required by law and pay when due all taxes, assessments and governmental charges and levies upon it or its income, profits or Property, except those which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves have been set aside in accordance with Agreement Accounting Principles. At any time that a Seller or any of its Subsidiaries is organized as a limited liability company, each such limited liability company will qualify for partnership tax treatment under United States federal tax law.

(h) Insurance. The Sellers will, and will cause each Subsidiary to, maintain with financially sound and reputable insurance companies insurance on all their Property in such amounts and covering such risks as is consistent with sound business practice, and the Sellers will furnish to any Buyer upon request full information as to the insurance carried. The Sellers will at all times, upon request of the Agent, furnish to the Agent copies of its, and each of its Subsidiaries', current Mortgage Bankers Blanket Bond and of its, and each of its Subsidiaries', insurance policy containing errors and omissions coverage or mortgage impairment coverage, and such Bonds and policies, to the extent possible, shall each provide that it is not cancelable without thirty (30) days prior written notice to the Agent.

(i) Compliance with Laws. The Sellers will, and will cause each Subsidiary to, comply with all Requirements of Law, including, without limitation, all Environmental Laws.

(j) Maintenance of Properties. The Sellers will, and will cause each Subsidiary to, do all things necessary to maintain, preserve, protect and keep its tangible Property in good repair, working order and condition, and make all necessary and proper repairs,

renewals and replacements so that its business carried on in connection therewith may be properly conducted at all times.

(k) Inspection. The Sellers will, and will cause each Subsidiary to, permit the Agent, the Custodian and the Buyers, by their respective representatives and Agents, to inspect any of the Property, books and financial records of the Sellers and each Subsidiary, to examine and make copies of the books of accounts and other financial records of the Sellers and each Subsidiary, and to discuss the affairs, finances and accounts of the Sellers and each Subsidiary with, and to be advised as to the same by, their respective officers at such reasonable times and intervals as the Agent, the Custodian or any Buyer may designate.

(l) Dividends. The Sellers will not, nor will they permit any Subsidiary to, declare or pay any dividends or make any distributions on their capital stock or redeem, repurchase or otherwise acquire or retire any of their capital stock at any time outstanding, except that (i) a Seller may pay dividends that are payable in its own capital stock, (ii) a Seller may pay cash dividends to the shareholders of such Seller or redeem, repurchase or otherwise acquire or retire any of its capital stock (each, a "Cash Dividend"), provided that no uncured Default or Event of Default exists at the time any such Cash Dividend is paid or would exist after giving effect thereto, and provided further that at the time such Cash Dividend is paid, the aggregate Cash Dividends payable for the twelve-month period preceding such payment (including the Cash Dividend then being paid) shall not exceed [\*\*\*] of Net Income of the Sellers on a combined basis for such twelve-month period, and (iii) any Subsidiary may declare and pay dividends or make distributions to a Seller or to a wholly-owned Subsidiary and GMCLLC shall be entitled to make the Tax Distributions (as defined in the operating agreement of GMCLLC) in accordance with the terms of the operating agreement of GMCLLC. For purposes of the calculation of Net Income for any applicable twelve-month period under this subsection (1), Net Income shall be adjusted for any non-cash gain or loss related to the valuation adjustment of servicing rights.

(m) Debt. The Sellers will not, nor will it permit any Subsidiary to, create, incur or suffer to exist any Debt, except:

(i) Debt arising under this Agreement or existing on the date hereof and described in Schedule III hereto.

(ii) Debt arising under Hedging Program.

(iii) Debt of the Sellers under agreements approved by the Majority Buyers in effect from time to time, whether accounted for as a sale or a financing.

(iv) Debt incurred under Supplemental Facilities provided that (A) such Debt is approved by the Agent, and (B) if such Debt when combined with all Supplemental Facilities is in excess of [\*\*\*], such Debt is approved by the Agent and the Majority Buyers.

(v) Debt incurred with institutional lenders and/or the McCarthy Group, LLC for general working capital purposes, other than Debt

under a Supplemental Facility, in an amount not to exceed [\*\*\*] in the aggregate, provided that any Debt to the McCarthy Group, LLC must be unsecured and subordinate to the obligations of the Sellers under this Agreement.

(vi) Debt incurred under Permitted Servicing Facilities, provided that the aggregate maximum available amount under all Permitted Servicing Facilities shall not exceed [\*\*\*] of the Appraised Value.

(vii) Debt secured by mortgage loan servicing rights provided that such Debt is approved by the Majority Buyers.

(viii) Debt evidenced by one or more unsecured promissory notes incurred in connection with the redemption, repurchase or other acquisition or retirement of any of capital stock of the Sellers, provided that (A) the total amount outstanding thereunder shall not exceed at any time [\*\*\*], (B) the payments under such notes are made from Cash Dividends permitted under Section 13(1), and (C) such notes are unsecured and subordinate to the obligations of the Sellers under this Agreement.

(n) Merger. The Sellers will not, nor will it permit any Subsidiary to, merge or consolidate with or into any other Person, except for mergers in which a Seller is the surviving Person or any merger of a Subsidiary with or into a Seller or a wholly-owned Subsidiary of a Seller.

(o) Sale of Assets. The Sellers will not, nor will it permit any Subsidiary to, lease, sell or otherwise dispose of its Property, to any other Person, except:

(i) Sales of Mortgage Loans and Securities in the ordinary course of business and in accordance with this Agreement and the Repurchase Documents.

(ii) Leases, sales or other dispositions of its Property that, together with all other Property of the Sellers and their Subsidiaries previously leased, sold or disposed of (other than Mortgage Loans and Securities in the ordinary course of business) as permitted by this Section during the twelve-month period ending with the month in which any such lease, sale or other disposition occurs, do not constitute a Substantial Portion of the Property of the Sellers and their Subsidiaries.

(p) Investments and Acquisitions. The Sellers will not, nor will it permit any Subsidiary to, make or suffer to exist any Investments (including without limitation, loans and advances to, and other Investments in, Subsidiaries), or commitments therefor, or to create any Subsidiary or to become or remain a partner in any partnership or joint venture, or to make any Acquisition of any Person, except:

(i) Cash Equivalent Investments.

(ii) Existing Investments in Subsidiaries and other Investments in existence on the date hereof and described in Schedule I hereto.

(iii) Investments in the ordinary course of a Seller's mortgage banking business to purchase: (a) Mortgage Loans, collateralized mortgage obligations and Securities (and in connection with commitments to purchase the same); (b) servicing rights and mortgage servicing contracts of another Person engaged in mortgage-related businesses; and (c) real estate acquired by foreclosure.

(iv) Investments in the ordinary course of a Seller's mortgage banking business to enter into Hedging Programs to the extent permitted pursuant to Section 13(m)(iii).

(v) Investments or Acquisitions after the date of hereof and through the Termination Date to acquire branches (which shall include, without limitation, payments (including sign-on bonuses) to individuals and the unpaid rent under assumed leases) in an aggregate amount not to exceed [\*\*\*] for each Investment or Acquisition and [\*\*\*] in the aggregate for all Investments or Acquisitions during such period.

(q) Liens. The Sellers will not, nor will it permit any Subsidiary to, create, incur, or suffer to exist any Lien in, of or on any of the Property of the Sellers or any of their Subsidiaries, except:

(i) Liens for taxes, assessments or governmental charges or levies on its Property if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and for which adequate reserves in accordance with Agreement Accounting Principles shall have been set aside on its books.

(ii) Liens imposed by law, such as carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business which secure payment of obligations not more than [\*\*\*] past due or which are being contested in good faith by appropriate proceedings and for which adequate reserves shall have been set aside on its books.

(iii) Liens arising out of pledges or deposits under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation.

(iv) Utility easements, building restrictions and such other encumbrances or charges against real property as are of a nature generally existing with respect to properties of a similar character and which do not in any material way affect the marketability of the same or interfere with the use thereof in the business of a Seller or the Subsidiaries.

( e ) THE SELLERS, THE AGENT AND BUYERS EACH HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS REPURCHASE AGREEMENT, ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

Section 30. No Waivers, Etc.

No failure on the part of the Agent or any Buyer to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under any Repurchase Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under any Repurchase Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law. An Event of Default shall be deemed to be continuing unless expressly waived by the Agent in writing.

Section 31. Netting.

If the Agent or any Buyer and the Sellers are “financial institutions” as now or hereinafter defined in Section 4402 of Title 12 of the United States Code (“Section 4402”) and any rules or regulations promulgated thereunder,

(a) All amounts to be paid or advanced by one party to or on behalf of the other under this Repurchase Agreement or any Transaction hereunder shall be deemed to be “payment obligations” and all amounts to be received by or on behalf of one party from the other under this Repurchase Agreement or any Transaction hereunder shall be deemed to be “payment entitlements” within the meaning of Section 4402, and this Repurchase Agreement shall be deemed to be a “netting contract” as defined in Section 4402.

(b) The payment obligations and the payment entitlements of the parties hereto pursuant to this Repurchase Agreement and any Transaction hereunder shall be netted as follows. In the event that either party (the “Defaulting Party”) shall fail to honor any payment obligation under this Repurchase Agreement or any Transaction hereunder, the other party (the “Nondefaulting Party”) shall be entitled to reduce the amount of any payment to be made by the Nondefaulting Party to the Defaulting Party by the amount of the payment obligation that the Defaulting Party failed to honor.

Section 32. Periodic Due Diligence Review.

In addition to the rights as provided in Section 13(f), the Sellers acknowledge that the Agent and the Buyers have the right to perform continuing due diligence reviews with respect to the Purchased Assets, for purposes of verifying compliance with the representations, warranties and specifications made hereunder, or otherwise, and the Sellers agree that upon reasonable (but no less than five (5) Business Days’) prior notice to the Sellers, unless an Event of Default shall have occurred in which case no notice is required, the Agent and the Buyers or their authorized representatives will be permitted during normal business hours to examine, inspect and make copies and extracts of, the Purchased Asset Files and any and all documents, records,

agreements, instruments or information relating to such Purchased Assets in the possession or under the control of the Seller. The Sellers also shall make available to the Agent and the Buyers a knowledgeable financial or accounting officer for the purpose of answering questions respecting the Purchased Assets and the Purchased Asset Files. Without limiting the generality of the foregoing, the Sellers acknowledge that the Agent and the Buyers may purchase Mortgage Loans based solely upon the information provided by the Sellers to the Agent and the Buyers in the Purchased Assets Schedule and the representations, warranties and covenants contained herein, and that the Agent and the Buyers, at their option, have the right at any time to conduct a partial or complete due diligence review on some or all of the Purchased Assets that are subject to a Transaction, including ordering broker's price opinions, new credit reports and new appraisals on the related Mortgaged Properties and underlying assets and otherwise regenerating the information used to originate such Purchased Assets. The Agent and the Buyers may underwrite such Purchased Assets itself or engage a third party underwriter to perform such underwriting. The Sellers agree to cooperate with the Agent and the Buyers and any third party underwriter in connection with such underwriting, including, providing the Agent and the Buyers and any third party underwriter with access to any and all documents, records, agreements, instruments or information relating to such Purchased Assets in the possession, or under the control, of the Sellers. The Sellers further agree that the Sellers shall pay all expenses reasonably incurred by the Agent and the Buyers in connection with the Agent's and the Buyers' activities pursuant to this Section 32 ("Due Diligence Costs").

Section 33. The Agent's Appointment As Attorney-In-Fact.

The Sellers hereby irrevocably constitute and appoint the Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Sellers and in the name of Sellers or in its own name, from time to time in the Agent's discretion, for the purpose of carrying out the terms of this Repurchase Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be reasonably necessary or desirable to accomplish the purposes of this Repurchase Agreement, and, without limiting the generality of the foregoing, the Sellers hereby give the Agent the power and right, on behalf of Sellers, without assent by, but with notice to, Sellers, if a Default shall have occurred and be continuing, to do the following:

- (i) in the name of any Seller, or in its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due with respect to any other Repurchase Assets and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Agent for the purpose of collecting any and all such moneys due with respect to any other Repurchase Assets whenever payable;
- (ii) to pay or discharge taxes and Liens levied or placed on or threatened against the Repurchase Assets;
- (iii) (A) to direct any party liable for any payment under any Repurchase Assets to make payment of any and all monies due or to become due

thereunder directly to the Agent or as the Agent shall direct; (B) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Repurchase Assets; (C) to sign and endorse any invoices, assignments, verifications, notices and other documents in connection with any Repurchase Assets; (D) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Repurchase Assets or any proceeds thereof and to enforce any other right in respect of any Repurchase Assets; (E) to defend any suit, action or proceeding brought against any Seller with respect to any Repurchase Assets; (F) to settle, compromise or adjust any suit, action or proceeding described in clause (E) above and, in connection therewith, to give such discharges or releases as the Agent may deem appropriate; and (G) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any Repurchase Assets as fully and completely as though the Agent were the absolute owner thereof for all purposes, and to do, at the Agent's option and Seller's expense, at any time, and from time to time, all acts and things which the Agent deems necessary to protect, preserve or realize upon the Repurchase Assets and the Agent's Liens thereon and to effect the intent of this Repurchase Agreement, all as fully and effectively as any such Seller might do.

(b) The Sellers hereby ratify all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

(c) The Sellers also authorize the Agent, if a Default shall have occurred, from time to time, to execute, in connection with any sale provided for in Section 15, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Repurchase Assets.

(d) The powers conferred on the Agent hereunder are solely to protect the Agent's (for the benefit of the Buyers) interests in the Repurchase Assets and shall not impose any duty upon it to exercise any such powers. The Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to any Seller for any act or failure to act hereunder, except for its or their own gross negligence or willful misconduct.

Section 34. Miscellaneous.

(a) Counterparts. This Repurchase Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Repurchase Agreement by signing any such counterpart.

(b) Captions. The captions and headings appearing herein are for included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Repurchase Agreement.

(c) Acknowledgment. The Sellers hereby acknowledge that:

(i) they have been advised by counsel in the negotiation, execution and delivery of this Repurchase Agreement and the other Repurchase Documents;

(ii) neither the Agent nor any Buyer has any fiduciary relationship to the Sellers;

and

(iii) no joint venture exists between the Sellers and the Agent and/or any Buyers.

( d ) Documents Mutually Drafted. The Sellers, the Agent and Buyers agree that this Repurchase Agreement and each other Repurchase Document prepared in connection with the Transactions set forth herein have been mutually drafted and negotiated by each party, and consequently such documents shall not be construed against any party as the drafter thereof.

Section 35. Confidentiality.

The Agent, the Buyers and the Sellers hereby agree that all written financial information, trade secrets or other confidential information, including without limitation, information of Sellers' customers, provided by one party to another pursuant to this Repurchase Agreement that is not in the public domain (other than due to a breach of this covenant) shall be held in confidence, except for disclosure (i) to its Affiliates and to other Buyers and their respective Affiliates, (ii) to legal counsel, accountants, and other professional advisors to such Buyer or to a Transferee, (iii) to any regulatory officials, (iv) to any Person as requested pursuant to or as required by any law order, regulation, ruling or legal process (including any summons or subpoena in connection with any litigation, (v) to any Person in connection with any legal proceeding to which such Buyer is a party (including any action to enforce the Repurchase Documents and in connection with any sale of Mortgage Loans, (vi) to a Buyer's direct or indirect contractual counterparties in swap agreements or to legal counsel, accountants and other professional advisors to such counterparties, (vii) of information deemed necessary or appropriate by the Agent or a Buyer in connection with any assignment or participation permitted by any of the Repurchase Documents or otherwise permitted by any of the terms thereof, (viii) to rating agencies if requested or required by such agencies in connection with a rating of such Buyer or an Affiliate of such Buyer: and (ix) of any fact to any Person which may be relevant to an understanding of the tax treatment of the Transactions.

Section 36. Intent.

(a) The parties recognize that each Transaction is a "repurchase agreement" as that term is defined in Section 101 of Title 11 of the United States Code, as amended, and constitute "repurchase agreements" under Sections 546(f), 559 and 362(6 )(7) of the Bankruptcy Code (except insofar as the type of Mortgage Loans subject to such Transaction or the term of such Transaction would render such definition inapplicable), and a "securities contract" as that term is defined in Section 741 of Title 11 of the United States Code, as amended (except insofar



as the type of assets subject to such Transaction would render such definition inapplicable), and a “master netting agreement” as that term is defined in Section 101 of the Bankruptcy Code.

(b) It is understood that either party’s right to liquidate Purchased Assets delivered to it in connection with Transactions hereunder or to exercise any other remedies pursuant to Section 15 is a contractual right to liquidate such Transaction as described in Sections 555, 559 and 561 of Title 11 of the United States Code, as amended.

(c) The parties agree and acknowledge that if a party hereto is an “insured depository institution,” as such term is defined in the Federal Deposit Insurance Act, as amended (“FDIA”), then each Transaction hereunder with respect to such party is a “qualified financial contract,” as that term is defined in FDIA and any rules, orders or policy statements thereunder (except insofar as the type of assets subject to such Transaction would render such definition inapplicable).

(d) It is understood that this Repurchase Agreement constitutes a “netting contract” as defined in and subject to Title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991 (“FDICIA”) and each payment entitlement and payment obligation under any Transaction hereunder shall constitute a “covered contractual payment entitlement” or “covered contractual payment obligation,” respectively, as defined in and subject to FDICIA (except insofar as one or both of the parties is not a “financial institution” as that term is defined in FDICIA).

(e) This Repurchase Agreement is intended to be a “repurchase agreement” and a “securities contract,” within the meaning of Section 555 and Section 559 under the Bankruptcy Code.

Section 37. Disclosure Relating to Certain Federal Protections.

The parties acknowledge that they have been advised that:

(a) in the case of Transactions in which one of the parties is a broker or dealer registered with the SEC under Section 15 of the Exchange Act, the Securities Investor Protection Corporation has taken the position that the provisions of the Securities Investor Protection Act of 1970 (“Securities Investor Protection Act of 1970” or “SIPA”) do not protect the other Parties with respect to any Transaction hereunder;

(b) in the case of Transactions in which one of the parties is a government securities broker or a government securities dealer registered with the SEC under Section 15C of the Exchange Act, SIPA will not provide protection to the other parties with respect to any Transaction hereunder; and

(c) in the case of Transactions in which one of the parties is a financial institution, funds held by the financial institution pursuant to a Transaction hereunder are not a deposit and therefore are not insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, as applicable.

Section 38. Conflicts.

In the event of any conflict between the terms of this Repurchase Agreement and any other Repurchase Document, the documents shall control in the following order of priority: first, the terms of this Repurchase Agreement shall prevail and then the terms of the Repurchase Documents shall prevail.

Section 39. Authorizations.

Any of the persons whose signatures and titles appear on Schedule IV are authorized, acting singly, to act for the Sellers or the Agent, as the case may be, under this Repurchase Agreement.

Section 40. General Interpretive Principles.

For purposes of this Repurchase Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms defined in this Repurchase Agreement have the meanings assigned to them in this Repurchase 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 GAAP;

(c) references herein to Sections and other subdivisions without specification of a document are to designated Sections and other subdivisions of this Repurchase Agreement;

(d) a reference to a paragraph or clause without reference to a specific Section is a reference to the paragraph or clause contained in the same Section in which the reference appears;

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

(f) the term “include” or “including” means without limitation by reason of enumeration;

(g) all times specified herein or in any other Repurchase Document (unless expressly specified otherwise) are New York City times unless otherwise stated;

(h) all values, balances and amounts used, cited or referred to herein are values, balances and amounts (converted if and as necessary so as to be) stated in (U.S.) Dollars; and

(i) all references herein or in any Repurchase Document to “good faith” means good faith as defined in Section 1-201(19) of the Uniform Commercial Code as in effect in the State of New York.

Section 41. Fees.

( a ) Facility Fee. The Sellers agree to pay the Facility Fee, which shall be fully earned on the Agreement Date and shall be due and payable quarterly in arrears on the last day of each March, June, September and December commencing on the first such date following the Agreement Date; provided that all accrued Facility Fee then unpaid shall be due and payable on the Termination Date. Each such payment shall be made in Dollars, in immediately available funds, without deduction, set-off or counterclaim, to the Agent for the benefit of the Buyers at such account designated by the Agent. If the Maximum Purchase Price shall be increased or decreased from time to time either pursuant to a provision of this Repurchase Agreement or by separate agreement among Sellers, the Buyers and the Agent, the amount of the Facility Fee shall be adjusted accordingly. In addition, during any period that that a Buyer is a Declining Buyer (as defined in the Administration Agreement), the Facility Fee shall be reduced by an amount and for the period, in each case as determined by the Agent, that corresponds to the portion of the Maximum Purchase Price that is unavailable to the Sellers during such period by reason of such Declining Buyer's failure to fund its purchase obligations during such period. Each calculation of the amount of the Facility Fee by the Agent shall be conclusive, absent manifest error.

( b ) Administrative Fee. The Sellers agree to pay to the Agent such administrative fee (the "Administrative Fee") for the Agent's services in administering this Repurchase Agreement and the other Repurchase Documents as may be provided for in a separate agreement between the Sellers and the Agent.

( c ) Other Fees. The Sellers shall pay all other fees owed to BNY Mellon in its capacity as Lead Arranger and Bookrunner or Agent as may be provided for in a separate agreement between the Sellers and BNY Mellon, and all fees payable to the Buyers when due.

Section 42. Joint and Several Obligations.

All obligations of the Sellers hereunder are the joint and several obligations of the Sellers.

Section 43. Amendments.

This Repurchase Agreement may not be amended or modified except by a writing signed by the parties hereto and except as permitted by the terms of the Administration Agreement.

*[End of Text; Signature Pages Follow on Next Page]*

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IN WITNESS WHEREOF, the parties have entered into this Amended and Restated Master Repurchase Agreement as of the date set forth above.

**GUILD MORTGAGE COMPANY**

By: /s/ Terry Schmidt

Name: Terry Schmidt

Title: Executive Vice President and Chief  
Financial Officer

Address: 5898 Copley Drive, 5th Floor  
San Diego, California 92111

Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

Attention: Terry Schmidt, Executive Vice President  
and Chief Financial Officer

With a copy to:

Koley Jessen P.C., L.L.O.  
One Pacific Place, Suite 800  
1125 South 103 Street  
Omaha, NE 68124  
Attention: Taylor C. Dieckman

**GUILD MORTGAGE COMPANY, LLC**

By: /s/ Terry Schmidt

Name: Terry Schmidt  
Title: Executive Vice President and Chief  
Financial Officer

Address: 5898 Copley Drive, 5th Floor  
San Diego, California 92111  
Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]  
Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]  
Attention: Terry Schmidt, Executive Vice President  
and Chief Financial Officer

With a copy to:

Koley Jessen P.C., L.L.O.  
One Pacific Place, Suite 800  
1125 South 103 Street  
Omaha, NE 68124  
Attention: Taylor C. Dieckman

**THE BANK OF NEW YORK MELLON,**  
*as Agent and a Buyer*

By: /s/ Paul Connolly

Print Name: Paul Connolly

Title: Managing Director

Address for Notices:

The Bank of New York Mellon

240 Greenwich Street

New York, NY 10286

Attention: Paul G. Connolly

Phone [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

With a copy to:

Emmet, Marvin & Martin, LLP

120 Broadway

New York, New York 10271

Attention: J. Alex McQuiston, Esq.

**COMERICA BANK,**  
*as a Buyer*

By: /s/ Art Shafer

Print Name: Art Shafer

Title: SVP

Address: 2000 Avenue of the Stars, 2<sup>nd</sup> Floor  
Los Angeles, CA 90067

Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

Attention: Art Shafer

**ASSOCIATED BANK, NA,**  
*as a Buyer*

By: /s/ Matthew O'Rourke

Print Name: Matthew O'Rourke

Title: Relationship Manager

Address: 525 West Monroe Street, 23<sup>rd</sup> Floor  
Chicago, IL 60661

Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

Attention: Matt O'Rourke



**BMO HARRIS BANK N.A.**  
(formerly known as Harris N. A.),  
*as a Buyer*

By: /s/ Robert Bomben

Print Name: Robert Bomben

Title: Director

Address: 111 W. Monroe  
Chicago, IL 60603

Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

Attention: Bob Bomben

**CITY NATIONAL BANK,**  
*as a Buyer*

By: /s/ John P. Doulong

Print Name: John P. Doulong

Title: Senior Vice President

Address: 10000 Midlantic Drive, Suite 310W  
Mt. Laurel, NJ 08054

Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

Attention: Evelyn Torres

**BB&T CORPORATION,**  
*as a Buyer*

By: /s/ Rebecca Mueller

Print Name: Rebecca Mueller

Title: VP

Address: 102 W. Pineloch Avenue, Suite 18  
Orlando, Florida 32806

Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

Attention: Michele Perrin

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

First Amendment to 2019 MRA

**FIRST AMENDMENT  
TO AMENDED AND RESTATED  
MASTER REPURCHASE AGREEMENT**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT (the “First Amendment”) is made and entered into as of -July 10, 2020, among GUILD MORTGAGE COMPANY, a California corporation whose principal place of business is at 5898 Copley Drive, 5th Floor, San Diego, California 92111 (“GMC”), GUILD MORTGAGE COMPANY, LLC, a Delaware limited liability company whose principal place of business is at 5898 Copley Drive, 5th Floor, San Diego, California 92111 (“GMCLLC”; each of GMC and GMCLLC is a “Seller” and are, collectively, the “Sellers”), THE BANK OF NEW YORK MELLON, as administrative agent for the Buyers (in such capacity, the “Agent”) and the financial institutions listed on the signature pages hereof (who, together with the Agent, in its capacity as a buyer, are, collectively, the “Buyers”).

WITNESSETH:

WHEREAS, the Sellers, the Agent and each of the Buyers entered into that certain Amended and Restated Master Repurchase Agreement dated as of October 24, 2019 (the “Repurchase Agreement”; capitalized terms used in this First Amendment which are not otherwise defined herein shall have the meaning ascribed to such terms in the Repurchase Agreement); and

WHEREAS, subject to the terms of this First Amendment, the Sellers, Buyers comprising at least the Majority Buyers and the Agent have agreed to amend the definitions of “LIBOR Benchmark Rate” and “Eurodollar Benchmark Rate” to provide a “floor” to each of [\*\*\*] as hereinafter set forth.

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

1. Amendment to the definition of “Eurodollar Benchmark Rate.” The definition of “Eurodollar Benchmark Rate” is hereby amended to delete the last sentence thereof and to substitute in its place the following new sentence: “In no event shall the Eurodollar Benchmark Rate ever be less than [\*\*\*].”
2. Amendment to the definition of “LIBOR Benchmark Rate.” The definition of “LIBOR Benchmark Rate” is hereby amended to delete the last sentence thereof and to substitute in its place the following new sentence: “In no event shall the LIBOR Benchmark Rate ever be less than [\*\*\*].”

3. Effectiveness. The [\*\*\*] floor added to the definitions of Eurodollar Benchmark Rate and LIBOR Benchmark Rate pursuant to the foregoing paragraphs 1 and 2 shall be applicable to any Pricing Rate in effect on the day that this First Amendment becomes effective (as an immediate adjustment thereto). This First Amendment shall be effective as of the date hereof, subject to the satisfaction of the following conditions:

(a) the execution and delivery by the Sellers, the Agent and the Majority Buyers of this First Amendment and delivery thereof to the Agent by the Sellers and the Buyers; and

(b) the Agent shall have received all other documents that the Agent may reasonably request with respect to any matter relevant to this First Amendment or the transactions contemplated hereby.

The Agent shall confirm to the Sellers and the Buyers the effectiveness of this First Amendment.

4. Miscellaneous. The Sellers represent, warrant and agree as follows:

(a) The Sellers shall pay all fees payable in connection with this First Amendment when due.

(b) All representations and warranties of the Sellers contained in the Repurchase Agreement, as amended hereby, are true and correct in all material respects on and as of the date hereof and the effective date of this First Amendment and, after giving effect to the waiver provided for herein, no defaults exist under the Repurchase Agreement or the other Repurchase Documents.

(c) All corporate and legal proceedings and all documents required to be completed and executed by the provisions of, and all instruments to be executed in connection with the transactions contemplated by, this First Amendment and any related agreements shall be satisfactory in form and substance to the Agent, and the Agent shall have received all information and copies of all documents, including records of corporate proceedings, required by this First Amendment and any related agreements to be executed or which the Agent may reasonably have requested in connection therewith, such documents, where appropriate, to be certified by proper corporate or governmental authorities.

(d) Except to the extent provided herein, all terms, provisions and conditions of the Repurchase Agreement and the other Repurchase Documents shall continue in full force and effect and each of the Repurchase Documents shall remain enforceable and binding in accordance with its terms. The Sellers further ratify, affirm and confirm the terms of the Repurchase Documents, and agree that all references to the

“Agreement” or the “Repurchase Agreement” contained therein are intended to mean the Repurchase Agreement, as amended by this First Amendment.

5 . Governing Law. This First Amendment shall be governed by and construed in accordance with the laws of the State of New York.

6. Counterparts.

(a) This First Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one and the same document, and each party hereto may execute this First Amendment by signing any of such counterparts.

(b) Delivery of an executed counterpart of a signature page of this First Amendment by telecopy, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this First Amendment. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this First Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that nothing herein shall require the Agent or any Buyer to accept electronic signatures in any form or format without its prior written consent. Without limiting the generality of the foregoing, the Sellers hereby (i) agree that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Lender and the Borrower, electronic images of this First Amendment or any other Repurchase Document (in each case, including with respect to any signature pages thereto) shall have the same legal effect, validity and enforceability as any paper original, and (ii) waive any argument, defense or right to contest the validity or enforceability of the this First Amendment or any Repurchase Document based solely on the lack of paper original copies of any thereof, including with respect to any signature pages thereto.

7 . Successors and Assigns. This First Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

*[Remainder of Page is Intentionally Blank]*

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this First Amendment to Amended and Restated Master Repurchase Agreement as of the date first above written.

**GUILD MORTGAGE COMPANY**

*as a Seller*

By: /s/ Amber Elwell

Amber Elwell

Senior Vice President and Chief

Financial Officer

**GUILD MORTGAGE COMPANY, LLC**

*as a Seller*

By: /s/ Amber Elwell

Amber Elwell

Senior Vice President and Chief

Financial Officer

**THE BANK OF NEW YORK MELLON**  
*as Agent and a Buyer*

By: /s/ Paul Connolly\_\_\_\_\_

Print Name: Paul  
Connolly\_\_\_\_\_

Title: Director\_\_\_\_\_







**BMO HARRIS BANK N.A.,**  
(formerly known as Harris N.A.)  
*as a Buyer*

By: /s/ Robert Bomben

Print Name: Robert Bomben

Title: Director

**CITY NATIONAL BANK,**  
*as a Buyer*

By: /s/ Ken Blume

Print Name: Ken Blume

Title: Senior Vice President

**BB&T CORPORATION,**  
*as a Buyer*

By: /s/ Rebecca Mueller

Print Name: Rebecca Mueller

Title: Vice President

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**AMENDED AND RESTATED  
TERM LOAN AGREEMENT**

**by and among**

**GUILD MORTGAGE COMPANY**

**and**

**GUILD MORTGAGE COMPANY, LLC**

*the Borrowers*

**THE LENDERS PARTY HERETO,**

**and**

**THE BANK OF NEW YORK MELLON,  
*as Administrative Agent***

**THE BANK OF NEW YORK MELLON  
*Lead Arranger and Sole Book Runner***

**dated as of September 30, 2019**

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Schedules and Exhibits:

- Schedule 1: Initial Commitment Schedule [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Schedule 2: Subsidiaries and Other Investments [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Schedule 3: Debt and Liens [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
  
- Exhibit A: Form of Note [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit B: Proposed Form of Opinion of Counsel [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit C: Form of Compliance Certificate [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit D: Form of Borrowing Base Report [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit E: Form of Borrowing Notice for Committed Additional Availability [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit F: Form of Commitment Increase Notice [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit G: Form of Assignment Agreement [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit H: Form of Commitment Increase Supplement [Omitted pursuant to Item 601(a)(5) of Regulation S-K]

**AMENDED AND RESTATED TERM LOAN AGREEMENT**  
(Servicing Facility)

AMENDED AND RESTATED TERM LOAN AGREEMENT (this “Agreement”), dated as of September 30, 2019, among Guild Mortgage Company, a California corporation (“GMC”) and Guild Mortgage Company, LLC, a Delaware limited liability company (“GMCLLC”; GMC and GMCLLC are each a “Borrower” and are, collectively, the “Borrowers”), the Lenders who are parties hereto, and The Bank of New York Mellon as Administrative Agent (the “Administrative Agent”).

**RECITALS**

A. The Borrowers, Administrative Agent, certain of the Lenders are parties to that certain Amended and Restated Term Loan Agreement, dated as of August 3, 2018 (as amended, the “Prior Loan Agreement”). The parties wish to amend and restate the terms of the Prior Loan Agreement pursuant to the terms hereof.

B. On the Effective Date (i) the “Loan” as used herein shall include the outstanding principal amount of the Loan under and as defined in the Prior Loan Agreement (ii) all Advances of a particular Type under and as defined in the Prior Loan Agreement shall be the same Type under this Agreement and, in the case of Eurodollar Advances, for the remainder of the Interest Period applicable thereto; (iii) the Lenders shall buy and sell interests in the Loan immediately prior to the Initial Advance hereunder among themselves as determined by the Administrative Agent such that after giving effect thereto each Lender shall own its Commitment Percentage of the outstanding Loan, and (iv) the Lenders shall, subject to the terms of this Agreement, make the Initial Advance.

C. Subject to and upon the terms and conditions herein set forth, the Administrative Agent and the Lenders are willing to enter into this Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND AGREEMENTS CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

**ARTICLE 1.**  
**DEFINITIONS**

**Section 1.1 Defined Terms**

As used in this Agreement:

“Acknowledgement Agreement” means the acknowledgement agreement executed by the Administrative Agent, GMC and FNMA recognizing and consenting to the security interest created in the Pledged Servicing.

“Accepted Servicing Practices” means, with respect to any Mortgage Loan, those mortgage servicing practices of prudent 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.

“Acquisition” means any transaction, or any series of related transactions, consummated on or after the date of this Agreement, by which a Borrower or any of its Subsidiaries (i) acquires any going business or all or substantially all of the assets of any firm, corporation or limited liability company, or division thereof, whether through purchase of assets, merger, payments to individuals (such as sign on bonuses) or otherwise or (ii) directly or indirectly acquires (in one transaction or as the most recent transaction in a series of transactions) at least a majority (in number of votes) of the securities of a corporation which have ordinary voting power for the election of directors (other than securities having such power only by reason of the happening of a contingency) or a majority (by percentage or voting power) of the outstanding ownership interests of a partnership or limited liability company.

“Additional Advance” has the meaning set forth in the defined term, “Initial Advance.”

“Adjusted Tangible Net Worth” means as of any date of determination, Tangible Net Worth on such date, less (i) MSR on such date, plus (ii) the lesser of (x) MSR on such date, or (y) the Appraised Value on such date, less (iii) real estate owned and advances for real estate owned on the balance sheet of any Borrower as of such date, less (iv) Mortgage Loans held for investment, and plus (v) reserves for foreclosures, investment loan losses general loan losses and real estate owned loan losses maintained by the Borrowers as of such date (provided that the sum of all such reserves, for purposes of calculating Adjusted Tangible Net Worth, shall not exceed the sum of the amounts in clauses (iii) and (iv)).

“Administrative Agent” means BNY Mellon, with its main office in New York, New York, in its capacity as contractual representative of the Lenders pursuant to Article 10, and not in its individual capacity as a Lender, and any successor Administrative Agent appointed pursuant to Article 10.

“Advance” means the Loan or portions thereof that are of the same Type and, in the case of Eurodollar Advances, for the same Interest Period.

“Affiliate” means with respect to any Person, any “affiliate” of such Person, as such term is defined in the Bankruptcy Code. For the avoidance of doubt, “corporation”, as used in the definition of “affiliate” in the Bankruptcy Code, is understood by the parties to include a limited liability company.

“Agency” means FNMA, FHLMC or GNMA as applicable.

“Aggregate Commitment” means, at any time, the sum of the Commitment Amounts of all Lenders at such time.

“Agreement” means this credit agreement, as it may be amended or modified and in effect from time to time.

“Agreement Accounting Principle” means GAAP, applied in a manner consistent with that used in preparing the financial statements referred to in Section 5.4. Unless otherwise specified, all accounting terms not specifically defined herein shall be construed in accordance with the Agreement Accounting Principles. All references herein to consolidated and consolidating financial statements shall mean the statements of the Borrowers and all consolidated Subsidiaries thereof.

“Alternate Base Rate” means, for any day, a rate of interest per annum equal to the Applicable Margin plus the highest of (i) the Prime Rate for such day, (ii) the Federal Funds Effective Rate for such day plus [\*\*\*] and (iii) the Eurodollar Base Rate in effect on such day for a one-month Interest Period (or if such day is not a Business Day, the immediately preceding Business Day) plus [\*\*\*], provided that, for the avoidance of doubt, the Eurodollar Base Rate for any day shall be based on the rate appearing on the applicable Bloomberg screen (or other commercially available source as designated by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to Dollar deposits in the London interbank market) at approximately 11 :00 a.m., London time on such day; provided, further, that, if such rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement. If the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Eurodollar Base Rate for any reason, the Alternate Base Rate shall be determined without regard to clause (iii) of the preceding sentence until the circumstances giving rise to such inability no longer exist. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Eurodollar Base Rate shall be effective on the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Eurodollar Base Rate, respectively.

“Alternate Base Rate Advance” shall mean the Loan (or any portions thereof) at such time as they (or such portions) are made and/or being maintained at a rate of interest based upon the Alternate Base Rate.

“Anti-Corruption Laws” means, with respect to any Person, any Requirement of Law of any jurisdiction concerning or relating to bribery or corruption that is applicable to such Person, including, without limitation, the U.S. Foreign Corrupt Practices Act and the U.K Bribery Act.

“Anti-Terrorism Laws” means any Legal Requirement related to terrorism, anti-terrorism, money laundering or anti-money laundering, including, without limitation, the Patriot Act, The Currency and Foreign Transactions Reporting Act (also known as the

Bank Secrecy Act, 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959), the Trading With the Enemy Act (50 U.S.C. § 1 et seq., as amended) and Executive Order No. 13,224, 66 Fed. Reg. 49,079 (2001), the Money Laundering Control Act of 1986 (18 U.S.C. §§ 1956 and 1957), any executive order or other mandate issued by the President of the United States of America (Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or the Anti-Terrorism Order (the “Anti-Terrorism Order”) or any enabling legislation or executive order relating to any of the same.

“Applicable Margin” means for any period, the Applicable Margin in the chart below corresponding to the Leverage Ratio in effect during such period (with respect to either Eurodollar Advances or Alternate Base Rate Advances, as the case may be), as determined by the Administrative Agent:

Leverage Ratio (X)	Applicable Margin	
	(Eurodollar Advances)	(Alternate Base Rate Advances)
X > [***]	[***]	[***]
[***] < X ≤ [***]	[***]	[***]
X ≤ [***]	[***]	[***]

The parties understand that the interest rate applicable to the Loan shall be determined and/or adjusted from time-to-time based upon certain financial ratios and/or other information to be provided or certified to the Administrative Agent by the Borrowers, including the compliance certificates required by Section 6.1 (c) (the “Borrower Information”). Any adjustment to the Applicable Margin shall be made quarterly as of the first day of each January, April, July and October based on the Borrower Information most recently provided to the Administrative Agent as of such date, provided that if the Borrower Information required by the Administrative Agent to determine the interest rate applicable to the Loan is not delivered to the Administrative Agent within five (5) days after the dates required by Section 6.1(c), the interest rate applicable to the Loan shall, through and until the date that the Borrower Information is actually received by the Administrative Agent, be based on the highest Applicable Margin set forth in the chart above or, if applicable, the rate set forth in Section 2.6. If it is subsequently determined that any such Borrower Information was incorrect (for whatever reason, including without limitation because of a subsequent restatement of earnings by the Borrowers) at the time it was delivered to the Administrative Agent, and

if the interest rate applicable to the Loan calculated for any period was lower than it should have been had the correct information been timely provided, then, such interest rate for such period shall be automatically recalculated using the correct Borrower Information. If it is subsequently determined that any such Borrower Information was incorrect and the interest rate applicable to the Loan calculated for any period was higher than it should have been had the correct information been timely provided, such interest rate for such period shall not be recalculated. The Administrative Agent shall promptly notify Borrowers in writing of any additional interest due because of such recalculation, and the Borrowers shall pay to the Administrative Agent, for the account of each Lender as applicable, such additional interest within five (5) business days of receipt of such written notice. Any recalculation of interest required by this provision shall survive termination of this Agreement and this provision shall not in any way limit any of the Administrative Agent's or any Lender's other rights and remedies under this Agreement.

“Appraised Value” means with respect to the Eligible Mortgage Servicing Rights, owned by the Borrowers at any date, the market value, expressed as a percentage, of the unpaid principal balance of the Mortgage Loans appurtenant to such Eligible Mortgage Servicing Rights, as set forth in the most recent appraisal of Borrower's Servicing Portfolio delivered pursuant to Section 6.1(k); provided, however, that if an appraisal is not delivered as required by Section 6.1(k), the term “Appraised Value” shall mean such market value, expressed as a percentage of the unpaid principal balance, at the time of determination, of the Mortgage Loans included in the Eligible Mortgage Servicing Rights, as the Agent shall, in its reasonable business judgment, establish. For purposes of determining Adjusted Tangible Net Worth, the market value percentage for determining such Appraised Value shall never exceed [\*\*\*] of the unpaid principal balance of the Mortgage Loans appurtenant to the Eligible Mortgage Servicing Rights.

“Article” means an article of this Agreement unless another document is specifically referenced.

“Authorized Officer” means, with respect to any Borrower, any of the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or any Senior Vice President of such Borrower, acting singly.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.



“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“BNY Mellon” means The Bank of New York Mellon.

“Borrower” means each of GMC and GMCLLC, and “Borrowers” shall mean GMC and GMCLLC, jointly and severally.

“Borrowing Base” means, as of any date, [\*\*\*] of the Appraised Value of the Eligible Mortgage Servicing Rights as of such date, as set forth in the Borrowing Base Report most recently delivered to the Administrative Agent pursuant to this Agreement as of such date.

“Borrowing Base Report” a report prepared by the Borrowers in the form of Exhibit D.

“Borrowing Notice” is defined in Section 2.1.

“Business Day” means (i) with respect to any borrowing, payment or rate selection of Eurodollar Advances, any day, on which interbank wire transfers can be made on the Fedwire system and on which trading is carried on in the London Interbank Market for Dollar deposits except (x) a Saturday or a Sunday, or (y) any day which in New York City, New York or the State of California shall be a legal holiday or a day on which banking institutions are authorized or required by law or other government action to closed, (ii) for all purposes, any day on which interbank wire transfers can be made on the Fedwire systems, except (x) a Saturday or a Sunday, or (y) any day which in New York City, New York or the State of California shall be a legal holiday or a day on which banking institutions are authorized or required by law or other government action to be closed.

“Capitalized Lease” of a Person means any lease of Property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

“Capitalized Lease Obligations” of a Person means the amount of the obligations of such Person under Capitalized Leases which would be shown as a liability on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

“Cash Equivalent Investments” means (i) short-term obligations of, or fully guaranteed by, the United States of America, (ii) commercial paper rated A-1 or better by S&P or P-1 or better by Moody’s, (iii) demand deposit accounts maintained in the ordinary course of business, and (iv) certificates of deposit issued by and time deposits with commercial banks (whether domestic or foreign) having capital and surplus in excess of [\*\*\*]; provided in each case that the same provides for payment of

both principal and interest (and not principal alone or interest alone) and is not subject to any contingency regarding the payment of principal or interest.

“Change of Control” means the acquisition by any Person, or two or more Persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Exchange) of outstanding shares of voting stock or other indicia of ownership of any Borrower at any time if after giving effect to such acquisition such Person or Persons owns [\*\*\*] of such outstanding voting stock or other indicia of ownership of such Borrower, unless such Person or Persons, immediately prior to such acquisition, already owned fifty percent (50%) or more of such outstanding voting stock or other indicia of ownership of such Borrower.

“Code” means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time.

“Collateral” has the meaning ascribed to such term in Paragraph 3 of the Security Agreement.

“Committed Additional Availability” means up to [\*\*\*] of additional advances to be made by the Lenders during the Committed Additional Availability Period, subject to the terms of this Agreement, in minimum increments of [\*\*\*].

“Committed Additional Availability Period” means the period from the Effective Date through September 18, 2020.

“Commitment” means, with respect to each Lender, the commitment of such Lender to fund its Commitment Percentage of the Loan (including advances of the Committed Additional Availability), not to exceed such Lender’s Commitment Amount, as the same may be increased pursuant to Section 2.11 or changed pursuant to Section 12.3.

“Commitment Amount” means, as of any date and with respect to each Lender, the amount set forth opposite the name of such Lender on Schedule 1 as its “Commitment Amount” on such date, as such Schedule I may be revised in accordance with Section 12.3.

“Commitment Increase” has the meaning ascribed to such term in Section 2.11.

“Commitment Increase Notice” is defined in Section 2.11.

“Commitment Increase Period” means the period from the last day of the Committed Additional Availability Period through the Maturity Date.

“Commitment Percentage” means, in respect of each Lender, the percentage equal to a fraction, the numerator of which is such Lender’s Commitment Amount and the denominator of which is the Aggregate Commitment.

“Contingent Obligation” of a Person means any agreement, undertaking or arrangement by which such Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes or is contingently liable upon, the obligation or liability of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person, or otherwise assures any creditor of such other Person against loss, including, without limitation, any comfort letter, operating agreement, take-or-pay contract or the obligations of any such Person as general partner of a partnership with respect to the liabilities of such partnership.

“Controlled Group” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the Borrowers or any of their Subsidiaries, are treated as a single employer under Section 414 of the Code.

“Conversion/Continuation Notice” is defined in Section 2.3.

“Debt” means, with respect to any Person, on any day, the sum of the following (without duplication):

(a) all obligations created or issued by a Person for borrowed money (whether by loan, the issuance and sale of debt securities or the sale of Property to another Person subject to an understanding or agreement, contingent or otherwise, to repurchase such Property from such Person);

(b) obligations of such Person to pay the deferred purchase or acquisition price of Property or services, other than trade accounts payable (other than for borrowed money) arising, and accrued expenses incurred, in the ordinary course of business so long as such trade accounts payable are payable and paid within [\*\*\*] days of the date the related invoice is received for the respective goods delivered or the respective services rendered;

(c) indebtedness of others secured by a lien on the Property of such Person, whether or not the respective indebtedness so secured has been assumed by such Person;

(d) obligations (contingent or otherwise) of such Person in respect of letters of credit or similar instruments issued for account of such Person;

(e) Capital Lease Obligations of such Person;

(f) obligations of such Person under residential mortgage loan repurchase agreements or like arrangements (exclusive of indemnification or contingent purchase agreements with Approved Investors in either case could which require the repurchase of Mortgage Loans under certain circumstances);

(g) indebtedness of others Guaranteed on a recourse basis by such Person;

(h) all obligations of such Person incurred in connection with the acquisition or carrying of fixed assets by such Person;

(i) indebtedness of general partnerships of which such Person is a general partner; and

(j) any Guarantees or contingent liabilities of such Person for any of the indebtedness described in clauses (a) through (i) above.

“Default” means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

“Defaulting Lender” shall have the meaning ascribed to such term in Section 2.14.

“Dollar” and the sign “\$” shall each mean freely transferable lawful money of the United States.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” means the date of this Agreement.

“Eligible Mortgage Servicing Rights” means as of any date, all Pledged Servicing with respect to which each of the following statements is accurate and complete:

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- (i) Such Pledged Servicing is not subject to any security interest securing any Debt other than the Obligations.
- (ii) Such Pledged Servicing does not constitute a Subservicing Agreement.
- (iii) the Administrative Agent has for the benefit of the Lenders a first priority perfected security interest pursuant to the Security Agreement.
- (iv) Such Pledged Servicing is with respect to Mortgages held by FNMA and is subject to an accepted Acknowledgment Agreement.
- (v) Such Pledged Servicing does not constitute Recourse Servicing and is not related to a Mortgage Loan owned by any Borrower or with respect to which payments of interest or principal are more than [\*\*\*] days past due.
- (vi) The applicable Borrower is the legal and equitable owner and holder of such Pledged Servicing and the rights thereunder and has full power and authority to grant a security interest in such Pledged Servicing. Such Pledged Servicing has been duly and validly made subject to the lien of the Security Agreement and is subject to, and will continue to be subject to, no Lien other than the liens created pursuant to the Security Agreement and any rights reserved to the other party under such Pledged Servicing or the related Acknowledgement Agreement.
- (vii) The Servicing Agreement governing such Pledged Servicing has been duly executed and delivered by the parties thereto, is not a Subservicing Agreement and is valid and enforceable in accordance with its terms, without defense or offset, subject to bankruptcy and similar laws and other general restrictions on creditors' rights and equitable principles (whether raised in an equity proceeding or an action at law).
- (viii) No default, nor any event which with notice or lapse of time or both would become a default, has occurred and is continuing under the Servicing Agreement governing the Pledged Servicing and no action has been taken to terminate such Servicing Agreement.
- (ix) GMC has complied, and will continue to comply, in all material respects, with all laws, rules and regulations, including but not limited to all applicable FNMA requirements, as the case may be, in respect of the Servicing Agreement.

“Embargoed Person” has the meaning ascribed to such term in Section 5.27.

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“Employee Benefit Plan” shall mean any employee benefit plan, program, arrangement, practice or contract, maintained by or on behalf of Borrower or an ERISA Affiliate, which provides benefits or compensation to or on behalf of employees or former employees, whether formal or informal, whether or not written, including but not limited to the following types of plans:

(1) Executive Arrangements - any bonus, incentive compensation, stock option, deferred compensation, commission, severance, “golden parachute”, “rabbi trust”, or other executive compensation plan, program, contract, arrangement or practice;

(2) ERISA Plans - any “employee benefit plan” as defined in Section 3(3) of ERISA), including, but not limited to, any defined benefit pension plan, profit sharing plan, money purchase pension plan, savings or thrift plan, stock bonus plan, employee stock ownership plan, Multiemployer Plan, or any plan, fund, program, arrangement or practice providing for medical (including post-retirement medical), hospitalization, accident, sickness, disability, or life insurance benefits;

(3) Other Employee Fringe Benefits - any stock purchase, vacation, scholarship, day care, prepaid legal services, and severance pay or other fringe benefit plan, program, arrangement, contract or practice.

“Environmental Laws” means any and all federal, state, local and foreign statutes, laws, judicial decisions, regulations, ordinances, rules, judgments, orders, decrees, plans, injunctions, permits, concessions, grants, franchises, licenses, agreements and other governmental restrictions relating to (i) the protection of the environment, (ii) the effect of the environment on human health, (iii) emissions, discharges or releases of pollutants, contaminants, hazardous substances or wastes into surface water, ground water or land, or (iv) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances or wastes or the clean-up or other remediation thereof.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any rule or regulation issued thereunder.

“ERISA Affiliate” means any Person that is a member of any group of the organizations or which such Person is a member that are (i) described in Section 414(b) or (c) of the Code, or (ii) solely for purposes of potential liability under Section 302(c)(11) of ERISA and Section 412(c)(11) of the Code and the lien created under Section 302(f) of ERISA and Section 412(n) of the Code, described in Section 414(m) or (o) of the Code.

“Eurodollar Advance” shall mean the Loan (or any portions thereof) at such time as the Loan (or such portions) are made and/or being maintained at a rate of interest based upon the Eurodollar Rate.

“Eurodollar Base Rate” shall mean, with respect to any Eurodollar Advance for any Interest Period, a rate of interest per annum, as determined by the Administrative Agent, equal to:

- (a) the Eurodollar Benchmark Rate for such Interest Period, divided by
- (b) a number equal to 1.00 minus the Eurodollar Reserve Percentage;

provided that, the Eurodollar Base Rate shall never be less than [\*\*\*] per annum.

“Eurodollar Benchmark Rate” means, with respect to any Eurodollar Advance for any Interest Period, the rate per annum equal to the ICE Benchmark Administration Limited LIBOR Rate (or such successor thereto if the ICE Benchmark Administration Limited is no longer making such a rate available) appearing on the applicable Bloomberg screen (or other commercially available source as designated by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to Dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period, as the rate for Dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the “Eurodollar Benchmark Rate” with respect to such Eurodollar Advance for such Interest Period shall be the rate at which Dollar deposits for a maturity comparable to such Interest Period are offered by the principal London office of the Person serving as Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period. In no event shall the Eurodollar Benchmark Rate ever be less than zero.

“Eurodollar Rate” means, with respect to a Eurodollar Advance for the relevant Interest Period, the sum of the Eurodollar Base Rate applicable to such Interest Period and the Applicable Margin.

“Eurodollar Reserve Percentage” means, for any day during any Interest Period, the reserve percentage in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the Federal Reserve Board for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding ( currently referred to as “Eurocurrency liabilities” in Regulation D). The Eurodollar Base Rate for

each outstanding Eurodollar Advance shall be adjusted automatically as of the effective date of any change in the Eurodollar Reserve Percentage.

“Event of Default” means an event described in Article 7.

“Event of Insolvency” means, for any Person:

(a) that such Person or any Subsidiary shall have discontinued or abandoned operation of its business (unless, in the case of a Subsidiary, such business shall have been transferred to, and is being continued by, such Person or another Subsidiary of such Person);

(b) that such Person or any Subsidiary shall (i) fail generally to, (ii) admit to the Administrative Agent or any Lender its inability to or (iii) publicly admit in writing its inability to, pay its debts as they become due;

(c) a proceeding shall have been instituted in a court having jurisdiction in the premises seeking a decree or order for relief in respect of such Person or any Subsidiary in an involuntary case under any applicable bankruptcy, insolvency, liquidation, reorganization or other similar law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of such Person or any Subsidiary, or for any substantial part of its property, or for the winding-up or liquidation of its affairs and such proceeding shall not have been dismissed within sixty ( 60) days of its filing;

(d) that such Person or any Subsidiary shall have commenced a voluntary case under any applicable bankruptcy, insolvency or other similar Law now or hereafter in effect, or such Person’s or any Subsidiary’s consent to the entry of an order for relief in an involuntary case under any such Law, or consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of such Person, or for any substantial part of its property, or any general assignment for the benefit of creditors;

(e) that such Person or any Subsidiary shall become insolvent (unless, in the case of a Subsidiary, such Subsidiary’s business shall have been transferred to, and is being continued by, such Person or another Subsidiary of such Person); or

(f) if such Person or any Subsidiary is a corporation, such Person or any Subsidiary, or any of their subsidiaries, shall take any corporate action in furtherance of, or the action of which would result in any of the actions in respect of such Person or Subsidiary set forth in the preceding clauses (a), (b), (c), (d) or (e).

“Excluded Taxes” has the meaning set forth in Section 3.5.



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“Exhibit” refers to an exhibit to this Agreement, unless another document is specifically referenced.

“FATCA”: means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

“Federal Agency” means FHLMC, FNMA, GNMA, FHA or VA.

“Federal Funds Effective Rate” means, for any day, the greater of (a) the rate calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and as published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate, and (b) 0%.

“Fees” is defined in Section 2.2.

“FHA” means the Federal Housing Administration or other agency, corporation or instrumentality of the United States to which the powers and duties of the Federal Housing Administration have been transferred.

“FHA-Approved Mortgagee” means an institution that is approved by FHA to act as a servicer and mortgagee of record with respect to a Mortgage Loan insured by FHA.

“FHA Mortgage Loan” means a Mortgage Loan that is secured by a first lien on land and the Single Family Residence constructed thereon and is insured by FHA.

“FHLMC” means the Federal Home Loan Mortgage Corporation or other agency, corporation or instrumentality of the United States to which the powers and duties of the Federal Home Loan Mortgage Corporation have been transferred.

“FHLMC-Approved Lender” means an institution that is approved by FHLMC to act as a lender in connection with the origination of any Mortgage Loan purchased by FHLMC.

“FHLMC Security” means a security representing an undivided fractional interest in a pool of Mortgage Loans, which security is issued and guaranteed as to full and timely payment of interest and full collection of principal by FHLMC.

“FNMA” means FannieMae or other agency, corporation or instrumentality of the United States to which the powers and duties of FannieMae have been transferred.

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“FNMA-Approved Lender” means an institution that is approved by FNMA to act as a lender in connection with the origination of any Mortgage Loan purchased by FNMA.

“FNMA Security” means a security representing an undivided fractional interest in a pool of Mortgage Loans, which security is issued and guaranteed as to full and timely payment of principal and interest by FNMA.

“GAAP” generally accepted accounting principles in the United States of America, applied on a consistent basis and applied to both classification of items and amounts, including the official interpretations thereof by the Financial Accounting Standards Board, its predecessors and successors. If at any time after the date hereof any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Majority Lenders or the Borrowers shall so request, the Administrative Agent, the Lenders and the Borrowers shall negotiate in good faith to amend such ratio or requirement to reflect such change in GAAP (subject to the approval of the Majority Lenders), provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrowers shall provide to the Administrative Agent and the Lenders financial statements and other documents required under the Loan Documents or as reasonably requested thereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

“Gestation Facility” means any Debt, whether accounted for as a sale or financing, the purpose of which is to purchase or finance Mortgage Loans originated by a Borrower which such Borrower has identified as fully qualified for initial certification for the purpose of creating a pool of Mortgage Loans to support the issuance of a Security.

“GNMA” means the Government National Mortgage Association or other agency, corporation or instrumentality of the United States as to which the powers and duties of the Governmental National Mortgage Association have been transferred.

“GNMA Security” means a security representing an undivided fractional interest in a pool of Mortgage Loans, which security is issued by a Borrower and guaranteed as to full and timely payment of principal and interest by GNMA without regard as to whether a Borrower collects any payments on such Mortgage Loans.

“Governmental Authority” means the United States, any state, county, municipality or other political subdivision thereof or any governmental authority (including any foreign governmental authority), agency, authority, department or commission (including any taxing authority) or any instrumentality of any of the foregoing (including any court or tribunal) exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation, partnership or other entity directly or indirectly owned by or controlled by the foregoing.

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“Hedging Program” means a program for hedging interest rate risks of a Borrower.

“HUD” means the Department of Housing and Urban Development.

“Increase Effective Date” has the meaning ascribed to such term in Section 2.11.

“Increased Commitment Lender” has the meaning ascribed to such term in Section 2.11.

“Ineligible Collateral” means any Pledged Servicing that does not at the time constitute Eligible Mortgage Servicing Rights.

“Initial Advance” means [\*\*\*], representing the sum of the Outstanding Balance under the Prior Loan Agreement of [\*\*\*] plus an additional advance made on the Effective Date of [\*\*\*] (the “Additional Advance”). The Initial Advance shall not exceed the lesser of (i) [\*\*\*], or (ii) the Borrowing Base.

“Interest Period” means with respect to any Eurodollar Advance, the period commencing on a Business Day, as selected by the Borrowers pursuant to this Agreement, and ending on the numerically corresponding day in the calendar month that is one, two or three months thereafter, as the Borrowers may elect; provided that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period.

“Interest Rate Protection Agreement” means, with respect to any or all of the Mortgage Loans, any short sale of U.S. Treasury Securities, or futures contract, or mortgage related security, or Eurodollar futures contract, or options related contract, or interest rate swap, cap or collar agreement or similar arrangements providing for protection against fluctuations in interest rates or the exchange of nominal interest obligations, either generally or under specific contingencies, entered into by a Borrower in accordance with such Borrower’s hedging policies and procedures.

“Investment” of a Person means any loan, advance (other than commission, travel and similar advances to officers and employees made in the ordinary course of business), extension of credit (other than accounts receivable arising in the ordinary course of business on terms customary in the trade) or contribution of capital by such Person; stocks, bonds, mutual funds, partnership interests, notes, debentures or other securities owned by such Person; any deposit accounts and certificates of deposit owned by such

Person; and structured notes, derivative financial instruments and other similar instruments or contracts owned by such Person.

“Key Person” means any of (i) Mary Ann McGarry, (ii) Terry Schmidt, or (iii) any two of James Madsen, Mike Rish and David Battany.

“Law” means any law, statute, code, ordinance, order, rule, regulation, treaty, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other determination, direction or requirement (including any of the foregoing which relate to environmental standards or controls, energy regulations and occupational safety and health standards or controls) of any (domestic or foreign) arbitrator, court or other Governmental Authority, in each case applicable to or binding upon a Person or any of its Property or to which such Person or any of its Property is subject, including, without limitation, any such law, statute, code, ordinance, order, rule, regulation, treaty, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other determination, direction or requirement ( or amendment thereto) enacted or promulgated after the date hereof and any change in the interpretation or application thereof by any Governmental Authority charged with the administration thereof or compliance by such Person (or any corporation directly or indirectly owning or controlling such Person).

“Lead Arranger” means The Bank of New York Mellon.

“Lenders” means the lending institutions listed on the signature pages of this Agreement and their respective successors and assigns.

“Lending Installation” means, with respect to a Lender or the Administrative Agent, the office, branch, subsidiary or affiliate of such Lender or the Administrative Agent listed on the signature pages hereof or on a Schedule or otherwise selected by such Lender or the Administrative Agent pursuant to Section 2.15.

“Leverage Ratio” means at any time the ratio of Total Liabilities to Tangible Net Worth.

“Lien” means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, the interest of a vendor or lessor under any conditional sale, Capitalized Lease or other title retention agreement) and any mortgage loan repurchase obligation.

“Liquidity” means, on any date, with respect to all Borrowers, the value of (i) the sum of all cash owned by each of the Borrowers on such date and held by them in unrestricted domestic accounts, plus (ii) all cash representing Margin Excess (as defined in the Master Repurchase Agreement) which has not been distributed to the Borrowers,

plus (iii) the sum of the market value of all unrestricted and unencumbered marketable securities owned by each of the Borrowers on such date.

“Liquidity Requirement” means the requirement that the Borrowers, on any date, have Liquidity that is in the aggregate not less than the greater of (i) [\*\*\*], and (ii) an amount equal to [\*\*\*] of the average daily amount of the total Marginable Assets of the Borrowers over the immediately prior [\*\*\*] period, of which not less than [\*\*\*] thereof shall consist of cash owned by the Borrowers on such date that is unencumbered and held by them in unrestricted domestic accounts.

“Loan” has the meaning ascribed to such terms in Section 2.1.

“Loan Documents” means this Agreement, any Notes issued pursuant to Section 2.12, the Security Agreement, and the other documents and agreements contemplated hereby and executed by the Borrowers or another Person in favor of the Administrative Agent or any Lender.

“Marginable Assets” means, as of any date of determination, with respect to each Borrower, the sum of the balance sheet values of (a) all of such Borrower’s and its consolidated Subsidiaries’ assets that are subject to financing or other arrangements that allow the counterparty to such financing make margin calls or demands if such assets decline in value, including Mortgage Loans held for sale and servicing rights, and (b) interest rate lock commitments and other financial derivative instruments (net of derivative liabilities) of such Borrower and its consolidated Subsidiaries.

“Master Repurchase Agreement” shall mean that certain Amended and Restated Master Repurchase Agreement, dated October 25, 2018, among The Bank of New York Mellon, as Agent for certain Buyers who are parties thereto, GMC and GMCLLC, as the same may be amended, supplemented or replaced from time to time.

“Material Adverse Change” means either (i) a material adverse change in (a) the business, Property, condition (financial or otherwise), results of operations, or prospects of GMCLLC, GMC and their Subsidiaries taken as a whole, or (b) the ability of any Borrower to perform its obligations under the Loan Documents, or (ii) any change in circumstances which adversely affects the validity or enforceability of any of the Loan Documents or the rights or remedies of the Administrative Agent or the Lenders thereunder; provided, however, that “Material Adverse Change” shall not include any diminishment of Net Worth which occurs in the ordinary course of business of GMCLLC, GMC and their Subsidiaries taken as a whole.

“Material Adverse Effect” means either (i) a material adverse effect on (a) the business, Property, condition (financial or otherwise), results of operations, or prospects of GMCLLC, GMC and their Subsidiaries taken as a whole, or (b) the ability of any Borrower to perform its obligations under the Loan Documents, or (ii) any adverse effect on the validity or enforceability of any of the Loan Documents or the rights or remedies

of the Administrative Agent or the Lenders thereunder; provided, however, that “Material Adverse Effect” shall not include any diminishment of Net Worth which occurs in the ordinary course of business of GMCLLC, GMC and their Subsidiaries taken as a whole.

“Maturity Date” means September 30, 2022.

“MERS” shall mean the Mortgage Electronic Registration System, Inc.

“MERSCORP” shall mean MERSCORP, Inc.

“MERS Loan” shall mean any Mortgage Loan made by a Borrower which is secured by a MERS Mortgage.

“MERS Member” shall mean any entity which is a member of MERS, in good standing and in compliance with all rules, regulations, procedures and requirements set forth by MERS, including, but not limited to the payment of membership dues.

“MERS Mortgage” shall mean any Mortgage registered to a Borrower on the MERS System.

“MERS System” shall mean the Mortgage Electronic Registration System.

“Moody’s” means Moody’s Investors Service, Inc. or any successor to its business.

“Mortgage” means a mortgage, deed of trust, security deed or similar instrument purporting to create a first or second lien or similar interest in real estate and improvements thereon.

“Mortgage Loan” means a loan of money evidenced by a Mortgage Note and secured by a Mortgage.

“Mortgage Note” means a note evidencing the indebtedness secured by a Mortgage.

“MSR” shall mean, as of any date of determination, the purchased mortgage loan servicing rights, capitalized excess mortgage loan servicing rights and originated mortgage loan servicing rights of the Borrowers and their consolidated Subsidiaries on such date, included on the balance sheet of a Borrower.

“Multiemployer Plan” means, with respect to any Person, a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA which is or was at any time during the current year or the immediately preceding five years contributed to by any Borrower or any ERISA Affiliate thereof on behalf of its employees and which is covered by Title IV of ERISA.

“Net Income” means, with respect to any Person and for any period, the net income of such Person for such period as determined in accordance with Agreement Accounting Principles.

“Net Worth” means as of any date of determination thereof, the sum of the net worth of GMC and GMCLLC and their consolidated Subsidiaries, on a consolidated basis as determined in accordance with Agreement Accounting Principles.

“Note” means any promissory note issued at the request of a Lender pursuant to Section 2.09 with respect to such Lender’s Commitment Percentage of the Loan, substantially the form of Exhibit A attached hereto.

“Notice of Assignment” is defined in Section 12.3(b).

“Obligations” means all unpaid principal of and accrued and all unpaid interest on the Loan and all accrued and all unpaid interest thereon, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations of the Borrowers to the Lenders or to any Lender, the Administrative Agent, or any indemnified party arising under the Loan Documents.

“Operating Lease” of a Person means any lease of Property ( other than a Capitalized Lease) by such Person as lessee which has an original term (including any required renewals and any renewals effective at the option of the lessor) of one year or more.

“Operating Lease Obligations” means, as at any date of determination, the amount obtained by aggregating the present values, determined in the case of each particular Operating Lease by applying a discount rate (which discount rate shall equal the discount rate which would be applied under Agreement Accounting Principles if such Operating Lease were a Capitalized Lease) from the date on which each fixed lease payment is due under such Operating Lease to such date of determination, of all fixed lease payments due under all Operating Leases of the Borrowers and their Subsidiaries.

“Other Taxes” is defined in Section 3.5(b).

“Outstanding Balance” means the outstanding principal balance of the Loan (as defined in the Prior Loan Agreement), determined immediately prior to the Initial Advance to be made under this Agreement.

“Participant Register” is defined in Section 12.2( d).

“Participants” is defined in Section 12.2(a).

“Payment Date” means the first day of each month, or if such day of any month is not a Business Day, the next Business Day.

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“PBGC” means the Pension Benefit Guaranty Corporation, or any successor thereto.

“Permitted Origination Facility” means any committed residential mortgage funding facility (which includes a warehouse line of credit, repurchase facility and off-balance sheet funding facility), including the Master Repurchase Agreement, in favor of one or more of the Borrowers for the origination of residential mortgage loans.

“Permitted Servicing Facilities” means, collectively, (i) this Agreement and (ii) one or more credit facilities provided by one or more commercial banks or bank syndicates in favor of either or both Borrowers secured by the Borrowers’ mortgage loan servicing rights under agreements with GNMA or FHLMC.

“Person” means any individual, corporation, company, voluntary association, partnership, joint venture, limited liability company, trust, unincorporated association government (or any agency, instrumentality or political subdivision thereof).

“Plan” means with respect to any Person, any employee benefit or similar plan that is or was at any time during the current year or immediately preceding five years established or maintained by such Person or any ERISA Affiliate thereof and that is covered by Title IV of ERISA, other than a Multiemployer Plan.

“Pledged Servicing” means every right of GMC to service Mortgage Loans, including, without limitation, the rights of GMC under its Servicing Agreement with FNMA and all rights to receive from any mortgagor on whose behalf GMC has advanced funds to the holder of any interest in such Mortgage Loan payment or reimbursement of the amount so advanced.

“Prime Rate” means a rate per annum equal to the prime rate of interest publicly announced from time to time by BNY Mellon (which is not necessarily the lowest rate charged to any customer), changing when and as said prime rate changes. The Borrowers, the Lenders and the Administrative Agent acknowledge that to the extent interest is based on the Prime Rate, the Prime Rate is only one of the bases for computing interest on loans made by the Lenders, and by basing interest on the Prime Rate, the Lenders have not committed to charge, and the Borrowers have not in any way bargained for, interest based on a lower or the lowest rate at which any Lenders may now or in the future make extensions of credit to other Persons.

“Property” of a Person means any and all property, whether real, personal, tangible, intangible, or mixed, of such Person, or other assets owned, leased or operated by such Person.

“Purchasers” is defined in Section 12.3(a).



“Recourse Servicing” means any servicing rights under a Servicing Agreement which obligates any Borrower either to repurchase Mortgage Loans upon default by the borrower thereunder or to indemnify any party having an interest in such Mortgage Loans against any loss arising from such a default for reasons other than a breach of any representations or warranties regarding the condition of such Mortgage Loans at origination which were made by a Borrower as originator of such Mortgage Loans.

“Regulation D” means Regulation D of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Regulation U” means Regulation U of the Board of Governors of the Federal Reserve System ( or any successor), as the same may be modified and supplemented and in effect from time to time.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than those events as to which thirty day notice period is waived under subsections .21, .22, .26, .27 or .28 of the PBGC Reg. Section 4043.

“Reports” is defined in Section 9.7.

“Required Lenders” means the Lenders in the aggregate holding at least 60% of the aggregate unpaid principal amount of the outstanding Loan, provided that if there shall be only two Lenders, then Required Lenders shall mean both Lenders. Lenders who are Defaulting Lenders, or the percentage of the outstanding Loan of a Defaulting Lender, as the case may be, shall not be included in the determination of the Required Lenders.

“Requirement of Law” means as to any Person, any Law (whether now in effect or hereafter enacted or promulgated) that is binding upon such Person or any material portion of its Property or to which such Person or any material portion of its Property is subject. The term “Requirement of Law” shall include (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder, issued in connection therewith or in implementation thereof, (ii) all requests, rules, guidelines and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), or the United States or foreign regulatory authorities, in each case pursuant to Basel III, and (iii) ERISA, Anti-Corruption Laws, Anti-Terrorism Laws, Bankruptcy Laws, and the Patriot Act), and any amendments, modification, extensions, replacements or supplements thereto.

“Rural Housing Loan Program” means the Rural Development Single Family Housing Loan Program administered by the USDA.

“S&P” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc. or any successor to its business.

“Sale and Leaseback Transaction” means any sale or other transfer of Property by any Person with the intent to lease such Property as lessee.

“Sanction Laws and Regulations” means any sanctions, prohibitions or requirements imposed, administered or enforced from time to time by the U.S. government (including, without limitation, Department of the Treasury’s Office of Foreign Assets Control and the U.S. Department of State), the United Nations Security Council, the European Union, Her Majesty’s Treasury or any other relevant sanctions authority, including those administered by OFAC; any laws, rules and regulations regarding such sanctions, prohibitions or requirements; and any applicable anti-money laundering and anti-terrorism financing laws, rules or regulations.

“Sanctioned Country” means at any time, a country or territory which is the subject or target of any Sanctions Laws and Regulations.

“Schedule” refers to a specific schedule to this Agreement, unless another document is specifically referenced.

“Section” means a numbered section of this Agreement, unless another document is specifically referenced.

“Secured Parties” is defined in Paragraph 1 of the Security Agreement.

“Security or Securities” means any FHLMC Security, FNMA Security or GNMA Security.

“Security Agreement” means the Security Agreement dated as of January 13, 2014 made by the Borrowers in favor of the Administrative Agent, for the benefit of the Lenders, as reaffirmed by Borrowers on the date hereof, and as the same may be amended from time to time.

“Servicing Agreement” means a written contract of GMC or GMCLLC with another Person to act on behalf of such other Person to, among other things, receive payments in respect of Mortgage Loans and to service Mortgage Loans.

“Servicing Hedge Agreement” means an agreement, device or arrangement providing for payments which are related to fluctuations of interest rates, exchange rates or forward rates, including, but not limited to, dollar-denominated or cross-currency interest rate exchange agreements, forward currency exchange agreements, interest rate floor, cap or collar protection agreements, forward rate currency or interest rate options, puts and warrants.

“Servicing Portfolio” means all Mortgage Loans then being serviced by GMC or GMCLLC either for its own account with respect to Pledged Servicing or for others under Servicing Agreements (excluding Subservicing Agreements).

“Single Employer Plan” means a single-employer plan as defined in Section 4001(a)(15) of ERISA which is subject to the provisions of Title IV of ERISA.

“Single Family Residence” means a one to four family dwelling unit, which may be a condominium unit but which shall not be a mobile home, manufactured housing (unless the same are completed houses) or a dwelling unit in a cooperative apartment building.

“Subservicing Agreement” means a Servicing Agreement between GMC or GMCLLC and a Person which does not own the Mortgage Loans being serviced thereunder but only has servicing or other non-ownership rights with respect thereto, pursuant to which GMC or GMCLLC subservices loans for others.

“Subsidiary” means, with respect to any Person, any corporation, partnership or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person. Except as specifically noted on Schedule 2, all Subsidiaries of GMCLLC as of the date hereof are listed on Schedule 2.

“Substantial Portion” means, with respect to the Property of a Borrower and its Subsidiaries, Property which (i) represents more than [\*\*\*] of the consolidated assets of such Borrower and its Subsidiaries as would be shown in the consolidated financial statements of such Borrower and its Subsidiaries as at the beginning of the twelve-month period ending with the month in which such determination is made, or (ii) is responsible for more than [\*\*\*] of the consolidated net sales or of the consolidated Net Income of such Borrower and its Subsidiaries as reflected in the financial statements referred to in clause (i) above.

“Tangible Net Worth” means Net Worth less (i) the sum of any other assets of the Borrowers and any of their consolidated Subsidiaries which would be treated as intangibles under Agreement Accounting Principles (other than capitalized servicing rights) including, without limitation, any write-up of assets, goodwill, research and development costs, trade-marks, trade names, service marks, copyrights, patents and unamortized debt discount and (ii) expenses and loans or other extensions of credit to officers, employees or Affiliates of the Borrowers and any of their consolidated Subsidiaries other than Mortgage Loans made to such Persons in the ordinary course of business (excluding any loans or extensions of credit to Subsidiaries).

“Taxes” has the meaning set forth in Section 3.5(a).

“Tax Treatment Certificate” is defined in Section 3.5(e)(ii).

“Total Commitment Amount” means, on any day, the sum of the Commitment Amounts of all Lenders on such day.

“Total Liabilities” means all liabilities of the Borrowers and their Subsidiaries as, in accordance with GAAP, are reflected on each Borrower’s consolidated balance sheet.

“Transferee” is defined in Section 12.4.

“Type” means, with respect to any Advance, its nature as an Alternate Base Rate Advance or a Eurodollar Advance.

“Unfunded Liabilities” means the amount (if any) by which the present value of all vested and unvested accrued benefits under all Single Employer Plans exceeds the fair market value of all such Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plans using PBGC actuarial assumptions for single employer plan terminations.

“Uniform Commercial Code” and “UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York; provided that if by reason of mandatory provisions of law, the perfection or the effect of perfection or non-perfection of the security interest in any Repurchase Assets or the continuation, renewal or enforcement thereof is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “Uniform Commercial Code” means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection.

“USDA-Approved Lender” means an institution that is approved by USDA to act as a lender in connection with the origination of any Mortgage Loan originated under the Rural Housing Loan Program.

“VA” means the Veterans Administration or other agency, corporation or instrumentality of the United States as to which the powers and duties of the Veterans Administration have been transferred.

“VA-Approved Lender” means an institution that is approved by the VA to act as a lender in connection with the origination of any Mortgage Loan guaranteed by the VA.

“VA Mortgage Loan” means a Mortgage Loan that is secured by a first lien on land and the Single Family Residence constructed thereon and is guaranteed by the VA.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA

Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

**Section 1.2 Principles of Construction.**

(a) All references to sections, schedules and exhibits are to sections, schedules and exhibits in or to this Agreement unless otherwise specified. The words “hereof,” “herein,” “hereto” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(b) All accounting terms not specifically defined herein shall be construed in accordance with the Agreement Accounting Principles. All references herein to consolidated and consolidating financial statements shall mean the statements of the Borrowers and all consolidated Subsidiaries thereof.

(c) All references to time of day shall mean the then applicable time in New York, New York unless expressly provided to the contrary.

(d) The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

**ARTICLE 2.  
THE CREDITS**

**Section 2.1 The Loan.**

(a) The Loan. On the Effective Date, subject to the satisfaction of the conditions of Section 4.1, each Lender shall (i) buy and sell interests in the Outstanding Balance under the Prior Loan Agreement among themselves as determined by the Administrative Agent such that after giving effect thereto each Lender shall own its Commitment Percentage of the Outstanding Balance, and (ii) fund its Commitment Percentage of the Additional Advance. The Outstanding Balance, together with the Additional Advance, shall comprise the Initial Advance. The Initial Advance, any advances by the Lenders of the Committed Additional Availability and any advances under any Commitment Increase, are referred to herein, in the aggregate, as the “Loan.”

(b) Initial Advance. By executing and delivering this Agreement, the Borrowers hereby request that on the Effective Date the Lenders fund the Additional Advance to the Administrative Agent and the Administrative Agent disburse the Additional Advance to the Borrowers, subject to the terms and conditions herein (including, without limitation, the Borrowers’ satisfaction of the conditions of Section 4.1), and the Lenders severally agree to advance their respective Commitment Percentages of the Additional Advance for the account of the Borrowers in accordance with this Agreement. The Additional Advance shall initially be made as an Alternate

Base Rate Advance unless by 11:00 A.M. three Business Days prior to the date for Initial Advance the Borrowers shall have notified the Administrative Agent that such advance shall be made as one or more Eurodollar Advances, specifying the portion thereof to constitute such Eurodollar Advance(s). All Advances comprising the Outstanding Balance that are of a particular Type under and as defined in the Prior Loan Agreement shall continue as the same Type under this Agreement and, in the case of Eurodollar Advances, for the remainder of the Interest Period applicable thereto.

( c ) Advances of the Committed Additional Availability. From time to time during the Committed Additional Availability Period, subject to the terms and conditions herein (including, without limitation, the conditions of Section 4.2, the Lenders severally agree to advance their respective Commitment Percentages of the Committed Additional Availability. Advances of the Committed Additional Availability shall be requested by the Borrowers and funded by the Lenders and disbursed by the Administrative Agent pursuant to Section 2.1(h).

(d) Advances under any Commitment Increase. During the Commitment Increase Period, any Commitment Increase shall be requested by the Borrowers pursuant to the provisions of Section 2.11. Subject to the satisfaction of the conditions of Section 2.11 for any such requested Commitment Increase, the Increased Commitment Lenders who have committed to such Commitment Increase shall fund their respective committed shares of such Commitment Increase to the Administrative Agent, and the Administrative Agent shall disburse the same to the Borrowers, in accordance with Section 2.11.

( e ) Limitations. Notwithstanding the provisions of Sections 2.1(b), (c) and (d): (i) no Lender shall be obligated to advance more than its Commitment Percentage of the Loan, and (ii) at no time shall (a) the aggregate outstanding principal amount of such Lender's loans exceed such Lender's Commitment Amount, or (b) the aggregate outstanding principal amount of the Loan (after giving effect to any advance of the Committed Additional Availability or any Commitment Increase) exceed the lesser of (x) the Borrowing Base or (y) the Aggregate Commitment at such time.

(f) Prepayments. Any prepayment of the Loan in whole or in part shall not be re-advanced (meaning, for avoidance of doubt, that any prepayment of the Loan shall not increase or replenish the Committed Additional Availability).

(g) Types. Subject to the provisions of Section 2.3, the Loan and advances hereunder may be made and maintained as (x) Alternate Base Rate Advances, (y) Eurodollar Advances or (z) any combination thereof. Each Eurodollar Advance shall be in an aggregate principal amount equal to [\*\*\*] or such amount plus a whole multiple of [\*\*\*] in excess thereof.

(h) Procedure for Borrowing the Committed Additional Availability.

i . Time for Notice; Etc. During the Committed Additional Availability Period, the Borrowers may request advances from the Committed Additional Availability on any Business Day; provided, however, that the Borrowers shall deliver a Borrowing Notice to the Administrative Agent in the form of Exhibit E by 11:00 A.M., three Business Days prior to the requested date for such advance in the case of Eurodollar Advances, or 11:00 A.M., on such requested date, in the case of Alternate Base Rate Advances specifying (i) the aggregate principal amount of such advance, (ii) the requested date of such advance, and (iii) if such advance is to consist of one or more Eurodollar Advances, the portion thereof to constitute such Eurodollar Advance(s). Each such Borrowing Notice shall be irrevocable. Simultaneously with the delivery to the Administrative Agent of such Borrowing Notice, the Borrowers shall also deliver to the Administrative Agent a current Borrowing Base Report. By delivering a Borrowing Notice and Borrowing Base Report to the Administrative Agent, the Borrowers shall be deemed to have represented that the Borrowing Base set forth in such Borrowing Base Report is true and correct, and the Administrative Agent and each Lender shall be entitled to presume that the Borrowing Base is true and correct. Based solely on the Borrowing Base Report delivered in connection with a Borrowing Notice, and a review of its records regarding the total outstanding amount of the Loan and the unfunded Committed Additional Availability, the Administrative Agent shall confirm the amount of the requested advance.

i i . Disbursement of the Advance. Upon receipt of each of Borrowing Notice hereunder from the Borrowers, the Administrative Agent shall promptly notify each Lender of the aggregate amount of such advance. Each Lender will make the amount of its Commitment Percentage of each advance available to the Administrative Agent, for the account of the Borrowers at the office of the Administrative Agent designated by the Administrative Agent not later than 1:00 P.M., New York City time, on the requested date for such advance, in funds immediately available to the Administrative Agent at such office. The amounts so made available to the Administrative Agent will then, subject to the satisfaction of the terms and conditions of this Agreement, as determined by the Agent, be disbursed by the Administrative Agent on such date to the Borrowers.

iii. Administrative Agent's Assumptions. Unless the Administrative Agent shall have received notice, prior to 1:00 P.M. on the applicable date for such advance, from a Lender (by telephone or otherwise, such notice to be promptly confirmed by telecopy or other writing) that such Lender will not make available to the Administrative Agent an amount equal to such Lender's Commitment Percentage of the requested advance, the Administrative Agent may assume that such Lender has made such amount available to the Agent on the relevant advance date in accordance with this Section, and the Administrative Agent may, in reliance upon such assumption, make available to

the Borrowers on such date a corresponding amount. If and to the extent that the Administrative Agent shall have so made such amount available to the Borrowers, such Lender and the Borrowers severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount (to the extent not previously paid by the other), together with interest thereon for each day from the date such amount is made available to the Borrowers until the date such amount is paid to the Administrative Agent, at a rate per annum equal to, in the case of the Borrower, the Alternate Base Rate, and, in the case of such Lender, the Federal Funds Effective Rate in effect on each such day (as determined by the Administrative Agent). Such payment by the Borrowers, however, shall be without prejudice to its rights against such Lender. If such Lender shall pay to the Administrative Agent such corresponding amount, such amount so paid shall constitute such Lender's advance as part of the Loan for purposes of this Agreement, which advance shall be deemed to have been made by such Lender on the applicable borrowing date for such advance.

## **Section 2.2 Fees.**

The Borrowers shall pay the following fees (the "Fees"):

(a) Administrative Agent Fees. The fees payable to the Administrative Agent (including fees for the account of the Lenders) pursuant to the Borrowers' separate agreement with the Administrative Agent.

(b) Non-Usage Fee. The Borrowers agree to pay to the Administrative Agent, for the pro rata account of the Lenders in accordance with each such Lender's Commitment Percentage, a nonrefundable fee (the "Non-Usage Fee"), during the Committed Additional Availability Period, equal to [\*\*\*] per annum of the average daily unadvanced amount of the Committed Additional Availability. The Non-Usage Fee shall be payable quarterly in arrears on the first day of each April, July and October, and the second day of each January commencing on the first such date following the Effective Date, and ending on the date that the Commitments shall expire or otherwise terminate. The Non-Usage Fee shall be calculated on the basis of a 360-day year for the actual number of days elapsed.

(c) Amendment Fees. The Borrowers agree to pay an amendment fee in connection with any amendment of this Agreement or the other Loan Documents requested by the Borrowers, the same to be negotiated at the time any such amendment is requested.

## **Section 2.3 Conversion and Continuation of Outstanding Advances.**

An Alternate Base Rate Advance shall continue as an Alternate Base Rate Advance unless and until such Alternate Base Rate Advance is converted into a Eurodollar Advance in accordance with the terms hereof. Each Eurodollar Advance shall



continue as a Eurodollar Advance until the end of the then applicable Interest Period therefor, at which time such Eurodollar Advance shall be automatically converted into an Alternate Base Rate Advance unless the Borrowers shall have given the Administrative Agent a Conversion/Continuation Notice requesting that, at the end of such Interest Period, such Eurodollar Advance either continue as a Eurodollar Advance for the same or another Interest Period or be converted to an Alternate Base Rate Advance. The Borrowers may elect from time to time to convert all or any part of an Advance of any Type into any other Type or Types of Advances; provided that any conversion of any Eurodollar Advance shall be made on, and only on, the last day of the Interest Period applicable thereto and shall be in a minimum amount of [\*\*\*] or such amount plus a whole multiple of [\*\*\*]. The Borrowers shall give the Administrative Agent irrevocable notice (a "Conversion/Continuation Notice") of each conversion of an Alternate Base Rate Advance or conversion or continuation of a Eurodollar Advance not later than (i) 11:00 a.m. on the date of the requested conversion, in the case of a conversion into an Alternate Base Rate Advance or (ii) 11:00 a.m. at least three Business Days prior to the date of the requested conversion into or continuation of a Eurodollar Advance, specifying:

- (i) the requested date which shall be a Business Day, of such conversion or continuation,
- (ii) the aggregate amount (which must be an integral multiple of [\*\*\*], and if a Eurodollar Advance, a minimum amount of [\*\*\*]) and Type of the Advance which is to be converted or continued, and
- (iii) the amount and Type(s) of Advance(s) into which such Advance is to be converted or continued and, in the case of a conversion into or continuation of a Eurodollar Advance, the duration of the Interest Period applicable thereto.

#### **Section 2.4 Principal Payments.**

(a) Required Loan Amortization Payments. The Borrowers shall make periodic amortization payments in respect of the principal balance of the Loan that is outstanding on the last day of the Committed Additional Availability Period in accordance with this Section 2.4(a). Commencing on October 1, 2020, and thereafter on the first Business Day of each January, April, July and October thereafter (each such date a "Principal Payment Date"), the Borrowers shall make principal amortization payments to the Administrative Agent for the account of the Lenders in equal installments, each such installment being an amount equal to [\*\*\*] of the aggregate principal amount of the Loan that is outstanding on the last day of the Committed Additional Availability Period, which amortization payments shall be applied to the outstanding principal balance of the Loan as and when received by the Administrative Agent. The Administrative Agent shall distribute to the Lenders each Lender's Commitment Percentage thereof in accordance with this Agreement. The

entire outstanding unpaid principal amount of the Loan, accrued and unpaid interest thereon and all other unpaid Obligations, shall, unless required to be paid earlier pursuant to the terms hereof, be paid in full by the Borrowers on the Maturity Date.

(b) Optional Principal Payments. The Borrowers may from time to time upon prior written notice to the Administrative Agent pre-pay in whole or in part (but in a minimum aggregate amount of [\*\*\*] or any integral multiple of [\*\*\*] in excess thereof to the extent any Eurodollar Advance is being prepaid) subject to the requirements of this Section 2.4(b). Such payments shall be distributed to the Lenders pro rata in accordance with each Lender's Commitment Percentage of such payment. All optional principal payments shall be applied to the Type of Advance designated by a Borrower when making such payment, provided that any payments received during the continuance of a Default or Event of Default shall be applied on a pro rata basis to all Advances then outstanding. With respect to the prepayment of Eurodollar Advances, the Borrowers shall give the Administrative Agent written notice of such repayment three Business Days prior to the date of such intended prepayment with respect to the prepayment of Eurodollar Advances. Prepayments of the Loan may be made without penalty or premium, provided that with respect to the prepayment of Eurodollar Advances the Borrowers shall pay any funding indemnification amounts required by Section 3.4.

(c) Required Payments Related to Borrowing Base. On any date that the outstanding principal amount of the Loan is in excess of the then-current Borrowing Base, the Borrowers shall, prior to the close of business on such date make a mandatory payment to the Administrative Agent for the benefit of the Lenders in the amount of such excess. Any such payment shall be allocated to Advances as directed by the Borrowers, provided that (i) with respect to the prepayment of Eurodollar Advances the Borrowers shall pay any funding indemnification amounts required by Section 3.4, and (ii) during the continuance of a Default or Event of Default any payments received shall be applied on a pro rata basis to all Advances then outstanding.

### **Section 2.5 Interest Rates.**

Interest shall accrue on the Loan as follows:

(i) Each Alternate Base Rate Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the date such Advance is made or is automatically converted from a Eurodollar Advance into an Alternate Base Rate Advance pursuant to Section 2.3, to but excluding the date it is paid or is converted into a Eurodollar Advance pursuant to Section 2.3 hereof, at a rate per annum equal to the Alternate Base Rate for such day. Changes in the rate of interest on any portion of the Loan maintained as an Alternate Base Rate Advance and changes in the rate of interest the Loan based on a change in the Applicable Margin as a result of a change in the Leverage Ratio shall, in each case, become effective as of the opening of business on the day on which such change shall become effective. The Borrowers, the

Lenders and the Administrative Agent acknowledge that to the extent interest payable on the Advances is based on the Prime Rate, the Prime Rate is only one of the bases for computing interest on loans made by the Lenders, and by basing interest payable on such Advances on the Prime Rate, the Lenders have not committed to charge, and the Borrower has not in any way bargained for, interest based on a lower or the lowest rate at which any Lender may now or in the future make extensions of credit to other Persons.

(ii) Each Eurodollar Advance shall bear interest on the outstanding principal amount thereof from and including the first day of the Interest Period applicable thereto to (but not including) the last day of such Interest Period at the Eurodollar Rate determined by the Administrative Agent as applicable to such Eurodollar Advance based upon the Borrower's selections under Section 2.3 and otherwise in accordance with the terms hereof. Not more than [\*\*\*] different Interest Periods may be in effect at any time and no Interest Period may end after the Maturity Date.

#### **Section 2.6 Rates Applicable After Default.**

Notwithstanding anything to the contrary contained in Sections 2.3, during the continuance of a Default or Event of Default the Required Lenders may, at their option, by notice to the Borrower (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 9.1 requiring unanimous consent of the Lenders to reductions in interest rates), declare that no portion of the Loan may be maintained as, converted into or continued as a Eurodollar Advance. During the continuance of an Event of Default the Required Lenders may, at their option, by notice to the Borrower (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 9.1 requiring unanimous consent of the Lenders to reductions in interest rates), declare that (i) each Eurodollar Advance shall bear interest for the remainder of the applicable Interest Period at the rate otherwise applicable to such Interest Period plus [\*\*\*] per annum and (ii) the portion of the Loan not accruing interest at the rate under clause (i) above shall bear interest at a rate per annum equal to the Alternate Base Rate plus the Applicable Margin plus [\*\*\*] per annum; provided that, during the continuance of an Event of Default under Section 7(f) or 7(g), the interest rates set forth in clauses (i) and (ii) above shall be applicable to all Advances without any election or action on the part of the Administrative Agent or any Lender. Upon the occurrence and during the continuance of an Event of Default, all interest shall be payable on demand.

#### **Section 2.7 Interest Payment Dates; Interest and Fee Basis.**

Subject to Section 2.6, interest shall be payable in accordance with the following provisions:

- (i) Interest shall be payable on each Payment Date.

(ii) Payments of interest shall commence on the first such date to occur in clause (i) above after the date hereof. All accrued and unpaid interest due on the Maturity Date or earlier maturity (by acceleration or otherwise) shall be due and payable in full on such date.

(iii) All interest (other than interest calculated with reference to the Prime Rate) shall be calculated on the basis of a 360-day year for the actual number of days elapsed, and all interest determined with reference to the Prime Rate shall be calculated on the basis of a 365/366-day year for the actual number of days elapsed. Interest shall be payable from the day the Loan is made but not for the day of any payment on the amount paid if payment is received at the place of payment prior to the time required for payment as set forth in Section 2.8. If any payment of principal of, or interest on, the Loan shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest in connection with such payment.

#### **Section 2.8 Method of Payment.**

All payments of the Obligations hereunder shall be made, without setoff, deduction, or counterclaim, in immediately available funds to the Administrative Agent at the Administrative Agent's address specified pursuant to Article 13, or at any other Lending Installation of the Administrative Agent specified in writing by the Administrative Agent to the Borrowers, on the date when due by 1:00 p.m. Payments of interest shall be applied in accordance with Section 2.7. Each payment delivered to the Administrative Agent for the account of any Lender shall be delivered promptly by the Administrative Agent to such Lender in the same type of funds that the Administrative Agent received at its address specified pursuant to Article 13 or at any Lending Installation specified in a notice received by the Administrative Agent from such Lender. The Administrative Agent is hereby authorized to charge the account of the Borrower maintained with BNY Mellon for each payment of principal, interest and fees as it becomes due hereunder.

#### **Section 2.9 Noteless Agreement; Evidence of Indebtedness.**

(i) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from such Lender's funding of its Commitment Percentage of the Loan, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(ii) Subject to Section 2.3, the Administrative Agent shall also maintain accounts in which it will record (a) the Type thereof and the Interest Period with respect to each Advance, (b) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder, and (c) the

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amount of any sum received by the Administrative Agent hereunder from the Borrowers and each Lender's share thereof.

(iii) The entries maintained in the accounts maintained pursuant to paragraphs (i) and (ii) above shall be *prima facie* evidence of the existence and amounts of the Obligations therein recorded; provided, however, that the failure of the Administrative Agent or any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Obligations in accordance with their terms.

(iv) Any Lender may request that its interest in the Loan be evidenced by a Note. In such event, the Borrower shall prepare, execute and deliver to such Lender a Note payable to the order of such Lender. Thereafter, the interest of such Lender in the Loan and all interest thereon shall at all times (including after any assignment pursuant to Section 12.3) be represented by one or more Notes payable to the order of the payee named therein or any assignee pursuant to Section 12.3, except to the extent that any such Lender or assignee subsequently returns any such Note for cancellation and requests that its interest in the Loan once again be evidenced as described in paragraphs (i) and (ii) above.

#### **Section 2.10 Telephonic Notices.**

Each Borrower hereby authorizes the Lenders and the Administrative Agent to extend, convert or continue Advances, effect selections of Types of Advances and to transfer funds based on telephonic or facsimile notices made by any person or persons the Administrative Agent or any Lender in good faith believes to be acting on behalf of such Borrower, it being understood that the foregoing authorization is specifically intended to allow Conversion/Continuation Notices to be given telephonically or by facsimile. The Borrowers agree to deliver promptly to the Administrative Agent a written confirmation, if such confirmation is requested by the Administrative Agent or any Lender, of each telephonic notice signed by an Authorized Officer. If the written confirmation differs in any material respect from the action taken by the Administrative Agent and the Lenders, the records of the Administrative Agent and the Lenders shall govern absent manifest error.

#### **Section 2.11 Commitment Increase.**

(a) Procedure for Commitment Increases. Subject to the terms of this Section 2.11, if the entire Committed Additional Availability shall have been advanced to the Borrowers pursuant to Section 2.1, then at any time and from time to time during the Commitment Increase Period, provided that no Default or Event of Default exists, the Borrowers may by delivering to the Administrative Agent a Commitment Increase Notice in the form of Exhibit F (a "Commitment Increase Notice") request that the Total Commitment Amount be increased by either (A) one or more of the existing Lenders increasing its existing Commitment (it being understood that no Lender shall have the

obligation to increase its Commitment to achieve such increased Total Commitment Amount), or (B) the establishment of a new Commitment by a new Lender who is acceptable to the Borrower and the Administrative Agent (each such increase in the Total Commitment Amount, by either means, being a "Commitment Increase", and each new Lender, or existing Lender increasing its existing Commitment, being an "Increased Commitment Lender"). Each existing Lender shall have the option (exercisable prior to a new Commitment with a new Lender pursuant to clause (B) being established) to participate in each Commitment Increase pro-rata in accordance with its interest in the Total Commitment Amount (determined without giving effect to such Increase). Simultaneously with the delivery of such Commitment Increase Notice, the Borrowers shall also deliver to the Administrative Agent a current Borrowing Base Report. By delivering a Commitment Increase Notice and Borrowing Base Report to the Administrative Agent, the Borrowers shall be deemed to have represented that the Borrowing Base set forth in such Borrowing Base Report is true and correct, and the Administrative Agent and each Lender shall be entitled to presume that the Borrowing Base is true and correct. Based solely on the Borrowing Base Report delivered in connection with a Commitment Increase Notice, and a review of its records regarding the total outstanding amount of the Loan, the Administrative Agent shall confirm the amount of the requested Commitment Increase shall not cause the total Commitment Amount (after giving effect to such Commitment Increase) to exceed the Borrowing Base. No Commitment Increase shall become effective until such Business Day (the "Increase Effective Date") as all of the following conditions precedent shall have been fulfilled:

(i) no Default or Event of Default shall have occurred and be continuing on the Increase Effective Date,

(ii) the Borrowers, the Administrative Agent and each Increased Commitment Lender shall have executed and delivered an agreement, dated the Increase Effective Date, substantially in the form of Exhibit H (each a "Commitment Increase Supplement") with respect to such Commitment Increase,

(iii) such increase in the Total Commitment Amount shall not violate any provision of the charter or other organizational documents of either Borrower, and if required by the Administrative Agent, the Administrative Agent shall have received evidence thereof satisfactory to it, and

(iv) the Borrowers shall have satisfied all the conditions of Section 4.2.

(b) Procedure for Funding the Commitment Increase. On the Increase Effective Date, the Administrative Agent shall notify the Borrowers and the Increased Commitment Lenders that the Commitment Increase has become effective. Each Increased Commitment Lender will thereupon make the amount of its committed share of each such Commitment Increase available to the Administrative Agent (which for all purposes of this Agreement shall be deemed to be included in the Loan) for the account

of the Borrowers at the office of the Administrative Agent on such day. The amounts so made available to the Administrative Agent will then, subject to the satisfaction of the terms and conditions of this Agreement, as determined by the Administrative Agent, be disbursed by the Administrative Agent on such date to the Borrowers. The advances under a Commitment Increase shall initially be made as Alternate Base Rate Advances unless by 11:00 A.M. three Business Days prior to the date for such advance the Borrowers shall have notified the Administrative Agent that such advance shall be made as one or more Eurodollar Advances, specifying the portion thereof to constitute such Eurodollar Advance(s). The Borrowers shall be irrevocably obligated to accept the amount of any advance made following its delivery of a Commitment Increase Notice to the Administrative Agent.

(c) Agent's Duties. The Administrative Agent is hereby directed to amend Schedule 1 on each Increase Effective Date to reflect (i) the Commitment Amount of each Lender (including any new Lender) as of such Increase Effective Date, and (ii) the Lending Offices and address for notices of any Increased Commitment Lender which was not previously a Lender, and to deliver a copy thereof to each party hereto.

(d) Maximum Total Commitment Amount. Any Commitment Increase shall be in the amount of [\*\*\*] or an integral multiple of [\*\*\*]. In no event shall a Commitment Increase be permitted hereunder if such Commitment Increase, when added to the Total Commitment Amount prior to giving effect thereto would exceed [\*\*\*].

#### **Section 2.12 Lending Installations.**

Each Lender may book its interest in the Loan at any Lending Installation selected by such Lender and may change its Lending Installation from time to time. All terms of this Agreement shall apply to any such Lending Installation and the interest of each Lender in the Loan and any Note issued hereunder to such Lender shall be deemed held by each Lender for the benefit of such Lending Installation. Each Lender may, by written notice to the Administrative Agent and the Borrower in accordance with Article 13, designate replacement or additional Lending Installations for whose account payments on its interest in the Loan are to be made.

#### **Section 2.13 [Reserved].**

#### **Section 2.14 Defaulting Lender.**

(a) Generally. If for any reason any Lender (a "Defaulting Lender") shall fail or refuse to perform any of its obligations under this Agreement or any other Loan Document to which it is a party within the time period specified for performance of such obligation or, if no time period is specified, if such failure or refusal continues for a period of [\*\*\*] after notice from the Administrative Agent, then,

in addition to the rights and remedies that may be available to the Administrative Agent or the Borrowers under this Agreement or any applicable Law, such Defaulting Lender's right to participate in the administration of the Loan, this Agreement and the other Loan Documents, including without limitation, any right to vote in respect of, to consent to or to direct any action or inaction of the Administrative Agent taken or to be taken into account in the calculation of Required Lenders, shall be suspended during the pendency of such failure or refusal. If for any reason a Lender fails to make timely payment to the Administrative Agent of any amount required to be paid to the Administrative Agent hereunder (without giving effect to any notice or cure periods), in addition to other rights and remedies which the Administrative Agent or the Borrowers may have under the immediately preceding provisions or otherwise, the Administrative Agent shall be entitled (i) to collect interest from such Defaulting Lender on such delinquent payment for the period from the date on which the payment was due until the date on which the payment is made at the Federal Funds Effective Rate, (ii) to withhold or setoff and to apply in satisfaction of the defaulted payment and any related interest, any amounts otherwise payable to such Defaulting Lender under this Agreement or any other Loan Document and (iii) to bring an action or suit against such Defaulting Lender in a court of competent jurisdiction to recover the defaulted amount and any related interest. Any amounts received by the Administrative Agent in respect of a Defaulting Lender's interest in the Loan shall not be paid to such Defaulting Lender and shall be held uninvested by the Administrative Agent and either applied to cure the Defaulting Lender's default or paid to such Defaulting Lender upon the Defaulting Lender's curing of its default. Notwithstanding anything in this Section 2.14(a) to the contrary, the suspension of a Defaulting Lender's right to vote in respect of, to consent to or to direct any action or inaction of the Administrative Agent taken or to be taken into account in the calculation of Required Lenders or in respect of any supplemental agreement, amendment or waiver which requires the consent of each Lender as set forth in Section 9.1 hereof, shall not apply to any decision to: (i) waive, forgive or reduce the principal amount of any of the Obligations owing to such Defaulting Lender (unless all other Lenders affected thereby are treated similarly), (ii) extend the final maturity date(s) of such Defaulting Lenders' portion of any the Obligations, or (iii) otherwise modify the Loan Documents if such modification requires the consent of all Lenders or the Lender(s) affected thereby which affects such Defaulting Lender more adversely than the other affected Lenders (other than a modification which results in a repayment of any amounts owing to such Defaulting Lender on a non pro-rata basis). During any period that a Lender is a Defaulting Lender, such Defaulting Lender shall not be entitled to any portion of the Non-Usage Fee for such period.

( b ) Purchase or Cancellation of Defaulting Lender's Interest in the Loan. Any Lender who is not a Defaulting Lender shall have the right, but not the obligation, in its sole discretion, to acquire by assignment all of a Defaulting Lender's interest in the Loan. Any Lender desiring to exercise such right shall give written notice thereof to the Administrative Agent and the Borrower no sooner than two (2) Business Days and not later than five (5) Business Days after such Defaulting Lender became a



Defaulting Lender. If more than one Lender exercises such right, each such Lender shall have the right to acquire an amount of such Defaulting Lender's interest in the Loan in proportion to the percentage interest in the Loan of the other Lenders exercising such right. If after such fifth Business Day, the Lenders have not elected to acquire all of the interest in the Loan of such Defaulting Lender, then the Borrowers may, by giving written notice thereof to the Administrative Agent, such Defaulting Lender and the other Lenders, demand that such Defaulting Lender assign its interest in the Loan to a assignee subject to and in accordance with the provisions of Section 12.3(b) for the purchase price provided for below, whereupon such Defaulting Lender shall no longer be a party hereto or have any right or obligation whatsoever to initiate any such replacement or to assist in finding an assignee of its interest. Upon any such assignment, the Defaulting Lender's interest in the Loan and its rights hereunder (but not its liability in respect thereof or under the Loan Documents to the extent the same relate to the period prior to the effective date of the purchase) shall terminate on the date of purchase, and the Defaulting Lender shall promptly execute all documents reasonably requested to surrender and transfer such interest to the Purchaser or assignee thereof, including an appropriate Assignment and Assumption Agreement and, notwithstanding Section 12.3(b), shall pay to the Administrative Agent an assignment fee in the amount of [\*\*\*]. Subject to the Defaulting Lender's compliance with the foregoing, all unpaid interest and fees accrued to the Defaulting Lender's interest in the Loan shall be paid on the date such assignment is effective. The purchase price for the interest in the Loan of a Defaulting Lender shall be equal to the amount of the principal balance of its interest in the Loan outstanding and owed by the Borrower to the Defaulting Lender. Prior to payment of such purchase price to a Defaulting Lender, the Administrative Agent shall apply against such purchase price any amounts retained by the Administrative Agent pursuant to the last sentence of the immediately preceding subsection (a). When the same are received by Administrative Agent, the Defaulting Lender shall receive any amount owed to it by the Borrower under the Loan Documents which accrued prior to the date of the default by the Defaulting Lender, to the extent the same are received by the Administrative Agent from or on behalf of the Borrowers. There shall be no recourse against any Lender or the Administrative Agent for the payment of such sums except to the extent of the receipt of payments from any other party or in respect of the Loan.

**ARTICLE 3.**  
**CHANGE IN CIRCUMSTANCES**

**Section 3.1 Yield Protection.**

(a) If any Requirement of Law or any change in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the date hereof:

(i) shall subject such Lender to any Tax or increased Tax of any kind whatsoever with respect to this Agreement, any Advance or change the basis of taxation of payments to such Lender in respect thereof;

(ii) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, or other extensions of credit by, or any other acquisition of funds by, any office of such Lender which is not otherwise included in the determination of LIBOR herein; or

(iii) shall impose on such Lender or the London interbank market any other condition, cost or expense affecting this Agreement or the Loan;

and the result of any of the foregoing is to increase the cost to such Lender, by an amount which such Lender reasonably deems to be material, of entering, continuing or maintaining the interest of such Lender in the Loan or to reduce any amount due or owing hereunder in respect thereof, then, in any such case, the Borrowers shall promptly pay such Lender such additional amount or amounts as calculated by such Lender in good faith as will compensate such Lender for such increased cost or reduced amount receivable equal to such increased costs or additional amounts reasonably determined by such Lender. Notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision ( or any successor or similar authority) or United States or foreign regulatory authorities, shall in each case be deemed to be a basis for compensation under this Section 3.1, regardless of the date enacted, adopted, issued or implemented.

### **Section 3.2 Changes in Capital Adequacy and Liquidity Regulations.**

If any Lender shall have determined that the adoption of or any change in any Requirement of Law regarding capital adequacy or liquidity requirements or in the interpretation or application thereof or compliance by the Lender or any corporation controlling the Lender with any request or directive regarding capital adequacy or liquidity requirements (whether or not having the force of law) from any Governmental Authority made subsequent to the date hereof shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy or liquidity) by an amount deemed by such Lender to be material, then from time to time, the Borrowers shall promptly pay to such Lender such additional amount or amounts as will compensate such Lender for such reduction. Notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules,

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guidelines or directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or United States or foreign regulatory authorities, shall in each case be deemed to be a basis for compensation under this Section 3.2, regardless of the date enacted, adopted, issued or implemented.

**Section 3.3 Availability of Types of Advances.**

(a) If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain, or fund Advances whose interest is determined by reference to the Eurodollar Base Rate, or to determine or charge interest rates based upon the Eurodollar Base Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, upon notice thereof by such Lender to the Borrower (through the Administrative Agent), (a) any obligation of such Lender to make or continue Eurodollar Advances or to convert Alternate Base Rate Advances to Eurodollar Advances shall be suspended, and (b) if such notice asserts the illegality of such Lender making or maintaining Alternate Base Rate Advances the interest rate on which is determined by reference to the Eurodollar Base Rate component of the Alternate Base Rate, the interest rate on which Alternate Base Rate Advances of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Base Rate component of the Alternate Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (i) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Advances of such Lender to Alternate Base Rate Advances (the interest rate on which Alternate Base Rate Advances of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Base Rate component of the Alternate Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Advances to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Advances and (ii) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurodollar Base Rate, the Administrative Agent shall during the period of such suspension compute the Alternate Base Rate applicable to such Lender without reference to the Eurodollar Base Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurodollar Base Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 3.4.

(b) Unless and until a Replacement Rate is implemented in accordance with Section 3.3(c) below, if prior to the commencement of any Interest Period for a Eurodollar Advance:

(i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that adequate and reasonable means do not exist for ascertaining the Eurodollar Base Rate for such Interest Period; or

(ii) the Administrative Agent is advised by the Required Lenders that (A) Dollar deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period, or (B) the Eurodollar Base Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Eurodollar Advances for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders (upon the instruction of the Required Lenders with respect to notice given pursuant to clause (ii) above) that the circumstances giving rise to such notice no longer exist, (i) any Conversion/Continuation Notice that requests the conversion of any Alternate Base Rate Advance to, or continuation of any Eurodollar Advance as, a Eurodollar Advance shall be ineffective, and (ii) if any Borrowing Notice requests a Eurodollar Advance, such Advance shall be made as an Alternate Base Rate Advance. Any Eurodollar Advances outstanding at the commencement of any such suspension shall be converted at the end of the then current Interest Period for such Eurodollar Advances into Alternate Base Rate Advances unless such suspension has then ended.

(c) Notwithstanding anything to the contrary in Section 3.3(b) above, if the Administrative Agent has made the determination (such determination to be conclusive and binding absent manifest error) that (i) the circumstances described in Section 3.3(b)(i) have arisen and that such circumstances are unlikely to be temporary, (ii) Eurodollar Base Rate is no longer a widely recognized benchmark rate for newly originated loans in the U.S. syndicated loan market in the applicable currency or (iii) the applicable supervisor or administrator (if any) of Eurodollar Base Rate or any Governmental Authority having, or purporting to have, jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which Eurodollar Base Rate shall no longer be used for determining interest rates for loans in the U.S. syndicated loan market, then the Administrative Agent may, to the extent practicable, in consultation with and with the consent of the Borrowers and as determined by the Administrative Agent to be consistent with market practice generally, establish a replacement benchmark rate (the "Replacement Rate"), in which case, the Replacement Rate shall, subject to the next two sentences, replace Eurodollar Base Rate for all purposes under the Loan Documents unless and until (A) an event described in Section 3.3(b)(i), (c)(i), (c)(ii) or (c)(iii) occurs with respect to the Replacement Rate or

(B) the Administrative Agent (upon the instruction of the Required Lenders) notifies the Borrowers that the Replacement Rate does not adequately and fairly reflect the cost to such Lenders of funding Advances bearing interest at a rate based on the Replacement Rate, and in which case, the provisions of the last paragraph of Section 3.3(b) shall apply to any Advances accruing interest at a rate based on the Replacement Rate in the same manner as would apply to Eurodollar Advances affected by the same circumstances; provided that, if the Replacement Rate shall be less than zero, such rate shall be deemed to be zero for the purpose of this Agreement. In connection with the establishment of the Replacement Rate, this Agreement and the other Loan Documents shall be amended to effect the provisions of this Section 3.3(c) (but, for the avoidance of doubt, such amendment shall not include a reduction of the Applicable Margin). Notwithstanding anything to the contrary in this Agreement or the other Loan Documents, such amendment shall become effective without any further action or consent of any party other than the Administrative Agent and the Borrowers so long as the Administrative Agent shall not have received, within five (5) Business Days of the delivery of such amendment to the Lenders, written notices from such Lenders that in the aggregate constitute Required Lenders, with each such notice stating that such Lender objects to such amendment (which such notice shall note with specificity the particular provisions of the amendment to which such Lender objects), it being understood that, if the Required Lenders object to any such amendment, the Administrative Agent and the Borrowers shall be permitted to continue to establish a Replacement Rate and provide one or more additional notices hereunder until an amendment pursuant to this clause (c) has become effective. To the extent the Replacement Rate is approved by the Administrative Agent in connection with this clause (c), the Replacement Rate shall be applied in a manner consistent with market practice generally; provided that, to the extent such market practice is not administratively feasible for the Administrative Agent, such Replacement Rate shall be applied as otherwise reasonably determined by the Administrative Agent without the consent of, or consultation with, the Borrowers or any of the Lenders.

#### **Section 3.4 Funding Indemnification.**

If a Eurodollar Advance shall be terminated for any reason prior to the last day of the Interest Period applicable thereto, or if any repurchase of a Eurodollar Advance is made by the Borrowers for any reason on a date which is prior to the last day of the Interest Period applicable thereto, the Borrowers agree to indemnify the Administrative Agent and the Lenders against, and to pay on demand directly to the Administrative Agent and the Lenders the amount (as reasonably determined by the Administrative Agent or Lenders requiring indemnification) equal to any loss or out-of-pocket expense suffered by the Administrative Agent or Lenders as a result of such failure to borrow or convert, or such termination, repayment or prepayment, including any loss, cost or expense suffered by the Agent or Lenders in liquidating or employing deposits acquired to fund or maintain the funding of such Eurodollar Advance, or redeploying funds prepaid or repaid, in amounts which correspond to such Eurodollar Advance, and any

internal processing charge customarily charged by the Administrative Agent or Lenders in connection therewith. A statement setting forth the calculations of any additional amounts payable pursuant to this Section submitted by the Administrative Agent or Lenders requiring indemnification to the Borrowers shall be conclusive absent manifest error.

**Section 3.5 Taxes.**

(a) Any and all payments by the Borrowers under or in respect of this Agreement or any other Loan Documents to which a Borrower is a party shall be made free and clear of, and without deduction or withholding for or on account of, any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities (including penalties, interest and additions to tax) with respect thereto, whether now or hereafter imposed, levied, collected, withheld or assessed by any taxation authority or other Governmental Authority (collectively, "Taxes"), unless required by law. If a Borrower shall be required under any applicable Requirement of Law to deduct or withhold any Taxes from or in respect of any sum payable under or in respect of this Agreement or any of the other Loan Documents to any Lender, (i) such Borrower shall make all such deductions and withholdings in respect of Taxes, (ii) such Borrower shall pay the full amount deducted or withheld in respect of Taxes to the relevant taxation authority or other Governmental Authority in accordance with any applicable Requirement of Law, and (iii) the sum payable by such Borrower shall be increased as may be necessary so that after Borrowers have made all required deductions and withholdings (including deductions and withholdings applicable to additional amounts payable under this Section 3.5) such Lender receives an amount equal to the sum it would have received had no such deductions or withholdings been made in respect of Non-excluded Taxes. For purposes of this Agreement the term "Non-excluded Taxes" are Taxes other than, in the case of a Lender, (A) Taxes that are imposed on its overall net income (and franchise taxes imposed in lieu thereof) by the jurisdiction under the laws of which such Lender is organized or of its applicable lending office, or any political subdivision thereof, unless such Taxes are imposed as a result of such Lender having executed, delivered or performed its obligations or received payments under, or enforced, this Agreement or any of the other Loan Documents (in which case such Taxes will be treated as Non-excluded Taxes), and (B) any U.S. Federal withholding Taxes imposed under FATCA.

(b) In addition, Borrowers hereby agree to pay any present or future stamp, recording, documentary, excise, property or value-added taxes, or similar taxes, charges or levies that arise from any payment made under or in respect of this Agreement or any other Loan Document or from the execution, delivery or registration of, any performance under, or otherwise with respect to, this Agreement or any other Loan Document (collectively, "Other Taxes").

(c) The Borrowers, jointly and severally, will indemnify each Lender for, and hold it harmless against, the full amount of Non-excluded Taxes and Other Taxes, and the full amount of Taxes of any kind imposed by any jurisdiction on amounts payable under this Section 3.5 imposed on or paid by such Lender and any liability (including penalties, additions to tax, interest and expenses) arising therefrom or with respect thereto. The indemnity by the Borrowers provided for in this Section 3.5 shall apply and be made whether or not the Non-excluded Taxes or Other Taxes for which indemnification hereunder is sought have been correctly or legally asserted (but the Borrowers reserve the right to make a claim against such Lender in the event that the amount of such indemnity is incorrect). Amounts payable by the Borrowers under the indemnity set forth in this Section 3.5 shall be paid within ten (10) days from the date on which such Lender makes written demand therefor.

(d) Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Non-excluded Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Non-excluded Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.2(d) relating to the maintenance of a Participant Register and (iii) any Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this subsection (d).

(e) Within thirty (30) days after the date of any payment of Taxes, the Borrowers (or any Person making such payment on behalf of Borrowers) shall furnish to the Agent (for such Lender) a certified copy of the original official receipt evidencing payment thereof or give a written notice to the Agent stating the date and amount of Taxes paid, to whom paid and that Borrower (or such Person making such payment on behalf of Borrowers) has not received any official receipt therefor.

(f) For purposes of Section 3.5(c), the terms "United States" and "United States person" shall have the meanings specified in Section 7701 of the Internal Revenue Code. Each Lender (including for avoidance of doubt any assignee, successor or participant) that either (i) is not incorporated under the laws of the United States, any State thereof, or the District of Columbia or (ii) whose name does not include "Incorporated," "Inc.," "Corporation," "Corp.," "P.C.," "insurance company," or

“assurance company” (a “Nonexempt Lender”) shall deliver or cause to be delivered to the Borrowers the following properly completed and duly executed documents:

(i) in the case of a Nonexempt Lender that is not a United States person, a complete and executed (x) U.S. Internal Revenue Form W-8BEN with Part II completed in which such Lender claims the benefits of a tax treaty with the United States providing for a zero or reduced rate of withholding (or any successor forms thereto), including all appropriate attachments or (y) a U.S. Internal Revenue Service Form W-8ECI (or any successor forms thereto); or

(ii) in the case of an individual, (x) a complete and executed U.S. Internal Revenue Service Form W-8BEN (or any successor forms thereto) or (y) a complete and executed U.S. Internal Revenue Service Form W-9 (or any successor forms thereto) (each a “Tax Treatment Certificate”); or

(iii) in the case of a Nonexempt Lender that is organized under the laws of the United States, any State thereof, or the District of Columbia, a complete and executed U.S. Internal Revenue Service Form W-9 (or any successor forms thereto), including all appropriate attachments; or

(iv) in the case of a Nonexempt Lender that (x) is not organized under the laws of the United States, any State thereof, or the District of Columbia and (y) is treated as a corporation for U.S. federal income tax purposes, a complete and executed U.S. Internal Revenue Service Form W-8BEN claiming a zero rate of withholding (or any successor forms thereto) and a Tax Treatment Certificate; or

(v) in the case of a Nonexempt Lender that (A) is treated as a partnership or other non-corporate entity, and (B) is not organized under the laws of the United States, any State thereof, or the District of Columbia, (x)(i) a complete and executed U.S. Internal Revenue Service Form W-8IMY (or any successor forms thereto) (including all required documents and attachments) and (ii) a Tax Treatment Certificate, and (y) without duplication, with respect to each of its beneficial owners and the beneficial owners of such beneficial owners looking through chains of owners to individuals or entities that are treated as corporations for U.S. federal income tax purposes (all such owners, “beneficial owners”), the documents that would be required by clause (i), (ii), (iii), (iv), (vi), (vii) and/or this clause (v) of this Section 3.5(e) with respect to each such beneficial owner if such beneficial owner were such Lender; provided, however, that no such documents will be required with respect to a beneficial owner to the extent the actual Lender is determined to be in compliance with the requirements for certification on behalf of its beneficial owner as may be provided in applicable U.S. Treasury regulations, or the requirements of this clause (v) are otherwise determined to be unnecessary, all such determinations under this clause (v) to be made in the sole discretion of the Borrowers; provided, however, that such Lender shall be provided an opportunity to establish such compliance as reasonable; or



(vi) in the case of a Nonexempt Lender that is disregarded for U.S. federal income tax purposes, the document that would be required by clause (i), (ii), (iii), (iv), (v), (vii) and/or this clause (vi) of this Section 3.5(e) with respect to its beneficial owner if such beneficial owner were such Lender; or

(vii) in the case of a Nonexempt Lender that (A) is not a United States person and (B) is acting in the capacity as an “intermediary” (as defined in U.S. Treasury Regulations), (x)(i) a U.S. Internal Revenue Service Form W-8IMY (or any successor form thereto) (including all required documents and attachments) and (ii) a Tax Treatment Certificate, and (y) if the intermediary is a “non-qualified intermediary” (as defined in U.S. Treasury Regulations), from each person upon whose behalf the “non-qualified intermediary” is acting the documents that would be required by clause (i), (ii), (iii), (iv), (v), (vi), and/or this clause (vii) of this Section 3.5(e) with respect to each such person if each such person were such Lender.

If the forms referred to above in this Section 3.5(e) that are provided by a Lender at the time it first becomes a party as a Lender to this Agreement or, with respect to a grant of a participation, the effective date thereof, indicate a United States interest withholding tax rate in excess of zero, withholding tax at such rate shall be treated as Taxes other than “Non-excluded Taxes” (“Excluded Taxes”) and shall not qualify as Non-excluded Taxes unless and until such Lender provides the appropriate form certifying that a lesser rate applies, whereupon withholding tax at such lesser rate shall be considered Excluded Taxes solely for the periods governed by such form. If, however, on the date a Person becomes an assignee, successor or participant to this Agreement, the Lender transferor was entitled to indemnification or additional amounts under this Section 3.5, then the Lender assignee, successor or participant shall be entitled to indemnification or additional amounts to the extent (and only to the extent), that the Lender transferor was entitled to such indemnification or additional amounts for Non-excluded Taxes, and the Lender assignee, successor or participant shall be entitled to additional indemnification or additional amounts for any other or additional Non-excluded Taxes.

(g) For any period with respect to which a Lender has failed to provide the Borrowers with the appropriate form, certificate or other document described in Section 3.5(e) (other than (i) if such failure is due to a change in any applicable Requirement of Law, or in the interpretation or application thereof, occurring after the date on which a form, certificate or other document originally was required to be provided, (ii) if such form, certificate or other document otherwise is not required under Section 3.5(e), or (iii) if it is legally inadvisable or otherwise commercially disadvantageous for such Lender to deliver such form, certificate or other document), such Lender shall not be entitled to indemnification or additional amounts under Section 3.5(a) or Section 3.5(c) with respect to Non-excluded Taxes imposed by the United States by reason of such failure; provided, however, that should a Lender become subject to Non-excluded Taxes because of its failure to deliver a form, certificate or

other document required hereunder, the Borrowers shall take such steps as such Lender shall reasonably request, to assist such Lender in recovering such Non-excluded Taxes.

(h) Without prejudice to the survival of any other agreement of the Borrowers hereunder, the agreements and obligations of the Borrowers contained in this Section 3.5 shall survive the termination of this Agreement. Nothing contained in this Section 3.5 shall require any Lender to make available any of its tax returns or any other information that it deems to be confidential or proprietary.

**Section 3.6 Lender Statements; Survival of Indemnity.**

To the extent reasonably possible, each Lender shall designate an alternate Lending Installation with respect to its Eurodollar Advances to reduce any liability of a Borrower to such Lender under Sections 3.1, 3.2 and 3.5 or to avoid the unavailability of a Type of Advance under Section 3.3, so long as such designation is not, in the judgment of such Lender, disadvantageous to such Lender. Each Lender shall deliver a written statement of such Lender to the Borrowers (with a copy to the Administrative Agent) as to the amount due, if any, under Section 3.1, 3.2, 3.4 or 3.5. Such written statement shall set forth in reasonable detail the calculations upon which such Lender determined such amount and shall be final, conclusive and binding on the Borrowers in the absence of manifest error. Determinations of amounts payable under such Sections in connection with a Eurodollar Advance shall be calculated as though each Lender funded its Eurodollar Advance through the purchase of a deposit of the type and maturity corresponding to the deposit used as a reference in determining the applicable Eurodollar Rate, whether in fact that is the case or not. Unless otherwise provided herein, the amount specified in the written statement of any Lender shall be payable on demand after receipt by the Borrowers of such written statement. The obligations of the Borrowers under Sections 3.1, 3.2, 3.4 and 3.5 shall survive payment of the Obligations and termination of this Agreement.

**ARTICLE 4.**  
**CONDITIONS PRECEDENT**

**Section 4.1 Conditions to Lenders' Obligations.**

On the Effective Date, and as a condition to the Lenders' obligations hereunder (including the obligations of the Lenders to advance amounts pursuant to Sections 2.1(a) and (b)), the Borrowers shall furnish or caused to be furnished to the Administrative Agent (with sufficient copies for the Lenders) the following:

(a) Copies of the articles or certificate of incorporation or formation of each Borrower and the Borrowers' by-laws or operating agreement, as applicable, together with all amendments, and a certificate of good standing, each certified by the appropriate governmental officer in its jurisdiction of incorporation or formation.

(b) Copies, certified by the Secretary, Assistant Secretary or other authorized officers of each Borrower, of its by-laws or operating agreement, as the case may be, and of its Board of Directors' resolutions or resolutions or actions of any other body (or equivalent documents) authorizing the execution of the Loan Documents to which such Borrower is a party.

(c) An incumbency certificate, executed by the Secretary or Assistant Secretary of each Borrower, which shall identify by name and title and bear the signatures of the Authorized Officers and any other officers of each Borrower authorized to sign the Loan Documents to which such Borrower is a party, upon which certificate the Administrative Agent and the Lenders shall be entitled to rely until informed of any change in writing by a Borrower.

(d) A certificate, dated the Effective Date and signed by the chief financial officer of each Borrower, stating that no Default or Event of Default (as such terms are defined in the Prior Loan Agreement) has occurred and is continuing.

(e) A written opinion of each Borrower's counsel, addressed to the Administrative Agent and Lenders in substantially the form of Exhibit B hereto.

(f) Any Notes requested by a Lender pursuant to Section 2.15 payable to the order of each such requesting Lender.

(g) Searches for Uniform Commercial Code financing statement filings for such jurisdictions as the Administrative Agent may require, with copies of all financing statements that name either GMC or GMCLLC as debtor and that are filed in such jurisdictions.

(h) A Borrowing Base Report indicating that the Borrowing Base exceeds the amount of the Loan after giving effect to the Initial Advance;

(i) A Compliance Certificate in the form of Exhibit C indicating compliance by the Borrowers with the financial covenants in Section 6.18;

(j) Payment of all Fees due and payable on or before the Effective Date.

(k) A copy of a fidelity bond and policy of insurance containing errors and omissions coverage and such other insurance as the Administrative Agent shall reasonably require, each of which policies, where applicable, shall be in such form, with such companies, in such amounts and with such deductibles as are in accordance with all FNMA, FHLMC and GNMA requirements and reasonably satisfactory to the Administrative Agent.

(l) A copy of the “on-site review report,” “limited review report” or “audit report,” as the case may be prepared by HUD, FNMA and FHLMC in respect of each Borrower and its operations, most recently received by such Borrower as of the Effective Date.

(m) Such other documents as any Lender or its counsel may through the Administrative Agent have reasonably requested.

**Section 4.2 Conditions to Advances of the Committed Additional Availability or Commitment Increase.**

Subject to the satisfaction of the requirements of Section 4.1, on each date that the Borrowers request either (i) an advance of the Committed Additional Availability pursuant to Section 2.1 or (ii) a Commitment Increase pursuant to Section 2.11, the funding thereof shall in each case be subject to the following conditions:

(a) The Administrative Agent shall have received a Borrowing Base Report indicating that the Borrowing Base exceeds the amount of the Loan;

(b) The Administrative Agent shall have received a Borrowing Notice in compliance with Section 2.1 or a Commitment Increase Notice in compliance with Section 2.11, as the case may be;

(c) The Administrative Agent shall have received a Compliance Certificate in the form of Exhibit C indicating compliance by the Borrowers with the financial covenants in Section 6.18;

(d) No Default or Event of Default shall exist;

(e) The representations and warranties contained in Article 5 and in the other Loan Documents shall be true and correct in all material respects except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct on and as of such earlier date;

(f) No Material Adverse Change shall have occurred since December 31, 2018; and

(g) All legal matters incident to the funding of the advance shall be satisfactory to the Administrative Agent and its counsel. If requested by the Required Lenders or the Administrative Agent, the Administrative Agent shall have received from the Borrowers’ counsel (who shall be reasonably satisfactory to the Required Lenders or the Administrative Agent, as the case may be) an opinion in form and substance reasonably satisfactory to the Administrative Agent and the Required Lenders,

addressed to Administrative Agent and the Required Lenders covering any matters of law applicable to the transactions under this Agreement as any of them may require.

Each Borrowing Notice and Commitment Increase Notice shall constitute a representation and warranty by the Borrowers that the Pledged Servicing included in the Borrowing Base constitutes Eligible Mortgage Servicing Rights, and that the then current Borrowing Base is equal to or greater than the Loan (after giving effect to the requested advance).

**ARTICLE 5.**  
**REPRESENTATIONS AND WARRANTIES**

The Borrowers represent and warrant to the Lenders that:

**Section 5.1 Existence and Standing.**

Each of the Borrowers and their Subsidiaries is a corporation, partnership (in the case of Subsidiaries only) or limited liability company duly and properly incorporated or organized, as the case may be, validly existing and (to the extent such concept applies to such entity) in good standing under the laws of its jurisdiction of incorporation or organization and has all requisite power and authority to own or lease its property and to conduct its business in each jurisdiction in which its business is conducted.

**Section 5.2 Authorization and Validity.**

The Borrowers have the power and authority and legal right to execute and deliver the Loan Documents, to consummate the transactions therein contemplated and to perform its obligations thereunder. The execution and delivery by the Borrowers of the Loan Documents, the consummation of the transactions therein contemplated and the performance of its obligations thereunder have been duly authorized by proper corporate, partnership or limited liability company proceedings, and the Loan Documents to which any of the Borrowers is a party constitute legal, valid and binding obligations of such Borrower enforceable against such Borrower in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

**Section 5.3 No Conflict; Government Consent.**

Neither the execution and delivery by the Borrowers of the Loan Documents, nor the consummation of the transactions therein contemplated, nor compliance with the provisions thereof will violate (i) any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on any of the Borrowers or any of their Subsidiaries or (ii) any Borrower's or any Subsidiary's articles or certificate of incorporation, partnership agreement, certificate of partnership, articles or certificate of organization, by-laws, or operating or other management agreement, as the case may be, or (iii) the

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provisions of any indenture, instrument or agreement to which a Borrower or any of its Subsidiaries is a party or is subject, or by which it, or its Property, is bound, or conflict with or constitute a default thereunder, or result in, or require, the creation or imposition of any Lien in, of or on the Property of any Borrower or a Subsidiary pursuant to the terms of any such indenture, instrument or agreement. No order, consent, adjudication, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, or other action in respect of any governmental or public body or Governmental Authority or any subdivision thereof, which has not been obtained by a Borrower or any of its Subsidiaries, is required to be obtained by such Borrower or any of its Subsidiaries in connection with the execution and delivery of the Loan Documents, the borrowings under this Agreement, the payment and performance by a Borrower of the Obligations or the legality, validity, binding effect or enforceability of any of the Loan Documents (other than filings to perfect the Liens granted pursuant to the Security Agreement).

**Section 5.4 Financial Statements.**

The December 31, 2018 consolidated financial statements of GMCLLC and GMC and their Subsidiaries heretofore delivered to the Lenders were prepared in accordance with GAAP in effect on the date such statements were prepared and fairly present the consolidated financial condition and operations of GMCLLC, GMC and their Subsidiaries at such date and the consolidated results of their operations for the period then ended.

**Section 5.5 Material Adverse Change.**

Since December 31, 2018, no Material Adverse Change has occurred.

**Section 5.6 Taxes.**

The Borrowers and their Subsidiaries have filed all United States federal tax returns and all other tax returns which are required to be filed and have paid all taxes due pursuant to said returns or pursuant to any assessment received by the Borrowers or any of its Subsidiaries, except such taxes, if any, as are being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided in accordance with Agreement Accounting Principles and as to which no Lien exists. The United States income tax returns of the Borrowers and their Subsidiaries were last audited by the Internal Revenue Service through the fiscal year ended December 31, 2008. No tax liens have been filed and no claims are being asserted with respect to any such taxes, except for the state tax audit being conducted by the California Department of Revenue as of the date of this Agreement. The charges, accruals and reserves on the books of the Borrowers and their Subsidiaries in respect of any taxes or other governmental charges are adequate in all material respects.

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**Section 5.7 Litigation and Contingent Obligations.**

There is no litigation, arbitration, governmental investigation, proceeding or inquiry pending or, to the knowledge of any of their officers, threatened against or affecting the Borrowers or any of their Subsidiaries which could reasonably be expected to have a Material Adverse Effect or which seeks to prevent, enjoin or delay the funding of the Loan. Other than any liability incident to any litigation, arbitration or proceeding which could not reasonably be expected to have a Material Adverse Effect, the Borrowers have no material contingent obligations not provided for or disclosed in the financial statements referred to in [Section 5.4](#).

**Section 5.8 Subsidiaries.**

[Schedule 2](#) hereto contains an accurate list of all Subsidiaries of the Borrowers as of the date of this Agreement, setting forth their respective jurisdictions of organization and the percentage of their respective capital stock or other ownership interests owned by the Borrowers or other Subsidiaries. All of the issued and outstanding shares of capital stock or other ownership interests of such Subsidiaries have been (to the extent such concepts are relevant with respect to such ownership interests) duly authorized and issued and are fully paid and non-assessable.

**Section 5.9 ERISA.**

There are no Unfunded Liabilities under any Single Employer Plans. No Borrower nor any other member of the Controlled Group has incurred, or is reasonably expected to incur, any withdrawal liability to Multiemployer Plans. Each Plan complies in all material respects with all applicable requirements of law and regulations, no Reportable Event has occurred with respect to any Plan, none of the Borrowers or any other members of the Controlled Group has withdrawn from any Plan or initiated steps to do so, and no steps have been taken to reorganize or terminate any Plan. Borrower and each ERISA Affiliate has made full and timely payment of all amounts (A) required to be contributed under the terms of each Employee Benefit Plan and applicable law and (B) required to be paid as expenses of each Employee Benefit Plan. No Employee Benefit Plan has or would have an "amount of unfunded benefit liabilities (as defined in Section 4001(a)(18) of ERISA) if such Employee Benefit Plan were terminated as of this date. Borrower is not currently nor will it knowingly become subject to any liability (including withdrawal liability), tax or penalty whatsoever to any person whomsoever with respect to any Employee Benefit Plan including, but not limited to, any tax, penalty or liability arising under Title I or Title IV of ERISA or Chapter 43 of the Code.

**Section 5.10 Accuracy of Information.**

No information, exhibit or report furnished by the Borrowers or any of their Subsidiaries to the Administrative Agent or to any Lender in connection with the negotiation of, or compliance with, the Loan Documents contained any material

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misstatement of fact or omitted to state a material fact or any fact necessary to make the statements contained therein not misleading.

**Section 5.11 Regulation U.**

Margin stock (as defined in Regulation U) constitutes less than 25% of the value of those assets of a Borrower and its Subsidiaries which are subject to any limitation on sale, pledge, or other restriction hereunder.

**Section 5.12 Material Agreements.**

No Borrower or any Subsidiary is a party to any agreement or instrument or subject to any charter or other corporate restriction which could reasonably be expected to have a Material Adverse Effect. No Borrower or any Subsidiary is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in (i) any agreement to which it is a party, which default could reasonably be expected to have a Material Adverse Effect or (ii) any agreement or instrument evidencing or governing Debt.

**Section 5.13 Compliance With Laws.**

The Borrowers and their Subsidiaries have complied with all applicable statutes, rules, regulations, orders and restrictions of any domestic or foreign government or any instrumentality or agency thereof, having jurisdiction over the conduct of their respective businesses or the ownership of their respective Property.

**Section 5.14 Ownership of Properties.**

Except as set forth on Schedule 3 hereto, on the date of this Agreement, the Borrowers and their Subsidiaries will have good title, free of all Liens other than those permitted by Section 6.15, to all of the Property and assets reflected in the financial statements provided to the Administrative Agent as owned by the Borrowers and their Subsidiaries.

**Section 5.15 Plan Assets; Prohibited Transactions.**

The Borrowers are not an entity deemed to hold “plan assets” within the meaning of 29 C.F.R. § 2510.3-101 of an employee benefit plan (as defined in Section 3(3) of ERISA) which is subject to Title I of ERISA or any plan (within the meaning of Section 4975 of the Code), and neither the execution of this Agreement nor the funding of the Loan hereunder gives rise to a prohibited transaction within the meaning of Section 406 of ERISA or Section 4975 of the Code.



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**Section 5.16 Investment Company Act.**

No Borrower or any Subsidiary is an “investment company” or a company “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940, as amended.

**Section 5.17 Public Utility Holding Company Act.**

No Borrower or any Subsidiary is a “holding company” or a “subsidiary company” of a “holding company”, or an “affiliate” of a “holding company” or of a “subsidiary company” of a “holding company”, within the meaning of the Public Utility Holding Company Act of 1935, as amended.

**Section 5.18 GNMA, FHA, VA, FNMA, FHLMC and USDA Eligibility.**

GMC is: (i) an FHA-Approved Mortgagee in good standing, a VA-Approved Lender, a FHLMC-Approved Lender, a FNMA-Approved Lender and a USDA-Approved Lender and meets all eligible requirements of law and governmental regulation so as to be eligible to originate, purchase, hold and service Mortgage Loans insured by FHA or supporting any Security; (ii) an approved seller and servicer in good standing of Mortgage Loans to each Federal Agency and USDA; and (iii) an approved issuer and servicer in good standing of Securities for FHLMC, FNMA and GNMA and meets all FHLMC, FNMA and GNMA requirements, requirements of law and governmental regulations so as to be able to issue Securities and to originate and service the Mortgage Loans that secure such Securities.

**Section 5.19 Solvency.**

None of the Loan Documents Credit is entered into in contemplation of insolvency or with intent to hinder, delay or defraud any Borrower’s creditors. The security interest in the Pledged Servicing is not made with the intent to hinder, delay or defraud any of Borrower’s creditors. None of the Borrower’s is insolvent within the meaning of 11 U.S.C. Section 101(32) and the security interest granted in the Pledged Servicing (i) will not cause any Borrower to become insolvent, (ii) will not result in any property remaining with any Borrower to be unreasonably small capital, and (iii) will not result in debts that would be beyond any Borrower’s ability to pay as same mature.

**Section 5.20 No Broker.**

The Borrowers have not dealt with any broker, investment banker, agent, or other person, except for the Administrative Agent, who may be entitled to any commission or compensation in connection with transactions contemplated by this Agreement.

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**Section 5.21 Ability to Perform.**

The Borrowers do not believe, and have no reason or cause to believe, that they cannot perform each and every one of their covenants contained in the Loan Documents.

**Section 5.22 No Default.**

No Default or Event of Default has occurred and is continuing.

**Section 5.23 Collateral.**

No Borrower has assigned, pledged, or otherwise conveyed or encumbered any Collateral to any Person other than the Administrative Agent, and such Borrower was the sole owner of such Collateral and had good and marketable title thereto, free and clear of all Liens, in each case except for Liens pursuant to the Loan Documents and the Master Repurchase Agreement.

**Section 5.24 Chief Executive Office/Jurisdiction of Organization.**

On the Effective Date, Borrowers' chief executive office is, and has been, located at 5898 Copley Drive, 5<sup>th</sup> Floor, San Diego, California 92111. The jurisdiction of organization of GMC is California and jurisdiction of organization of GMCLLC is Delaware.

**Section 5.25 Location of Books and Records.**

The location where the Borrowers keep their books and records, including all computer tapes and records related to the Collateral Assets is its chief executive office.

**Section 5.26 True and Complete Disclosure.**

The information, reports, financial statements, exhibits and schedules furnished in writing by or on behalf of the Borrowers to the Administrative Agent or Lenders in connection with the negotiation, preparation or delivery of this Agreement and the other Loan Documents or included herein or therein or delivered pursuant hereto or thereto, when taken as a whole, do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they were made, not misleading. All written information furnished after the date hereof by or on behalf of the Borrowers to the Administrative Agent or Lenders in connection with this Agreement and the other Loan Documents and the transactions contemplated hereby and thereby will be true, complete and accurate in every material respect, or (in the case of projections) based on reasonable estimates, on the date as of which such information is stated or certified. There is no fact known to any Borrower, after due inquiry, that could reasonably be expected to have a Material Adverse Effect that has not been disclosed herein, in the other Loan Documents or in a

report, financial statement, exhibit, schedule, disclosure letter or other writing furnished to the Administrative Agent for use in connection with the transactions contemplated hereby or thereby.

**Section 5.27 Embargoed Persons.**

(a) None of the Borrowers' assets constitute property of, or are beneficially owned, directly or indirectly, by any Person targeted by economic or trade sanctions under US law, including but not -limited to, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq., The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq. (the "Trading With the Enemy Act"), any of the foreign assets control regulations of the Treasury (31 C.F.R., Subtitle B, Chapter V, as amended) (the "Foreign Assets Control Regulations") or any enabling legislation or regulations promulgated thereunder or executive order relating thereto (which includes, without limitation, (i) Executive Order No. 13224, effective as of September 24, 2001, and relating to Blocking Property and Prohibiting Transaction With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) (the "Executive Order") and (ii) the USA Patriot Act, if the result of such ownership would be that the portion of the Loan advanced by any Lender would be in violation of law ("Embargoed Person");

(b) No Embargoed Person has any interest of any nature whatsoever in Borrower if the result of such interest would be that any portion of the Loan advanced by any Lender would be in violation of law;

(c) The Borrowers have not engaged in business with Embargoed Persons if the result of such business would be that any portion of the Loan advanced by any Lender would be in violation of law; and

(d) Neither of the Borrowers nor any of their Affiliates (i) is or will become a "blocked person" as described in the Executive Order, the Trading With the Enemy Act or the Foreign Assets Control Regulations or (ii) engages or will engage in any dealings or transactions, or be otherwise associated, with any such "blocked person". For purposes of determining whether or not a representation is true or a covenant is being complied with under this paragraph, the Borrowers shall not be required to make any investigation into (i) the ownership of publicly traded stock or other publicly traded securities or (ii) the beneficial ownership of any collective investment fund.

**Section 5.28 Anti-Corruption Laws and Sanctions.**

(a) The Borrowers have implemented and maintain in effect policies and procedures designed to ensure compliance by the Borrowers and their respective Subsidiaries, directors, officers, employees and agents with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions Laws and Regulations. The Borrowers and

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their respective Subsidiaries, directors, officers and employees, and, to the knowledge of the Borrowers their agents that will act in any capacity in connection with or benefit from the Loan, are in compliance with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions Laws and Regulations, and no action, suit or proceeding by or before any Governmental Authority involving either Borrower or any of its subsidiaries with respect to any potential violation of the Anti-Corruption Laws or Anti-Terrorism Laws is pending, or to the knowledge of the Borrowers threatened. No proceeds of the Loan will be used by Borrowers in violation any Anti-Corruption Laws, Anti-Terrorism Laws or Sanctions Laws and Regulations, and none of the funds or assets of the Borrowers that are used to pay any amount due pursuant to this Agreement shall constitute funds obtained from transactions with or relating to an Embargoed Person or a Sanctioned Country.

(b) None of Borrowers or their respective Subsidiaries, directors, officers and employees, and, to the knowledge of the Borrowers their agents, is a Person that is, or is owned or controlled by Persons that are: (i) the subject of Sanctions Laws and Regulations or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions Laws and Regulations. The Borrowers have provided to the Administrative Agent and the Lenders all information regarding the Borrowers and their respective Subsidiaries, directors, officers and employees, and, to the knowledge of the Borrowers their agents, necessary for the Administrative Agent and the Lenders to comply with “know your customer” and Anti-Terrorism Laws and such information is correct.

**Section 5.29 EEA Financial Institutions.**

Neither of the Borrowers nor any Guarantor is an EEA Financial Institution.

**Section 5.30 Beneficial Ownership Certification.**

As of the date hereof, the information included in the Beneficial Ownership Certification is true and correct in all respects.

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**ARTICLE 6.**  
**COVENANTS**

During the term of this Agreement, unless the Required Lenders shall otherwise consent in writing:

**Section 6.1 Financial Reporting.**

The Borrowers will maintain, for themselves and each Subsidiary, a system of accounting established and administered in accordance with generally accepted accounting principles, and furnish to the Lenders:

(a) Within 90 days after the close of each of its fiscal years, an unqualified audit report certified by independent certified public accountants, acceptable to the Lenders, prepared in accordance with Agreement Accounting Principles on a consolidated and consolidating basis (consolidating statements need not be certified by such accountants) for each of GMC and GMCLLC and their respective Subsidiaries, including balance sheets as of the end of such period, related profit and loss and changes in shareholders' equity statements, and a statement of cash flows, accompanied by (a) any management letter prepared by said accountants and (b) to the extent that such report and/or statements do not include a footnote or other statement therein to the effect that such accountants have obtained no knowledge of any Default or Event of Default (or if, in the opinion of such accountants, any Default or Event of Default shall exist, stating the nature and status thereof), a certificate of said accountants that, in the course of their examination necessary for their certification of the foregoing, they have obtained no knowledge of any Default or Event of Default (or if, applicable, stating the nature and status any Default or Event of Default).

(b) As soon as available, but in any event within 30 days after each month end, for each of GMC and GMCLLC and its respective Subsidiaries, consolidated and consolidating unaudited balance sheets as at the close of each such period and consolidated and consolidating profit and loss statements (showing a breakout of servicing sales gains attributed to servicing originated in prior periods), a changes in shareholders' equity statement and a statement of cash flows for the period from the beginning of such fiscal year to the end of such month, all certified (subject to normal year-end adjustments) by its chief financial officer

(c) Together with the financial statements required under Sections 6.1(a) and (b), a compliance certificate in substantially the form of Exhibit C hereto signed by the respective chief financial officers of for each of GMC and GMCLLC showing the calculations necessary to determine compliance with the financial covenants in Section 6.18 of this Agreement as currently in effect (regardless of whether this Agreement was in effect at the date for which such financial statements were prepared) and that no Default or Event of Defaults exists, or if any Default or Event of Default exists, stating the nature and status thereof.

(d) As soon as available but in any event within 30 days after each month end, (a) a production information report and (b) a servicing report and analysis which shall show the total servicing portfolio, a reconciliation of the servicing portfolio from the prior period, a breakdown of the servicing portfolio by investor type, capitalized vs. non-capitalized and the status of all Mortgage Loans serviced by the Borrowers, all in such form and detail and including such additional information as the Administrative Agent may reasonably request. To the extent that the unpaid principal balance of those Mortgage Loans included in the Servicing Portfolio of GMC which consist of Recourse Servicing is more than [\*\*\*], such servicing report shall show separately information concerning such Mortgage Loans.

(e) If requested by the Administrative Agent at any time within ninety (90) days after the beginning of each fiscal year of the Borrowers, a copy of the plan and forecast (including a projected consolidated and consolidating balance sheet, income statement and cash flow statement) of each Borrower for such fiscal year.

(f) No Borrower or any of its Subsidiaries currently maintains any Single Employer Plans. In the event that any Borrower or any of its Subsidiaries adopts or sponsors a Single Employer Plan in the future, then within 270 days after the close of each fiscal year, Borrowers will deliver a statement of the Unfunded Liabilities of each Single Employer Plan, certified as correct by an actuary enrolled under ERISA.

(g) (A) As soon as possible and in any event within 10 days after a Borrower knows that any Reportable Event has occurred with respect to any Plan, a statement, signed by the chief financial officer of such Borrower, describing said Reportable Event and the action which such Borrower proposes to take with respect thereto, (B) at the same time and in the same manner as such notice must be provided to the PBGC, or to an Employee Benefit Plan participant, beneficiary or alternative payee, any notice required under Section 101(d), 302(f)(4), 303, 307, 4041(b)(1)(A)s or 4041(c)(1)(A) of ERISA or under Section 401(a)(29) or 412 of the Code with respect to any Employee Benefit Plan, and (C) upon the request of the Lender, (x) true and complete copies of any and all documents, government reports and determination or opinion letters for any Employee Benefit Plan, or (y) a current statement of withdrawal liability for each Multiemployer Employee Benefit Plan.

(h) With respect to the Mortgages included in the Pledged Servicing, as soon as possible and in any event within 10 days after receipt by a Borrower, a copy of (a) any notice or claim to the effect that such Borrower or any of its Subsidiaries is or may be liable to any Person as a result of the release by such Borrower, any of its Subsidiaries, or any other Person of any toxic or hazardous waste or substance into the environment, and (b) any notice alleging any violation of any federal, state or local environmental, health or safety law or regulation by such Borrower or any of its Subsidiaries.

(i) Promptly upon the furnishing thereof to the shareholders of a Borrower, copies of all financial statements, reports and proxy statements so furnished.

(j) Promptly upon the filing thereof, copies of all registration statements and annual, quarterly, monthly or other regular reports which the Borrower or any of its Subsidiaries files with the Securities and Exchange Commission.

(k) To the Administrative Agent on a quarterly basis within thirty (30) days of the end of each fiscal quarter of GMC and GMCLLC (and on any interim date required by the Administrative Agent), an appraisal of the Borrower's Servicing Portfolio (including the Pledged Servicing) prepared by an independent third party proposed by GMC and GMCLLC and acceptable to the Administrative Agent, or if required by the Administrative Agent, an independent third-party appraiser selected by the Agent, the cost of which in either case shall be borne by the Borrowers.

(l) Simultaneously with the delivery of each appraisal required by Section 6.1(k) (and at such other times upon the request of the Administrative Agent), a Borrowing Base Report in the form Exhibit D.

(m) Notwithstanding anything to the contrary set forth in this Section 6.1, the Borrowers shall not be obligated to provide the statements and balance sheets required by subsections (a), (b) and (f) above on a "consolidating" basis for any period during which Subsidiaries of the Borrowers account for less than [\*\*\*] of consolidated assets and less than [\*\*\*] of consolidated gross revenues of the Borrowers and their consolidated Subsidiaries (but such statements, including, where required, such statements prepared on a consolidated basis, shall otherwise be required as provided for in said subsections). Any requirement of the Borrowers to deliver any of the reports or information to the Lenders pursuant to this Section 6.1 may also be satisfied by the Borrowers' either (i) posting electronic copies to a secure online data room to which all Lenders have access and informing the Lenders by e-mail of such a posting or (ii) sending electronic copies directly to the Lenders by e-mail, provided that to the extent that any such report or information requires a certification or signature, then an original signed counterpart thereof shall be delivered to the Administrative Agent. Email addresses of each Lender shall be the email address designated by each such Lender to the Borrowers from time to time.

## **Section 6.2 Other Information.**

The Borrowers will furnish to the Lenders the following additional information:

(a) Promptly, notice of (i) the occurrence of any event which constitutes a Default or Event of Default, detailing the nature of such Default or Event of Default and any actions taken or proposed to be taken with respect to such Default or Event of Default, (ii) the commencement of any action, suit or proceeding before any court, arbitrator, Governmental Authority or Federal Agency which (A) could result in

liability or loss of [\*\*\*] or more in the aggregate, in excess of any applicable insurance coverage, to a Borrower or any of its Subsidiaries or (B) would otherwise have a Material Adverse Effect, (iii) with respect to a Borrower, any change in the chief executive officer, (iv) any threatened loss of any authorization, qualification, license or permit issued by any Governmental Authority or Federal Agency to a Borrower the loss of which could have a Material Adverse Effect, (v) any written correspondence or notification from any Governmental Authority or Federal Agency, which revokes or threatens to revoke, limits or threatens to limit, or imposes or threatens to impose any material restrictions on, any approvals or authorizations granted by such Governmental Authority or Federal Agency to a Borrower or any Subsidiary thereof, together with a copy thereof, or (vi) any violation of any requirements or guidelines established by any Governmental Authority or Federal Agency, which might have a material adverse effect on the status of either a Borrower or any Subsidiary thereof as a lender, seller or servicer approved by such Governmental Authority.

(b) Promptly after becoming available, copies of the “on-site review reports,” “limited review reports” or “audit reports,” as the case may be prepared by HUD, FNMA and FHLMC in respect of a Borrower and its operations, received by a Borrower after the Effective Date.

(c) Such other information (including non-financial information) as the Administrative Agent or any Lender may from time to time reasonably request.

### **Section 6.3 Use of Proceeds.**

The Borrowers will, and will cause each Subsidiary to, only use the proceeds of the Loan for general corporate purposes, subject to any requirements of any Agency under any Acknowledgement Agreement or its seller-servicing guide. The Borrowers will not, nor will it permit any Subsidiary to, use any of the proceeds of the Loan to purchase or carry any “margin stock” (as defined in Regulation U) or to make any Acquisition (other than those permitted by [Section 6.15](#)) or to make any Acquisition for which the board of directors of the Person being acquired has not consented to such Acquisition.

### **Section 6.4 Notice of Default.**

The Borrowers will, and will cause each Subsidiary to, give prompt notice in writing to the Lenders of the occurrence of any Default or Event of Default and of any other development, financial or otherwise, which could reasonably be expected to have a Material Adverse Effect.

### **Section 6.5 Conduct of Business.**

(a) The Borrowers will, and will cause each Subsidiary to, carry on and conduct its business in substantially the same manner and in substantially the same



fields of enterprise as it is presently conducted and to do all things necessary to remain duly incorporated or organized, validly existing and (to the extent such concept applies to such entity) in good standing as a domestic corporation, partnership or limited liability company in its jurisdiction of incorporation or organization, as the case may be, and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted. The Borrowers will adhere in all material respects to customary practices and standards in the industry insofar as adherence to such practices and standards would require the Borrowers to cause obligors whose indebtedness is secured by Mortgages included in the Pledged Servicing to comply with their obligations under such Mortgages with respect to the real estate securing such indebtedness, including without limitation, the payment of all taxes and insurance premiums related thereto and maintenance of such real estate in compliance with all Laws.

(b) The Borrowers shall service the Mortgage Loans that are the subject of the Pledged Servicing consistent with the degree of skill and care that the Borrowers customarily require with respect to similar Mortgage Loans owned or managed by it and in accordance with Accepted Servicing Practices, and shall (i) comply with all applicable Federal, State and local laws and regulations and (ii) maintain all state and federal licenses necessary for it to perform its servicing responsibilities.

#### **Section 6.6 Taxes.**

The Borrowers will, and will cause each Subsidiary to, timely file complete and correct United States federal and applicable foreign, state and local tax returns required by law and pay when due all taxes, assessments and governmental charges and levies upon it or its income, profits or Property, except those which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves have been set aside in accordance with Agreement Accounting Principles. At any time that a Borrower or any of its Subsidiaries is organized as a limited liability company, each such limited liability company will qualify for partnership tax treatment under United States federal tax law.

#### **Section 6.7 Insurance.**

The Borrowers will, and will cause each Subsidiary to, maintain with financially sound and reputable insurance companies insurance on all their Property in such amounts and covering such risks as is consistent with sound business practice, and the Borrowers will furnish to any Lender upon request full information as to the insurance carried. The Borrowers will at all times, upon request of the Administrative Agent, furnish to the Administrative Agent copies of its, and each of its Subsidiaries', current Mortgage Bankers Blanket Bond and of its, and each of its Subsidiaries', insurance policy containing errors and omissions coverage or mortgage impairment coverage, and such

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Bonds and policies, to the extent possible, shall each provide that it is not cancelable without thirty (30) days prior written notice to the Administrative Agent.

**Section 6.8 Compliance with Laws.**

The Borrowers will, and will cause each Subsidiary to, comply with all Requirements of Law, including, without limitation, all Environmental Laws.

**Section 6.9 Maintenance of Properties.**

The Borrowers will, and will cause each Subsidiary to, do all things necessary to maintain, preserve, protect and keep its tangible Property in good repair, working order and condition, and make all necessary and proper repairs, renewals and replacements so that its business carried on in connection therewith may be properly conducted at all times.

**Section 6.10 Inspection.**

The Borrowers will, and will cause each Subsidiary to, permit the Administrative Agent, and the Lenders, by their respective representatives and Administrative Agents, to inspect any of the Property, books and financial records of the Borrowers and each Subsidiary, to examine and make copies of the books of accounts and other financial records of the Borrowers and each Subsidiary, and to discuss the affairs, finances and accounts of the Borrowers and each Subsidiary with, and to be advised as to the same by, their respective officers at such reasonable times and intervals as the Administrative Agent, or any Lender may designate.

**Section 6.11 Dividends.**

The Borrowers will not, nor will they permit any Subsidiary to, declare or pay any dividends or make any distributions on their capital stock or redeem, repurchase or otherwise acquire or retire any of their capital stock at any time outstanding, except that (i) a Borrower may pay dividends that are payable in its own capital stock, (ii) a Borrower may pay cash dividends to the shareholders of such Borrower or redeem, repurchase or otherwise acquire or retire any of its capital stock (each, a "Cash Dividend"), provided that no uncured Default or Event of Default exists at the time any such Cash Dividend is paid or would exist after giving effect thereto, and provided, further, that at the time such Cash Dividend is paid, the aggregate Cash Dividends payable for the twelve-month period preceding such payment (including the Cash Dividend then being paid) shall not exceed [\*\*\*] of Net Income of the Borrowers on a combined basis for such twelve-month period, and (iii) any Subsidiary may declare and pay dividends or make distributions to a Borrower or to a wholly-owned Subsidiary and GMCLLC shall be entitled to make the Tax Distributions (as defined in the operating agreement of GMCLLC) in accordance with the terms of the operating agreement of GMCLLC. For purposes of the calculation of Net Income for any applicable twelve-month period under

this Section 6.11, Net Income shall be adjusted for any non-cash gain or loss related to the valuation adjustment of servicing rights.

**Section 6.12 Debt.**

The Borrowers will not, nor will it permit any Subsidiary to, create, incur or suffer to exist any Debt, except:

- (i) Debt arising under this Agreement or existing on the date hereof and described in Schedule 3 hereto;
- (ii) Debt arising under a Hedging Program;
- (iii) Debt of the Borrowers under agreements approved by the Required Lenders in effect from time to time, whether accounted for as a sale or a financing;
- (iv) Debt under one or more Permitted Origination Facilities, provided that (A) such Debt is approved by the Administrative Agent, and (B) if such Debt when combined with all Permitted Origination Facilities, exclusive of the Master Repurchase Agreement, is in excess of [\*\*\*], such Debt is approved by the Administrative Agent and the Required Lenders;
- (v) Debt incurred with institutional lenders and/or the [\*\*\*] for general working capital purposes in an amount not to exceed [\*\*\*] in the aggregate, provided that any Debt to the [\*\*\*] must be unsecured and subordinate to the obligations of the Borrowers under this Agreement;
- (vi) Debt incurred under Permitted Servicing Facilities, provided that the aggregate maximum available amount under all Permitted Servicing Facilities shall not exceed an amount equal to [\*\*\*] of the Appraised Value;
- (vii) Debt (other than Debt described in clause (vi) of this Section 6.12) secured by mortgage loan servicing rights, provided that such Debt is approved by the Required Lenders; and
- (viii) Debt evidenced by one or more unsecured promissory notes incurred in connection with the redemption, repurchase or other acquisition or retirement of any of capital stock of the Borrowers, provided that (A) the total amount outstanding thereunder shall not exceed at any time [\*\*\*], (B) the payments under such notes are made from Cash Dividends permitted under Section 6.11, and (C) such notes are unsecured and subordinate to the obligations of the Borrowers under this Agreement.

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**Section 6.13 Merger.**

The Borrowers will not, nor will it permit any Subsidiary to, merge or consolidate with or into any other Person, except for mergers in which a Borrower is the surviving Person or any merger of a Subsidiary with or into a Borrower or a Wholly-Owned Subsidiary of a Borrower.

**Section 6.14 Sale of Assets.**

The Borrowers will not, nor will it permit any Subsidiary to, lease, sell or otherwise dispose of its Property, to any other Person, except:

(i) Sales of Mortgage Loans and Securities pursuant to any Permitted Origination Facility or which are otherwise in the ordinary course of business.

(ii) Leases, sales or other dispositions of its Property that, together with all other Property of the Borrowers and their Subsidiaries previously leased, sold or disposed of (other than Mortgage Loans and Securities in the ordinary course of business) as permitted by this Section during the twelve-month period ending with the month in which any such lease, sale or other disposition occurs, do not constitute a Substantial Portion of the Property of the Borrowers and their Subsidiaries.

**Section 6.15 Investments and Acquisitions.**

The Borrowers will not, nor will it permit any Subsidiary to, make or suffer to exist any Investments (including without limitation, loans and advances to, and other Investments in, Subsidiaries), or commitments therefor, or to create any Subsidiary or to become or remain a partner in any partnership or joint venture, or to make any Acquisition of any Person, except:

(i) Cash Equivalent Investments.

(ii) Existing Investments in Subsidiaries and other Investments in existence on the date hereof and described in Schedule 2 hereto.

(iii) Investments in the ordinary course of a Borrower's mortgage banking business to purchase:

(a) Mortgage Loans, collateralized mortgage obligations and Securities (and in connection with commitments to purchase the same);  
(b) servicing rights and mortgage servicing contracts of another Person engaged in mortgage-related businesses; and (c) real estate acquired by foreclosure.

(iv) Investments in the ordinary course of a Borrower's mortgage banking business to enter into Servicing Hedge Agreements.

(v) Investments or Acquisitions after the date of hereof and through the Maturity Date to acquire branches (which shall include, without limitation, payments (including sign-on bonuses) to individuals and the unpaid rent under assumed leases) in an aggregate amount not to exceed [\*\*\*] for each Investment or Acquisition and [\*\*\*] in the aggregate for all Investments or Acquisitions during such period.

**Section 6.16 Liens.**

The Borrowers will not, nor will it permit any Subsidiary to, create, incur, or suffer to exist any Lien in, of or on any of the Property of the Borrowers or any of their Subsidiaries, except:

(i) Liens for taxes, assessments or governmental charges or levies on its Property if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and for which adequate reserves in accordance with Agreement Accounting Principles shall have been set aside on its books.

(ii) Liens imposed by law, such as carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business which secure payment of obligations not more than [\*\*\*] past due or which are being contested in good faith by appropriate proceedings and for which adequate reserves shall have been set aside on its books.

(iii) Liens arising out of pledges or deposits under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation.

(iv) Utility easements, building restrictions and such other encumbrances or charges against real property as are of a nature generally existing with respect to properties of a similar character and which do not in any material way affect the marketability of the same or interfere with the use thereof in the business of a Borrower or the Subsidiaries.

(v) Liens existing on the date hereof and described in Schedule 3 hereto.

(vi) Liens securing the Debt under any Permitted Origination Facility or Permitted Servicing Facility (provided that no such Liens shall encumber any of the Collateral).

(vii) Liens to secure Debt permitted pursuant to Section 6.12(iii), (iv), or (vi), provided that such Liens shall not be Liens on any of the Collateral.

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**Section 6.17 Affiliates.**

The Borrowers will not, and will not permit any Subsidiary to, enter into any transaction (including, without limitation, the purchase or sale of any Property or service) with, or make any payment or transfer to, any Affiliate except in the ordinary course of business and pursuant to the reasonable requirements of a Borrower's or such Subsidiary's business and upon fair and reasonable terms no less favorable to such Borrower or such Subsidiary than that which such Borrower or such Subsidiary would obtain in a comparable arms-length transaction.

**Section 6.18 Financial Covenants.**

- (a) Leverage Ratio. The Borrowers will not permit, at any date, its Leverage Ratio to exceed [\*\*\*].
- (b) [Reserved].
- (c) Adjusted Tangible Net Worth. The Borrowers will not, at any time, permit Adjusted Tangible Net Worth to be less than [\*\*\*].
- (d) Liquidity Covenant. The Borrowers will not, at any time, permit the Liquidity of the Borrowers to be less than the Liquidity Requirement.
- (e) Minimum Net Income. The Borrowers will not permit the Net Income of the Borrowers on a combined basis for each quarterly period ending on each March 31, June 30, September 30 and December 31 to be less than [\*\*\*], provided that for each quarterly period ending March 31, a net loss of up to [\*\*\*] shall be permitted. For purposes of the calculation of minimum Net Income for any applicable quarterly period, Net Income shall be adjusted for any non-cash gain or loss related to the valuation adjustment of servicing rights.

The covenants set forth in this Section 6.18 may be amended from time to time in accordance with the provisions of Section 6.28.

**Section 6.19 Compliance with Security Agreement.**

The Borrowers will not fail to perform in any material respect any of its obligations under the Security Agreement or enter into similar security agreements for any of the Collateral with any Person other than the Administrative Agent.

**Section 6.20 ERISA.**

- (a) Plan Assets; Compliance; No Material Liability. The Borrowers (i) shall not use any Plan Assets to repay or secure the Loan, (ii) no assets of the Borrowers are or will be Plan Assets, (iii) each Employee Benefit Plan will be in

material compliance with all applicable requirements of ERISA and the Code except to the extent any defects can be remedied without material liability to The Borrowers under Revenue Procedure 2008-50 or any similar procedure, and (iv) The Borrowers will not have any material liability under Title IV of ERISA or Section 412 of the Code with respect to any Employee Benefit Plan;

(b) Transfer of Interests. The Borrowers shall not assign, sell, pledge, encumber, transfer, hypothecate or otherwise dispose of their interests or rights (direct or indirect) in any Loan Document or attempt to do any of the foregoing or suffer any of the foregoing, or permit any party with a direct or indirect interest or right in any Loan Document to do any of the foregoing, if such action would cause this Agreement, any of the Loan Documents, or the Loan or the exercise of any of the Administrative Agent's rights in connection therewith, to constitute a prohibited transaction under ERISA or the Code (unless the Borrowers furnish to the Administrative Agent a legal opinion satisfactory to the Administrative Agent that the transaction is exempt from the prohibited transaction provisions of ERISA and the Code) or would otherwise result in the Mortgaged Property, or assets of the Borrowers being Plan Assets;

( c ) Indemnity. The Borrowers hereby indemnify the Indemnified Parties against all losses, claims, damages, penalties, judgments, liabilities and expenses (including, without limitation, all expenses of litigation or preparation therefor whether or not the Administrative Agent, any Lender or any Affiliate is a party thereto) which any of them may actually pay or incur by reason of the investigation, defense and settlement of claims and in obtaining any prohibited transaction exemption under ERISA or the Code necessary in the Administrative Agent's judgment by reason of the inaccuracy of the representations and warranties set forth in this Section. The obligations of the Borrowers under this Section shall survive the termination of this Agreement; and

(d) Negative Covenants. The Borrowers shall not take or fail to take, nor permit any ERISA Affiliate to take or fail to take, any action with respect to an Employee Benefit Plan including but not limited to, (i) establishing any Employee Benefit Plan, (ii) amending any Employee Benefit Plan, (iii) terminating or withdrawing from any Employee Benefit Plan, or (iv) incurring an amount of unfunded benefit liabilities, as defined in Section 4001(a)(18) of ERISA, or any withdrawal liability under Title IV of ERISA, result in a lien on the property of the Borrowers, or require the Borrowers to provide any security.

#### **Section 6.21 Federal Agency and USDA Approvals.**

The Borrowers (i) will maintain their status as an FHA-Approved Mortgagee, remain eligible to obtain VA guaranties of Mortgage Loans and remain approved by each Agency and USDA as a seller/servicer and shall maintain its status as an approved originator of Mortgage Loans under the Rural Housing Loan Program, and (ii) will not permit any Agency or USDA to withdraw its approval.

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**Section 6.22 [Reserved].**

**Section 6.23 Negative Pledge.**

No Borrower shall make any material change in the nature of the business carried on by such Borrower as of the date of this Agreement

**Section 6.24 Maintain Copies; System Back-up.**

The Borrower will maintain or cause to be maintained copies of all computer programs, tapes, discs, cards, accounting records and other data or information relating to the Pledged Servicing. All such copies (other than Mortgage Loan files) shall be stored at a location segregated from the primary storage location of such items. While any of the Obligations are outstanding or the Commitments have not been terminated, the Borrowers shall maintain a "disaster recovery plan" in effect consistent with the kinds of disaster recovery plans customarily maintained by prudent mortgage banking businesses. Such plan shall be sufficient to enable the Borrowers to continue the transaction of its business in the event a fire, flood, earthquake or other event shall prevent the Borrowers from accessing its primary data and information.

**Section 6.25 MERS.**

GMC and GMCLLC in their capacities as Affiliates of GMC, shall (i) at all times, maintain their status as a MERS Member or an Affiliate of a MERS Member authorized to use the MERS System, (ii) at all times remain in full compliance all terms and conditions of membership in MERS or to have access to MERS as an Affiliate of a MERS Member, including the MERSCORP, Inc. "Rules of Membership" most recently promulgated by MERSCORP, Inc., the "MERS Procedures Manual" most recently promulgated by MERS, and any and all other guidelines or requirements set forth by MERS or MERSCORP, as each of the foregoing may be modified from time to time, including, but in no way limited to compliance with guidelines and procedures set forth with respect to technological capabilities, drafting and recordation of Mortgages, registration of Mortgages on the MERS System.

**Section 6.26 Reimbursement of Expenses.**

On the date of execution of this Agreement, the Borrowers shall reimburse the Administrative Agent for all expenses incurred by the Administrative Agent on or before such date in connection with this Agreement or other Loan Documents and the transactions contemplated hereby. From and after such date, the Borrowers shall promptly reimburse the Agent for all expenses reasonably incurred in connection with this Agreement or other Loan Documents and the transactions contemplated hereby as the same are incurred by the Administrative Agent and within thirty (30) days of receipt of invoices therefor.



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**Section 6.27 Further Assurances.**

The Borrowers shall execute and deliver to the Administrative Agent all further documents, financing statements, agreements and instruments, and take all further action that may be required under applicable law, or that the Administrative Agent may reasonably request, in order to effectuate the Loan contemplated by this Agreement and the Loan Documents or, without limiting any of the foregoing, to grant, preserve, protect and perfect the validity and first priority of the security interests created or intended to be created hereby. The Borrowers shall do all things necessary to preserve the Collateral so that they remain subject to a first priority perfected security interest hereunder. The Borrowers will not allow any default for which a Borrower is responsible to occur under any Collateral or any Loan Document and the Borrowers shall fully perform or cause to be performed when due all of its obligations under any Loan Documents.

**Section 6.28 Covenants in Other Facilities**

Any covenant, material restriction or event of default in a Permitted Origination Facility or a Permitted Servicing Facility that is more burdensome than a covenant, restriction or event of default contained in this Agreement or any other Loan Document, or which provides greater security to the providers of the Permitted Origination Facility or a Permitted Servicing Facility, shall be deemed incorporated into the this Agreement by reference, and the Borrowers shall covenant to comply with the terms thereof for the benefit of the Lenders, and if required, enter into appropriate amendments to this Agreement at the request of the Administrative Agent.

**Section 6.29 Anti-Corruption Laws and Sanctions.**

The Borrowers shall not, directly or indirectly, use the proceeds of portion of the Loan, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) to fund any activities or business of or with any Embargoed Person, or in any Sanctioned Country, or (iii) in any other manner that would result in a violation of any Sanctions Laws and Regulations by any party to this Agreement. None of the funds or assets of Borrowers that are used to pay any amount due pursuant to this Agreement shall constitute funds obtained from transactions with or relating to an Embargoed Person or a Sanctioned Country.

**Section 6.30 Beneficial Ownership Certification.**

On or prior to the date hereof and from time to time, the Borrowers shall provide to Administrative Agent such documentation and other information requested by Lender in connection with applicable "know your customer" and anti-money-laundering rules and regulations, including the PATRIOT Act, and a Beneficial Ownership Certification in relation to the Borrowers pursuant to the Beneficial Ownership Regulation.

**ARTICLE 7.**  
**DEFAULTS**

The occurrence of any one or more of the following events shall constitute an Event of Default:

(a) Nonpayment of principal amount of the Loan when due (including but not limited to payments required pursuant to Section 2.4), or nonpayment of interest upon the Loan or of any Fee or other obligations under any of the Loan Documents within five days after the same becomes due.

(b) Any representation or warranty made or deemed made by or on behalf of a Borrower or any of its Subsidiaries to the Lenders or the Administrative Agent under or in connection with this Agreement, any other Loan Documents, any Loan, or any certificate or information delivered in connection with this Agreement or any other Loan Document shall be materially false on the date as of which made (it being understood that if any of the representations and warranties made pursuant to the definition of "Borrowing Base" are not true and correct as of any date with respect to any Pledged Servicing, such Pledged Servicing shall be removed from Eligible Mortgage Servicing Rights as the sole remedy for such failure).

(c) Breach of Particular Covenants. The breach by a Borrower of any of the terms or provisions of Sections 6.11, 6.12, 6.13, 6.14, 6.15, 6.16, 6.17, 6.18, 6.20, 6.21, 6.22, or 6.23 (there being no notice requirement or opportunity to cure any such breach) or the breach of any other provision of Article 6 and such breach is not remedied within [\*\*\*] after the earlier to occur of (A) receipt of written notice from the Administrative Agent or any Lender of such breach, of (B) the date on which a Borrower obtains knowledge of such breach.

(d) The breach by a Borrower (other than a breach which constitutes a Default under another Section of this Article 7) of any of the terms or provisions of this Agreement and such breach is not remedied within [\*\*\*] after the earlier to occur of (i) receipt of written notice from the Administrative Agent or any Lender of such breach or (ii) the date that a Borrower obtains knowledge of such breach.

(e) Failure of a Borrower or any of its Subsidiaries to pay when due any Debt (other than the Obligations); or the default by a Borrower or any of its Subsidiaries in the performance beyond the applicable grace period with respect thereto, if any, of any term, provision or condition contained in any agreement under which any such Debt was created or is governed, or any other event shall occur or condition exist, the effect of which default or event is to cause, or to permit the holder or holders of such Debt to cause, such Debt to become due prior to its stated maturity; or any Debt of a Borrower or any of its Subsidiaries shall be declared to be due and payable or required to be prepaid or repurchased (other than by a regularly scheduled payment) prior to the

stated maturity thereof; or a Borrower or any of its Subsidiaries shall not pay, or admit in writing its inability to pay, its debts generally as they become due.

(f) An Event of Insolvency shall have occurred with respect to any Borrower or any of its Subsidiaries.

(g) Without the application, approval or consent of a Borrower or any of its Subsidiaries, a receiver, trustee, examiner, liquidator or similar official shall be appointed for such Borrower or any of its Subsidiaries or any Substantial Portion of its Property, and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of [\*\*\*].

(h) Any court, government or Governmental Authority shall condemn, seize or otherwise appropriate, or take custody or control of all or any portion of the Property of a Borrower and its Subsidiaries which, when taken together with all other Property of such Borrower and its Subsidiaries so condemned, seized, appropriated, or taken custody or control of, during the twelve-month period ending with the month in which any such action occurs, constitutes a Substantial Portion.

(i) A Borrower or any of its Subsidiaries shall fail within [\*\*\*] to pay, bond or otherwise discharge one or more (i) judgments or orders for the payment of money, or (ii) nonmonetary judgments or orders which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, which judgments, in any case, is/are not stayed on appeal or otherwise being appropriately contested in good faith.

(j) There shall occur a Material Adverse Change.

(k) The occurrence of any “default”, as defined in any Loan Document (other than this Agreement) or the breach of any of the terms or provisions of any Loan Document (other than this Agreement), which default or breach continues beyond any period of grace therein provided.

(l) The Security Agreement shall for any reason fail to create a valid and perfected first priority security interest in any collateral purported to be covered thereby, except as permitted by the terms of the Security Agreement, or the Security Agreement shall fail to remain in full force or effect or any action shall be taken to discontinue or to assert the invalidity or unenforceability of the Security Agreement, or a Borrower shall fail to comply with any of the terms or provisions of the Security Agreement.

(m) There shall exist any Unfunded Liabilities under any Single Employer Plan or any Reportable Event shall occur in connection with any Plan.

(n) A Borrower or any other member of the Controlled Group shall have been notified by the sponsor of a Multiemployer Plan that it has incurred withdrawal liability to such Multiemployer Plan.

(o) A Borrower or any of its Subsidiaries shall (i) be the subject of any proceeding or investigation pertaining to the release by such Borrower or any of its Subsidiaries or any other Person of any toxic or hazardous waste or substance into the environment, or (ii) violate any Environmental Law, which, in the case of an event described in clause (i) or (ii), could reasonably be expected to have a Material Adverse Effect.

(p) GMC or GMCLLC in its capacity as an Affiliate of GMC shall, for any reason, cease to be a MERS Member or have access to the MERS System as an Affiliate of a MERS Member.

(q) Any Key Person shall cease to be an officer of GMC having substantially similar duties, powers and authority with respect to the business affairs of GMC as are held by or delegated to such Key Person as of the date of this Agreement.

(r) There shall occur a Change of Control.

(s) There shall occur an Event of Default under any Permitted Origination Facility or Permitted Servicing Facility.

**ARTICLE 8.**  
**COLLATERAL, ACCELERATION AND OTHER REMEDIES**

**Section 8.1 Security and Collateral Agency Agreement.**

Pursuant to the Security Agreement, a security interest in and a continuing lien upon the Collateral has been created in favor of the Administrative Agent for the benefit of the Secured Parties.

**Section 8.2 Acceleration.**

If any Event of Default described in Section 7(f), (g) or (h) occurs with respect to any Borrower, the Commitments shall terminate and the Obligations shall immediately become due and payable without any election or action on the part of the Administrative Agent or any Lender and without presentment, demand, protest or notice of any kind, all of which the Borrowers hereby expressly waive. If any other Event of Default occurs, the Required Lenders (or the Administrative Agent with the consent of the Required Lenders) may terminate the Commitments and declare the Obligations to be due and payable, whereupon the Obligations shall become immediately due and payable, without

presentment, demand, protest or notice of any kind, all of which the Borrowers hereby expressly waive.

**Section 8.3 Other Remedies.**

(a) Unless an Event of Default shall have occurred and then be continuing, the Borrowers shall be entitled to receive and collect directly all sums payable to the Borrowers in respect of the Collateral except proceeds from the sale thereof.

(b) Upon the occurrence of an Event of Default, the Administrative Agent, on behalf of the Lenders, shall be entitled to all the rights and remedies under this Agreement, the Security Agreement and the other Loan Documents and all other rights or remedies at law or in equity existing or conferred upon the Lenders by other jurisdictions or other applicable law.

(c) The Borrowers waive, to the extent permitted by law, any right to require the Administrative Agent or any Lender to (i) proceed against any Person, (ii) proceed against or exhaust any of the Collateral or pursue its rights and remedies as against the Collateral in any particular order or (iii) pursue any other remedy in its power.

(d) The Administrative Agent on behalf of the Lenders may, but shall not be obligated to, advance any sums or do any act or thing necessary to uphold and enforce the lien and priority of, or the security intended to be afforded by, any Pledged Servicing, including, without limitation, payment of delinquent taxes or assessments and insurance premiums. The Borrowers shall provide any and all information required by the Administrative Agent to administer this Agreement or collect on the Collateral. All advances, charges, costs and expenses, including reasonable attorney's fees, incurred or paid by the Administrative Agent in exercising any right, power or remedy conferred by this Agreement, or in the enforcement hereof (or by any Lender acting on instructions of the Required Lenders in the enforcement hereof), together with interest thereon at a rate per annum equal to the Alternate Base Rate plus the Applicable Margin plus [\*\*\*] per annum from the time of payment until repaid, shall become a part of the Obligations.

(e) Following the occurrence of an Event of Default and the acceleration of the Obligations the Administrative Agent shall be entitled to receive and collect all sums payable to either Borrower in respect of the Collateral and (a) the Administrative Agent, at the request of the Required Lenders, may in its own name or in the name of a Borrower or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for any of the Collateral, and (b) each Borrower shall receive and hold in trust for the Lenders any amounts thereafter received by such Borrower upon or in respect of any of the Collateral, advising the Administrative Agent as to the source of such funds and, if the Administrative Agent so requests at the direction of the Required Lenders, forthwith pay

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such amounts to the Administrative Agent, and (c) any and all amounts so received and collected by the Administrative Agent either directly or from a Borrower shall be held by the Administrative Agent and applied to the Obligations in accordance with Section 8.4.

**Section 8.4 Application of Proceeds.**

After an Event of Default and acceleration of the Obligations, the proceeds of any sale or enforcement of all or any part of the Collateral pursuant to the Security Agreement shall be applied by the Administrative Agent:

FIRST, to the extent that any such proceeds arise from a sale of any Pledged Servicing, to the payment of any amounts required to be paid due by GMC and GMCLLC to FNMA under and in accordance with the Servicing Agreement and the Acknowledgement Agreement governing such Pledged Servicing, as a condition to the transfer of GMC's or GMCLLC's interest in any such Pledged Servicing pursuant to the terms of the Security Agreement and the FNMA Servicing Agreement and Acknowledgement Agreement including without limitation all amounts described in;

SECOND, to the payment of all costs and expenses of such sale or enforcement, including reasonable compensation to the Administrative Agent and the Administrative Agent's counsel, and all expenses, liabilities and advances made or incurred by the Administrative Agent or any Lender acting on instructions of the Required Lenders in connection therewith;

THIRD, to the payment of the outstanding principal balance of, and all accrued and unpaid interest on, the Loan, and all Fees payable hereunder ratably according to the amount so due to each Lender, until such amounts are paid in full;

FOURTH, to the extent proceeds remain after application under the preceding subparagraphs, to the payment of all remaining Obligations, until such amounts are paid in full;

FIFTH, to the extent that any such proceeds arise from a sale of any Pledged Servicing and remain after satisfying the prior amounts in full, to the payment of all sums due to any party to the Servicing Agreement governing such Pledged Servicing which, by the terms of the applicable Acknowledgement Agreement, are subordinated in priority of payment to the amounts payable to the Administrative Agent and the Lenders, as described above; and

SIXTH, to the payment to the Borrowers, or to its successors or assigns, or as a court of competent jurisdiction may direct, of any surplus then remaining from such proceeds.

The Administrative Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. If the proceeds of any such sale are insufficient to cover the costs and expenses of such sale, as aforesaid, and the payment in full of the Obligations, the Borrowers shall remain jointly and severally liable for any deficiency.

**Section 8.5 Preservation of Rights.**

No delay or omission of the Lenders or the Administrative Agent to exercise any right under the Loan Documents shall impair such right or be construed to be a waiver of any Default or an acquiescence therein. Any single or partial exercise of any such right shall not preclude any other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in writing signed by the Lenders required pursuant to Section 9.1, and then only to the extent in such writing specifically set forth. All remedies contained in the Loan Documents or by law afforded shall be cumulative and all shall be available to the Administrative Agent and the Lenders until the Obligations have been paid in full.

**Section 8.6 Actions Under Acknowledgement Agreement.**

GMC hereby appoints the Administrative Agent as its attorney-in-fact, effective as of the date of any Event of Default (and during the continuance thereof) for the purpose of taking all actions on behalf of GMC contemplated or required under the terms of the Acknowledgement Agreement and executing any instruments which the Administrative Agent may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, the Administrative Agent shall have the right and power to receive, endorse and collect all checks made payable to the order of GMC representing any payment on account of the principal of or interest on any of the Mortgage Loans covered by such Pledged Servicing or on account of the terms of the Servicing Agreements governing such Pledged Servicing and to give full discharge for the same.

**ARTICLE 9.**

**AMENDMENTS; WAIVERS; GENERAL PROVISIONS**

**Section 9.1 Amendments and Waivers.**

The Required Lenders (or the Administrative Agent with the consent in writing of the Required Lenders) and the Borrowers may enter into agreements supplemental hereto for the purpose of adding or modifying any provisions to the Loan Documents or changing in any manner the rights of the Lenders or the Borrowers hereunder or waiving any Default; provided, however, that no such supplemental agreement shall, without the consent of each Lender directly or indirectly affected thereby:

(i) Extend the final maturity of the Loan beyond the Maturity Date, or forgive all or any portion of the principal amount thereof, or reduce the rate or extend the time of payment of interest thereon or fees.

(ii) Reduce the percentage specified in the definition of Required Lenders.

(iii) Extend the Maturity Date or reduce the amount of or extend the payment date for the required payments in respect of the principal amount of the Loan under Section 2.4.

(iv) Amend this Section 9.1 or any provision hereof specifying the number or percentage of the Lenders, their Commitments or their share of the Loan necessary to take action hereunder.

(v) Release any guarantor of its obligations with respect to the Loan or, except as provided in the Security Agreement, release any Collateral.

(vi) Amend the definition of "Borrowing Base".

(vii) Permit a Borrower to assign its rights or obligations under this Agreement or any other Loan Document or amend or waive any restriction on a Borrower's ability to assign its rights or obligations under any of the Loan Documents.

(viii) Amend or waive any provision herein regarding the indemnification of the Administrative Agent or any Lender.

(ix) Amend or waive any provision herein regarding the allocation among the Lenders of any payments or proceeds received by the Administrative Agent hereunder.

(x) Increase the Commitment of any Lender.

No amendment of any provision of this Agreement relating to the Administrative Agent shall be effective without the written consent of the Administrative Agent. The Administrative Agent may waive payment of the fee required under Section 12.3(b) without obtaining the consent of any other party to this Agreement.

#### **Section 9.2 Survival of Representations.**

All representations and warranties of the Borrowers contained in this Agreement shall survive the funding of the Loan herein contemplated.



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**Section 9.3 Governmental Regulation.**

Anything contained in this Agreement to the contrary notwithstanding, no Lender shall be obligated to extend credit to a Borrower in violation of any limitation or prohibition provided by any applicable statute or regulation.

**Section 9.4 Headings.**

Section headings in the Loan Documents are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Loan Documents.

**Section 9.5 Entire Agreement.**

The Loan Documents embody the entire agreement and understanding among the Borrowers, the Administrative Agent, and the Lenders and supersede all prior agreements and understandings among the Borrowers, the Administrative Agent and the Lenders relating to the subject matter thereof, other than any agreement between the Administrative Agent and the Borrowers relating to fees.

**Section 9.6 Several Obligations; Benefits of this Agreement.**

The respective obligations of the Lenders hereunder are several and not joint and no Lender shall be the partner or Administrative Agent of any other (except to the extent to which the Administrative Agent is authorized to act as such). The failure of any Lender to perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. This Agreement shall not be construed so as to confer any right or benefit upon any Person other than the parties to this Agreement and their respective successors and assigns; provided, however, that the parties hereto expressly agree that the Lead Arranger shall enjoy the benefits of the provisions of Sections 9.7, 9.8, 10.4 and 10.5 to the extent specifically set forth therein and shall have the right to enforce such provisions on its own behalf and in its own name to the same extent as if it were a party to this Agreement.

**Section 9.7 Expenses; Indemnification.**

(a) The Borrowers shall reimburse the Administrative Agent and the Lead Arranger for any costs, internal charges and out-of-pocket expenses (including attorneys' fees and time charges of attorneys for the Administrative Agent and the Lead Arranger, which attorneys may be employees of the Administrative Agent or the Lead Arranger) paid or incurred by the Administrative Agent or the Lead Arranger in connection with the preparation, negotiation, execution, delivery, syndication, review, amendment, modification, and administration of the Loan Documents. The Borrowers also agree to reimburse the Administrative Agent, the Lead Arranger, and the Lenders for any costs, internal charges and out-of-pocket expenses (including attorneys' fees and time charges of attorneys for the Administrative Agent, the Lead Arranger, and the

Lenders, which attorneys may be employees of the Administrative Agent, the Lead Arranger, or any of the Lenders) paid or incurred by the Administrative Agent, the Lead Arranger, or any Lender in connection with the collection and enforcement of the Loan Documents. Expenses being reimbursed by the Borrowers under this Section include, without limitation, costs and expenses incurred in connection with the Reports described in the following sentence. The Borrowers acknowledge that from time to time BNY Mellon may prepare and may distribute to the Lenders (but shall have no obligation or duty to prepare or to distribute to the Lenders) certain audit reports (the "Reports") pertaining to the Borrowers' assets for internal use by BNY Mellon from information furnished to it by or on behalf of the Borrowers, after BNY Mellon has exercised its rights of inspection pursuant to this Agreement.

(b) The Borrowers hereby further agree, jointly and severally, to indemnify the Administrative Agent, the Lead Arranger, and each Lender, their respective affiliates, and each of their directors, officers and employees against all losses, claims, damages, penalties, judgments, liabilities and expenses (including, without limitation, all expenses of litigation or preparation therefor whether or not the Administrative Agent, the Lead Arranger, any Lender or any affiliate is a party thereto) which any of them may pay or incur arising out of or relating to this Agreement, the other Loan Documents, the transactions contemplated hereby or thereby or the direct or indirect application or proposed application of the proceeds of the Loan hereunder except to the extent that they are determined in a final and non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the party seeking indemnification. The obligations of the Borrowers under this Section 9.7 shall survive the termination of this Agreement.

#### **Section 9.8 Nonliability of Lenders.**

The relationship between the Borrowers on the one hand and the Lenders and the Administrative Agent on the other hand shall be solely that of borrower and lender. Neither the Administrative Agent, the Lead Arranger, nor any Lender shall have any fiduciary responsibilities to the Borrowers. Neither the Administrative Agent, the Lead Arranger, nor any Lender undertakes any responsibility to the Borrowers to review or inform the Borrowers of any matter in connection with any phase of the Borrowers' business or operations. The Borrowers agree that neither the Administrative Agent, the Lead Arranger, nor any Lender shall have liability to the Borrowers (whether sounding in tort, contract or otherwise) for losses suffered by the Borrowers in connection with, arising out of, or in any way related to, the transactions contemplated and the relationship established by the Loan Documents, or any act, omission or event occurring in connection therewith, unless it is determined in a final and non-appealable judgment by a court of competent jurisdiction that such losses resulted from the gross negligence or willful misconduct of the party from which recovery is sought. Neither the Administrative Agent, the Lead Arranger, nor any Lender shall have any liability with respect to, and the Borrowers hereby waives, releases and agrees not to sue for, any

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special, indirect, punitive or consequential damages suffered by the Borrowers in connection with, arising out of, or in any way related to the Loan Documents or the transactions contemplated thereby.

**Section 9.9 Severability of Provisions.**

Any provision in any Loan Document that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of all Loan Documents are declared to be severable.

**Section 9.10 Numbers of Documents.**

All statements, notices, closing documents, and requests hereunder shall be furnished to the Administrative Agent with sufficient counterparts so that the Administrative Agent may, and the Administrative Agent agrees that it will, furnish one to each of the Lenders.

**Section 9.11 Accounting.**

Except as provided to the contrary herein, all accounting terms used herein shall be interpreted and all accounting determinations hereunder shall be made in accordance with Agreement Accounting Principles, except that any calculation or determination which is to be made on a consolidated basis shall be made for the Borrowers and all their Subsidiaries, including those Subsidiaries, if any, which are unconsolidated on the Borrowers' audited financial statements.

**Section 9.12 Confidentiality.**

Each Lender agrees to hold any confidential information which it may receive from the Borrowers (including, without limitation, any information of or relating to the Borrowers' customers or investors) pursuant to this Agreement in confidence, except for disclosure (i) to its Affiliates and to other Lenders and their respective Affiliates, (ii) to legal counsel, accountants, and other professional advisors to such Lender or to a Transferee, (iii) to regulatory officials, (iv) to any Person as requested pursuant to or as required by law, regulation, or legal process, (v) to any Person in connection with any legal proceeding to which such Lender is a party, (vi) to such Lender's direct or indirect contractual counterparties in swap agreements or to legal counsel, accountants and other professional advisors to such counterparties, (vii) permitted by Section 12.4, and (viii) to rating agencies if requested or required by such agencies in connection with a rating of such lender or an Affiliate of such Lender.

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**Section 9.13 Nonreliance.**

Each Lender hereby represents that it is not relying on or looking to any margin stock (as defined in Regulation U) for the repayment of the Loan.

**Section 9.14 Disclosure.**

The Borrowers and each Lender hereby (i) acknowledge and agree that BNY Mellon and/or its Affiliates from time to time may hold investments in, make other loans to or have other relationships with the Borrowers and their Affiliates, and (ii) waive any liability of BNY Mellon or such Affiliate of BNY Mellon to the Borrowers or any Lender, respectively, arising out of or resulting from such investments, loans or relationships other than liabilities arising out of the gross negligence or willful misconduct of BNY Mellon or its Affiliates.

**Section 9.15 Patriot Act.**

The Administrative Agent hereby notifies each of the Borrowers that, pursuant to the requirements of the Patriot Act, the Lenders are required to obtain, verify and record information that identifies the Borrowers, which information includes the name and address of the Borrowers and other information that will allow them to identify the Borrowers in accordance with the Patriot Act. The Borrowers agree to provide to the Administrative Agent or any Lender, promptly after any request by the Administrative Agent or such Lender, such information as the Administrative Agent or such Lender shall require for purposes of complying with the requirements of the Patriot Act, the federal regulations issued pursuant to the Patriot Act and any customer identification program established by the Administrative Agent or such Lender pursuant to the Patriot Act and such regulations.

**ARTICLE 10.**  
**THE ADMINISTRATIVE AGENT**

**Section 10.1 Appointment; Nature of Relationship.**

Each Lender hereby irrevocably designates BNY Mellon as Administrative Agent to act as specified herein and in the other Loan Documents. Each Lender hereby irrevocably authorizes the Administrative Agent to take such action on its behalf under the provisions of this Agreement, the other Loan Documents and any other instruments and agreements referred to herein or therein and to exercise such powers and to perform such duties hereunder and thereunder as are specifically delegated to or required of the Administrative Agent by the terms hereof and thereof and such other powers as are reasonably incidental thereto. The Administrative Agent may perform any of its duties hereunder or under any of the Loan Documents by or through its officers, directors, agents or employees and shall be entitled to rely upon the advice of counsel concerning all matters pertaining to such duties. Notwithstanding any provision to the contrary

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elsewhere in this Agreement or any Loan Document, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth therein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or the other Loan Documents or otherwise exist against the Agent. Each of the Lenders hereby agrees to assert no claim against the Administrative Agent on any agency theory or any other theory of liability for breach of fiduciary duty, all of which claims each Lender hereby waives.

**Section 10.2 Nature of Duties.**

The Administrative Agent shall have no duties or responsibilities hereunder except those expressly set forth in this Agreement and the Security Agreement. Neither the Administrative Agent nor any of its officers, directors, agents or employees shall be liable for any action taken or omitted by it or them hereunder or under any other Loan Document or in connection herewith or therewith, except to the extent caused solely by its or their gross negligence or willful misconduct, as determined by a court of competent jurisdiction in a final, non-appealable judgment or order of such court. The duties of the Administrative Agent shall be mechanical and administrative in nature; the Administrative Agent shall not have by reason of this Agreement or any other Loan Document a fiduciary relationship in respect of any Lender; and nothing in this Agreement or any other Loan Document, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent any obligations in respect of this Agreement or any other Loan Document except as expressly set forth herein.

**Section 10.3 Independent Investigation.**

Independently and without reliance upon the Administrative Agent or the Lead Arranger, each Lender, to the extent it deems appropriate, has made and shall continue to make (i) its own independent investigation of the financial condition and affairs of the Borrowers in connection with the funding of its Commitment Percentage of the Loan and the taking or not taking of any action in connection herewith and (ii) its own appraisal of the creditworthiness of the Borrowers and, except as expressly provided in this Agreement, neither the Administrative Agent nor the Lead Arranger shall have any duty or responsibility, either initially or on a continuing basis, to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the funding of the Loan or at any time or times thereafter. The Administrative Agent shall not be under any liability or responsibility whatsoever, as Administrative Agent, to the Borrowers or any other Person as a consequence of any failure or delay in performance, or any breach, by any Lender of any of its obligations under this Agreement or any other Loan Document. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property,

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financial and other condition or creditworthiness of the Borrowers which may come into the possession of the Agent or any of its officers, directors, employees, agents, attorneys-in-fact or affiliates.

**Section 10.4 General Immunity.**

Neither the Administrative Agent, the Lead Arranger nor any of their directors, officers, agents or employees shall be liable to the Borrowers, the Lenders or any Lender for any action taken or omitted to be taken by it or them hereunder or under any other Loan Document or in connection herewith or therewith, whether sounding in tort, contract or otherwise except to the extent such action or inaction is determined in a final non-appealable judgment by a court of competent jurisdiction to have arisen from the gross negligence or willful misconduct of such Person.

**Section 10.5 No Responsibility for Loan, Recitals, etc.**

Neither the Administrative Agent nor any of its directors, officers, Administrative Agents or employees shall be responsible for or have any duty to ascertain, inquire into, or verify (i) any statement, warranty or representation made in connection with any Loan Document or any borrowing hereunder; (ii) the performance or observance of any of the covenants or agreements of any obligor under any Loan Document, including, without limitation, any agreement by an obligor to furnish information directly to each Lender, (iii) the satisfaction of any condition specified in Article 4, except receipt of items required to be delivered solely to the Administrative Agent; (iv) the existence or possible existence of any Default or Event of Default; (v) the validity, enforceability, effectiveness, sufficiency or genuineness of any Loan Document or any other instrument or writing furnished in connection therewith; (vi) the value, sufficiency, creation, perfection or priority of any Lien on any collateral security; or (vii) the financial condition of the Borrowers or any guarantor of any of the Obligations or of any of the Borrowers' or any such guarantor's respective Subsidiaries. The Administrative Agent shall have no duty to disclose to the Lenders information that is not required to be furnished by the Borrowers to the Administrative Agent at such time, but is voluntarily furnished by the Borrowers to the Administrative Agent (either in its capacity as Administrative Agent or in its individual capacity).

**Section 10.6 Action on Instructions of Lenders.**

The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder and under any other Loan Document in accordance with written instructions signed by the Required Lenders (or to the extent required hereunder, all of the Lenders), and such instructions and any action taken or failure to act pursuant thereto shall be binding on all of the Lenders. The Lenders hereby acknowledge that the Administrative Agent shall be under no duty to take any discretionary action permitted to be taken by it pursuant to the provisions of this Agreement or any other Loan Document unless it shall be requested in writing to do so by the Required Lenders. The

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Administrative Agent shall be fully justified in failing or refusing to take any action hereunder and under any other Loan Document unless it shall first be indemnified to its satisfaction by the Lenders pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action. Without limiting the foregoing, no Lender shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or refraining from acting hereunder or under any other Loan Document in accordance with the instructions of the requisite Lenders.

**Section 10.7 Employment of Administrative Agents and Counsel.**

The Administrative Agent may execute any of its duties as Administrative Agent hereunder and under any other Loan Document by or through employees, agents, and attorneys-in-fact and shall not be answerable to the Lenders, except as to money or securities received by it or its authorized agents, for the default or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. The Administrative Agent shall be entitled to advice of counsel concerning the contractual arrangement between the Administrative Agent and the Lenders and all matters pertaining to this Agreement and the other Loan Documents and the Administrative Agent's duties hereunder and under any other Loan Document.

**Section 10.8 Reliance on Documents; Counsel.**

The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any note, writing, resolution, notice, statement, certificate, telex, teletype or telecopier message, "email," cablegram, radiogram, order or other document or telephone message that the Administrative Agent reasonably believed to be genuine and that was signed, sent or made by any Person that the Administrative Agent believed to be the proper Person, and, with respect to all legal matters pertaining to this Agreement and any other Credit Document and its duties hereunder and thereunder, upon advice of counsel selected by it, which counsel may be employees of the Administrative Agent.

**Section 10.9 Administrative Agent's Reimbursement and Indemnification.**

The Lenders agree to reimburse and indemnify the Administrative Agent ratably in proportion to their respective Commitments (or, if the Commitments have been terminated, in proportion to their Commitments immediately prior to such termination) (i) for any amounts not reimbursed by the Borrowers for which the Administrative Agent is entitled to reimbursement by the Borrowers under the Loan Documents, (ii) for any other expenses incurred by the Administrative Agent on behalf of the Lenders not reimbursed by the Borrowers for which the Administrative Agent is entitled to reimbursement by the Borrowers, in connection with the preparation, execution, delivery, administration and enforcement of the Loan Documents (including, without limitation, for any expenses incurred by the Administrative Agent in connection with any dispute between the Administrative Agent and any Lender or between two or more of the Lenders) and (iii) to

the extent not reimbursed by the Borrowers for which the Administrative Agent is entitled to reimbursement by the Borrowers, for any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of the Loan Documents or any other document delivered in connection therewith or the transactions contemplated thereby, including, without limitation, any amounts paid to the Lenders (through the Administrative Agent or otherwise) by the Borrowers pursuant to the terms of the Loan Documents that are subsequently rescinded or avoided, or must otherwise be restored or returned, and including any amounts incurred by or asserted against the Administrative Agent in connection with any dispute between the Administrative Agent and any Lender or between two or more of the Lenders, or the enforcement of any of the terms of the Loan Documents or of any such other documents, provided that no Lender shall be liable for any of the foregoing to the extent any of the foregoing is found in, a final non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Administrative Agent. The obligations of the Lenders under this Section 10.9 shall survive payment of the Obligations and termination of this Agreement.

**Section 10.10 Notice of Default.**

The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent has received written notice from a Lender or a Borrower referring to this Agreement describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give prompt notice thereof to the Lenders.

**Section 10.11 Rights as a Lender.**

In the event the Administrative Agent is a Lender, the Administrative Agent shall have the same rights and powers hereunder and under any other Loan Document with respect to its Commitment and its Commitment Percentage of the Loan as any Lender and may exercise the same as though it were not the Administrative Agent, and the term "Lender" or "Lenders" shall, at any time when the Administrative Agent is a Lender, unless the context otherwise indicates, include the Administrative Agent in its individual capacity. The Administrative Agent and its Affiliates may accept deposits from, lend money to, and generally engage in any kind of trust, debt, equity or other transaction, in addition to those contemplated by this Agreement or any other Loan Document, with a Borrower or any of its Subsidiaries in which such Borrower or such Subsidiary is not restricted hereby from engaging with any other Person. The Administrative Agent, in its individual capacity, is not obligated to remain a Lender.



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**Section 10.12 Successor Administrative Agent.**

The Administrative Agent may resign at any time by giving written notice thereof to the Lenders and the Borrowers, such resignation to be effective upon the appointment of a successor Administrative Agent or, if no successor Administrative Agent has been appointed, forty-five days after the retiring Administrative Agent gives notice of its intention to resign. Upon any such resignation, the Required Lenders shall have the right to appoint, on behalf of the Borrowers and the Lenders, a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Required Lenders within thirty days after the resigning Administrative Agent's giving notice of its intention to resign, then the resigning Administrative Agent may appoint, on behalf of the Borrowers and the Lenders, a successor Administrative Agent. Notwithstanding the previous sentence, the Administrative Agent may at any time without the consent of the Borrowers or any Lender, appoint any of its Affiliates which is a commercial bank as a successor Administrative Agent hereunder. If the Administrative Agent has resigned and no successor Administrative Agent has been appointed, the Lenders may perform all the duties of the Administrative Agent hereunder and the Borrowers shall make all payments in respect of the Obligations to each applicable Lender and for all other purposes shall deal directly with the Lenders. No successor Administrative Agent shall be deemed to be appointed hereunder until such successor Administrative Agent has accepted the appointment. Any such successor Administrative Agent shall be a commercial bank having capital and retained earnings of at least [\*\*\*]. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the resigning Administrative Agent. Upon the effectiveness of the resignation of the Administrative Agent, the resigning Administrative Agent shall be discharged from its duties and obligations hereunder and under the Loan Documents. After the effectiveness of the resignation of an Administrative Agent, the provisions of this Article 10 shall continue in effect for the benefit of such Administrative Agent in respect of any actions taken or omitted to be taken by it while it was acting as the Administrative Agent hereunder and under the other Loan Documents. In the event that there is a successor to the Administrative Agent by merger, or the Administrative Agent assigns its duties and obligations to an Affiliate pursuant to this Section 10.12, then the term "Prime Rate" as used in this Agreement shall mean the prime rate, base rate or other analogous rate of the new Administrative Agent.

**Section 10.13 Delegation to Affiliates.**

The Borrowers and the Lenders agree that the Administrative Agent may delegate any of its duties under this Agreement to any of its Affiliates. Any such Affiliate (and such Affiliate's directors, officers, Administrative Agents and employees) which performs duties in connection with this Agreement shall be entitled to the same benefits

of the indemnification, waiver and other protective provisions to which the Administrative Agent is entitled under Articles 9 and 10.

**Section 10.14 Collateral Releases.**

The Lenders hereby empower and authorize the Administrative Agent to execute and deliver to the Borrowers on their behalf any agreements, documents or instruments as shall be necessary or appropriate to effect any releases of Collateral which shall be permitted by the terms hereof or of any other Loan Document or which shall otherwise have been approved by the Required Lenders (or, if required by the terms of Section 9.1, all of the Lenders) in writing.

**ARTICLE 11.**  
**SETOFF; RATABLE PAYMENTS**

**Section 11.1 Setoff.**

In addition to, and without limitation of, any rights of the Lenders under applicable law, if a Borrower becomes insolvent, however evidenced, or any Event of Default occurs, any and all deposits (including all account balances, whether provisional or final and whether or not collected or available) and any other Debt at any time held or owing by any Lender or any Affiliate of any Lender to or for the credit or account of such Borrower may be offset and applied toward the payment of the Obligations owing to such Lender, whether or not the Obligations, or any part hereof, shall then be due.

**Section 11.2 Ratable Payments.**

If any Lender, whether by setoff or otherwise, has payment made to it upon the Loan (other than payments received pursuant to Section 3.1, 3.2, 3.4 or 3.5) in a greater proportion than that received by any other Lender (based on the Lender's Commitment Percentages), such Lender agrees, promptly upon demand, to purchase a portion of the Loan held by the other Lenders so that after such purchase each Lender will hold its Commitment Percentage of the Loan. If any Lender, whether in connection with setoff or amounts which might be subject to setoff or otherwise, receives collateral or other protection for its Obligations or such amounts which may be subject to setoff, such Lender agrees, promptly upon demand, to take such action necessary such that all Lenders share in the benefits of such collateral ratably in proportion to their Commitment Percentages. In case any such payment is disturbed by legal process, or otherwise, appropriate further adjustments shall be made.

**Section 11.3 Custodial Accounts.**

The Borrowers agree that funds received and held by any Borrower as custodian for FNMA, GNMA or other mortgage pools which are deposited into accounts with any Lender shall be clearly identified as custodial accounts, and each Lender agrees that each

provision of the foregoing subsections of this Article 11 shall not apply to such custodial accounts. The Borrowers shall not deposit any of its general funds in any custodial accounts or otherwise commingle funds in any custodial accounts.

**ARTICLE 12.**  
**ASSIGNMENTS AND PARTICIPATIONS**

**Section 12.1 Successors and Assigns.**

The terms and provisions of the Loan Documents shall be binding upon and inure to the benefit of the Borrowers and the Lenders and their respective successors and assigns, except that (i) the Borrowers shall not have the right to assign its rights or obligations under the Loan Documents without the consent of all Lenders and (ii) any assignment by any Lender must be made in compliance with Section 12.3. The parties to this Agreement acknowledge that clause (ii) of this Section 12.1 relates only to absolute assignments and does not prohibit assignments creating security interests, including, without limitation, any pledge or assignment by any Lender of all or any portion of its rights under this Agreement and any Note to a Federal Reserve Bank; provided, however, that no such pledge or assignment creating a security interest shall release the transferor Lender from its obligations hereunder unless and until the parties hereto have complied with the provisions of Section 12.3. Any assignee of the rights to any portion of the Loan or any Note agrees by acceptance of such transfer or assignment to be bound by all the terms and provisions of the Loan Documents. Any request, authority or consent of any Person, who at the time of making such request or giving such authority or consent is the owner of the rights to any portion of the Loan (whether or not a Note has been issued in evidence thereof), shall be conclusive and binding on any subsequent holder or assignee of the rights to such portion of the Loan.

**Section 12.2 Participations.**

(a) Permitted Participants: Effect. Any Lender may, in the ordinary course of its business and in accordance with applicable law, at any time sell to one or more banks or other entities ("Participants") participating interests in the portion of the Loan owing to such Lender, any Note held by such Lender or any other interest of such Lender under the Loan Documents. In the event of any such sale by a Lender of participating interests to a Participant, such Lender's obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, such Lender shall remain the owner of its interest in the Loan and the holder of any Note issued to it in evidence thereof for all purposes under the Loan Documents, all amounts payable by the Borrowers under this Agreement shall be determined as if such Lender had not sold such participating interests, and the Borrowers and the Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under the Loan Documents.

(b) Voting Rights. Each Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, modification or waiver of any provision of the Loan Documents other than any amendment, modification or waiver with respect to the portion of the Loan or Commitment in which such Participant has an interest which forgives principal, interest or fees or reduces the interest rate or fees payable with respect to any such portion of the Loan or Commitment, extends the Maturity Date, postpones any date for a required payment of principal of, or interest or fees on, any such portion of the Loan or Commitment, releases any guarantor of any such Loan or releases all or substantially all of the Collateral (other than as expressly permitted pursuant to the Loan Documents).

(c) Benefit of Setoff. The Borrowers agree that each Participant shall be deemed to have the right of setoff provided in Section 11.1 in respect of its participating interest in amounts owing under the Loan Documents to the same extent as if the amount of its participating interest were owing directly to it as a Lender under the Loan Documents, provided that each Lender shall retain the right of setoff provided in Section 11.1 with respect to the amount of participating interests sold to each Participant. The Lenders agree to share with each Participant, and each Participant, by exercising the right of setoff provided in Section 11.1, agrees to share with each Lender, any amount received pursuant to the exercise of its right of setoff, such amounts to be shared in accordance with Section 11.2 as if each Participant were a Lender.

(d) Participant Register. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loan or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

### **Section 12.3 Assignments.**

(a) Permitted Assignments. Any Lender may, in the ordinary course of its business and in accordance with applicable law, at any time assign to one or more

banks or other entities (“Purchasers”) all or any part of its rights and obligations under the Loan Documents. Such assignment shall be substantially in the form of Exhibit G hereto or in such other form as may be agreed to by the parties thereto. The consent of the Borrowers and the Administrative Agent shall be required prior to an assignment becoming effective with respect to a Purchaser which is not a Lender or an Affiliate thereof; provided, however, that if an Event of Default has occurred and is continuing, the consent of the Borrowers shall not be required. Such consent shall not be unreasonably withheld or delayed. Each such assignment shall (unless it is to a Lender or an Affiliate thereof or each of the Borrowers and the Administrative Agent otherwise consents) be in an amount not less than the lesser of (i) [\*\*\*] (unless approved by Administrative Agent) or (ii) the remaining amount of the assigning Lender’s Commitment (calculated as at the date of such assignment).

(b) Effect; Effective Date. Upon (i) delivery to the Administrative Agent of a notice of assignment, substantially in the form attached as **Annex “I”** to Exhibit G hereto (a “Notice of Assignment”), together with any consents required by Section 12.3(a), and (ii) payment of a [\*\*\*] fee ([\*\*\*] if a Defaulting Lender) to the Administrative Agent for processing such assignment, such assignment shall become effective on the effective date specified in such Notice of Assignment. The Notice of Assignment shall contain a representation by the Purchaser to the effect that none of the consideration used to make the purchase of the interest in the Loan under the applicable assignment agreement are “plan assets” as defined under ERISA and that the rights and interests of the Purchaser in and under the Loan Documents will not be “plan assets” under ERISA. On and after the effective date of such assignment, such Purchaser shall for all purposes be a Lender party to this Agreement and any other Loan Document executed by or on behalf of the Lenders and shall have all the rights and obligations of a Lender under the Loan Documents, to the same extent as if it were an original party hereto, and no further consent or action by the Borrowers, the Lenders or the Administrative Agent shall be required to release the transferor Lender with respect to the percentage of the Aggregate Commitment and interest in the Loan assigned to such Purchaser. Upon the consummation of any assignment to a Purchaser pursuant to this Section 12.3(b), the transferor Lender, the Administrative Agent and the Borrowers shall, if the transferor Lender or the Purchaser desires that its interest in the Loan be evidenced by a Note, make appropriate arrangements so that a new Note or, as appropriate replacement Note is issued to such transferor Lender and a new Note or, as appropriate, replacement Note, is issued to such Purchaser, in each case in principal amounts reflecting their respective Commitment Percentages, as adjusted pursuant to such assignment. In addition, within a reasonable time after the effective date of any assignment, the Administrative Agent shall, and is hereby authorized and directed to, revise Schedule 1 reflecting the revised commitments and percentages of each of the Lenders and shall distribute such revised Schedule 1 to each of the Lenders and the Borrowers, whereupon such revised Schedule shall replace the old Schedule and become part of this Agreement.

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**Section 12.4 Dissemination of Information.**

The Borrowers authorize each Lender to disclose to any Participant or Purchaser or any other Person acquiring an interest in the Loan Documents by operation of law (each a “Transferee”) and any prospective Transferee any and all information in such Lender’s possession concerning the creditworthiness of the Borrowers and their Subsidiaries, including without limitation any information contained in any Reports; provided that each Transferee and prospective Transferee agrees to be bound by Section 9.12 of this Agreement.

**Section 12.5 Tax Treatment.**

If any interest in any Loan Document is transferred to any Transferee which is organized under the laws of any jurisdiction other than the United States or any State thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 3.5.

**ARTICLE 13.  
NOTICES**

**Section 13.1 Notices.**

All notices, requests and other communications to any party hereunder shall be in writing (including bank wire, facsimile transmission or similar writing) and shall be given to such party: (x) in the case of the Borrowers, the Administrative Agent or any Lender, at its address or facsimile number set forth on the signature pages hereof, (y) in the case of any party, at such other address or facsimile number as such party may hereafter specify in accordance with the provisions of Section 13.2. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when transmitted to the facsimile number specified in this Section and confirmation of receipt is received, (ii) if given by mail, 72 hours after such communication is deposited in the mails with first class postage prepaid, addressed as aforesaid or (iii) if given by any other means, when delivered at the address specified in this Section; provided that notices to the Administrative Agent under Article 2 shall not be effective until received.

**Section 13.2 Change of Address.**

The Borrowers, the Administrative Agent and any Lender may each change the address for service of notice upon it by a notice in writing to the other parties hereto.

**ARTICLE 14.  
COUNTERPARTS**

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute

this Agreement by signing any such counterpart. This Agreement shall be effective when it has been executed by the Borrowers, the Administrative Agent and the Lenders and each party has notified the Administrative Agent by facsimile transmission or telephone, that it has taken such action.

**ARTICLE 15.**

**CHOICE OF LAW, CONSENT TO JURISDICTION, WAIVER OF JURY TRIAL**

**Section 15.1 CHOICE OF LAW.**

THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO ITS PRINCIPLES OF CONFLICT OF LAWS.

**Section 15.2 CONSENT TO JURISDICTION.**

THE BORROWERS HEREBY IRREVOCABLY SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF ANY COURTS OF THE STATE OF NEW YORK, OR THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND THE BORROWERS HEREBY IRREVOCABLY AGREE THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY LENDER TO BRING PROCEEDINGS AGAINST ANY BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY A BORROWER AGAINST THE ADMINISTRATIVE AGENT OR ANY LENDER OR ANY AFFILIATE OF THE ADMINISTRATIVE AGENT OR ANY LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT OF THE STATE OF NEW YORK, OR THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

**Section 15.3 WAIVER OF JURY TRIAL.**

THE BORROWERS, THE ADMINISTRATIVE AGENT AND EACH LENDER HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING

OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT OR THE RELATIONSHIP ESTABLISHED THEREUNDER.

**Section 15.4 Joint and Several Obligations.**

The obligations of the Borrowers under this Agreement and the other Loan Documents are the joint and several obligations of the Borrowers.

**Section 15.5 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.**

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and
- (b) the effects of any Bail-in Action on any such liability, including, if applicable:
- (c) a reduction in full or in part or cancellation of any such liability;
- (d) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
- (e) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

**[Remainder of page intentionally left blank]**



IN WITNESS WHEREOF, the Borrowers, the Lenders and the Administrative Agent have executed this Amended and Restated Loan Agreement as of the date first above written.

**GUILD MORTGAGE COMPANY**

By: /s/ Terry Schmidt  
Terry Schmidt  
Executive Vice President  
and Chief Financial Officer

Address: 5898 Copley Drive, 5<sup>th</sup> Floor  
San Diego, California 92111

Phone: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Fax: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Attention: Terry Schmidt, Executive Vice  
President and Chief Financial Officer

With a copy to:

Koley Jessen P.C., L.L.O.  
One Pacific Place, Suite 800  
1125 South 103 Street  
Omaha, NE 68124  
Attention: Taylor Dieckman

**GUILD MORTGAGE COMPANY, LLC**

By: /s/ Terry Schmidt

Terry Schmidt  
Executive Vice President  
and Chief Financial Officer

Address: 5898 Copley Drive, 5<sup>th</sup> Floor  
San Diego, California 92111

Phone: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Fax: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Attention: Terry Schmidt, Executive Vice  
President and Chief Financial Officer

With a copy to:

Koley Jessen P.C., L.L.O.  
One Pacific Place, Suite 800  
1125 South 103 Street  
Omaha, NE 68124  
Attention: Taylor Dieckman

**THE BANK OF NEW YORK MELLON,**  
*as Administrative Agent and a Lender*

By: /s/ Paul G. Connolly

Paul G. Connolly  
Managing Director

Address: 225 Liberty Street, 22<sup>nd</sup> Floor  
New York, New York 10286

Phone: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Fax: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Attention: Paul G. Connolly  
Managing Director

With a copy to

Emmet, Marvin & Martin, LLP  
120 Broadway  
New York, New York 10271  
Attention: J. Alex McQuiston, Esq.

**WESTERN ALLIANCE BANK,**  
an Arizona corporation  
(f/k/a) Torrey Pines Bank,  
*as a Lender*

By: /s/ Andrew Schwarz

Print Name: Andrew Schwarz

Title: VP Senior Company Officer

Address: 750 B Street  
San Diego, CA 92101

Phone: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Fax: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Attention: Andrew Schwarz

**COMERICA BANK,**  
*as a Lender*

By: /s/ Art Shafer  
Print Name: Art Shafer  
Title: SVP

Address: 2000 Avenue of the Stars, 2nd Floor  
Los Angeles, CA 90067

Phone: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Fax: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Attention: Art Shafer

**ZIONS BANCORPORATION, N.A.**  
**F/K/A ZB, N.A.**  
**D/B/A CALIFORNIA BANK & TRUST,**  
*as a Lender*

By: /s/ Jacob Richards  
Jacob Richards  
Senior Vice President

Address: 4320 La Jolla Village Dr. Ste. 130  
San Diego, California 92122

Phone: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Fax: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Attention: Jacob Richards

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**WAIVER NO. 1 TO  
AMENDED AND RESTATED TERM LOAN AGREEMENT**

THIS WAIVER NO. 1 TO AMENDED AND RESTATED TERM LOAN AGREEMENT (the “Waiver”) is made and entered into as of April 29, 2020, among Guild Mortgage Company, a California corporation (“GMC”) and Guild Mortgage Company, LLC, a Delaware limited liability company (“GMCLLC”; GMC and GMCLLC are each a “Borrower” and are, collectively, the “Borrowers”), the Lenders who are parties hereto, and The Bank of New York Mellon as Administrative Agent (the “Administrative Agent”).

RECITALS:

A. The Borrowers, the Administrative Agent and each of the Lenders entered into that certain Amended and Term Loan Agreement dated as of September 30, 2019 (as amended, the “Loan Agreement”; capitalized terms used in this Waiver which are not otherwise defined herein shall have the meaning ascribed to such terms in the Loan Agreement).

B. Pursuant to Section 2.4(c) of the Loan Agreement, on any date that the outstanding principal amount of the Loan is in excess of the then-current Borrowing Base, the Borrowers are required, to make a mandatory payment to the Administrative Agent for the benefit of the Lenders in the amount of such excess (a “Mandatory Borrowing Base Prepayment”).

C. The Borrowers have requested that, effective as the date hereof through the close of business on September 30, 2020 (the “Waiver Period”), the Administrative Agent and the Lenders waive the requirement for the payment of any Mandatory Borrowing Base Prepayment as long as the Borrowing Base percentage does not exceed [\*\*\*] of the Appraised Value of the Eligible Mortgage Servicing Rights (currently, a Mandatory Borrowing Base Prepayment is required if such Borrowing Base percentage is more than [\*\*\*]).

D. Subject to the terms of this Waiver the Administrative Agent and the Lenders are agreeable to the Borrowers’ request.

THEREFORE, In consideration of the covenants, conditions and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, it is agreed as follows:

1. During the Waiver Period, compliance with the provisions of Section 2.4(c) and the requirement for a Mandatory Borrowing Base Prepayment, are hereby waived *so long as* the Borrowing Base, as of any date during the Waiver Period, is not greater than [\*\*\*] of the Appraised Value of the Eligible Mortgage Servicing Rights as of such date, as

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set forth in the Borrowing Base Report most recently delivered to the Administrative Agent pursuant to Loan Agreement as of such date. Accordingly, during the Waiver Period, and solely with respect to the requirements of Section 2.4(c), the percentage in the definition of “Borrowing Base” shall be [\*\*\*].

2. For all other purposes of the Loan Agreement, including for purposes of Section 2.1(e) of the Loan Agreement and the determination of whether the conditions for an advance of the Loan have been satisfied, the definition of “Borrowing Base” shall be unchanged, and for all such other purposes the percentage in such definition shall continue to be [\*\*\*]. Accordingly, at any time that the Borrowing Base exceeds [\*\*\*] of the Appraised Value of the Eligible Mortgage Servicing Rights, the Borrowers shall not be entitled to any advances of the Loan.

3. Notwithstanding anything in the Loan Agreement to the contrary (including, without limitation the provisions of Section 6.11), during the Waiver Period the Borrowers will not, nor will they permit any Subsidiary to, declare or pay any dividends or make any distributions on their capital stock or redeem, repurchase or otherwise acquire or retire any of their capital stock at any time outstanding.

4. In order to induce the Administrative Agent and the Lenders to execute this Waiver, the Borrowers hereby (i) certify that, immediately after giving effect to this Waiver, all representations and warranties contained in the Loan Agreement shall not have materially and adversely changed in such a way that would prevent the giving of such representations and warranties as of the date hereof and, except for the events that are waived herein, that no Default or Event of Default exists under the Loan Agreement, (ii) reaffirm and admit the validity and enforceability of the Loan Documents and their obligations thereunder, and (iii) agree and admit that none of them has a valid defense to or offset against any of its obligations under the Loan Documents as of the date hereof.

5. This Waiver may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute one agreement. It shall not be necessary in making proof of this Waiver to produce or account for more than one counterpart containing the signature of the party to be charged.

6. This Waiver is being delivered in and is intended to be performed in the State of New York and shall be construed and is enforceable in accordance with, and shall be governed by, the internal laws of the State of New York without regard to principles of conflict of laws.

7. This Waiver shall be subject to such conditions and limitations as are specified herein, and the rights of the parties under the Loan Agreement and all other Loan Documents.

*[Remainder of Page is Intentionally Blank]*





IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Waiver No. 1 to the Amended and Restated Term Loan Agreement as of the date first above written.

**GUILD MORTGAGE COMPANY**

*as a Borrower*

By: /s/ Amber Elwell

Print Name: Amber Elwell

Title: CFO

**GUILD MORTGAGE COMPANY, LLC**

*as a Borrower*

By: /s/ Amber Elwell

Print Name: Amber Elwell

Title: CFO

**THE BANK OF NEW YORK**  
*as Administrative Agent and a Lender*

By: /s/ Paul Connolly  
Print Name: Paul Connolly  
Title: Director

**WESTERN ALLIANCE BANK,**  
an Arizona corporation  
(f/k/a) Torrey Pines Bank,  
*as a Lender*

By: /s/ Andrew Schwarz  
Print Name: Andrew Schwarz  
Title: Vice President

**COMERICA BANK,**  
*as a Lender*

By: /s/ Art Shafer  
Print Name: Art Shafer  
Title: SVP

**ZIONS BANCORPORATION, N.A.**  
**F/K/A ZB, N.A.**  
**D/B/A CALIFORNIA BANK & TRUST,**  
*as a Lender*

By: /s/ Jacob Richards  
Jacob Richards  
Senior Vice President

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

## FIRST AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT

Dated as of December 14, 2018

Between:

GUILD MORTGAGE COMPANY, as Seller

and

JPMORGAN CHASE BANK, N.A., as Buyer

### 1. Applicability

From time to time before the Termination Date, the parties hereto (the “**Parties**”) may enter into transactions in which Guild Mortgage Company (“**Seller**”) agrees to transfer to JPMorgan Chase Bank, N.A. (together with its successors and assigns, “**Buyer**”) Mortgage Loans (including their Servicing Rights, defined below) on a servicing released basis against the transfer of funds by Buyer, with a simultaneous agreement by Buyer to transfer to Seller those Mortgage Loans (including their Servicing Rights) on a servicing released basis at a date certain or on demand, against the transfer of funds by Seller. Each such transaction shall be referred to in this Agreement as a “**Transaction**” and shall be governed by this Agreement. Buyer shall have no obligation to enter into any Transaction on or after the Termination Date.

### 2. Definitions; Interpretation

( a ) Definitions. As used in this Agreement and (unless otherwise defined differently therein) in each other Transaction Document, the following terms have these respective meanings.

“**1934 Act**” is defined in Section 28(a).

“**Accounts**” means, collectively, the Cash Pledge Account, the Funding Account and the Operating Account, each of which is a deposit account held at Financial Institution, all interest accrued on, additions to and proceeds of such deposit accounts and all deposits, payment intangibles, financial assets and other obligations of Financial Institution credited to or comprising a part of such deposit accounts, whether they are demand deposit accounts, or certificated or book entry certificates of deposit (whether negotiable or non-negotiable), investment time deposits, savings accounts, money market accounts, transaction accounts, time deposits, negotiable order of withdrawal accounts, share draft accounts and whether they are evidenced or represented by instruments, general intangibles, payment intangibles, chattel paper or otherwise, and all funds held in or represented by any of the foregoing, and any successor accounts howsoever styled or numbered and all deposit accounts established in renewal, extension or increase or decrease of, or replacement or substitution for, any of the foregoing; and all promissory notes, checks, cash, certificates of deposit, passbooks, deposit receipts, instruments, certificates and other records from time to time representing or evidencing the deposit accounts described above and any supporting obligations relating to any of the foregoing property.

“**Act of Insolvency**” means with respect to any Person (a) the commencement by that Person as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar law, or a request by that Person for the appointment of a receiver, trustee, custodian or similar official for that Person or any substantial part of its property; (b) the commencement of any such case or proceeding against that Person, or another’s seeking such appointment, or the filing against that Person of an application for a protective decree that (i) is consented to or not timely contested by that Person, or (ii) results in the entry of an order for relief, such an appointment, the issuance of such a protective decree or the entry of an order having similar effect, or (iii) is not dismissed within [\*\*\*]; (c) the making by that Person of a general assignment for the benefit of creditors; (d) the admission in writing by that Person that it is unable to pay its debts as they become due, or the nonpayment of its debts generally as they become due; or (e) the board of directors, managers, members or partners, as the case may be, of that Person taking any action in furtherance of any of the foregoing.

“**Additional Purchased Mortgage Loans**” means Mortgage Loans provided by Seller to Buyer pursuant to Section 4(a).

“**Adjusted LIBO Rate**” is defined in the Side Letter.

“**Adjusted Tangible Net Worth**” means, with respect to Seller and its Subsidiaries on a consolidated basis on any day, an amount equal to:

(i) the Tangible Net Worth of Seller and its Subsidiaries on a consolidated basis on that day;

plus (ii) the lesser of (x) [\*\*\*] of the Outstanding Principal Balances of all Mortgage Loans for which Seller and its Subsidiaries own the Servicing Rights and (y) the capitalized value of Seller’s and its Subsidiaries’ Servicing Rights on that day;

plus (iii) the then unpaid principal amount of all Qualified Subordinated Debt of Seller and its Subsidiaries;

minus (iv) the book value of Mortgage Loans held by Seller and its Subsidiaries for investment purposes net of their reserves against Mortgage Loan investment losses on that day;

plus (v) the lesser of (x) the amount subtracted pursuant to clause (iv) immediately above and (y) [\*\*\*] of the sum of the Outstanding Principal Balances of Mortgage Loans then held by Seller and its Subsidiaries for investment purposes;

minus (vi) [\*\*\*] of the book value of REO Property held by Seller and its Subsidiaries net of their reserves against REO Property losses on that day;

minus (vii) [\*\*\*] of the book value of other illiquid investments held by Seller and its Subsidiaries net of their reserves against other illiquid investments on that day.

“**Affiliate**” means, as to a specified Person, any other Person (a) that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with the specified Person; (b) that is a director, manager, trustee, general partner or executive officer



of the specified Person or serves in a similar capacity in respect of the specified Person; (c) that, directly or indirectly through one or more intermediaries, is the beneficial owner of [\*\*\*] or more of any class of equity securities of the specified Person or (d) of which the specified Person is directly or indirectly the owner of [\*\*\*] or more of any class of equity securities (or equivalent equity interests). For the purposes of this definition, “control” means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and the terms “controlling”, “controlled by” and “under common control with” have meanings correlative to the meaning of “control”.

“**Aged Loan**” means, on any day, a Purchased Mortgage Loan that is not a Jumbo Loan and whose Purchase Date was more than [\*\*\*] but not more than [\*\*\*] before that day.

“**Agency**” (and, with respect to two or more of the following, “**Agencies**”) means FHA, Fannie Mae, Ginnie Mae, Freddie Mac, RHS or VA.

“**Agency Guidelines**” means those requirements, standards, policies, procedures and other guidance documents governing the Agencies’ respective standards and requirements for their purchase or guaranty of residential mortgage loans, as issued or adopted by the Agencies from time to time.

“**Aggregate Purchase Price**” means, at any time, the sum of the outstanding balances of the Purchase Prices paid by Buyer for all Purchased Mortgage Loans that are subject to outstanding Transactions.

“**Agreement**” means this First Amended and Restated Master Repurchase Agreement (including all supplemental terms and conditions contained in its Exhibits and Schedules and the Side Letter), as supplemented, amended or restated from time to time.

“**Anti-Corruption Laws**” means all laws, rules and regulations of any jurisdiction applicable to Seller or its Subsidiaries from time to time concerning or relating to bribery or corruption.

“**Anti-Money Laundering Laws**” means federal, state and local anti-money laundering laws, orders and regulations, including the USA Patriot Act of 2001, the Bank Secrecy Act, OFAC regulations and applicable Executive Orders.

“**Appraised Value Alternative**” means with respect to (i) refinanced Mortgage Loans underwritten with the use of the Fannie Mae direct underwriting system with respect to which a property inspection waiver has been issued, (ii) Fannie Mae “DU Refi” Mortgage Loans and (iii) Freddie Mac “Open Access” Mortgage Loans, the value entered by Seller into Fannie Mae’s Desktop Underwriter or Freddie Mac’s Loan Prospector system, as applicable. In the case of FHA streamlined Mortgage Loans, “Appraised Value Alternative” means the appraised value reported in the FHA Connection system for the Mortgagor’s previous loan that is being refinanced by the subject Loan.

“**Approved Correspondent**” means a third party Mortgage Loan originator with which Seller currently has a written correspondent loan purchase agreement and that is either (i) an entity listed on Schedule IV, as such schedule is updated from time to time by Buyer, in its sole discretion, with written notice to Seller, or (ii) an entity that is acceptable to Buyer, as indicated by Buyer to Seller in writing, for purposes of determining eligibility for purchases from Seller of Mortgage Loans that such correspondent originates.

“**Approved DU Jumbo Takeout Investor**” means an Approved Takeout Investor that has been specifically approved in writing by Buyer for purchases of DU Jumbo Loans.

“**Approved Jumbo Takeout Investor**” means an Approved Takeout Investor that has been approved in writing by Buyer for purchases of Jumbo Loans.

“**Approved Takeout Investor**” means any of (i) Fannie Mae, Freddie Mac and the other entities listed on Schedule I, as such schedule is updated from time to time by Buyer, in its sole discretion, with written notice to Seller; (ii) CL, or (iii) an entity that is acceptable to Buyer, as indicated by Buyer to Seller in writing; provided that, notwithstanding the foregoing, any entity described in the foregoing clauses (i) through (iii) that fails to perform any of its obligations under its Takeout Agreement shall cease to be an Approved Takeout Investor automatically upon such failure.

“**Assignment of Mortgage**” means an assignment of the Mortgage, notice of transfer or equivalent instrument in recordable form sufficient under the laws of the jurisdiction wherein the related Mortgaged Property is located to effect the transfer of the Mortgage to the party indicated therein.

“**Authorized Signers**” means each of the officers of Seller listed on Schedule II or otherwise designated by the officer of Seller who is Seller’s administrator with respect to Mortgage Finance Online, as such schedule may be updated by Seller from time to time with prior written notice to Buyer.

“**Available Warehouse/MSRs Facilities**” means, as the context requires, (i) the aggregate amount at any time of used and unused available warehouse lines of credit, purchase facilities, repurchase facilities, early purchase or early buyout program facilities, Servicing Rights financing facilities and off-balance sheet funding facilities (whether committed or uncommitted) to finance Mortgage Loans or Servicing Rights available to Seller at such time or (ii) such warehouse lines of credit, purchase facilities, repurchase facilities, early purchase or early buyout program facilities, Servicing Rights financing facilities and off-balance sheet funding facilities themselves.

“**Bailee Letter**” means a bailee letter in the form of Exhibit K or such other form as is satisfactory to Buyer in its sole discretion.

“**Bankruptcy Code**” means Title 11 of the United States Code (11 U.S.C. Section 101 *et seq.*), as amended by the Bankruptcy Reform Act and as further amended from time to time, or any successor statute.

“**Bankruptcy Reform Act**” means the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, effective as of October 17, 2005.

“**Beneficial Ownership Certification**” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“**Beneficial Ownership Regulation**” means 31 CFR § 1010.230.

“**Blanket Bond Required Endorsement**” means endorsement of Seller’s mortgage banker’s blanket bond insurance policy to (i) provide that for any loss affecting Buyer’s interest, Buyer will be named on the loss payable draft as its interest may appear and (ii) provide Buyer access to coverage under the theft of secondary market institution’s money or collateral clause of policy.

“**Business Day**” means a day (other than a Saturday or Sunday) when (i) banks in Dallas, Texas, Houston, Texas and New York, New York are generally open for commercial banking business and (ii) federal funds wire transfers can be made.

“**Cash Earnings**” means [NTD: TO BE INSERTED].

“**Cash Equivalents**” means any of the following: (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within three (3) months or less after the date of the applicable financial statement reporting such amounts; and (b) certificates of deposit, time deposits or Eurodollar time deposits having maturities of three (3) months or less after the date of the applicable financial statement reporting such amounts, or overnight bank deposits, issued by any well-capitalized commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than [\*\*\*] and rated at least A- by S&P or A3 by Moody’s.

“**Cash Pledge Account**” means the blocked Seller’s account (under the sole dominion and control of Buyer) with JPM Chase styled as follows:

Guild Mortgage Company  
Chase Bank Secured Party  
Cash Pledge Account

“**CFPB**” means the Consumer Financial Protection Bureau or any successor.

“**Change in Control**” means either of the following events: (a) the acquisition by any Person, or two or more Persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended) of outstanding shares of voting stock (or equivalent equity interests) of Guarantor at any time if after giving effect to such acquisition such Person or Persons owns [\*\*\*] of such outstanding voting stock (or equivalent equity interest), or (b) Guarantor shall for any reason cease to directly own and control all of the outstanding equity interests of Seller.

“**Change in Law**” means (a) the adoption of a Requirement of Law after the Effective Date of this Agreement, (b) any change in a Requirement of Law or (c) compliance by Buyer (or by any applicable lending office of Buyer) with any Requirement of Law made or issued after the Effective Date of this Agreement; provided that, notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all rules, regulations, guidelines and directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, shall in each case be deemed to be a Change in Law regardless of the date enacted, adopted, issued or implemented.

“**CL**”, when used as a noun, means JPM Chase, operating through its unincorporated division commonly known as its Correspondent Lending group. When CL is used as an adjective modifying a type of Mortgage Loan (other than as part of the adjective phrase “CL Ineligible”), it means that such Mortgage Loan meets CL’s underwriting guidelines and is covered by (or becomes covered by) a Takeout Commitment issued by CL.

“**CL Ineligible**” is an adjective phrase that, when used to modify a type of Mortgage Loan, means that such Mortgage Loan does not meet CL’s underwriting guidelines and accordingly is not eligible for purchase by CL. Item (ggg) on Exhibit B is not applicable to CL Ineligible Loans.

“**Combined Loan-to-Value Ratio**” or “**CLTV**” means, for each Mortgage Loan as of its Purchase Date, a fraction (expressed as a percentage) having as its numerator the sum of (i) the original principal amount of the Mortgage Note plus (ii) the original principal amount of each other Mortgage Loan that is secured by a junior Lien against the related Mortgaged Property, and as its denominator the lesser of (x) the sales price of the related Mortgaged Property and (y) either (as applicable) (1) the appraised value of the related Mortgaged Property indicated in the appraisal obtained in connection with the Origination of such Mortgage Loan if an appraisal is required by the relevant Agency Guidelines or Approved Takeout Investor or (2) the value set forth in the Appraised Value Alternative with respect to those Mortgage Loans for which an appraisal is not required under the relevant Agency Guidelines.

“**Committed Facility Amount**” is defined in the Side Letter.

“**Completed Repurchase Advice**” means with respect to any Purchased Mortgage Loan repurchased, receipt by Buyer of:

(i) funds deposited into the Funding Account in an amount at least equal to (x) the Repurchase Price of such Purchased Mortgage Loan minus (y) any unpaid Price Differential to be paid by Seller on the next Remittance Date, and if a lesser amount is deposited in the Funding Account, confirmation that funds in an amount at least equal to such deficiency are on deposit in the Operating Account and available for withdrawal by Buyer after taking into account all other payments required to be made by Seller from the Operating Account;

(ii) confirmation from the related Approved Takeout Investor (or other purchaser of such

Mortgage Loan) in a form reasonably acceptable to Buyer, that the funds so received in the Funding Account are for the purchase of that Purchased Mortgage Loan; and

(iii) the Loan Purchase Detail for that Purchased Mortgage Loan, to enable Buyer to identify the specific Mortgage Loan to be removed from the list of Purchased Mortgage Loans subject to outstanding Transactions under this Agreement.

**“Compliance Certificate”** means a compliance certificate substantially in the form of Exhibit C, completed, executed by the chief financial officer of Seller and submitted to Buyer.

**“Confirmation”** means a confirmation of Seller’s request to Buyer to enter into a Transaction, substantially in the form of Exhibit A or such other form as Buyer and Seller shall agree to use, completed as required by Section 3(c) and submitted to Buyer as “Step 3: Validate Entry” on the “Warehouse Request” tab of Mortgage Finance Online.

**“Conventional Conforming Loan”** means a Mortgage Loan that conforms to Agency Guidelines. The term Conventional Conforming Loan does not include a Mortgage Loan that is a Government Loan or a Jumbo Loan.

**“Cooperative Corporation”** means with respect to any Cooperative Loan, the cooperative apartment corporation that holds legal title to the related Cooperative Project and grants occupancy rights to units therein to shareholders through Proprietary Leases or similar arrangements.

**“Cooperative Loan”** means a Mortgage Loan that is secured by a Lien on and perfected security interest in Cooperative Shares and the related Proprietary Lease granting exclusive rights to occupy the related Cooperative Unit in the building owned by the related Cooperative Corporation.

**“Cooperative Project”** means, with respect to any Cooperative Loan, all real property and improvements thereto and rights therein and thereto owned by a Cooperative Corporation including the land, separate dwelling units and all common elements, all of which shall be located in any state of the United States or the District of Columbia.

**“Cooperative Shares”** means, with respect to any Cooperative Loan, the shares of stock issued by a Cooperative Corporation and allocated to a Cooperative Unit and represented by a stock certificate.

**“Cooperative Unit”** means, with respect to a Cooperative Loan, a specific unit in a Cooperative Project.

**“Correspondent Loan”** means a Government Loan or a Conventional Conforming Loan (which may be an Investor Loan or a Second Home Loan) originated by an Approved Correspondent and funded with the Approved Correspondent’s own funds or funds provided by its warehouse or working capital lender (and, for the avoidance of doubt, not “table funded” with funds provided by Seller or an Affiliate of Seller).

**“Credit File”** means, with respect to a Mortgage Loan, all of the paper and documents

required to be maintained pursuant to the related Takeout Commitment or the related Hedging Arrangement, as applicable, and all other papers and records of whatever kind or description, whether developed or created by Seller or others, required to Originate, document or service the Mortgage Loan.

“**Debt**” means, with respect to any Person, on any day (a) all indebtedness or other obligations of such Person (and, if applicable, that Person’s Subsidiaries, on a consolidated basis) that, in accordance with GAAP, should be included in determining total liabilities as shown on the liabilities side of a balance sheet of such Person at such date, and (b) all indebtedness or other obligations of such Person (and, if applicable, that Person’s Subsidiaries, on a consolidated basis) for borrowed money or for the deferred purchase price of property or services; provided that, for purposes of this Agreement, there shall be excluded from Debt on any day loan loss reserves, deferred taxes arising from capitalized excess service fees, operating leases and Qualified Subordinated Debt.

“**Default**” means any condition or event that, with the giving of notice or lapse of time or both, would constitute an Event of Default.

“**Defaulted Loan**” means a Mortgage Loan (i) as to which any principal or interest payment, escrow payment or part thereof, remains unpaid for [\*\*\*] or more from the original due date for such payment (whether or not Seller has allowed any grace period or extended the due date thereof by any means), (ii) as to which another material default has occurred and is continuing, (iii) as to which foreclosure proceedings have commenced, (iv) as to which an Act of Insolvency has occurred with respect to its Mortgagor or any cosigner, guarantor, endorser, surety, assumpor or grantor, or (iv) that, consistent with Seller’s collection policies, has been or should be written off as uncollectible in whole or in part.

“**Defective Mortgage Loan**” means (i) a Mortgage Loan that is not an Eligible Mortgage Loan or (ii) a Purchased Mortgage Loan in which Buyer does not have a valid and perfected first priority security interest or that is not free and clear of any other Lien.

“**Dividing Person**” is defined in the definition of “Division”.

“**Division**” means the division of the assets, liabilities and/or obligations of a Person (the “**Dividing Person**”) among two or more Persons (whether pursuant to a “plan of division” or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

“**Division Successor**” means any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person that retains any of its assets, liabilities and obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

“**DU**” is an adjective that, when used to modify a type of Mortgage Loan, means that authority to underwrite, process and approve such Mortgage Loan type has been delegated to Seller by an Agency or other related Approved Takeout Investor.

“**Early Repurchase Date**” is defined in Section 3(l).

“**Electronic Agent**” is defined in the definition of “Electronic Tracking Agreement”.

“**Electronic Signature**” means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record.

“**Electronic Tracking Agreement**” means the Electronic Tracking Agreement dated on or about the date hereof by and among Buyer, Seller, MERS and MERSCORP Holdings, Inc. (the “**Electronic Agent**”), as supplemented, amended or restated from time to time.

“**Eligible Mortgage Loan**” means, on any date of determination, a Mortgage Loan:

- (i) for which each of the applicable representations and warranties set forth on Exhibit B is true and correct as of such date of determination;
- (ii) that is either a Conventional Conforming Loan, a State Bond Loan, a Government Loan, or a Jumbo Loan;
- (iii) if a Correspondent Loan, whose Origination Date was no more than [\*\*\*] before the Purchase Date for the initial Transaction in which that Mortgage Loan was purchased by Buyer;
- (iv) if not a Correspondent Loan, whose Origination Date was no more than [\*\*\*] before the Purchase Date for the initial Transaction in which that Mortgage Loan was purchased by Buyer;
- (v) whose Origination Date was no more than [\*\*\*] before the Purchase Date for the initial Transaction in which that Mortgage Loan was purchased by Buyer;
- (vi) that is eligible for sale to an Approved Takeout Investor under its Takeout Guidelines;
- (vii) that has a scheduled Repurchase Date not later than the following number of days after the Purchase Date for the initial Transaction to which that Mortgage Loan was subject:

<b>Type of Mortgage Loan</b>	<b>Number of days</b>
Aged Loan	[***]
Conventional Conforming Loan	[***]
Government Loan	[***]
Jumbo Loan	[***]
State Bond Loan	[***]

(viii) that does not have a Combined Loan-to-Value Ratio in excess of (i) [\*\*\*] in the case of a Conventional Conforming Loan or a Government Loan other than an RHS Loan, (ii) [\*\*\*] in the case of an RHS Loan or (iii) in the case of a Jumbo Loan, the applicable

maximum CLTV specified on Schedule III) (or, in each case, such other percentage determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) and, if its Loan-to-Value Ratio is in excess of [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time), it has private mortgage insurance in an amount required by the applicable Agency Guidelines, unless pursuant to Agency Guidelines in existence at the time such Mortgage Loan was originated, private mortgage insurance is not required for such Mortgage Loan;

(ix) whose Mortgagor has a FICO Score of at least [\*\*\*] (or such other minimum FICO Score as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time);

(x) for which, if not a Wet Loan, a complete Loan File has been delivered to Buyer on or before its Purchase Date;

(xi) for which, if a Wet Loan:

(A) on or before its Purchase Date, a written fraud detection report acceptable to Buyer in its sole discretion has been delivered to Buyer;

(B) if requested by Buyer, all applicable items listed in clauses (i) through (x) of the definition of Loan File have been delivered to Buyer on or before its Purchase Date;

(C) and if it is also a Jumbo Loan, the applicable items listed in clauses (xxv) and (xxvi) of this definition of Eligible Mortgage Loan have been delivered to Buyer on or before its Purchase Date; and

(D) at or before its Wet Funding Deadline, a complete Loan File has been delivered to Buyer;

(xii) that, if a Wet Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all other Wet Loans that are then subject to Transactions, is less than or equal to (i) [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount on any day that is one of the [\*\*\*] or the [\*\*\*] of any calendar month or (ii) [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount on any other day;

(xiii) that, if subject to a Takeout Commitment, (a) is not subject to a Takeout Agreement that has expired or been terminated or cancelled by the Approved Takeout Investor or with respect to which Seller is in default, (b) has not been rejected or excluded for any reason (other than default by Buyer) from the related Takeout Commitment by the Approved Takeout Investor;



(xiv) that, if subject to a Hedging Arrangement, is not subject to a Hedging Arrangement that has expired or been cancelled by the Hedging Arrangement counterparty or with respect to which Seller is in default or a termination event has occurred;

(xv) that, if a Jumbo Loan, evidence satisfactory to Buyer in its sole discretion that it is covered by a valid and binding Takeout Commitment issued by CL or by a best efforts takeout commitment issued by another Approved Takeout Investor approved by Buyer for the purchase of OATI Jumbo Loans, which may include a copy of the related Takeout Agreement and such other documents as may be required by Buyer in its sole discretion (Jumbo Loans covered by a mandatory Takeout Commitment issued by an investor other than CL or by Hedging Arrangements only are ineligible for purchase);

(xvi) that, if a Jumbo Loan, its Purchase Price, when added to the sum of the Purchase Prices of all other Jumbo Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(xvii) that, if a Non-CL Jumbo Loan, its Purchase Price, when added to the sum of the Purchase Prices of all other Non-CL Jumbo Loans that are then subject to Transactions, is less than or equal to [\*\*\*] of the Facility Amount (or such other amount or percentage of the Facility Amount as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time);

(xviii) that, if an MO Jumbo Loan, its Purchase Price, when added to the sum of the Purchase Prices of all other MO Jumbo Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other amount or percentage of the Facility Amount as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time);

(xix) that, if an RHS Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all other RHS Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(xx) that, if a CL Ineligible Loan, its Purchase Price, when added to the sum of the Purchase Prices of all other CL Ineligible Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(xxi) that, if an Investor Loan or a Second Home Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all Investor Loans and Second Home Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(xxii) that, if a Correspondent Loan, its Purchase Price, when added to the sum of the Purchase Prices of all Correspondent Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(xxiii) that, if a Manufactured Housing Loan, its Purchase Price, when added to the sum of the Purchase Prices of all other Aged Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(xxiv) that, if an Aged Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all other Aged Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to any Seller from time to time) of the Facility Amount;

(xxv) intentionally deleted;

(xxvi) that, if a Nondelegated Jumbo Loan, evidence satisfactory to Buyer, in its sole discretion, has been provided to Buyer of its underwriting approval by an Approved Takeout Investor approved by Buyer for the purchase of Jumbo Loans;

(xxvii) if and to the extent that Buyer elects by notice to Seller to review and approve them, for which Buyer has approved the underwriting, the Takeout Commitment and other related information;

(xxviii) that is not a Mortgage Loan that Seller has failed to repurchase when required by the terms of this Agreement;

(xxix) for which the related Mortgage Note has not been out of the possession of Buyer pursuant to a Trust Release Letter for more than [\*\*\*] after the date of that Trust Release Letter;

(xxx) for which neither the related Mortgage Note nor the Mortgage has been out of the possession of Buyer pursuant to a Bailee Letter for more than the number of days specified in such Bailee Letter; and

(xxxi) that is not a Defaulted Loan.

“ERISA” means the Employee Retirement Income Security Act of 1974, all rules and regulations promulgated thereunder and any successor statute, rules and regulations, as amended from time to time.

“Event of Default” is defined in Section 12.

“Excess Liquidity” means for any calendar quarter, the amount of Liquidity that exceeds

[\*\*\*] of actual total assets (excluding any restricted cash or cash pledged to Persons other than Buyer) as of the end of such quarter.

“**Facility Amount**” is defined in the Side Letter.

“**Fannie Mae**” means the Federal National Mortgage Association or any successor.

“**FDIA**” means the Federal Deposit Insurance Act, as amended from time to time.

“**FDIC**” means the Federal Deposit Insurance Corporation or any successor.

“**FDICIA**” means the Federal Deposit Insurance Corporation Improvement Act of 1991, as amended from time to time.

“**FHA**” means the Federal Housing Administration, a subdivision of HUD, or any successor. The term “FHA” is used interchangeably in this Agreement with the term “HUD”.

“**FICO Score**” means, with respect to any Mortgagor, the statistical credit score prepared by Fair Isaac Corporation, Experian Information Solutions, Inc., TransUnion LLC or such other Person as may be approved in writing by Buyer in its sole discretion.

“**Financial Institution**” means JPM Chase in its capacity of the bank at which the Accounts are held.

“**Flood Laws**” is defined in the definition of “Requirement(s) of Law”.

“**Foreign Buyer**” is defined in Section 11(f)(ii).

“**Freddie Mac**” means the Federal Home Loan Mortgage Corporation or any successor.

“**FTC Act**” is defined in the definition of “Requirement(s) of Law”.

“**Funding Account**” means the blocked Seller’s account (under the sole dominion and control of Buyer) with JPM Chase styled as follows:

Guild Mortgage Company  
Chase Bank Secured Party  
Funding Account

“**Funding Request**” is defined in Section 3(b).

“**GAAP**” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and the statements and pronouncements of the Financial Accounting Standards Board.

“**Ginnie Mae**” means the Government National Mortgage Association or any successor.

“**GLB Act**” means the Gramm-Leach-Bliley Act of 1999 (Public Law 106-102, 113 Stat

1338), as it may be amended from time to time.

**“Government Loan”** means a Mortgage Loan that is insured by the FHA or guaranteed by the Department of Veterans Affairs or RHS. The term “Government Loan” does not include any Mortgage Loan that is a Conventional Conforming Loan or a Jumbo Loan.

**“Governmental Authority”** means and includes the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, any governmental or quasi-governmental department, commission, board, bureau or instrumentality, any court, tribunal or arbitration panel, and, with respect to any Person, any private body having regulatory jurisdiction over any Person or its business or assets (including any insurance company or underwriter through whom that Person has obtained insurance coverage).

**“Guarantor”** means each of Guild Mortgage Company LLC and any Person who hereafter executes a guaranty to support the obligations of Seller under this Agreement and the other Transaction Documents.

**“Guaranty”** means a guaranty dated the date hereof, executed by Guild Mortgage Company LLC in favor of Buyer, and any other guaranty executed and delivered to Buyer by a Guarantor, in each case, as the same may be supplemented, amended or restated from time to time.

**“Hedging Arrangement”** means any forward sales contract, forward trade contract, interest rate swap agreement, interest rate cap agreement or other contract pursuant to which Seller has protected itself from the consequences of a loss in the value of a Mortgage Loan or its portfolio of Mortgage Loans because of changes in interest rates or in the market value of mortgage loan assets.

**“HUD”** means the U.S. Department of Housing and Urban Development or any successor department or agency. The term “HUD” is used interchangeably in this Agreement with the term “FHA”.

**“Impound Collection Account”** means the deposit account designated as an escrow or agency account held or to be established with JPM Chase, styled as follows:

Guild Mortgage Company,  
For the Benefit of JPMorgan Chase Bank, N.A.  
PITI Hold Account

**“Income”** means, with respect to any Purchased Mortgage Loan, (i) all payments of principal, payments of interest, proceeds of Takeout Commitments, proceeds of Hedging Arrangements, cash collections, dividends, sale or insurance proceeds and other cash proceeds received relating to the Purchased Mortgage Loan and other Mortgage Assets, (ii) any other payments or proceeds received in relation to the Purchased Mortgage Loan and other Mortgage

Assets (including any liquidation or foreclosure proceeds with respect to the Purchased Mortgage Loan and payments under any guarantees or other contracts relating to the Purchased Mortgage Loan) and (iii) all other “proceeds” as defined in Section 9-102(64) of the UCC; provided that Income does not include any escrow withholds or escrow payments for Property Charges.

“**Income Collection Account**” means the blocked Seller’s account (under the sole dominion and control of Buyer) with JPM Chase styled as follows:

Guild Mortgage Company  
Chase Bank Secured Party  
Income Collection Account

“**Indemnified Party**” is defined in Section 16(b).

“**Insured Closing Letter**” means a letter of indemnification from a title insurer addressed to Seller and/or Buyer, with coverage that is customarily acceptable to Persons engaged in the Origination of mortgage loans, identifying the Settlement Agent covered thereby and indemnifying Seller and/or Buyer against losses incurred due to malfeasance or fraud by the Settlement Agent or the failure of the Settlement Agent to follow the specific closing instructions specified by Buyer in the escrow letter with respect to the closing of the Mortgage Loan. The Insured Closing Letter shall be either with respect to the individual Mortgage Loan being purchased pursuant hereto or a blanket Insured Closing Letter which covers closings conducted the Settlement Agent in the jurisdiction in which the closing of such Mortgage Loan takes place.

“**Interim Servicing Term**” is defined in Section 13(a).

“**Investor Loan**” means a Conventional Conforming Loan secured by a single family residence that is not occupied by the Mortgagor and that conforms to all CL mortgage loan guidelines, which has been underwritten by the Approved Takeout Investor who issued a Takeout Commitment that covers it and whose underwriting, Takeout Commitment, appraisal and all related documentation that Buyer elects to review are approved by Buyer.

“**IRC**” means the Internal Revenue Code of 1986, as amended from time to time and any successor statute.

“**IRS**” means the United States Internal Revenue Service.

“**JPM Chase**” means JPMorgan Chase Bank, N.A., a national banking association, in its individual capacity, and its successors and assigns.

“**Jumbo Loan**” means a Mortgage Loan that conforms to (i) all of the Agency Guidelines’ requirements for a Conventional Conforming Loan except that its original principal amount exceeds the maximum allowed by Agency Guidelines and (ii) the maximum CLTV and minimum FICO Score criteria specified on **Schedule III**.

“**Last Endorsee**” means with respect to each Mortgage Loan, the last Person to whom such Mortgage Loan was assigned or the related Mortgage Note was endorsed, as applicable.

“**Leverage Ratio**” means the ratio of a Person’s Debt (including off balance sheet financings) to its Adjusted Tangible Net Worth.

“**Lien**” means any security interest, mortgage, deed of trust, charge, pledge, hypothecation, assignment as security for an obligation, deposit arrangement as security for an obligation, equity, encumbrance, lien (statutory or other), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including any conditional sale or other title retention arrangement, any financing lease arrangement having substantially the same economic effect as any of the foregoing and the security interest evidenced or given notice of by the filing of any financing statement under the UCC (other than any such financing statement filed for informational purposes only) or comparable law of any jurisdiction.

“**Liquidity**” means, at any time, (i) Seller’s unencumbered and unrestricted cash and Cash Equivalents (including the balance on deposit in the Cash Pledge Account, but excluding any restricted cash or cash pledged to third parties) at such time, plus (ii) with respect to any Purchased Mortgage Loans then subject to outstanding Transactions, the excess, if any, of (x) the sum of the maximum Purchase Prices available to Seller for such Purchased Mortgage Loans pursuant to the terms hereof over (y) the Aggregate Purchase Price at such time, plus (iii) with respect to Mortgage Loans sold or pledged by Seller to any other institutional mortgage warehouse repurchase counterparty or lender, the excess, if any, of the maximum purchase price or loan advance available to Seller pursuant to the terms of the related repurchase or loan agreement over the aggregate purchase price or collateral value of such Mortgage Loans at such time.

“**Litigation**” means, as to any Person, any material action, lawsuit, investigation, claim, proceeding, judgment, order, decree or resolution pending or threatened against or affecting such Person or the business, operations, properties or assets of such Person before, or by, any Governmental Authority.

“**Loan File**” means, with respect to each Mortgage Loan, the following documents:

- (i) if a Government Loan, a valid eligibility certification from VA, FHA or RHS, as applicable;
- (ii) evidence satisfactory to Buyer, in its sole discretion, that such Mortgage Loan is subject to a valid and effective Hedging Arrangement or to a valid and binding Takeout Commitment, which may include a copy of the related Takeout Agreement and such other documents as may be required by Buyer in its sole discretion;
- (iii) if requested by Buyer, a copy of (1) the DU/DO/LP approval cover page or, (2) a copy of the related CHL Correspondent Channel Approval Memorandum for any Purchased Mortgage Loan to be sold to CL or of the related underwriting approval from the Approved Takeout Investor if other than CL or, (3) for a Second Home Loan, a copy of the related valid eligibility certificate issued by an Agency or, (4) for an RHS Loan, a copy of the related Conditional Commitment for Single Family Housing Loan Guarantee 1980-18 and (5) such other documents establishing the eligibility for purchase by the related Approved Takeout

Investor as Buyer may reasonably require and specify in a written notice given to Seller from time to time;

(iv) the original Mortgage Note, endorsed in blank without recourse by its Last Endorsee, together with all intervening endorsements showing an unbroken chain of endorsement from the originator of such Mortgage Loan to the Last Endorsee, or, if the original has been lost, a lost note affidavit in form and substance reasonably acceptable to Buyer and executed by the Last Endorsee;

(v) evidence satisfactory to Buyer that such Mortgage Loan is a MERS Designated Mortgage Loan, and if such Mortgage Loan (x) was a MOM Loan at Origination, a copy of the original Mortgage having on its face both such Mortgage's MIN and language indicating that the Mortgage Loan is a MOM Loan or (y) was not a MOM Loan at Origination, the original or a copy of (i) the Mortgage, (ii) its MIN and (iii) its assignment to MERS and the originals or copies of all intervening assignments;

(vi) if requested by Buyer and to the extent that Seller has such information, the recording information for the related Mortgage and for any such assignment of such Mortgage;

(vii) the originals or copies of all assumption, modification, consolidation, substitution and extension agreements, if any;

(viii) the originals or copies of all guarantees, security agreements or other supporting agreements, if any, received with respect to, or supporting repayment of, such Purchased Mortgage Loan;

(ix) the original or a copy of the policy of lender's title insurance described in item (p) of Exhibit B or of a commitment to issue such title insurance;

(x) if, at any point in the future, (i) Buyer determines that the Truth in Lending Act of 1968, as amended, requires Buyer, as a buyer under a residential mortgage warehousing repurchase facility, to give notice letters to Mortgagors setting forth the information regarding Buyer as a "new creditor" and the other information specified in Section 404 of The Helping Families Save Their Homes Act of 2009, as amended, and (ii) Buyer gives at least ten (10) Business Days' written notice to Seller of Buyer's election that, on a going forward basis, Seller will be responsible for giving such notice letters (it being understood and agreed that unless and until Buyer gives such notice to Seller, Buyer, and not Seller, will be responsible for giving any such notice letters to Mortgagors and such notice letters will not be included in the Loan Files), unless Buyer has subsequently given Seller another written notice that such notice letters are no longer required, the Loan File shall include a notice letter (x) in form and substance reasonably acceptable to Buyer, delivered by Seller on behalf of Buyer to the related Mortgagor, setting forth that information and (y) acknowledged in writing by such Mortgagor;

(xi) if a Cooperative Loan:

(A) the original Cooperative Shares with original Stock Power with a signature guarantee in form and substance satisfactory to Buyer;

(B) a copy of the Proprietary Lease;

(C) a copy of the Recognition Agreement; and

(D) an acknowledgement copy of the UCC-1 financing statement filed in connection with the Mortgage related thereto; and

(xii) such additional documents, if any, as shall be required by Buyer in its sole discretion from time to time by written notice to Seller.

“**Loan Level Representation**” is defined in Section 12(a)(iii).

“**Loan Purchase Detail**” means a data tape or schedule of information prepared and transmitted electronically by Seller to Buyer in the format and with such fields of information set forth in Exhibit I regarding the Purchased Mortgage Loans, as such required format or information fields may be changed from time to time by Buyer with prior written notice to Seller.

“**Loan-to-Value Ratio**” or “**LTV**” means, for each Mortgage Loan as of the related Purchase Date, a fraction (expressed as a percentage) having as its numerator the original principal amount of the Mortgage Note and as its denominator the lesser of (x) the sales price of the related Mortgaged Property and (y) either (1) the appraised value of the related Mortgaged Property indicated in the appraisal obtained in connection with the Origination of such Mortgage Loan if an appraisal is required by the relevant Agency Guidelines or Takeout Investor or (2) the value set forth in the Appraised Value Alternative with respect to those Mortgage Loans for which an appraisal is not required under the relevant Agency Guidelines.

“**Manufactured Home**” means a single-family home constructed at a factory and shipped in one or more sections to a housing site.

“**Manufactured Housing Loan**” means a Conventional Conforming Loan or a Government Loan, the Mortgage Property securing which is a Manufactured Home and whose underwriting, Takeout Commitment (if any), appraisal and all related documentation comply with applicable Agency Guidelines and the applicable representations in Exhibit B.

“**Margin Amount**” means at any time with respect to any Purchased Mortgage Loan, the amount equal to (a) the applicable Margin Percentage for that Purchased Mortgage Loan at that time multiplied by (b) the Market Value of that Purchased Mortgage Loan at that time.

“**Margin Deficit**” is defined in Section 4(a).

“**Margin Percentage**” is defined in the Side Letter.

“**Margin Stock**” has the meaning assigned to that term in Regulation U of the Board of Governors of the Federal Reserve System as in effect from time to time.



“**Marginable Assets**” means the sum of the balance sheet values of (i) all of Guarantor’s and its consolidated Subsidiaries’ assets that are subject to financing or other arrangements that allow the counterparty to make margin calls or demand if such assets decline in value, including Mortgage Loans held for sale, Servicing Rights (to the extent actually financed, excluding Servicing Rights to Purchased Mortgage Loans) and (ii) interest rate lock commitments and other financial derivative instruments (net of derivative liabilities).]

“**Market Value**” means, at any time with respect to any Purchased Mortgage Loan, its fair market value at such time as determined by Buyer in its sole discretion.

“**Material Adverse Effect**” means any (i) material adverse effect upon the validity, performance or enforceability of any Transaction Document, (ii) material adverse effect on the reputation, properties, business, condition or prospects, financial or otherwise, of Seller (and its Subsidiaries, on a consolidated basis) or any Guarantor, (iii) material adverse effect upon the ability of Seller to fulfill its obligations under this Agreement or the ability of any Guarantor to fulfill its obligations under its Guaranty, or (iv) material adverse effect on the value or salability of the Purchased Mortgage Loans subject to this Agreement, taken as a whole, as determined in each case by Buyer in Buyer’s sole discretion.

“**Materially False Representation**” is defined in Section 12(a)(iii).

“**MERS**” means Mortgage Electronic Registration Systems, Inc. and its successors and assigns.

“**MERS Designated Mortgage Loan**” means a Mortgage Loan that satisfies the definition of the term “MERS Designated Mortgage Loan” contained in the Electronic Tracking Agreement.

“**MERS® System**” has the meaning given that term in the Electronic Tracking Agreement.

“**MIN**” means the eighteen digit MERS Identification Number permanently assigned to each MERS Designated Mortgage Loan.

“**MO Jumbo Loan**” means a Jumbo Loan that is covered by a valid and binding Takeout Commitment issued by Mutual of Omaha Bank and conforms to Mutual of Omaha Bank’s interest-only Jumbo Loan or high-LTV Jumbo Loan program underwriting guidelines.

“**MOM Loan**” means a MERS Designated Mortgage Loan that was registered on the MERS® System at the time of its Origination and for which MERS appears as the record mortgagee or beneficiary on the related Mortgage.

“**Moody’s**” means Moody’s Investors Service and any successor.

“**Mortgage**” means a mortgage, deed of trust or other security instrument creating a Lien on Mortgaged Property.

“**Mortgage Assets**” is defined in Section 6(a).

“**Mortgage Finance Online**” means the website maintained by Buyer and used by Seller and Buyer to administer the Transactions, the notices and reporting requirements contemplated by the Transaction Documents and other related arrangements.

“**Mortgage Loan**” means a whole mortgage loan or Cooperative Loan that is secured by a Mortgage on residential real estate, and includes all of its Servicing Rights.

“**Mortgage Loan Documents**” means the Mortgage Note, the Mortgage (or, for Co-op Loans, the Proprietary Lease, the Stock Certificate and the Recognition Agreement) and all other documents evidencing, securing, guaranteeing or otherwise related to a Mortgage Loan.

“**Mortgage Note**” means the original executed promissory note or other primary evidence of indebtedness of a Mortgagor on a Mortgage Loan.

“**Mortgage Property**” means the residential real estate securing the Mortgage Note, that shall be either (i) in the case of a Mortgage Loan that is not a Cooperative Loan, a fee simple estate in the real property located in any state of the United States (including all buildings, improvements and fixtures thereon and all additions, alterations and replacements made at any time with respect to the foregoing) purchased with the proceeds of the Mortgage Loan or (ii) in the case of a Cooperative Loan, the Proprietary Lease and related Cooperative Shares.

“**Mortgagor**” means the obligor on a Mortgage Note or the grantor or mortgagor on a Mortgage, as the context requires.

“**MWF Web**” means the website maintained by Buyer and used by Seller and Buyer to administer the Transactions, the notices and reporting requirements contemplated by the Transaction Documents and other related arrangements.

“**Non-CL Jumbo Loan**” means a Jumbo Loan that is covered by a best efforts Takeout Commitment issued by an Approved Takeout Investor (other than CL) that has been approved by Buyer for the purchase of Jumbo Loans.

“**Nondelegated**” is an adjective that, when used to modify a type of Mortgage Loan, means that authority to underwrite, process and approve such Mortgage Loan type has not been delegated to Seller by an Agency or other related Approved Takeout Investor.

“**OFAC**” means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

“**Officer’s Certificate**” means a certificate signed by a Responsible Officer of Seller and delivered to Buyer.

“**Operating Account**” means the blocked Seller’s account (under the sole dominion and control of Buyer) with JPM Chase styled as follows:

Guild Mortgage Company  
Chase Bank Secured Party  
Operating Account

“**Originate**” or “**Origination**” means a Person’s actions in taking an application for, underwriting or closing a Mortgage Loan.

“**Origination Date**” means the date of the Mortgage Note and the related Mortgage.

“**Outstanding Principal Balance**” of a Mortgage Loan means, at any time, the then unpaid outstanding principal balance of such Mortgage Loan.

“**Party**” means each of Buyer and Seller.

“**Permitted Dividend**” means (a) as to any taxable period of Seller for which Seller, if a corporation, makes an S corporation election, or if a multi-member limited liability company or a partnership, does not make an election with the Internal Revenue Service to be treated as a corporation, an annual or quarterly distribution necessary to enable each shareholder, partner or member, as applicable, of Seller to pay federal or state income taxes attributable to such shareholder, partner or member resulting solely from the allocated share of income of Seller for such period (“**Permitted Tax Distributions**”) and (b) a regular cash dividend declared by Seller and paid to its shareholders, partners or members, as applicable, provided that such regular cash dividends do not exceed, in the aggregate, during any twelve month period, [\*\*\*] of (x) the net income of Seller and its Subsidiaries on a consolidated basis (y) excluding fair value adjustments related to mortgage servicing rights, for the same twelve month period, without duplication, of Permitted Tax Distributions (as calculated on its annual statement of income) paid or to be paid in respect of a taxable period that includes all or part of such twelve month period.

“**Permitted Tax Distributions**” is defined in the definition of “Permitted Dividend”.

“**Person**” means an individual, partnership, corporation (including a business trust), joint-stock company, limited liability company, trust, unincorporated association, joint venture, any Governmental Authority or other entity.

“**Plans**” is defined in Section 10(a)(xviii).

“**Post-Origination Period**” means the period of time between a Mortgage Loan’s Origination Date and its Repurchase Date.

“**Price Differential**” means:

(i) with respect to any Purchased Mortgage Loan and for each month (or portion thereof) during which it is subject to an outstanding Transaction, the sum of the results of the following calculation for each day during that month (or portion thereof): the Pricing Rate for that Purchased Mortgage Loan on such day multiplied by the outstanding Purchase Price for that Purchased Mortgage Loan on such day divided by 360; and

(ii) with respect to any Transaction hereunder, for each month (or portion thereof) during which that Transaction is outstanding, the sum of the results of the following calculation for each day during that month (or portion thereof): the weighted average of the applicable Pricing Rates for all Purchased Mortgage Loans subject to that Transaction on such day multiplied by the sum

of the outstanding Purchase Prices for all Purchased Mortgage Loans subject to that Transaction on such day divided by 360.

“**Pricing Rate**” means, for any Purchased Mortgage Loan or Transaction, the per annum percentage rate (or rates) to be applied to determine the Price Differential, which rate (or rates) shall be determined in accordance with the Side Letter.

“**Prime Rate**” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by Buyer) or any similar release by the Federal Reserve Board (as determined by Buyer). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“**Prior MRA**” means the Master Repurchase Agreement dated October 23, 2009 between Seller and Buyer, as amended.

“**Privacy Requirements**” means (a) Title V of the GLB Act, (b) any applicable federal regulations implementing such act codified at 12 CFR Parts 40, 216, 332 and 573, (c) any of the Interagency Guidelines Establishing Standards For Safeguarding Customer Information codified at 12 CFR Parts 30, 168, 170, 208, 211, 225, 263, 308 and 364 that are applicable and (d) any other applicable federal, state and local laws, rules, regulations and orders relating to the privacy and security of Seller’s Customer Information, as such statutes and such regulations, guidelines, laws, rules and orders (the “**Safeguards Rules**”) may be amended from time to time.

“**Property Charges**” means all taxes, fees, assessments, water, sewer and municipal charges (general or special) and all insurance premiums, leasehold payments or ground rents.

“**Proprietary Lease**” means the lease on a Cooperative Unit evidencing the possessory interest of the owner of the Cooperative Shares in such Cooperative Unit.

“**Purchase Date**” means the date with respect to each Transaction on which the Mortgage Loans subject to such Transaction are transferred by Seller to Buyer hereunder.

“**Purchase Price**” is defined in the Side Letter.

“**Purchased Mortgage Loans**” means, with respect to any Transaction, the Mortgage Loans sold by Seller to Buyer in such Transaction (each of which sales shall be on a servicing released basis), including any Additional Purchased Mortgage Loans delivered pursuant to Section 4(a) and excluding any Purchased Mortgage Loans repurchased by Seller or otherwise specifically transferred back to Seller. Except where the context requires otherwise, the term refers to all Purchased Mortgage Loans under all outstanding Transactions.

“**Qualified Subordinated Debt**” means, with respect to any Person, all unsecured Debt of such Person, for borrowed money, that is, by its terms or by the terms of a subordination agreement (which terms shall have been approved by Buyer), in form and substance satisfactory

to Buyer, effectively subordinated in right of payment to all other present and future obligations and all indebtedness of such Person, of every kind and character, owed to Buyer and which terms or subordination agreement, as applicable, include, among other things, standstill and blockage provisions approved by Buyer, restrictions on amendments without the consent of Buyer, non-petition provisions and maturity date or dates for any principal thereof at least 395 days after the date hereof.

“**Recognition Agreement**” means, with respect to a Cooperative Loan, an agreement among a Cooperative Corporation, a lender and a Mortgagor whereby such parties (i) acknowledge that such lender may make, or intends to make, such Cooperative Loan and (ii) make certain agreements with respect to such Cooperative Loan.

“**Remittance Date**” means the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“**REO Property**” means Mortgaged Property acquired by Seller through foreclosure or deed in lieu of foreclosure.

“**Repurchase Date**” means, with respect to each Transaction, the date on which Seller is required to repurchase (or the earlier date, if any, on which Seller electively repurchases) from Buyer the Purchased Mortgage Loans that are subject to that Transaction. The Repurchase Date shall occur (i) for Transactions terminable on a date certain, on the date specified in the Confirmation, (ii) for Transactions terminable on demand, the earlier to occur of (a) the date specified in Buyer’s demand or (b) the date specified in the Confirmation on which Seller is required to repurchase the Purchased Mortgage Loans if no demand is sooner made and (iii) for repurchases of Defective Mortgage Loans under Section 3(k), the Early Repurchase Date; provided that in any case, the Repurchase Date with respect to each Transaction shall occur no later than the earlier of (1) the Termination Date and (2) (i) for each Jumbo Loan, [\*\*\*] after its Purchase Date, (ii) for each Aged Loan, [\*\*\*] after its Purchase Date or (iii) for each other type of Purchased Mortgage Loan, [\*\*\*] after its Purchase Date.

“**Repurchase Price**” means, for each Purchased Mortgage Loan on any day, the price for which such Purchased Mortgage Loan is to be resold by Buyer to Seller upon termination of the Transaction in which Buyer purchased it (including a Transaction terminable on demand), which is (x) its Purchase Price minus (y) the sum of all cash, if any, theretofore paid by Seller into the Operating Account to cure the portion of any Margin Deficit that Buyer, using any reasonable method of allocation, attributes to such Purchased Mortgage Loan plus (z) its accrued and unpaid Price Differential on that day; provided that such accrued Price Differential may be paid on a day other than the Repurchase Date in accordance with the terms of this Agreement.

“**Required Amount**” is defined in Section 5(b).

“**Requirement(s) of Law**” means any law, treaty, ordinance, decree, requirement, order, judgment, rule, regulation or licensing requirement (or interpretation of any of the foregoing) of any Governmental Authority having jurisdiction over Buyer, Seller, any Guarantor, any Approved Takeout Investor or any Person with whom any Hedging Arrangement is maintained,

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any of their respective Subsidiaries or their respective properties or any agreement by which any of them is bound, as the same may be supplemented, amended, recodified or replaced from time to time, including:

- Equal Credit Opportunity Act and Regulation B promulgated thereunder;
- Fair Housing Act;
- Gramm-Leach-Bliley Act and Regulation P promulgated thereunder;
- Fair Credit Reporting Act and Regulation V promulgated thereunder;
- Home Mortgage Disclosure Act and Regulation C promulgated thereunder;
- Federal Unfair, Deceptive, or Abusive Acts or Practices laws (including Section 5 of the Federal Trade Commission Act (the “**FTC Act**”));
- Truth In Lending Act and Regulation Z promulgated thereunder;
- Qualified Mortgage/Ability to Repay Rule;
- Real Estate Settlement Procedures Act and Regulation X promulgated thereunder;
- Home Ownership and Equity Protection Act and applicable portions of Regulation Z promulgated thereunder;
- Electronic Fund Transfer Act and Regulation E promulgated thereunder;
- National Flood Insurance Act, Flood Disaster Protection Act of 1973, National Flood Insurance Reform Act of 1994, Biggert-Waters Flood Insurance Act of 2012, Homeowner Flood Insurance Affordability Act (the “**Flood Laws**”);
- Servicemembers Civil Relief Act;
- rules, regulations and guidelines promulgated under any of such statutes; and
- any applicable state or local equivalent or similar laws and regulations.

“**Rescission**” means the Mortgagor’s exercise of any right to rescind the related Mortgage Note and related documents pursuant to applicable law.

“**Responsible Officer**” means, as to any Person, the chief executive officer or, with respect to financial matters, the chief financial officer of such Person; provided that in the event any such officer is unavailable at any time he or she is required to take any action hereunder, “Responsible Officer” means any officer authorized to act on such officer’s behalf as demonstrated by a certificate of corporate resolution or similar document and an incumbency certificate.

“**RHS**” means the Rural Housing Service of the Rural Development Agency of the

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United States Department of Agriculture or any successor.

“**RHS Loan**” means a Mortgage Loan that conforms to all RHS guidelines and is guaranteed by RHS.

“**Safeguards Rules**” is defined in the definition of “Privacy Requirements”.

“**Sanctioned Country**” means, at any time, a country, region or territory that is then the subject or target of any Sanctions.

“**Sanctioned Person**” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) another Person owned or controlled by any such Person.

“**Sanctions**” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by OFAC or the U.S. Department of State.

“**S&P**” means Standard and Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., and any successor.

“**SEC**” is defined in [Section 28\(a\)](#).

“**Second Home Loan**” means an Eligible Mortgage Loan that is a Conventional Conforming Loan secured by a single family residence that is occupied by the Mortgagor but is not the Mortgagor’s principal residence and whose underwriting, Takeout Commitment, appraisal and all related documentation that Buyer elects to review are approved by Buyer.

“**Seller’s Accounts**” means each of the Funding Account and the Operating Account.

“**Seller’s Customer**” means any natural person who has applied to Seller for a financial product or service, has obtained any financial product or service from Seller or has a Mortgage Loan that is serviced or subserviced by Seller.

“**Seller’s Customer Information**” means any information or records in any form (written, electronic or otherwise) containing a Seller’s Customer’s personal information or identity, including such Seller’s Customer’s name, address, telephone number, loan number, loan payment history, delinquency status, insurance carrier or payment information, tax amount or payment information and the fact that such Seller’s Customer has a relationship with Seller.

“**Servicing File**” means with respect to each Mortgage Loan, all documents relating to its servicing, which may consist of (i) copies of the documents contained in the related Credit File and Loan File, as applicable, (ii) the credit documentation relating to the underwriting and closing of such Mortgage Loan(s), (iii) copies of all related documents, correspondence, notes and all other materials of any kind, (iv) copies of computer tapes, proof of insurance coverage, insurance policies, appraisals, other closing documentation and payment history records, (v) all other information or materials necessary or required to board such Mortgage Loan onto the

applicable servicing system and (vi) all other related documents required to be delivered pursuant to any of the Transaction Documents.

“**Servicing Records**” means all servicing records created and/or maintained by Seller in its capacity as interim servicer for Buyer with respect to a Purchased Mortgage Loan, including any and all servicing agreements, files, documents, records, databases, computer tapes, copies of computer tapes, proof of insurance coverage, insurance policies, appraisals, other closing documentation, payment history records and any other records relating to or evidencing its servicing.

“**Servicing Rights**” means all rights and interests of Seller or any other Person, whether contractual, possessory or otherwise, to service, administer and collect Income with respect to Mortgage Loans, and all rights incidental thereto.

“**Settlement Agent**” means a title company, title insurance agent, escrow company or attorney that is acceptable to Buyer in its sole discretion and that is (i) unaffiliated with Seller, (ii) a division, subsidiary, licensed agent or authorized agent of a title insurance underwriter reasonably acceptable to Buyer and (iii) insured against errors and omissions in such amounts and covering such risks as are at all times customary for its business and with industry standards, to which the proceeds of any purchase of a Mortgage Loan are to be wired in accordance with local law and practice in the jurisdiction where such Mortgage Loan is being Originated.

“**Shipping Instructions**” means the advice in the form of Exhibit D, sent by Seller to Buyer electronically through Mortgage Finance Online, that instructs Buyer to send one or more Mortgage Notes and the related Mortgages to an Approved Takeout Investor or its designee.

“**Side Letter**” means the Side Letter agreement dated as of the date hereof between Buyer and Seller, as supplemented, amended or restated from time to time.

“**SIPA**” is defined in Section 28(a).

“**State Bond Loan**” means a Mortgage Loan that is originated under a U.S. State or local government housing authority mortgage program and satisfies the eligibility criteria set forth by such housing authority for such mortgage program.

“**Stock Certificate**” means, with respect to a Cooperative Loan, the certificate issued by the Cooperative Corporation evidencing ownership of the Cooperative Shares.

“**Stock Power**” means, with respect to a Cooperative Loan, an assignment of the stock certificate or an assignment of the Cooperative Shares issued by the Cooperative Corporation.

“**Subservicer**” is defined in Section 13(a)(ii).

“**Subservicer Instruction Letter**” means a letter agreement between Seller and each Subservicer substantially in the form of Exhibit H or such other form as shall be acceptable to Buyer.

“**Subservicing Agreement**” is defined in Section 13(a)(ii).



“**Subsidiary**” means any corporation, association or other business entity in which more than fifty percent (50%) of the total voting power or shares of stock (or equivalent equity interest) entitled to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more of the other Subsidiaries of that Person or a combination thereof.

“**Successor Servicer**” is defined in Section 13(e).

“**Takeout Agreement**” means an agreement, in form and substance acceptable to Buyer, between an Approved Takeout Investor and Seller, pursuant to which such Approved Takeout Investor has committed to purchase from Seller certain of the Purchased Mortgage Loans, as such agreement may be supplemented, amended or restated from time to time with the prior written consent of Buyer. If any Takeout Agreement is supplemented, amended or restated in any material respect (other than through ordinary course changes to Takeout Guidelines), Seller shall provide Buyer notice of such supplement, amendment or restatement and Buyer shall have the right to suspend approval of the Approved Takeout Investor with respect to Takeout Commitments after the effective date thereof until Buyer has received such supplement, amendment or restatement and approved it in writing.

“**Takeout Commitment**” means, with respect to each Approved Takeout Investor, the commitment to purchase a Purchased Mortgage Loan from Seller pursuant to a Takeout Agreement, and that specifies (a) the type of Purchased Mortgage Loan to be purchased, (b) a purchase date or purchase deadline date and (c) a purchase price or the criteria by which the purchase price will be determined.

“**Takeout Guidelines**” means (i) the eligibility requirements established by the Approved Takeout Investor that must be satisfied by a Mortgage Loan originator to sell Mortgage Loans to the Approved Takeout Investor and (ii) the specifications that a Mortgage Loan must meet, and the requirements that it must satisfy, to qualify for the Approved Takeout Investor’s program of Mortgage Loan purchases, as such requirements and specifications may be revised, supplemented or replaced from time to time.

“**Takeout Value**” means, (i) with respect to any Purchased Mortgage Loan subject to a Takeout Commitment, the price that an Approved Takeout Investor has agreed to pay Seller for such Purchased Mortgage Loan, and (ii) with respect to any Purchased Mortgage Loan subject to a Hedging Arrangement, the weighted average price of portfolio hedges or forward trades for Mortgage Loans subject to such Hedging Arrangement.

“**Tangible Net Worth**” means, with respect to any Person on any day, the sum of total shareholders’ or members’ equity in such Person (including capital stock or member interests, additional paid-in capital and retained earnings, but excluding treasury stock, if any), each as determined in accordance with GAAP on a consolidated basis; provided that, for purposes of this definition, there shall be excluded from assets the following: the aggregate book value of all intangible assets of such Person (as determined in accordance with GAAP), including goodwill, trademarks, trade names, service marks, copyrights, patents, licenses, franchises, capitalized servicing rights, excess capitalized servicing rights, each to be determined in accordance with GAAP consistent with those applied in the preparation of such Person’s financial statements;

advances or loans to shareholders or Affiliates, advances or loans to employees (unless such advances are against future commissions), unconsolidated investments in Affiliates, deferred tax assets, assets pledged to secure any liabilities not included in the Debt of such Person and any other assets that would be deemed by Buyer, CL or the Agencies to be unacceptable in calculating tangible net worth.

“**Tax and Insurance Amount**” means, at any time, the amount determined by Buyer from time to time in its sole discretion with written notice to Seller, as the amount approximately equal to the escrowed tax and insurance payments made by the Mortgageors with respect to the Purchased Mortgage Loans, at that time.

“**Termination Date**” means the earliest of (i) the Business Day, if any, that Seller designates as the Termination Date by written notice given to Buyer at least thirty (30) days before such date, (ii) the date of declaration of the Termination Date pursuant to Section 12(b)(i) and (iii) three hundred sixty-four (364) days after the Effective Date of this Agreement.

“**Third Party Originator**” means any Person other than a permanent employee of Seller or an Approved Correspondent who solicits, procures, packages, processes or performs any other Origination function with respect to a Mortgage Loan.

“**TPO Loan**” means a Mortgage Loan that has been solicited, procured, packaged, processed or otherwise Originated by a Third Party Originator.

“**Transaction**” is defined in Section 1.

“**Transaction Documents**” means this Agreement (including all exhibits and schedules attached hereto), each Confirmation, each Bailee Letter, each Trust Release Letter, the Side Letter, the Electronic Tracking Agreement, each Takeout Agreement, each Takeout Commitment, each Guaranty, and each deposit account agreement, other agreement, document or instrument executed or delivered in connection therewith, in each case as supplemented, amended, restated or replaced from time to time.

“**Transfer**” is defined in Section 11(o).

“**Trust Release Letter**” means a letter in substantially the form of Exhibit M, appropriately completed and authenticated by Seller, or such other form as may be approved by Buyer in writing in its sole discretion.

“**UCC**” means the Uniform Commercial Code, as amended from time to time, as in effect in the relevant jurisdiction.

“**Uncommitted Facility Amount**” is defined in the Side Letter.

“**VA**” means the U.S. Department of Veterans Affairs or any successor department or agency.

“**Wet Funding**” means the purchase by Buyer of a Mortgage Loan that is Originated by Seller on the Purchase Date under escrow arrangements satisfactory to Buyer pursuant to which

Seller is permitted to use the Purchase Price proceeds to close the Mortgage Loan before Buyer's receipt of the complete Loan File.

“**Wet Funding Deadline**” means, with respect to any Wet Loan, the [\*\*\*] following the Origination Date for such Wet Loan (counting the Origination Date as the first Business Day), or such later Business Day as Buyer, in its sole discretion, may specify from time to time.

“**Wet Loan**” means a Mortgage Loan that Seller is selling to Buyer on its Origination Date and accordingly for which the completed Loan File will not have been delivered to Buyer before funding of the related Purchase Price.

(b) Interpretation. Headings are for convenience only and do not affect interpretation. The following rules of this Section 2(b) apply unless the context requires otherwise. The singular includes the plural and conversely. A gender includes all genders. Where a word or phrase is defined, its other grammatical forms have a corresponding meaning. Any capitalized term used in the Side Letter and used, but not defined differently, in this Agreement has the same meaning here as there. A reference in this Agreement to a Section, Exhibit or Schedule is, unless otherwise specified, a reference to a Section of, or an Exhibit or Schedule to, this Agreement. “Indorse” and correlative terms used in the Uniform Commercial Code may be spelled with an initial “e” instead of “i”. A reference to a party to this Agreement or another agreement or document includes the party's successors and permitted substitutes or assigns. A reference to an agreement or document is to the agreement or document as supplemented, amended, novated, restated or replaced, except to the extent prohibited by any Transaction Document. A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it. A reference to writing includes a facsimile or electronic transmission and any other means that permits the recipient to reproduce words in a tangible and visible form. Delivery of an executed counterpart of a signature page of this Agreement or any other Transaction Document by telecopy, emailed pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall have the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act or any other similar state laws based on the Uniform Electronic Transactions Act. A reference to conduct includes an omission, statement or undertaking, whether or not in writing. An Event of Default exists until it has been waived in writing by the appropriate Person or Persons or has been timely cured. The words “hereof”, “herein”, “hereunder” and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement. The term “including” and correlative terms are not limiting and mean “including without limitation”, whether or not that phrase is stated. In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including”, the words “to” and “until”

each mean “to but excluding”, and the word “through” means “to and including”. Unless otherwise specifically provided, all determinations by Buyer shall be in its sole, absolute and unfettered discretion. If a day for payment or performance specified by, or determined in accordance with, the provisions of this Agreement is not a Business Day, then the payment or performance will instead be due on the Business Day next following that day. This Agreement may use several different limitations, tests or measurements to regulate the same or similar matters; all such limitations, tests and measurements are cumulative and each shall be performed in accordance with its terms. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if either Seller or Buyer gives notice to the other of them that it requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date of this Agreement in GAAP or in its application on the operation of such provision, whether any such notice is given before or after such change in GAAP or in its application, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Unless otherwise specifically provided, all accounting calculations shall be made on an unconsolidated basis. Except where otherwise provided in this Agreement, references herein to “fiscal year” and “fiscal quarter” refer to such fiscal periods of the Seller. Except where otherwise provided in this Agreement, any calculation, determination, statement or certificate by the Buyer or an authorized officer of the Buyer or any of its Affiliates provided for in this Agreement that is made in good faith and in the manner provided for in this Agreement shall be conclusive and binding on the parties in the absence of manifest error. A reference to an agreement includes a security agreement, guarantee, agreement or legally enforceable arrangement, whether or not in writing. A reference to a document includes an agreement (as so defined) in writing or a certificate, notice, instrument or document or any information recorded on a computer drive or other electronic media form. Where Seller is required by this Agreement to provide any document to Buyer (other than this Agreement including its exhibits and schedules, the Side Letter, the Electronic Tracking Agreement, the Guaranty and their supporting secretary’s or company certificates, hard copies of each of which shall be provided to Buyer), such document shall be provided in electronic form unless Buyer requests that it be provided in hard copy form, in which event Seller will provide it in hard copy form. This Agreement and the other Transaction Documents are the result of negotiations between Buyer and Seller (and Seller’s related parties) and are the product of all parties. In the interpretation of this Agreement and the other Transaction Documents, no rule of construction shall apply to disadvantage one party on the ground that such party originated, proposed, presented or was involved in the preparation of any particular provision of this Agreement or of any other Transaction, or of this Agreement or such other Transaction Document itself. Seller and Buyer may be party to other mutual agreements and nothing in this Agreement shall be construed to restrict or limit any right or remedy under any such other agreement, and nothing in any such other agreement shall be construed to restrict or limit any right or remedy under this Agreement, except to the extent, if any, specifically provided herein or therein. Except where otherwise expressly stated, the Buyer may (i) give or withhold, or give conditionally, approvals and consents, (ii) be satisfied or unsatisfied, and (iii) form opinions and make determinations, in each case in Buyer’s sole and absolute discretion. A reference to “good faith” means good faith as defined in §1-201(20) of the UCC as in effect in the State of New York. Any requirement of good faith, reasonableness,

discretion or judgment by Buyer shall not be construed to require Buyer to request or await receipt of information or documentation not immediately available from or with respect to Seller or any other Person or the Purchased Mortgage Loans themselves. Buyer may waive, relax or strictly enforce any applicable deadline at any time and to such extent as Buyer shall elect, and no waiver or relaxation of any deadline shall be applicable to any other instance or application of that deadline or any other deadline, and no such waiver or relaxation, no matter how often made or given, shall be evidence of or establish a custom or course of dealing different from the express provisions and requirements of this Agreement.

### 3. Initiation; Confirmations; Termination

(a) Initiation. Any agreement to enter into a Transaction shall be made in writing at the initiation of Seller through Mortgage Finance Online before the Termination Date. If Seller desires to enter into a Transaction, Seller shall deliver to Buyer no earlier than three (3) Business Days before, and no later than 1:30 p.m., Houston, Texas time, on, the proposed Purchase Date, a request for Buyer to purchase an amount of Eligible Mortgage Loans on such Purchase Date. Each such purchase that is proposed to be funded from the Uncommitted Facility Amount (as defined in the Side Letter) shall be wholly discretionary to Buyer. All such purchases shall be on a servicing released basis and shall include the Servicing Rights with respect to such Eligible Mortgage Loan. Such request shall state the Purchase Price and shall include the Confirmation in form and substance acceptable to Buyer related to the proposed Transaction.

( b ) Purchase by Buyer. Subject to the terms of this Agreement and the Side Letter and satisfaction of the conditions precedent set forth in this Section 3 and in Section 7, on the requested Purchase Date for each Transaction, Buyer shall transfer to Seller or its designee — for a newly Originated Eligible Mortgage Loan, by transferring funds to the designated Settlement Agent — an amount equal to the Purchase Price for purchase of each Eligible Mortgage Loan that is the subject of such Transaction on that Purchase Date, less any amounts to be netted against such Purchase Price in accordance with the Transaction terms. The transfer of funds to the Settlement Agent to be used to fund the Mortgage Loan, and if applicable, the netting of amounts for value, on the Purchase Date for any Transaction will constitute full payment by Buyer of the Purchase Price for such Mortgage Loan. Within five (5) Business Days following the Purchase Date, Seller shall (i) take such steps as are necessary and appropriate to effect the transfer to Buyer on the MERS® System of the Purchased Mortgage Loans so purchased, and to cause Buyer to be designated as “Interim Funder” on the MERS® System with respect to each such Purchased Mortgage Loan and (ii) in the case of a Wet Funding, deliver all remaining items of the related Loan File to Buyer. Notwithstanding anything to the contrary in this Agreement or any other Transaction Document, Buyer shall have no obligation to enter into any Transaction on or after the Termination Date. Seller may (i) initially request less than [\*\*\*] of the Purchase Price for any one or more Purchased Mortgage Loans, (ii) repay part of the Purchase Price therefor to Buyer or (iii) both, and may subsequently request that Buyer fund (or re-fund) the balance of the Purchase Price to Seller, and in either case so long as both (x) no Default or Event of Default has occurred and is continuing, and (y) Buyer would be committed to fund (or re-fund) such balance if it were a new Transaction, or Buyer elects, in its sole discretion, to do so, Buyer will fund (or re-fund) so much of such balance as Seller shall request. Any such Funding request (each, a “**Funding Request**”) received before noon (Eastern time) on a Business Day will be funded on the same Business Day. Buyer will use commercially

reasonable efforts, but will have no obligation, to fund on the same Business Day any Funding Request received after noon (Eastern time). If Buyer does not fund on the same Business Day any Funding Request received after noon that Buyer would be so committed or so elects to fund, Buyer shall fund it on the next following Business Day.

(c) Confirmations. The Confirmation for each Transaction shall (i) include the Loan Purchase Detail with respect to the Mortgage Loans subject to such Transaction, (ii) identify Buyer and Seller and (iii) specify (A) the Purchase Date, (B) the Purchase Price, (C) the Repurchase Date, (D) the Pricing Rates applicable to the Transaction and (E) any additional terms or conditions of the Transaction mutually agreeable to Buyer and Seller. In the event of any conflict between the terms of a Confirmation that has been affirmatively accepted by Buyer and this Agreement, such accepted Confirmation shall prevail.

( d ) Failed Fundings. Seller agrees to report to Buyer by facsimile transmission or electronic mail as soon as practicable, but in no event later than one (1) Business Day after each Purchase Date, any Mortgage Loans that failed to be funded to the related Mortgagor, otherwise failed to close for any reason or failed to be purchased hereunder. Seller further agrees to (i) return, or cause the Settlement Agent to return, to the Funding Account, for refunding to Buyer, the portion of the Purchase Price allocable to such Mortgage Loans as soon as practicable, but in no event later than one (1) Business Day after the related Purchase Date, and (ii) indemnify Buyer for any loss, cost or expense reasonably incurred by Buyer as a result of the failure of such Mortgage Loans to close or to be delivered to Buyer.

(e) Accrual and Payment of Price Differential. The Price Differential for each Transaction shall accrue during the period commencing on (and including) the day when the Purchase Price is transferred into the Funding Account (or otherwise paid to Seller) for such Transaction and ending on (but excluding) the day when the Repurchase Price is paid to Buyer. Accrued Price Differential for each Purchased Mortgage Loan shall be due and payable (i) on each Remittance Date and (ii) when any Event of Default has occurred and is continuing, on demand.

(f) Repurchase Required. Seller shall repurchase from Buyer Purchased Mortgage Loans conveyed to Buyer on or before each related scheduled Repurchase Date and may electively sooner repurchase Purchased Mortgage Loans. Each obligation to repurchase exists without regard to any prior or intervening liquidation or foreclosure with respect to any Purchased Mortgage Loan. Seller is obligated to obtain the Purchased Mortgage Loans from Buyer or its designee at Seller's expense on the related Repurchase Date.

( g ) Termination of Transaction by Repurchase; Transfer of Repurchased Mortgage Loans. On the Repurchase Date, termination of the Transaction will be effected by resale by Buyer to Seller or its designee of the Purchased Mortgage Loans on a servicing released basis against Seller's submission to Buyer of a Completed Repurchase Advice, all in form and substance satisfactory to Buyer. After receipt of the payment of the Repurchase Price from Seller, Buyer shall transfer such Purchased Mortgage Loans to Seller or its designee and deliver, or cause to be delivered, to Seller or its designee all Mortgage Loan Documents previously delivered to Buyer and take such steps as are necessary and appropriate to effect the transfer of the Purchased Mortgage Loan to Seller or its designee on the MERS® System. All such transfers

from Buyer to Seller or its designee are and shall be without recourse and without any of the transfer warranties of UCC §3-417 or other warranty, express or implied.

( h ) No Obligation to Transfer Purchased Mortgage Loans after Buyer's Section 12(d) Election. Notwithstanding the foregoing or any other provision to the contrary in this Agreement or any other Transaction Document, Buyer shall not be obligated to transfer any Purchased Mortgage Loans to Seller or any designee of Seller if, pursuant to Section 12(d) after an Event of Default, Buyer has elected either to sell them or to give Seller credit for them.

( i ) Completed Repurchase Advice. If Buyer receives the Completed Repurchase Advice with respect to a Purchased Mortgage Loan at or before 3:00 p.m. Houston, Texas time, on any Business Day, then the Repurchase Date for that Purchased Mortgage Loan will be that same day. If Buyer receives the Completed Repurchase Advice with respect to any Purchased Mortgage Loan after 3:00 p.m. Houston, Texas time, on any Business Day, then the Repurchase Date for that Purchased Mortgage Loan will be the next Business Day. In connection with any repurchase pursuant to a Completed Repurchase Advice, Buyer will debit the Funding Account and the Operating Account, if applicable, for the amount of the Repurchase Price (less any amount of Price Differential to be paid on the next Remittance Date). Without limiting Seller's obligations hereunder, at any time after the occurrence and during the continuance of a Default or an Event of Default, except for repurchases of individual Mortgage Loans or pools of Mortgage Loans being sold to Approved Takeout Investors, Seller shall not be permitted to repurchase less than all of the Purchased Mortgage Loans without the prior written consent of Buyer, which may be granted or withheld in Buyer's sole discretion.

( j ) Reliance. With respect to any Transaction, Buyer may conclusively rely upon, and shall incur no liability to Seller in acting upon, any request or other communication that Buyer reasonably believes to have been given or made by a Person authorized to enter into a Transaction on Seller's behalf.

(k) Defective Mortgage Loans.

(i) If, after Buyer purchases a Mortgage Loan, Buyer determines or receives notice (whether from Seller or otherwise) that a Purchased Mortgage Loan is (or has become) a Defective Mortgage Loan, Buyer shall promptly notify Seller, and Seller shall repurchase such Purchased Mortgage Loan at the Repurchase Price on the Early Repurchase Date (as such term is defined below).

(l) If Seller becomes obligated to repurchase a Mortgage Loan pursuant to Section 3(k)(i), (A) Seller shall be obligated to pay a Defective Mortgage Loan Fee for each such Mortgage Loan and (B) Buyer shall promptly give Seller notice of such repurchase obligation and a calculation of the Repurchase Price therefor. On the same day Seller receives such notice if given at or before 10:00 a.m., Houston, Texas time, or on the next Business Day if such notice is given after 10:00 a.m. (such day, the "**Early Repurchase Date**"), Seller shall repurchase the Defective Mortgage Loan by paying Buyer the Repurchase Price therefor and the Defective Mortgage Loan Fee, and shall submit a Completed Repurchase Advice. Buyer is authorized to charge any of Seller's Accounts for such amount unless the Parties have agreed in writing to a

different method of payment and Seller has paid such amount by such agreed method. If Seller's Accounts do not contain sufficient funds to pay in full the amount due Buyer under this Section 3(l), or if the amount due is not paid by any applicable alternative method of payment previously agreed to by the Parties, Seller shall promptly deposit funds in the Operating Account sufficient to pay such amount due Buyer and notify Buyer of such deposit and Buyer, at its election, may fund (or refund) the then-unfunded balance of the Purchase Price of any Purchased Mortgage Loans for which less than [\*\*\*] of such Purchase Price is then outstanding into the Funding Account and apply the proceeds towards payment of such amount due Buyer. After receipt of the payment of the Repurchase Price and Defective Mortgage Loan Fee therefor from Seller, Buyer shall transfer such Purchased Mortgage Loans to Seller or its designee and deliver, or cause to be delivered, to Seller or such designee all documents for the Mortgage Loan previously delivered to Buyer and take such steps as are necessary and appropriate to effect the transfer of the Purchased Mortgage Loan to Seller on the MERS® System.

#### 4. Margin Maintenance

(a) Margin Deficit. If at any time the sum of the Margin Amounts of all Purchased Mortgage Loans then subject to Transactions is less than the sum of their Repurchase Prices, a margin deficit ("**Margin Deficit**") will exist. If at any time either (i) the Margin Deficit exceeds [\*\*\*] or (ii) any Default or Event of Default has occurred and is continuing, Buyer, by notice to Seller (a "**Margin Call**"), may require Seller to transfer to Buyer (x) cash, or (y) if Buyer is willing to accept them in lieu of cash, additional Eligible Mortgage Loans reasonably acceptable to Buyer ("**Additional Purchased Mortgage Loans**"), or (z) a combination, to the extent (if any) acceptable to Buyer, of cash and Additional Purchased Mortgage Loans, so that immediately after such transfer(s) the sum of (i) such cash, if any, so transferred to Buyer plus (ii) the aggregate of the Margin Amounts of all Purchased Mortgage Loans for all Transactions outstanding at that time, including any such Additional Purchased Mortgage Loans, will be at least equal to the sum of the Repurchase Prices of all Purchased Mortgage Loans then subject to outstanding Transactions.

(b) Margin Maintenance. If the notice to be given by Buyer to Seller under Section 4(a) is given at or before 10:00 a.m. Houston, Texas time on a Business Day, Seller shall transfer cash and/or, if acceptable to Buyer, Additional Purchased Mortgage Loans to Buyer before 5:00 p.m. Houston, Texas time on the date of such notice, and if such notice is given after 10:00 a.m. Houston, Texas time, Seller shall transfer such cash and/or Additional Purchased Mortgage Loans before 9:30 a.m. Houston, Texas time on the Business Day following the date of such notice. All cash required to be delivered to Buyer pursuant to this Section 4(b) shall be deposited by Seller into the Operating Account and, provided that no Event of Default has occurred and is continuing, shall be held by Buyer in the Operating Account as security for the Obligations or, at Buyer's option, applied by Buyer to reduce pro rata the Repurchase Prices of all Purchased Mortgage Loans that are then subject to outstanding Transactions. Following the occurrence and during the continuance of any Event of Default, any such cash may be applied to reduce the Repurchase Price of such Purchased Mortgage Loans as Buyer shall select, with the amount to be applied to the Repurchase Price of any particular Purchased Mortgage Loan to be determined by Buyer, using such reasonable method of allocation as Buyer shall elect in its sole discretion at the time. Buyer's election, in its sole and absolute discretion, not to make a Margin



Call at any time there is a Margin Deficit shall not in any way limit or impair its right to make a Margin Call at any other time a Margin Deficit exists (or still exists).

( c ) Margin Excess. If on any day after Seller has transferred cash or Additional Purchased Mortgage Loans to Buyer pursuant to Section 4(b), the sum of (i) the cash paid to Buyer and (ii) the aggregate of the Margin Amounts of all Purchased Mortgage Loans for all Transactions at that time, including any such Additional Purchased Mortgage Loans, exceeds the sum of the Repurchase Prices of all such Purchased Mortgage Loans, then at the request of Seller, Buyer shall return a portion of the cash or Additional Purchased Mortgage Loans to Seller so that the remaining sum of (i) and (ii) does not exceed the sum of such Repurchase Prices; provided that the sum of the cash plus the value of Additional Purchased Mortgage Loans returned shall be strictly limited to an amount, after the return of which, no Margin Deficit will exist.

(d) Market Value Determinations. Buyer may determine the Market Value of any or all Purchased Mortgage Loans from time to time and with such frequency (which, for the avoidance of doubt, may be daily), and taking into consideration such factors, as it may elect in its sole good faith discretion, including current market conditions and the fact that the Purchased Mortgage Loans may be sold or otherwise disposed of under circumstances where Seller is in default under this Agreement; provided that a Market Value of zero shall be assigned to any Purchased Mortgage Loan that, at the time of determination, is not an Eligible Mortgage Loan. Buyer's determination of Market Value of Purchased Mortgage Loans will be made using Buyer's customary methods for determining the price of comparable mortgage loans under the market conditions and Seller's status prevailing at the time of determination, will not be equivalent to a determination of the fair market value of the Purchased Mortgage Loans made by obtaining competing bids under circumstances where the bidders have adequate opportunity to perform customary mortgage loan and servicing due diligence and, if (1) any Default or Event of Default has occurred and is continuing, (2) Buyer in good faith believes that a secondary market Mortgage Loan purchaser would materially discount the likelihood of realization on any of Seller's Mortgage Loan transfer warranties or (3) the market for comparable Mortgage Loans is illiquid or otherwise disorderly at the time, such determination will not be equivalent to a determination by Buyer of the Market Value of the Purchased Mortgage Loans made when, as applicable in the circumstances, (A) the originator/servicer is not in default, (B) the likelihood of realization on Seller's transfer warranties is not materially discounted and/or (C) the market for comparable Mortgage Loans is not illiquid or otherwise disorderly. Buyer's good faith determination of Market Value shall be conclusive upon the Parties.

## **5. Accounts; Income Payments**

( a ) Accounts. Seller (i) has established each of the Accounts at Financial Institution on or before the date hereof and (ii) will establish the Impound Collection Account and the Income Collection Account if and when required by Buyer for the purposes of Sections 12(b)(iii) and/or 12(b)(iv). Seller's taxpayer identification number will be designated as the taxpayer identification number for each Account, the Impound Collection Account and the Income Collection Account, and Seller shall be responsible for reporting and paying taxes on any income earned with respect to the Accounts, the Impound Collection Account and the Income Collection Account. Each such deposit account shall be under the sole dominion and control of Buyer, and

Seller agrees that (i) Seller shall have no right or authority to withdraw or otherwise give any directions with respect to any of such deposit accounts or the disposition of any funds held in such deposit accounts; provided that Seller may cause amounts to be deposited into any such deposit account at any time, and (ii) Financial Institution may comply with instructions originated by Buyer directing disposition of the funds in such deposit accounts without further consent of Seller. Only employees of Buyer shall be signers with respect to such deposit accounts. Pursuant to Section 6, Seller has pledged, assigned, transferred and granted a security interest to Buyer in the Accounts in which Seller has rights or power to transfer rights and all such deposit accounts in which Seller later acquires ownership, other rights or the power to transfer rights. Seller and Buyer hereby agree that Buyer has “control” of such deposit accounts within the meaning of Section 9-104 of the UCC. Any provision hereof to the contrary notwithstanding and for the avoidance of doubt, Seller agrees and acknowledges that Buyer is not required to return to Seller funds on deposit in an Account or the Income Collection Account if any amounts are owed hereunder to Buyer by Seller.

(b) Cash Pledge Account. Seller has deposited an amount equal to [\*\*\*] of the Facility Amount (the “**Required Amount**”) into the Cash Pledge Account. Seller shall cause an amount not less than the Required Amount to be on deposit in the Cash Pledge Account at all times. If on any Remittance Date, the amount on deposit in the Cash Pledge Account is greater than the Required Amount, provided that no Default or Event of Default has occurred and is continuing, upon Seller’s request such excess will be disbursed to Seller on such Remittance Date after application by Buyer to the payment of any amounts owing by Seller to Buyer on such date. At any time after the occurrence and during the continuance of an Event of Default, Buyer, in its sole discretion, may apply the amounts on deposit in the Cash Pledge Account in accordance with the provisions of Section 5(e).

(c) Funding Account. The Funding Account shall be used for fundings of the Purchase Price and the Repurchase Price with respect to each Purchased Mortgage Loan in accordance with Section 3. Seller shall cause all amounts to be paid in respect of the Takeout Commitments to be remitted by the Approved Takeout Investors directly to the Funding Account without any requirement for any notice to or consent of Seller. On each Repurchase Date that occurs pursuant to Section 3(f) with respect to any Purchased Mortgage Loan, Buyer will apply the applicable amounts on deposit in the Funding Account to the unpaid Repurchase Price due to Buyer for such Purchased Mortgage Loan and, unless an Event of Default has occurred and is continuing, Buyer will transfer the remaining balance, if any, in the Funding Account to the Operating Account. At any time after the occurrence and during the continuance of an Event of Default, Buyer, in its sole discretion, may apply the amounts on deposit in the Funding Account in accordance with the provisions of Section 5(e).

(d) Operating Account.

(i) The Operating Account shall be used for the purposes of (1) Seller’s payment of Price Differential and any other amounts owing to Buyer under this Agreement, the Side Letter or any other Transaction Document, (2) Seller’s funding of any shortfall between (x) the proceeds of an Eligible Mortgage Loan being purchased by Buyer that are to be disbursed at its Origination and (y) the Purchase Price to be paid by Buyer for that Eligible Mortgage Loan, (3) Seller’s payment of any difference between the Repurchase Price and the amount received by

Buyer from the applicable Approved Takeout Investor in connection with the repurchase of a Purchased Mortgage Loan pursuant to Section 3(i) and (4) for any cash payments made by Seller to satisfy Margin Calls pursuant to Section 4(b).

(ii) On or before the fourth (4th) Business Day before each Remittance Date, Buyer will notify Seller in writing of the Price Differential and other amounts due Buyer on that Remittance Date. On or before the Business Day preceding each Remittance Date, Seller shall deposit into the Operating Account such cash, if any, as shall be required to make the balance in the Operating Account sufficient to pay all amounts due Buyer on that Remittance Date. On each Remittance Date, Buyer shall withdraw funds from the Operating Account to effect such payment to the extent of funds then available in the Operating Account. If the funds on deposit in the Operating Account are insufficient to pay the amounts then due Buyer in full, Seller shall pay the deficiency amount on the date such payment is due by wire transfer of such amount to the Operating Account, and Buyer shall withdraw the funds so deposited to pay such deficiency to the extent of the funds deposited.

(iii) Funds deposited by Seller in the Operating Account to cover the shortfall, if any, referred to in clause (2) of Section 5(d)(i) will be disbursed by Buyer to the Settlement Agent along with the Purchase Price of the related Eligible Mortgage Loan being purchased by Buyer to fund the Origination of such Mortgage Loan as provided in Section 3(b).

(iv) At any time after a Margin Call, if Seller fails to satisfy such Margin Call in accordance with the provisions of Section 4, Buyer may withdraw funds from the Operating Account to pay such Margin Call and shall apply the funds so withdrawn for that purpose to reduce the Repurchase Prices of Purchased Mortgage Loans then subject to outstanding Transactions as provided in Section 4(b). At any time after the occurrence and during the continuance of an Event of Default, Buyer, in its sole discretion, may apply the amounts on deposit in the Operating Account in accordance with the provisions of Section 5(e).

(v) Unless (1) a Default or an Event of Default has occurred and is continuing or (2) any amounts are then owing to Buyer or any Indemnified Party under this Agreement or another Transaction Document, on Seller's request, Buyer will transfer the Operating Account balance to an account designated by Seller.

(e) Application of Funds. After the occurrence and during the continuance of an Event of Default, at such times as Buyer may direct in its sole discretion, Buyer shall apply all Income and other amounts on deposit in all or any of the Accounts, other than mortgagors' actual escrow payments held in any account and required to be used for the payment of Property Charges in respect of any Purchased Mortgage Loan, in the same order and manner as is provided in Section 12(e) for proceeds of dispositions of Purchased Mortgage Loans not repurchased by Seller.

( f ) Income Collection Account. Pursuant to Section 6, Seller has pledged, assigned and transferred the Income Collection Account to Buyer and granted Buyer a security interest in the Income Collection Account. No funds other than Income shall be deposited in the Income Collection Account. Where a particular Transaction's term extends over the date on which Income is paid by the Mortgagor on any Purchased Mortgage Loan subject to that Transaction,

that Income will be the property of Buyer until Seller has paid Buyer the full Repurchase Price in respect of such Transaction. Notwithstanding the foregoing, and provided no Default or Event of Default has occurred and is continuing and no Margin Deficit then exists, Buyer agrees that Seller or its designee shall be entitled to receive and retain that Income to the full extent it would have been so entitled if the Purchased Mortgage Loans had not been sold to Buyer; provided that any Income received by Seller while the related Transaction is outstanding shall be deemed to be held by Seller or Subservicer (as the case may be) solely in trust for Buyer pending the payment of the Repurchase Price in respect of such Transaction and the repurchase of the related Purchased Mortgage Loans, and if a Default or an Event of Default has occurred and is continuing, or a Margin Deficit exists that Seller has not satisfied in accordance with the provisions of Section 4, Buyer may direct Seller in writing to deposit into the Income Collection Account (or such other account as Buyer may direct) (i) all Income then held by Seller or Subservicer in respect of Purchased Mortgage Loans subject to outstanding Transactions and (ii) all future Income in respect of Purchased Mortgage Loans subject to new or outstanding Transactions when received by Seller or any Subservicer, and upon receipt of any such direction, Seller shall immediately cause all such Income then held to be deposited, and all such future Income to be deposited within one (1) Business Day after its receipt by Seller or Subservicer, into the Income Collection Account or to such other account as Buyer may direct.

( g ) Seller's Obligations. The provisions of this Section 5 shall not relieve Seller from its obligations to pay the Repurchase Price on the applicable Repurchase Date and to satisfy any other payment obligation of Seller hereunder or under any other Transaction Document.

## **6. Security Interest; Assignment of Takeout Commitments**

( a ) Security Interest. Although the Parties intend that all Transactions hereunder be absolute sales and purchases and not loans, to secure the payment and performance by Seller of its obligations, liabilities and indebtedness under each such Transaction and Seller's obligations, liabilities and indebtedness under this Agreement and the other Transaction Documents, Seller hereby pledges, assigns, transfers and grants to Buyer a security interest in the Mortgage Assets in which Seller has rights or power to transfer rights and all of the Mortgage Assets in which Seller later acquires ownership, other rights or the power to transfer rights. "**Mortgage Assets**" means (i) the Purchased Mortgage Loans with respect to all Transactions hereunder (including, without limitation, all Servicing Rights with respect thereto), (ii) all Servicing Records, Loan Files, Mortgage Loan Documents, including, without limitation, the Mortgage Note and Mortgage, and all of Seller's claims, liens, rights, title and interests in and to the Mortgaged Property in each case related to such Purchased Mortgage Loans, (iii) all Liens securing repayment of such Purchased Mortgage Loans, (iv) all Income with respect to such Purchased Mortgage Loans, (v) the Accounts, (vi) the Takeout Commitments and Takeout Agreements to the extent Seller's rights thereunder relate to the Purchased Mortgage Loans, (vii) all Hedging Arrangements to the extent relating to the Purchased Mortgage Loans, (viii) the Income Collection Account, together with all interest on the Income Collection Account, all modifications, extensions and increases of the Income Collection Account and all sums now or at any time hereafter on deposit in the Income Collection Account or represented by the Income Collection Account and (ix) all proceeds of the foregoing including, without limitation, all MBS, and the right to have and receive such MBS when issued, that are, in whole or in part, based on, backed by or created from Purchased Mortgage Loans for which the full Repurchase Price has

not been received by Buyer, irrespective of whether such Purchased Mortgage Loans have been released from this security interest. Seller hereby authorizes Buyer to file such financing statements and amendments relating to the Mortgage Assets as Buyer may deem appropriate, and irrevocably appoints Buyer as Seller's attorney-in-fact to take such other actions as Buyer deems necessary or appropriate to perfect and continue the Lien granted hereby and to protect, preserve and realize on the Mortgage Assets. Seller shall pay all fees and expenses associated with perfecting such Liens including the cost of filing financing statements and amendments under the UCC, registering each Purchased Mortgage Loan with MERS and recording assignments of the Mortgages as and when required by Buyer in its sole discretion. The Parties intend that this Section 6(a) is "a security agreement or arrangement or other credit enhancement", as defined and described in Sections 101(47)(A)(v) and 741(7)(A)(ix) of the Bankruptcy Code, related to the repurchase agreement and securities contract established and evidenced by this Agreement and the Transactions hereunder.

( b ) Assignment of Takeout Commitment. The sale of each Mortgage Loan to Buyer shall include Seller's rights (but none of the obligations) under the applicable Takeout Commitment and Takeout Agreement to deliver the Mortgage Loan to the Approved Takeout Investor and to receive the net sum therefor specified in the Takeout Commitment from the Approved Takeout Investor. Effective on and after the Purchase Date for each Mortgage Loan purchased by Buyer hereunder, Seller assigns to Buyer, free and clear of any Lien, all of Seller's right, title and interest in any applicable Takeout Commitment and Takeout Agreement for such Mortgage Loan; provided that Buyer shall not assume or be deemed to have assumed any of the obligations of Seller under any Takeout Agreement or Takeout Commitment.

## 7. Conditions Precedent

( a ) Conditions Precedent to the Effectiveness of this Agreement. The effectiveness of this Agreement shall be subject to the satisfaction of each of the following conditions precedent (any of which Buyer may electively waive, in Buyer's sole discretion):

(i) Buyer shall have received, (x) at least five (5) days before the Effective Date of this Agreement, all documentation and other information regarding Seller in connection with applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act, that was requested in writing by Buyer at least ten (10) days before the Effective Date, and (y) a properly completed and signed IRS Form W-8 or W-9, as applicable, for Seller, and if Seller qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, Buyer shall have also received a Beneficial Ownership Certification of Seller at least five (5) days before the Effective Date if Buyer requested it in writing at least ten (10) days before the Effective Date.

(ii) on or before the date hereof, Seller shall deliver or cause to be delivered each of the documents listed on Exhibit E in form and substance satisfactory to Buyer and its counsel;

(iii) as of the date hereof, there has been no Material Adverse Effect on the financial condition of Seller or any Guarantor since the most recent financial statements of such Person delivered to Buyer;

(iv) as of the date hereof, no material action, proceeding or investigation shall have been instituted or threatened, nor shall any material order, judgment or decree have been issued or proposed to be issued by any Governmental Authority with respect to Seller or any Guarantor;

(v) Seller shall have delivered to Buyer the opinions of counsel substantially in the form of Exhibit F and in form and substance satisfactory to Buyer and its counsel;

(vi) Seller shall have delivered to Buyer such other documents, opinions of counsel and certificates as Buyer may reasonably request;

(vii) Seller shall have established the Accounts at Financial Institution and shall have deposited the Required Amount to the Cash Pledge Account;

(viii) Seller shall have licenses to Originate Mortgage Loans in all states where it is required to have a license to do so;

(ix) on or before the date hereof, Seller shall have paid to the extent due all fees and out-of-pocket costs and expenses reasonably incurred (including due diligence fees and expenses and reasonable legal fees and expenses) required to be paid under this Agreement or any other Transaction Document; and

(x) Buyer shall have received such other documents, information, reports and certificates as it shall have reasonably requested.

(b) Conditions Precedent to Transactions. Buyer's obligation to pay the Purchase Price for each Transaction shall be subject to the satisfaction of each of the following conditions precedent, as applicable:

(i) with respect to each Purchase Date, Seller shall have delivered to Buyer a Confirmation and the Loan Purchase Detail with respect to the Purchased Mortgage Loans subject to such Transaction;

(ii) Buyer shall have received the items described in clause (x) (for dry Mortgage Loans) or (xi) (for Wet Loans), as applicable, of the definition of "Eligible Mortgage Loan", in each case in form and substance satisfactory to Buyer;

(iii) no Default or Event of Default shall have occurred and be continuing;

(iv) no Margin Deficit shall exist either before or after giving effect to such Transaction;

(v) this Agreement and each of the other Transaction Documents shall be in full force and effect, and the Termination Date shall not have occurred;

(vi) each Mortgage Loan subject to such Transaction shall be an Eligible Mortgage Loan;

(vii) Seller's and each Guarantor's representations and warranties in this Agreement and each of the other Transaction Documents to which it is a party and in any Officer's Certificate delivered to Buyer in connection therewith shall be true and correct in all material respects on and as of the date hereof and such Purchase Date, with the same effect as though such representations and warranties had been made on and as of such date (except for those representations and warranties and Officer's Certificates that are specifically made only as of a different date, which representations and warranties and Officer's Certificates shall be correct in all material respects on and as of the date made), and Seller and each Guarantor shall have complied with all the agreements and satisfied all the conditions under this Agreement, each of the other Transaction Documents and the Mortgage Loan Documents to which it is a party on its part to be performed or satisfied at or before the related Purchase Date;

(viii) no Requirement of Law shall prohibit the consummation of any transaction contemplated hereby, or shall impose limits on the amounts that Buyer may legally receive or would impose a material tax or levy on such Transaction or the Purchase Price, Repurchase Price or any payments made or received in respect thereof;

(ix) no action, proceeding or investigation shall have been instituted or threatened, nor shall any order, judgment or decree have been issued or proposed to be issued by any Governmental Authority to set aside, restrain, enjoin or prevent the consummation of any Transaction contemplated hereby or seeking material damages against Buyer in connection with the transactions contemplated by the Transaction Documents;

(x) Buyer shall have determined that the amounts on deposit in the Operating Account are sufficient to fund any shortfall between (x) the amount Seller is to fund to Originate or otherwise acquire each Mortgage Loan to be purchased by Buyer in such Transaction and (y) the Purchase Price to be paid by Buyer therefor, after taking into account all other obligations of Seller that are to be satisfied with the amounts on deposit in the Operating Account on such Transaction's Purchase Date;

(xi) after giving effect to such Transaction, the Aggregate Purchase Price for all outstanding Transactions will not exceed the Facility Amount;

(xii) Buyer shall have received such other documents, information, reports and certificates as it shall have reasonably requested; and

(xiii) Seller shall have deposited the Required Amount into the Cash Pledge Account.

The acceptance by Seller, or by any Settlement Agent at the direction of Seller, of any Purchase Price proceeds shall be deemed to constitute a representation and warranty by Seller that the foregoing conditions have been satisfied.

## **8. Change in Law**

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement against assets of, deposits with or for the account of, or credit extended by, Buyer (except any such reserve requirement reflected in the Adjusted LIBO Rate); or

(ii) impose on Buyer or the London interbank market any other condition affecting this Agreement or Transactions entered into by Buyer;

and the result of any of the foregoing shall be to increase the cost to Buyer of making or maintaining any purchase hereunder (or of maintaining its obligation to enter into any Transaction) or to increase the cost or to reduce the amount of any sum received or receivable by Buyer (whether of Repurchase Price, Price Differential or otherwise), then Seller will pay to Buyer such additional amount or amounts as will compensate Buyer for such additional costs incurred or reduction suffered.

(b) If Buyer reasonably determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on Buyer's capital or on the capital of Buyer's holding company as a consequence of this Agreement or the purchases made by Buyer under this Agreement to a level below that which Buyer or Buyer's holding company could have achieved but for such Change in Law (taking into consideration Buyer's policies with respect to capital adequacy) by an amount deemed by Buyer in good faith to be material, then from time to time Seller will pay to Buyer such additional amount or amounts as will compensate Buyer or Buyer's holding company for any such reduction suffered.

(c) A certificate of Buyer setting forth the amount or amounts necessary to compensate Buyer or its holding company, as the case may be, as specified in Section 8(a) or 8(b) shall be delivered to Seller and shall be conclusive absent manifest error. Seller shall pay Buyer, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Failure or delay on the part of Buyer to demand compensation pursuant to this Section 8 shall not constitute a waiver of Buyer's right to demand such compensation; provided that Seller shall not be required to compensate Buyer pursuant to this Section 8 for any increased costs or reductions incurred more than two hundred seventy (270) days before the date that Buyer notifies Seller of the Change in Law giving rise to such increased costs or reductions and of Buyer's intention to claim compensation therefor; provided, further, that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof.

## **9. Segregation of Documents Relating to Purchased Mortgage Loans**

Seller shall, and shall cause any other holder on Seller's behalf, including any financial or securities intermediary, to identify on its books and records, all documents relating to Purchased Mortgage Loans that are in the possession of Seller or such other holder, as subject to this Agreement. All of Seller's interest in the Purchased Mortgage Loans (including the Servicing Rights) shall pass to Buyer on the Purchase Date and nothing in this Agreement shall preclude Buyer from engaging in repurchase transactions with the Purchased Mortgage Loans or otherwise selling, transferring, pledging or hypothecating the Purchased Mortgage Loans, but no such transaction shall relieve Buyer of its obligations to transfer the Purchased Mortgage Loans



or other Mortgage Loans with substantially identical terms to Seller pursuant to Section 3(f), Section 3(l), Section 4(c) or Section 21(b).

#### **10. Representations and Warranties of Seller.**

(a) To induce Buyer to enter into this Agreement and the Transactions hereunder, Seller represents and warrants on the Effective Date of this Agreement and, except where otherwise expressly provided, as of each Purchase Date, as follows:

( i ) Representations and Warranties Concerning Purchased Mortgage Loans. By each delivery of a Confirmation, Seller shall be deemed, as of the Purchase Date of the described sale of each Purchased Mortgage Loan (or, if another date is expressly provided in such representation or warranty, as of such other date), and as of each day thereafter that such Purchased Mortgage Loan continues to be subject to an outstanding Transaction, to represent and warrant that such Purchased Mortgage Loan is an Eligible Mortgage Loan and to make the representations and warranties regarding it that are set forth in Exhibit B.

(ii) Organization and Good Standing: Subsidiaries. Each of Seller and its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction under which it was organized, has full legal power and authority to own its property and to carry on its business as currently conducted, and is duly qualified as a foreign corporation to do business and is in good standing in each jurisdiction in which the transaction of its business makes such qualification necessary, except in jurisdictions, if any, where a failure to be in good standing has no material adverse effect on the business, operations, assets or financial condition of Seller or any such Subsidiary. For the purposes hereof, good standing shall include qualification for any and all licenses and payment of any and all taxes required in the jurisdiction of its organization and in each jurisdiction in which Seller or a Subsidiary transacts business. Seller has no Subsidiaries except those listed in Exhibit G, as such exhibit has been most recently updated by a revision delivered by Seller to Buyer. With respect to Seller and each such Subsidiary, Exhibit G correctly states its name as it appears in its articles of formation filed in the jurisdiction of its organization, address, place of organization, each state in which it is qualified as a foreign corporation or entity, and in the case of the Subsidiaries, the percentage ownership (direct or indirect) of Seller in such Subsidiary.

( i i i ) Authority and Capacity. Seller has all requisite power, authority and capacity to enter into this Agreement and each other Transaction Document and to perform the obligations required of it hereunder and thereunder. This Agreement constitutes a valid and legally binding agreement of Seller enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization, conservatorship and similar laws, and by equitable principles. No consent, approval, authorization, license or order of or registration or filing with, or notice to, any Governmental Authority is required under any Requirement of Law before the execution, delivery and performance of or compliance by Seller with this Agreement or any other Transaction Document or the consummation by Seller of any transaction contemplated thereby, except for those that have already been obtained by Seller, and the filings and recordings in respect of the Liens created pursuant to this Agreement and the other Transaction Documents. If Seller is a

depository institution, this Agreement is a part of, and will be maintained in, Seller's official records.

( i v ) No Conflict. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated by this Agreement, nor compliance with its terms and conditions, shall conflict with or result in the breach of, or constitute a default under, or result in the creation or imposition of any Lien (other than Liens created pursuant to this Agreement and the other Transaction Documents) of any nature upon the properties or assets of Seller under, any of the terms, conditions or provisions of Seller's organizational documents, or any mortgage, indenture, deed of trust, loan or credit agreement or other agreement or instrument to which Seller is now a party or by which it is bound (other than this Agreement).

( v ) Performance. Seller does not believe, nor does it have any reason or cause to believe, that it cannot perform, and Seller intends to perform, each and every covenant that it is required to perform under this Agreement and the other Transaction Documents.

(vi) Ordinary Course Transaction. The consummation of the transactions contemplated by this Agreement are in the ordinary course of business of Seller, and neither the sale, transfer, assignment and conveyance of Mortgage Loans to Buyer nor the pledge, assignment, transfer and granting of a security interest to Buyer in the Mortgage Assets, by Seller pursuant to this Agreement is subject to the bulk transfer or any similar Requirement of Law in effect in any applicable jurisdiction.

(vii) Litigation; Compliance with Laws. There is no Litigation pending or, to Seller's knowledge threatened, that could reasonably be expected to cause a Material Adverse Effect or that could reasonably be expected to materially and adversely affect the Mortgage Loans sold or to be sold pursuant to this Agreement. Seller has not violated any Requirement of Law applicable to Seller that, if violated, would materially and adversely affect the Mortgage Loans to be sold pursuant to this Agreement or could reasonably be expected to have a Material Adverse Effect.

(viii) Statements Made. The information, reports, financial statements, exhibits and schedules furnished in writing by or on behalf of Seller to Buyer in connection with the negotiation, preparation or delivery of this Agreement and the other Transaction Documents or included herein or therein or delivered pursuant hereto or thereto, when taken as a whole, do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they were made, not misleading. All written information furnished after the date hereof by or on behalf of Seller to Buyer in connection with this Agreement and the other Transaction Documents and the transactions contemplated hereby and thereby will be true, complete and accurate in every material respect, or (in the case of projections) based on reasonable estimates, on the date as of which such information is stated or certified. There is no fact known to a Responsible Officer that, after due inquiry, could reasonably be expected to have a Material Adverse Effect that has not been disclosed herein, in the other Transaction Documents or in a report, financial statement, exhibit, schedule, disclosure letter or other writing furnished to Buyer for use in connection with the transactions contemplated hereby or thereby.

( i x ) Approved Company. Seller currently holds all approvals, authorizations and other licenses from the Approved Takeout Investors and the Agencies required under the Takeout Guidelines (or otherwise) to Originate, purchase, hold, service and sell Mortgage Loans of the types to be offered for sale to Buyer hereunder.

( x ) Fidelity Bonds. Seller has purchased fidelity bonds and policies of insurance, all of which are in full force and effect, insuring Seller, Buyer and the successors and assigns of Buyer in the greatest of (a) [\*\*\*], (b) the amount required by the Approved Takeout Investor and (c) the amount required by any other Takeout Guidelines, against loss or damage from any breach of fidelity by Seller or any officer, director, employee or agent of Seller, and against any loss or damage from loss or destruction of documents, fraud, theft or misappropriation, or errors or omissions.

(xi) Solvency. Both as of the date hereof and immediately after giving effect to each Transaction hereunder, the fair value of Seller's assets is greater than the fair value of Seller's liabilities (including contingent liabilities if and to the extent required to be recorded as liabilities on the financial statements of Seller in accordance with GAAP), and Seller (1) is not insolvent (as defined in 11 U.S.C. § 101(32)), (2) is able to pay and intends to pay its debts as they mature and (3) does not have an unreasonably small capital to engage in the business in which it is engaged and proposes to engage. Seller does not intend to incur, or believe that it has incurred, debts beyond its ability to pay such debts as they mature. Seller is not transferring any Loans with any intent to hinder, delay or defraud any Person.

(xii) Reporting. In its financial statements, Seller intends to report each sale of a Mortgage Loan hereunder as a financing in accordance with GAAP. Seller has been advised by or confirmed with its independent public accountants that such sales can be so reported under GAAP on its financial statements.

(xiii) Financial Condition. The balance sheets of Seller provided to Buyer pursuant to Section 11(h) (and, if applicable, its Subsidiaries, on a consolidated and consolidating basis) as of the dates of such balance sheets, and the related statements of income, changes in stockholders' equity and cash flows for the periods ended on the dates of such balance sheets heretofore furnished to Buyer, fairly present in all material respects the financial condition of Seller and its Subsidiaries as of such dates and the results of its and their operations for the periods ended on such dates. On the dates of such balance sheets, Seller had no known material liabilities, direct or indirect, fixed or contingent, matured or unmatured, or liabilities for taxes, long-term leases or unusual forward or long-term commitments not disclosed by, or reserved against on, said balance sheets and related statements, and at the present time there are no material unrealized or anticipated losses from any loans, advances or other commitments of Seller except as heretofore disclosed to Buyer in writing. Said financial statements were prepared in accordance with GAAP applied on a consistent basis throughout the periods involved. Since the date of the balance sheet most recently provided, there has been no Material Adverse Effect, nor is Seller aware of any state of facts particular to Seller that (with or without notice or lapse of time or both) could reasonably be expected to result in any such Material Adverse Effect.

(xiv) Regulation U. Seller is not engaged principally, or as one of its important activities, in the business of purchasing or carrying Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds of Buyer's purchases of Mortgage Loans hereunder will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock. Following the application of the proceeds of each such purchase, not more than [\*\*\*] of the value of the assets (either of Seller only or of Seller and its Subsidiaries on a consolidated basis) will be Margin Stock.

(xv) Investment Company Act. Neither Seller nor any of its Subsidiaries is required to register as an "investment company" under the Investment Company Act of 1940, as amended.

(xvi) Agreements. Neither Seller nor any of its Subsidiaries is a party to any agreement, instrument or indenture, or subject to any restriction, that has, or could reasonably be expected to have, a Material Adverse Effect. None of Seller's Subsidiaries is subject to any dividend restriction imposed by a Governmental Authority other than those under applicable statutory law. Neither Seller nor any of its Subsidiaries is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement, instrument or indenture which default could reasonably be expected to result in a Material Adverse Effect. No holder of any Debt of Seller or of any of its Subsidiaries has given notice of any alleged default thereunder, or, if given, the same has been cured or will be cured by Seller or the relevant Subsidiary within the cure period provided therein. No Act of Insolvency with respect to Seller, any of its Subsidiaries or any Guarantor, or any of their respective properties is pending, contemplated or, to the knowledge of Seller, threatened.

(xvii) Title to Properties. Seller and each Subsidiary of Seller has good, valid, insurable (in the case of real property) and marketable title to all of its properties and assets (whether real or personal, tangible or intangible) reflected on the financial statements described in Section 11(h), and all such properties and assets are free and clear of all Liens except (i) the lien of current (nondelinquent) real and personal property taxes and assessments, (ii) covenants, conditions and restrictions, rights of way, easements and other similar matters to which like properties and assets are commonly subject that do not materially interfere with the use of the property or asset as it is currently being used, (iii) such other Liens as are disclosed in such financial statements and not prohibited under this Agreement and (iv) Liens arising from Seller's origination of Mortgage Loans utilizing warehouse, gestation and other credit facilities (x) against Purchased Mortgage Loans, in favor only of Buyer or (y) against Mortgage Loans other than Purchased Mortgage Loans originated utilizing other such facilities, in favor of the respective counterparties under such other facilities.

(xviii) ERISA. All plans ("Plans") of a type described in Section 3(3) of ERISA in respect of which Seller or any Subsidiary of Seller is an "employer," as defined in Section 3(5) of ERISA, are in substantial compliance with ERISA, and none of such Plans is insolvent or in reorganization, has an accumulated or waived funding deficiency within the meaning of Section 412 of the IRC, and neither Seller nor any Subsidiary of Seller has incurred any material liability (including any material contingent liability) to or on account of any such Plan pursuant to

Sections 4062, 4063, 4064, 4201 or 4204 of ERISA. No proceedings have been instituted to terminate any such Plan, and no condition exists that presents a material risk to Seller or a Subsidiary of Seller of incurring a liability to or on account of any such Plan pursuant to any of the foregoing Sections of ERISA. No material liability exists with respect to any Plan in which Seller, any Subsidiary of Seller or any Guarantor is an “employer”, or any trust forming a part thereof, that has been terminated since December 1, 1974.

(xix) Proper Names. Seller does not operate in any jurisdiction under a trade name, division, division name or name other than those names previously disclosed in writing by Seller to Buyer, and all such names are utilized by Seller only in the jurisdiction(s) identified in such writing. The only names used by Seller in its tax returns for the last ten (10) years are set forth in Exhibit L.

(xx) No Undisclosed Liabilities. Other than as disclosed in the financial statements delivered pursuant to Section 11(h), Seller does not have any liabilities or Debt, direct or contingent.

(xxi) Tax Returns and Payments. All federal, state and local income, excise, property and other tax returns required to be filed with respect to Seller’s operations and those of its Subsidiaries in any jurisdiction have been filed on or before the due date thereof (plus any applicable extensions); all such returns are true and correct; all taxes, assessments, fees and other governmental charges upon Seller, and Seller’s Subsidiaries and upon their respective properties, income or franchises, that are, or should be shown on such tax returns to be, due and payable have been paid, including all Federal Insurance Contributions Act (FICA) payments and withholding taxes, if appropriate, other than those that are being contested in good faith by appropriate proceedings, diligently pursued and as to which Seller has established adequate reserves determined in accordance with GAAP, consistently applied. The amounts reserved, as a liability for income and other taxes payable, in the financial statements described in Section 11(h) are sufficient for payment of all unpaid federal, state and local income, excise, property and other taxes, whether or not disputed, of Seller and its Subsidiaries, accrued for or applicable to the period and on the dates of such financial statements and all years and periods prior thereto and for which Seller and Seller’s Subsidiaries may be liable in their own right or as transferee of the assets of, or as successor to, any other Person.

(xxii) No Warrants; Shares Valid, Paid and Non-assessable. Seller has not issued, and does not have outstanding, any warrants, options, rights or other obligations to issue or purchase any shares of its capital stock or other securities (or other equity equivalent). The outstanding shares of capital stock (or other equity equivalent) of Seller have been duly authorized and validly issued and are fully paid and non-assessable.

(xxiii) Credit Information. Seller has full right and authority and is not precluded by law or contract from furnishing to Buyer the applicable consumer report (as defined in the Fair Credit Reporting Act, Public Law 91-508) and all other credit information relating to each Purchased Mortgage Loan sold hereunder, and Buyer will not be precluded from furnishing such materials to the related Approved Takeout Investor by such laws. Neither the foregoing nor any other provision of this Agreement or any other Transaction Document shall be construed to

impose any obligation on Buyer to keep the above described materials confidential or to otherwise comply with the Fair Credit Reporting Act or any similar laws.

(xxiv) No Discrimination. Seller makes credit accessible to all qualified applicants in accordance with all Requirements of Law. Seller has not discriminated, and will not discriminate, against credit applicants on the basis of any prohibited characteristic, including race, color, religion, national origin, sex, marital or familial status, age (provided that the applicant has the ability to enter into a binding contract), handicap, sexual orientation or because all or part of the applicant's income is derived from a public assistance program or because of the applicant's good faith exercise of rights under the Federal Consumer Protection Act. Furthermore, Seller has not discouraged, and will not discourage, the completion of any credit application based on any of the foregoing prohibited bases. In addition, Seller has complied with all anti-redlining provisions and equal credit opportunity laws applicable under all Requirements of Law.

(xxv) Home Ownership and Equity Protection Act. There is no Litigation, proceeding or governmental investigation existing or pending or to the knowledge of Seller threatened, or any order, injunction or decree outstanding against or relating to Seller, relating to any violation of the Home Ownership and Equity Protection Act or any state, city or district high cost home mortgage or predatory lending law.

(xxvi) In Compliance with Applicable Laws. Seller and its Subsidiaries each complies in all material respects with all Requirements of Law applicable to it. Without limiting the foregoing, Seller and its Subsidiaries each complies in all material respects with all applicable (1) Agency Guidelines, (2) Privacy Requirements, including the GLB Act and Safeguards Rules promulgated thereunder, (3) consumer protection laws and regulations, (4) licensing and approval requirements applicable to Seller's and its Subsidiaries' Origination of Mortgage Loans and (5) other laws and regulations referenced in the definition of "Requirement(s) of Law", in item (ff) of Exhibit B or in both of such places.

(xxvii) Place of Business and Formation. The principal place of business of Seller is located at the address set forth for Seller in Section 15. As of the date hereof, and during the four (4) months immediately preceding that date, the chief executive office of Seller and the office where it keeps its financial books and records relating to its property and all contracts relating thereto and all accounts arising therefrom is and has been located at the address set forth for Seller in Section 15. As of the date hereof and at all times for the past two (2) years, Seller's jurisdiction of organization is and has been the State of California.

(xxviii) No Adverse Selection. Seller used no selection procedures that identified the Purchased Mortgage Loans offered to Buyer for purchase hereunder as being less desirable or valuable than other comparable Mortgage Loans owned by Seller.

(xxix) MERS. Seller is a member of MERS in good standing.

(xxx) Seller is Principal. Seller is engaging in the Transactions as a principal.

(xxxi) No Default. No Default or Event of Default has occurred.

(xxxii) No Sanctioned Persons. Neither Seller, its Subsidiaries nor any of its or their directors, members, managers, partners, officers, employees, brokers or agents acting or benefiting in any capacity in connection with this Agreement or any other transaction involving Buyer or, to the best of Seller's knowledge, any of Buyer's Affiliates, is a Sanctioned Person.

(xxxiii) Anti-Money Laundering Laws. Seller and its Affiliates each complies with all Anti-Money Laundering Laws applicable to it and its agents.

(xxxiv) Anti-Corruption Laws and Sanctions. Seller has implemented and maintains in effect policies and procedures designed to ensure compliance by Seller, its Subsidiaries and their respective directors, members, managers, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and Seller, its Subsidiaries and their respective directors, members, managers, partners, officers, employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. No use of proceeds of any Transaction nor any other transaction contemplated by the Transaction Documents will violate Anti-Corruption Laws or applicable Sanctions.

(b) Representations as to Additional Mortgage Loans. Subject to the proviso stated in Section 12(a)(iii), on and as of the date of transfer of each Mortgage Loan transferred from Seller to Buyer as an Additional Purchased Mortgage Loan and on each day thereafter before it is repurchased by Seller, Seller shall be deemed to represent to Buyer that each Additional Purchased Mortgage Loan is an Eligible Mortgage Loan and to make the representations and warranties in respect thereof that are set forth in Exhibit B.

(c) Copies. Each time Seller delivers or causes to be delivered to Buyer a copy (instead of the original) of any document pursuant or relating to this Agreement, any other Transaction Document or any Transaction, Seller shall be deemed to warrant, represent and certify to Buyer at the time of delivery that such copy is a true, correct and complete copy of the original of that document unless such document is accompanied by Seller's written statement that such document is incorrect or incomplete in the manner specified in such statement.

(d) Survival of Representations. All the representations and warranties made by Seller to Buyer in this Agreement are binding on Seller regardless of whether the subject matter thereof was under the control of Seller or a third party. Seller acknowledges that Buyer will rely upon all such representations and warranties with respect to each Purchased Mortgage Loan purchased by Buyer hereunder, and Seller makes such representations and warranties in order to induce Buyer to purchase the Mortgage Loans. The representations and warranties by Seller in this Agreement with respect to a Purchased Mortgage Loan shall be unaffected by, and shall supersede and control over, any provision in any existing or future endorsement of any Purchased Mortgage Loan or in any assignment with respect to such Purchased Mortgage Loan to the effect that such endorsement or assignment is without recourse or without representation or warranty. All Seller representations and warranties shall survive delivery of the Loan Files and the Confirmations, purchase by Buyer of Purchased Mortgage Loans, transfer of the servicing for the Purchased Mortgage Loans to a successor servicer, delivery of Purchased Mortgage Loans to an Approved Takeout Investor, repurchases of the Purchased Mortgage Loans by Seller and termination of this Agreement. The representations and warranties of Seller in this Agreement shall inure to the benefit of Buyer and its successors and assigns,

notwithstanding any examination by Buyer of any Mortgage Loan Documents, related files or other documents delivered to Buyer.

## 11. Seller's Covenants.

Seller shall perform, and shall cause each of its Subsidiaries to perform, the following duties at all times during the term of this Agreement:

(a) Maintenance of Existence; Conduct of Business. Seller and each of its Subsidiaries shall preserve and maintain its existence in good standing and all of its rights, privileges, licenses and franchises necessary in the normal conduct of its business, including its eligibility as lender, seller/servicer and issuer described under Section 10(a)(ix); and each of Seller and its Subsidiaries shall conduct its business in an orderly and efficient manner and shall keep adequate books and records of its business activities and make no material change in the nature or character of its business or engage in any business substantially different from the mortgage origination and servicing business in which it is engaged on the Effective Date of this Agreement. Seller will not make any material change in its accounting treatment and reporting practices except as required by GAAP. Seller will remain a member of MERS in good standing.

(b) Compliance with Applicable Laws. Seller shall comply, and shall cause each of its Subsidiaries to comply, with all Requirements of Law, a breach of which would, or could reasonably be expected to, adversely affect the Purchased Mortgage Loans or the Mortgage Loans to be sold pursuant to this Agreement, or that could reasonably be expected to result in a Material Adverse Effect except where contested in good faith and by appropriate proceedings and with adequate book reserves determined in accordance with GAAP, consistently applied, established therefor. Seller shall comply, and shall cause each of its Subsidiaries to comply, in all material respects with all Requirements of Law applicable to it. Without limiting the foregoing, Seller shall comply, and cause its Subsidiaries to comply, in all material respects with all applicable (1) Agency Guidelines, (2) Privacy Requirements, including the GLB Act and Safeguards Rules promulgated thereunder, (3) consumer protection laws and regulations, (4) licensing and approval requirements applicable to Seller's and its Subsidiaries' Origination of Mortgage Loans and (5) other laws and regulations referenced in the definition of "Requirement(s) of Law", in item (ff) of Exhibit B or in both of such places.

(c) Compliance with Anti-Corruption Laws. Seller shall, and shall cause each of its Subsidiaries to, maintain in effect and enforce policies and procedures designed to ensure compliance by Seller, its Subsidiaries and their respective directors, members, managers, partners, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(d) Inspection of Properties and Books. Seller shall permit authorized representatives of Buyer to (i) discuss the business, operations, assets and financial condition of Seller and Seller's Subsidiaries with their officers and employees and to examine their books of account, records, reports and other papers and make copies or extracts thereof, (ii) inspect all of Seller's property and all related information and reports, and (iii) audit Seller's operations to ensure compliance with the terms of the Transaction Documents, the GLB Act and other privacy laws and regulations, all at Seller's expense and at such reasonable times as Buyer may request. Seller will provide its accountants with a photocopy of this Agreement promptly after the



execution hereof and will instruct its accountants to answer candidly any and all questions that the officers of Buyer or any authorized representatives of Buyer may address to them in reference to the financial condition or affairs of Seller and Seller's Subsidiaries. Seller may have its representatives in attendance at any meetings between the officers or other representatives of Buyer and Seller's accountants held in accordance with this authorization.

( e ) Notices. Seller will promptly notify Buyer of the occurrence of any of the following and shall provide such additional documentation and cooperation as Buyer may request with respect to any of the following:

(i) any change in the business address and/or telephone number of Seller, any Subsidiary of Seller or any Guarantor;

(ii) any merger, consolidation or reorganization of Seller, any Subsidiary of Seller or any Guarantor, or any changes in the ownership of Seller, any Subsidiary of Seller or any Guarantor by direct or indirect means. "**Indirect**" means any change in ownership of a controlling interest of the relevant Person's direct or indirect parent;

(iii) any change of the name or jurisdiction of organization of Seller, any Subsidiary of Seller or any Guarantor;

(iv) any change in the information provided in the Beneficial Ownership Certification delivered to Buyer that would result in a change to the list of beneficial owners identified in such certification;

(v) any material adverse change in the financial position of Seller, any Subsidiary of Seller or any Guarantor;

(vi) receipt by Seller, any Subsidiary of Seller or any Guarantor of notice from the holder of any of its Debt of any alleged default thereunder;

(vii) entry of any court judgment or regulatory order in which Seller, any Subsidiary of Seller or any Guarantor is or may be required to pay a claim or claims that could have a material adverse effect on the financial condition of Seller, any Subsidiary of Seller or any Guarantor, on the ability of Seller, any Subsidiary of Seller or any Guarantor to perform its obligations under any Transaction Document, or on the ability of Seller, any Subsidiary of Seller or any Guarantor to continue its operations in a manner similar to its current operations;

(viii) the filing of any petition, claim or lawsuit against Seller, any Subsidiary of Seller or any Guarantor that could reasonably be expected to have a material adverse effect on the financial condition of Seller, any Subsidiary of Seller or any Guarantor, on the ability of Seller, any Subsidiary of Seller or any Guarantor to perform its obligations under any Transaction Document, or on the ability of Seller, any Subsidiary of Seller or any Guarantor to continue its operations in a manner similar to its current operations;

(ix) Seller, any Subsidiary of Seller or any Guarantor admits to committing, or is found to have committed, a material violation of any Requirement of Law relating to its business operations, including its loan generation, sale or servicing operations;

(x) the initiation of any investigations, audits, examinations or reviews of Seller, any Subsidiary of Seller or any Guarantor by any Agency, Governmental Authority, trade association or consumer advocacy group relating to the Origination, sale or servicing of mortgage loans by Seller, any Subsidiary of Seller or any Guarantor or the business operations of Seller, any Subsidiary of Seller or any Guarantor, with the exception of routine and normally scheduled audits or examinations by the regulators of Seller, any Subsidiary of Seller or any Guarantor;

(xi) any disqualification or suspension of Seller, any Subsidiary of Seller or any Guarantor by an Agency, including any notification or knowledge, from any source, of any disqualification or suspension, or any warning of any such disqualification or suspension or impending or threatened disqualification or suspension;

(xii) the occurrence of any actions, inactions or events upon which an Agency may, in accordance with Agency Guidelines, disqualify or suspend Seller or any Subsidiary of Seller as a seller or servicer, including (if Seller is or becomes a Freddie Mac-approved seller or servicer) those events or reasons for disqualification or suspension enumerated in Chapter 5 of the Freddie Mac Single Family Seller/Servicer Guide and (if Seller is or becomes a Fannie Mae-approved seller or servicer) any breach of Seller's "Lender Contract" (as defined in the Fannie Mae Single Family 2010 Selling Guide) with Fannie Mae including the breaches described or referred to in Section A2-3, 1-01 "Lender Breach of Contract" of the Fannie Mae Single Family Selling Guide;

(xiii) the filing, recording or assessment of any federal, state or local tax Lien against Seller, any Subsidiary of Seller or any Guarantor, or any of their assets;

(xiv) the occurrence of any Event of Default hereunder or the occurrence of any Default;

(xv) the suspension, revocation or termination of any licenses or eligibility as described under Section 10(a)(ix) of Seller, any Subsidiary of Seller or any Guarantor;

(xvi) any other action, event or condition of any nature that could reasonably be expected to result in a Material Adverse Effect or that, with or without notice or lapse of time or both, will constitute a default under any other agreement, instrument or indenture to which Seller, any Subsidiary of Seller or any Guarantor is a party or to which its properties or assets may be subject; or

(xvii) any alleged breach by Buyer of any provision of this Agreement or of any of the other Transaction Documents.

(f) Payment of Debt, Taxes, etc.

(i) Seller shall pay and perform all obligations and Debt of Seller, and cause to be paid and performed all obligations and Debt of its Subsidiaries in accordance with the terms thereof, and pay and discharge or cause to be paid and discharged all taxes, assessments and governmental charges or levies imposed upon Seller, its Subsidiaries, or upon their respective income, receipts or properties, before the same shall become past due, as well as all lawful claims for labor, materials or supplies or otherwise that, if unpaid, might become a Lien upon such properties or any part thereof; provided that Seller and its Subsidiaries shall not be required to pay obligations, Debt, taxes, assessments or governmental charges or levies or claims for labor, materials or supplies for which Seller or its Subsidiaries shall have obtained an adequate bond or adequate insurance or that are being contested in good faith and by proper proceedings that are being reasonably and diligently pursued, if such proceedings do not involve any likelihood of the sale, forfeiture or loss of any such property or any interest therein while such proceedings are pending and if adequate book reserves determined in accordance with GAAP, consistently applied, are established therefor.

(ii) (A) All payments made by Seller under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities (including penalties, interest and additions to tax) with respect thereto imposed by any Governmental Authority, excluding taxes imposed on (or measured by) Buyer's net income (however denominated) or capital, branch profits taxes, franchise taxes or any other tax imposed on the net income by the United States, a state or a foreign jurisdiction under the laws of which Buyer is organized or of its applicable lending office, or any political subdivision thereof (collectively, "**Taxes**"), all of which shall be paid by Seller for its own account not later than the date when due. If Seller is required by any Requirement of Law to deduct or withhold any Taxes from or in respect of any amount payable hereunder, it shall (a) make such deduction or withholding, (b) pay the amount so deducted or withheld to the appropriate Governmental Authority not later than the date due, (c) deliver to Buyer, promptly, original tax receipts and other evidence satisfactory to Buyer of the payment when due of the full amount of such Taxes and (d) pay to Buyer such additional amounts as may be necessary so that such Buyer receives, free and clear of all Taxes, a net amount equal to the amount it would have received under this Agreement, as if no such deduction or withholding had been made.

(B) In addition, Seller agrees to pay to the relevant Governmental Authority in accordance with all applicable Requirements of Law any current or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies (including mortgage recording taxes, transfer taxes and similar fees) imposed by the United States or any taxing authority thereof or therein that arise from any payment made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this Agreement ("**Other Taxes**").

(C) Seller agrees to indemnify Buyer for the full amount of Taxes and Other Taxes (including additional amounts with respect thereto), and the full amount of Taxes of any kind imposed by any jurisdiction on amounts payable under this Section 11(f), and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, provided that Buyer shall have provided Seller with evidence, reasonably satisfactory to Seller, of payment of Taxes or Other Taxes, as the case may be.

(D) Any assignee of Buyer that is not incorporated or otherwise created under the laws of the United States, any State thereof, or the District of Columbia (a “**Foreign Buyer**”) shall provide Seller with properly completed IRS Form W-8BEN or W-8ECI or any successor form prescribed by the IRS, certifying (X) that such Foreign Buyer is either (1) entitled to benefits under an income tax treaty to which the United States is a party that eliminates United States withholding tax under Sections 1441 through 1442 of the Code on payments to it or (2) otherwise fully exempts from United States withholding tax under Sections 1441 through 1442 of the Code on payments to it, or (Y) that the income receivable pursuant to this Agreement is effectively connected with the conduct of a trade or business in the United States, on or before the date upon which each such Foreign Buyer becomes a purchaser of Mortgage Loans hereunder. Each Foreign Buyer will resubmit the appropriate form on the earliest of (x) the third anniversary of the prior submission or (y) on or before the expiration of thirty (30) days after there is a “change in circumstances” with respect to such Foreign Buyer as defined in Treas. Reg. Section 1.1441(e)(4)(ii)(D). For any period with respect to which a Foreign Buyer has failed to provide Seller with the appropriate form or other relevant document pursuant to this Section 11(f)(ii) (unless such failure is due to a change in any Requirement of Law occurring subsequent to the date on which a form originally was required to be provided), such Foreign Buyer shall not be entitled to any “gross-up” of Taxes or indemnification under this Section 11(f) with respect to Taxes imposed by the United States; provided that should a Foreign Buyer, that is otherwise exempt from a withholding tax, become subject to Taxes because of its failure to deliver a form required hereunder, Seller shall take such steps as such Foreign Buyer shall reasonably request to assist such Foreign Buyer to recover such Taxes.

(E) Without prejudice to the survival or any other agreement of Seller hereunder, the agreements and obligations of Seller contained in this Section 11(f) shall survive the termination of this Agreement. Nothing contained in this Section 11(f) shall require Buyer to make available any of its tax returns or other information that it deems to be confidential or proprietary.

(F) Each Party acknowledges that it is its intent, for purposes of U.S. federal, state and local income and franchise taxes only, to treat each purchase transaction hereunder as indebtedness of Seller that is secured by the Purchased Mortgage Loans and that the Purchased Mortgage Loans are owned by Seller in the absence of an Event of Default by Seller. All Parties agree to such treatment and agree to take no action inconsistent with this treatment unless required by law.

(g) Insurance. Seller shall maintain, and shall cause its Subsidiaries to maintain, at no cost to Buyer (a) errors and omissions insurance or mortgage impairment insurance and blanket bond coverage, with such companies and in such amounts as to satisfy the requirements of prevailing Agency Guidelines applicable to a qualified mortgage originating institution, and shall cause Seller’s policy to be endorsed with the Blanket Bond Required Endorsement and (b) liability insurance and fire and other hazard insurance on its properties, with responsible insurance companies reasonably acceptable to Buyer, in such amounts and against such risks as is customarily carried by similar businesses operating in the same vicinity. Within thirty (30) days after notice from Buyer, Seller will obtain such additional insurance as Buyer shall reasonably require, at no cost to Buyer. Photocopies of such policies shall be furnished to Buyer

at no cost to Buyer upon Seller's or its Subsidiaries' obtaining such coverage or any renewal of or modification to such coverage.

(h) Financial Statements and Other Reports. Seller shall deliver or cause to be delivered to Buyer:

(i) as soon as available and in any event not later than thirty (30) days after the end of each calendar month, statements of income and changes in stockholders' equity and cash flow of Guarantor and Guarantor's Subsidiaries on a consolidated and consolidating basis) for the immediately preceding month, and related balance sheet as of the end of the immediately preceding month, all in reasonable detail, prepared in accordance with GAAP applied on a consistent basis, and certified as to the fairness of presentation by the chief financial officer of Guarantor, subject, however, to normal year-end audit adjustments;

(ii) as soon as available and in any event not later than ninety (90) days after Guarantor's fiscal year end, statements of income, changes in stockholders' equity and cash flows of Guarantor and Guarantor's Subsidiaries on a consolidated and consolidating basis for the preceding fiscal year, the related balance sheet as of the end of such year (setting forth in comparative form the corresponding figures for the preceding fiscal year), all in reasonable detail, prepared in accordance with GAAP applied on a consistent basis throughout the periods involved, and accompanied by an opinion in form and substance satisfactory to Buyer (without a "going concern" or like qualification, commentary or exception and without any qualification or exception as to the scope of such audit) and prepared by an accounting firm reasonably satisfactory to Buyer, or other independent certified public accountants of recognized standing selected by Guarantor and acceptable to Buyer, and a certificate signed by the chief financial officer of Guarantor, each stating that said financial statements fairly present in all material respects the financial condition, cash flows and results of operations of Guarantor and Guarantor's Subsidiaries on a consolidated and consolidating basis as of the end of, and for, such year;

(iii) together with each delivery of financial statements required in this Section 11(h), a Compliance Certificate executed by Seller's chief financial officer;

(iv) photocopies or electronic copies of all regular or periodic financial and other reports, if any, that Seller, Guarantor or any Subsidiary of Seller or Guarantor shall file with the SEC or any other Governmental Authority (other than routine tax and corporate or organizational filings), not later than five (5) Business Days after filing;

(v) promptly following Buyer's reasonable request therefor, copies of any detailed audit reports, management letters or recommendations submitted to Seller's board of directors (or other governing body), or to its audit committee, by independent accountants in connection with the accounts or books of Seller or any of its Subsidiaries, or any audit of any of them;

(vi) photocopies or electronic copies of any audits completed by any Agency of Seller, Guarantor or any of their Subsidiaries, not later than five (5) Business Days after receiving such audit;

(vii) not less frequently than once every week (and more often if requested by Buyer), a report in form and substance satisfactory to Buyer summarizing the Hedging Arrangements, if any, then in effect with respect to all Mortgage Loans then owned by Buyer and interim serviced by Seller (or a Successor Servicer); and

(viii) from time to time, with reasonable promptness, such further information regarding the Mortgage Assets, or the business, operations, properties or financial condition of Seller and any Guarantor as Buyer may reasonably request.

(i) Additional Information. Promptly following Buyer's reasonable request therefor, Seller shall deliver or cause to be delivered to Buyer, (x) information regarding the operations, changes in ownership of Equity Interests, business affairs and financial condition of Seller or any of its Subsidiaries, or compliance with the terms of this Agreement, and (y) information and documentation for purposes of compliance with applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act and the Beneficial Ownership Regulation.

(j) Limits on Distributions. Without Buyer's prior written consent, Seller shall not, and shall not permit any of its Subsidiaries to, pay, make or declare or incur any liability to pay, make or declare any dividend (excluding stock dividends) or other distribution, direct or indirect, on or on account of any shares of its stock (or equivalent equity interest) or any redemption or other acquisition, direct or indirect, of any shares of its stock (or equivalent equity interest) or of any warrants, rights or other options to purchase any shares of its stock (or equivalent equity interest), nor purchase, acquire, redeem or retire any stock (or equivalent equity interest) in itself whether now or hereafter outstanding, except that, so long as no Default or Event of Default exists at such time or will occur as a result of such payment, (i) Seller and its Subsidiaries may pay Permitted Dividends, and (ii) Seller may permit redemption or other acquisition of shares of Seller's stock (or equivalent equity interest) in an aggregate amount in any [\*\*\*] period of no more than [\*\*\*] of Seller's outstanding stock or equivalent equity interest.

(k) Use of Chase's Name. Seller shall and shall cause its Subsidiaries to, confine its use of Buyer's logo and the "JPMorgan" and "Chase" names to those uses specifically authorized by Buyer in writing. Except where required by the federal Real Estate Settlement Procedures Act or the CFPB's Regulation X thereunder, or the Helping Families Save Their Homes Act of 2009, as amended from time to time, or another Requirement of Law, in no instance may Seller or any of its Subsidiaries disclose to any prospective Mortgagor, or the agents of the Mortgagor, that such Mortgagor's Mortgage Loan will be offered for sale to Buyer. None of Seller or its Subsidiaries may use Buyer's name or logo to obtain any mortgage-related services without the prior written consent of Buyer.

(l) Reporting. In its financial statements, Seller will report each sale of a Mortgage Loan hereunder as a financing in accordance with GAAP.

( m ) Transactions with Affiliates. Seller will not and will not permit any of its Subsidiaries to (i) enter into any transaction, including any purchase, sale, lease or exchange of property or the rendering of any service, with any Affiliate unless such transaction is (a) otherwise permitted under this Agreement or (b) in the ordinary course of Seller's or such Subsidiary's business and upon fair and reasonable terms no less favorable to Seller or such Subsidiary than it would obtain in a comparable arm's-length transaction with a Person that is not an Affiliate, or (ii) make a payment that is not otherwise permitted by this Section 11 to any Affiliate.

(n) Defense of Title; Preservation of Mortgage Assets. Seller warrants and will defend the right, title and interest of Buyer in and to all Mortgage Assets against all adverse claims and demands of all Persons whomsoever. Seller shall do all things necessary to preserve the Mortgage Assets so that such Mortgage Assets remain subject to a first priority perfected Lien hereunder, excluding Hedging Arrangements that cover both Purchased Mortgage Loans and Mortgage Loans that are subject to another Available Warehouse/MSRs Facility, as to which Seller will do all things necessary to keep Buyer's Lien *pari passu* with the Lien of the counterparty to such other Available Warehouse/MSRs Facility. Without limiting the foregoing, Seller will comply with all Requirements of Law applicable to Seller or relating to the Mortgage Assets and cause the Mortgage Assets to comply with all applicable Requirements of Law. Seller will not allow any default to occur for which Seller is responsible under any Mortgage Assets or any Transaction Documents and Seller shall fully perform or cause to be performed when due all of its obligations under any Mortgage Assets and the Transaction Documents.

( o ) Limitation on Sale of Assets. Seller shall not convey, sell, lease, assign, transfer or otherwise dispose of (collectively, "**Transfer**"), all or substantially all of its property, business or assets (including receivables and leasehold interests) whether now owned or hereafter acquired or allow any of its Subsidiaries to Transfer all or substantially all of its assets to any Person; provided that Seller may, after at least [\*\*\*] prior written notice to Buyer, allow such action with respect to any Subsidiary that is not a material part of Seller's overall business operations.

( p ) No Amendment or Compromise. Without Buyer's prior written consent, none of Seller or those acting on Seller's behalf shall amend or modify, or waive any term or condition of, or settle or compromise any claim in respect of, any Purchased Mortgage Loan, any related Mortgage Loan Document or any related rights if such amendment, modification, waiver, settlement or compromise could reasonably be expected to adversely affect the value of such Purchased Mortgage Loan.

(q) Loan Determined to be Defaulted or Defective. Upon discovery by Seller that any Purchased Mortgage Loan is a Defaulted Loan or a Defective Mortgage Loan, Seller shall promptly give notice of such discovery to Buyer.

( r ) Further Assurances. Seller agrees to do such further acts and things and to execute and deliver to Buyer such additional assignments, acknowledgments, agreements, powers and instruments as are reasonably required by Buyer to carry into effect the intent and purposes of this Agreement and the other Transaction Documents, to perfect the interests of

Buyer in the Mortgage Assets or to better assure and confirm unto Buyer its rights, powers and remedies hereunder and thereunder.

(s) Hedging Arrangements. Seller shall maintain Hedging Arrangements with respect to all Mortgage Loans not the subject of Takeout Commitments reasonably satisfactory to Buyer, with Persons reasonably satisfactory to Buyer, in order to mitigate the risk that the Market Value of any such Mortgage Loan will change as a result of a change in interest rates or the market for mortgage loan assets before the Mortgage Loan is purchased by an Approved Takeout Investor or repurchased by Seller.

( t ) No Loans or Investments Except Approved Investments. Seller shall not, and shall not permit any of its Subsidiaries to, make or permit to remain outstanding any loans or advances to, or investments in, any Person, except that the foregoing restriction shall not apply to:

(i) investments in Cash Equivalents;

(ii) Mortgage Loans and related mortgage-backed securities;

(iii) investments related to and held in trust for (i) the Guild Mortgage Company Compensation Deferral Plan for Executives Restated Effective January 1, 2007, and (ii) Guild Mortgage Company's Nonqualified Deferred Compensation Plan, a Nonqualified Excess Deferred Compensation Plan as stipulated in the Nonqualified Plan and Service Agreement with Principal Financial Group effective April 1, 2017.

(iv) other investments not to exceed [\*\*\*] in the aggregate without Buyer's prior written consent.

( u ) Only Permitted Debt. Seller shall not, and shall not permit any of its Subsidiaries to, incur, permit to exist or commit to incur any Debt that has not been approved by Buyer in writing in advance, except the following (collectively, "**Permitted Debt**"):

(i) Seller's obligations under this Agreement and the other Transaction Documents;

(ii) Seller's and its Subsidiaries' obligations under other Available Warehouse/MSRs Facilities;

(iii) obligations to pay taxes;

(iv) liabilities for accounts payable, non-capitalized equipment or operating leases and similar liabilities, but only if incurred in the ordinary course of business;

(v) accrued expenses, deferred credits and loss contingencies that are properly classified as liabilities under GAAP;

(vi) non-speculative Hedging Arrangements incurred in the ordinary course of business; and



(vii) any other Debt in excess of [\*\*\*] in the aggregate at any time outstanding except other Debt that has been approved in writing by Buyer, including the Permitted Debt, if any, described in Exhibit J (Buyer shall have no obligation to approve any other Debt, and may approve or disapprove it, in writing or otherwise, in Buyer's reasonable discretion).

( v ) No Guaranties. Without the prior written consent of Buyer, Seller shall not, and shall not permit any of its Subsidiaries to, guarantee any Debt other than Debt incurred by a Subsidiary for a warehouse or repurchase facility for Mortgage Loans.

( w ) Underwriting Guidelines. Seller will underwrite Eligible Mortgage Loans in compliance with its underwriting guidelines in effect on the date hereof. Seller will not change its underwriting guidelines in any material respect without the prior written consent of Buyer except as may be required from time to time to comply with Agency Guidelines.

( x ) Mergers, Acquisitions, Subsidiaries. Without the prior written consent of Buyer, Seller will not, and will not permit any of its Subsidiaries to, (a) merge with or into any entity (unless Seller is the surviving entity and any of Seller's Subsidiaries may merge with or into Seller or another Subsidiary of Seller), liquidate or dissolve, or consolidate with or acquire any interest in, any Person, or create, form or acquire any Subsidiary not listed in Exhibit G, or (b) consummate a Division as the Dividing Person. Without limiting the foregoing, if Seller or any of its Subsidiaries that is a limited liability company consummates a Division (with or without Buyer's prior consent as required above), each Division Successor shall be required to become a Seller under this Agreement by executing a joinder agreement in form and substance approved by Buyer.

( y ) UCC. Seller will not change its name, organizational type or location (within the meaning of Section 9-307 of the UCC) unless it shall have (i) given Buyer at least forty-five (45) days' prior written notice thereof and (ii) delivered to Buyer all financing statements, amendments, instruments, legal opinions and other documents requested by Buyer in connection with such change. Seller will keep its principal place of business and chief executive office at the location specified in Section 15, and the office where it maintains any physical records of the Purchased Mortgage Loans at a corporate facility of Seller, or, in any such case, upon thirty (30) days' prior written notice to Buyer, at another location within the United States.

( z ) Takeout Commitments. Except to the extent superseded by this Agreement, Seller covenants that it shall continue to perform all of its duties and obligations to the Approved Takeout Investor, under any applicable Takeout Commitment and Takeout Agreement and otherwise, with respect to a Purchased Mortgage Loan as if such Mortgage Loan were still owned by Seller and to be sold directly by Seller to the Approved Takeout Investor pursuant to such Takeout Commitment on the date provided therein without the intervening ownership of Buyer pursuant to this Agreement. Without limiting the generality of the foregoing, Seller shall timely assemble all records and documents concerning the Mortgage Loan required under any applicable Takeout Commitment (except that photocopies instead of originals shall be used for those documents already provided to Buyer in the Loan File) and all other documents and information that may have been required or requested by the Approved Takeout Investor, and

Seller shall make all representations and warranties required to be made to the Approved Takeout Investor under the applicable Takeout Commitment and Takeout Agreement.

(aa) Financial Covenants.

(i) Leverage Ratio. Seller shall not permit the Leverage Ratio of Seller to exceed [\*\*\*] to [\*\*\*] computed as of the end of each calendar month.

(ii) Minimum Adjusted Tangible Net Worth. Seller shall not permit the Adjusted Tangible Net Worth of Seller, computed as of the end of each calendar month, to be less than [\*\*\*].

(iii) Maintenance of Available Warehouse/MSRs Facilities. Seller shall maintain at all times Available Warehouse/MSRs Facilities from buyers and lenders other than Buyer such that the Available Warehouse/MSRs Facility under this Agreement constitutes no more than [\*\*\*] of Seller's aggregate Available Warehouse/MSRs Facilities.

(iv) Maintenance of Liquidity. Seller shall have unencumbered Liquidity on the last Business Day of each month in an amount that equals or exceeds [\*\*\*] of the average of its Marginable Assets on the last Business Days of the current month and the two preceding months.

(v) Net Income. Seller shall not permit the cumulative net income before taxes of Seller for any [\*\*\*] to be less than [\*\*\*], and Seller shall not permit its net income before taxes to be less than [\*\*\*] for any [\*\*\*].

( v i ) Wholesale Originations. Seller shall Originate no more than [\*\*\*] of its total Mortgage Loan originations in any calendar month through wholesale or broker originations.

( b b ) Use of Proceeds. Seller (i) will not request any Transaction, and (ii) will not use, and will ensure that its Subsidiaries and its and their respective directors, members, managers, partners, officers, employees and agents do not use, the proceeds of any Transaction, (x) in furtherance of an offer, payment, promise to pay or authorization of the payment or giving of money or anything else of value to any Person in violation of the Anti-Corruption Laws, (y) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person or in any Sanctioned Country except to the extent permitted for a Person required to comply with Sanctions, or (z) in any manner that would result in the violation of any Sanctions.

( c c ) Government Regulation. Seller will not (1) be or become subject at any time to any Requirement of Law (including the U.S. Office of Foreign Asset Control list) that prohibits or limits Buyer from entering into any Transaction, or otherwise conducting business, with Seller or (2) fail to provide documentary and other evidence of Seller's identity as may be requested by Buyer at any time to enable Buyer to verify Seller's identity or to comply with any applicable

Requirement of Law, including Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318 and the Anti-Corruption Laws.

## 12. Events of Default; Remedies.

(a) Events of Default. Each of the following events shall, upon its occurrence and during its continuance, be an “Event of Default”:

(i) Seller fails to remit any Price Differential, Income, fees, Repurchase Price, escrow payment or any other amount due to Buyer pursuant to the terms hereof or any other Transaction Document or fails to cure any Margin Deficit as provided in Section 4; or

(ii) Seller fails to repurchase any Purchased Mortgage Loan at the time and for the amount required hereunder; or

(iii) (A) any representation or warranty made by Seller or any Guarantor in this Agreement or any other Transaction Document is untrue, inaccurate or incomplete in any material respect (each such representation or warranty, a “**Materially False Representation**”) on or as of the date made; provided that if any representation or warranty in Section 10(a)(i) or Section 10(b) or on Exhibit B (a “**Loan Level Representation**”) was when made, or has become, a Materially False Representation, then that Materially False Representation will not constitute a Default or an Event of Default — although such Materially False Representation *will* cause each affected Purchased Mortgage Loan to cease to be an Eligible Mortgage Loan and Seller shall be obligated to repurchase it from Buyer promptly after learning from any source of its ineligibility — unless both (1) such Loan Level Representation relates to [\*\*\*] or more Purchased Mortgage Loans and (2) when such Loan Level Representation was made, a Responsible Officer of Seller had actual knowledge that it was being made and that it was untrue, inaccurate or incomplete in a material respect, in which event such Materially False Representation will constitute an Event of Default; or

(B) any information contained in any written statement, report, financial statement or certificate made or delivered by Seller or any Guarantor (either before or after the date hereof) to Buyer pursuant to the terms of this Agreement or any other Transaction Document is untrue or incorrect as of the date when made or deemed made; or

(iv) Seller shall fail to comply with any of the requirements set forth in Section 11(d) (Inspection of Properties and Books), Section 11(i) (Limits on Distributions), Section 11(q) (Loan Determined to be Defaulted or Defective), Section 11(aa) (Financial Covenants); or

(v) Guarantor shall fail in the observance or performance of any duty, responsibility or obligation imposed by or set forth in Sections 4(c) (Inspection of Properties and Books) or 4(h) (Limits on Distributions) of the Guaranty; or

(vi) Seller or any Guarantor, as applicable, shall fail to observe, keep or perform any duty, responsibility or obligation imposed or required by this Agreement or any other Transaction Document other than one of the Events of Default specified or described in

another section of this Section 12(a)), and such failure continues unremedied for a period of five (5) days; or

(vii) any Act of Insolvency occurs with respect to Seller, any Guarantor or any Subsidiary of Seller or any Guarantor; or

(viii) one or more final judgments or decrees are entered against Seller, any of its Subsidiaries or any Guarantor involving claims not paid or not fully covered by insurance and the same are not vacated, discharged or satisfied, or stayed or bonded pending appeal, within [\*\*\*] days from the date of entry thereof, and Seller, such Subsidiary or Guarantor, as applicable, shall not within said period of [\*\*\*] or such longer period during which execution of same shall have been stayed by court order or by written agreement with the judgment creditor, perfect appeal therefrom and cause execution thereof to be stayed during such appeal; or

(ix) any Agency, private investor or any other Person seizes or takes control of the servicing portfolio of Seller, any Guarantor, any of their Subsidiaries or any Subservicer for breach of any servicing agreement applicable to such servicing portfolio or for any other reason whatsoever; or

(x) any Agency or Governmental Authority revokes or materially restricts the authority of Seller, any Guarantor or any of their respective Subsidiaries or any Subservicer, to Originate, purchase, sell or service Mortgage Loans, or Seller, any Guarantor or any of their respective Subsidiaries or any Subservicer shall fail to meet all requisite servicer eligibility qualifications promulgated by any Agency; or

(xi) there is a default under any agreement other than a Transaction Document that Seller or any Guarantor, or any of their respective Affiliates or Subsidiaries, has entered into with Buyer or any of its Affiliates or Subsidiaries; or

(xii) Seller, any Guarantor or any of their respective Subsidiaries fails to pay when due any other Debt in excess of [\*\*\*], individually or in the aggregate, beyond any period of grace provided, or there occurs any breach or default with respect to any material term of any such Debt, if the effect of such failure, breach or default is to cause, or to permit the holder or holders thereof (or a trustee on behalf of such holder or holders) to cause, such Debt of such Person to become or be declared due before its stated maturity (upon the giving or receiving of notice, lapse of time or both, or satisfaction of any other condition to acceleration, whether or not any such condition to acceleration has been satisfied); or

(xiii) there is a Material Adverse Effect; or

(xiv) there is an Event of Default (however denominated in the agreement for such repurchase or lending arrangement) by Seller, any Guarantor or any of their respective Subsidiaries under (x) any mortgage loan repurchase arrangement similar to the arrangement provided for in this Agreement, including off balance sheet repurchase arrangements, or (y) any warehouse lending arrangement, including off balance sheet warehouse lending arrangements,

that Seller or a Subsidiary may have with any other Person, including both (1) any Default (however denominated in such agreement) for which no notice or grace period is specified and that therefore is an Event of Default (however denominated in such agreement) immediately upon its occurrence, and (2) any Default for which such agreement provides for notice, a grace period or both and that has continued uncured by Seller or such Subsidiary (as the case may be) and unwaived by the counterparty to such agreement beyond the applicable notice and grace periods; or

(xv) (A) Seller or any Guarantor shall assert that any Transaction Document is not in full force and effect or shall otherwise seek to terminate (other than a termination of this Agreement or any Transaction Document that is expressly permitted by this Agreement), or disaffirm its obligations under, any such Transaction Document at any time following the execution thereof or (B) any Transaction Document ceases to be in full force and effect, or any of Seller's or any Guarantor's material obligations under any Transaction Document shall cease to be in full force and effect (other than as a result of any termination of this Agreement or any Transaction Document that is expressly permitted by this Agreement), or the enforceability thereof shall be contested by Seller or any Guarantor; or

(xvi) any Governmental Authority or any trustee, receiver, conservator or similar official acting or purporting to act under Governmental Authority shall have taken any action to condemn, seize or appropriate, or to assume custody or control of, all or any substantial part of the assets of Seller, any Guarantor, any of their respective Subsidiaries or any Subservicer, or shall have taken any action to displace the management of Seller, any Guarantor or any of their respective Subsidiaries or to curtail its authority in the conduct of the business of Seller, any Guarantor or any of their respective Subsidiaries, or to restrict the payment of dividends to Seller by any Subsidiary of Seller, and such action shall not have been discontinued or stayed within [\*\*\*]; or

(xvii) any Guarantor defaults under its Guaranty, or a default or an event of default shall have occurred under any other Transaction Document; or

(xviii) any Change in Control of Seller, any of its Subsidiaries or any Guarantor shall have occurred without Buyer's prior written consent or a material change in the management of Seller, any of its Subsidiaries or any Guarantor shall have occurred that has not been approved by Buyer in writing; or

(xix) without the Buyer's prior written consent, (i) any of Mary Ann McGarry or Terry Schmidt, shall cease for any reason whatsoever, including death or disability, to be, and to continuously perform the duties of, President and Chief Executive Officer of each of Seller and Guarantor (in the case of Mary Ann McGarry), and Chief Financial Officer of each of Seller and Guarantor (in the case of Terry Schmidt), or (ii) any two of James Masden, David Battney, or Mike Rish shall cease for any reason whatsoever, including death or disability, to be, and to continuously perform the duties of, Executive Vice President – Loan Servicing of each of Seller and Guarantor (in the case of James Masden), Senior Vice President of each of Seller and Guarantor (in the case of Mike Rish), or Executive Vice President – Capital Markets of each of Seller and Guarantor (in the case of David Battany), or, if any such cessation described in item (i) or cessations described in item (ii) shall occur as a result of death or disability, no successor

(or as applicable, successors) satisfactory to Buyer, in its reasonable judgment, shall have become, and shall have commenced to perform the duties of such offices indicated above within [\*\*\*] after such cessation; provided that in any instance if any such satisfactory successor shall have been so elected and shall have commenced performance of such duties within such period, then the name of such successor or successors shall be deemed to have been inserted in place of Mary Ann McGarry, Terry Schmidt, Mike Rish, James Masden, or David Battney, as applicable, in this Section 12(a)(xix); or

(xx) any failure by Seller to deliver assignments executed in blank to Buyer or its designee for each Purchased Mortgage Loan then subject to a Transaction within [\*\*\*] following any termination of Seller's MERS membership; or

(xxi) a downgrade of any of Seller's or any of its Subsidiaries' servicer ratings below the ratings held by Seller or such Subsidiary as of the Effective Date of this Agreement or, for ratings initiated after the Effective Date of this Agreement, below such initial ratings; or

(xxii) the initiation of any investigation or proceeding in respect of Seller or any Guarantor by any Governmental Authority, that is reasonably likely to have a material effect on Seller's or any Guarantor's ability to perform its obligations under this Agreement or the other Transaction Documents, provided that Seller is not prohibited by any Requirement of Law from disclosing the fact of the investigation; or

(xxiii) the Pension Benefit Guaranty Corp. shall, or shall indicate its intention to, file notice of a Lien pursuant to Section 4068 of ERISA with regard to any of the assets of Seller, any Guarantor or any of their respective Subsidiaries; or

(xxiv) Seller shall become subject to registration as an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940, as amended; or

(xxv) Buyer shall fail to have a valid and perfected first priority security interest in any of the Purchased Mortgage Loans, including the Servicing Rights thereto, or any other Mortgage Assets, in each case free and clear of any other Lien (excluding Hedging Arrangements that cover both Purchased Mortgage Loans and Mortgage Loans that are subject to another Available Warehouse/MSRs Facility, as to which it will be an Event of Default if Buyer's Lien shall fail or cease to be *pari passu* with the Lien of the counterparty to any such other Available Warehouse/MSRs Facility); or

(xxvi) the Leverage Ratio of Guarantor and its Subsidiaries on a consolidated basis shall exceed 10-to-1 computed as of the end of any calendar month; or

(xxvii) the Adjusted Tangible Net Worth of Guarantor and its Subsidiaries on a consolidated basis computed as of the end of any calendar month shall be less than One Hundred [\*\*\*];

(xxviii) Guarantor and its Subsidiaries on a consolidated basis shall at any time fail to have unencumbered Liquidity on the last day of any month in an amount that equals or

exceeds [\*\*\*] of the average of its Marginable Assets on the last Business Days of the current month and the two preceding months; or

(xxix) Seller or its Subsidiaries pay dividends which are not Permitted Dividends.

(b) Remedies. If an Event of Default occurs, Buyer, at its option, may at any time or times thereafter while such Event of Default is continuing, elect by written notice to Seller to do any or all of the following:

(i) accelerate the Repurchase Date of each outstanding Transaction whose Repurchase Date has not already occurred and cancel the Purchase Date for any Transaction whose Purchase Date has not yet occurred;

(ii) terminate and replace Seller as interim servicer with respect to any Mortgage Assets at the cost and expense of Seller;

(iii) direct Seller to cause all Income to be transferred into the Income Collection Account and all escrow payments received to be deposited in the Impound Collection Account within one (1) Business Day after receipt by Seller or any Subservicer;

(iv) direct or cause Seller to direct, all Mortgagors to remit all Income directly to an account specified by Buyer; and

(v) terminate any commitment of Buyer to purchase Mortgage Loans under this Agreement or otherwise.

(c) If Buyer has exercised its option under Section 12(b)(i), then (i) Seller's obligations hereunder to repurchase all Purchased Mortgage Loans then subject to outstanding Transactions shall thereupon become immediately due and payable, (ii) to the extent permitted by applicable law, the Repurchase Price with respect to each such Transaction shall be increased by the aggregate amount obtained by daily application of (x) the greater of (i) the Pricing Rate for such Transaction and (ii) the Prime Rate plus [\*\*\*] to (y) the Repurchase Price for such Transaction as of the accelerated Repurchase Date as determined pursuant to Section 12(b) (decreased as of any day by (A) any amounts retained by Buyer with respect to such Repurchase Price pursuant to Section 12(b)(iii) and 12(b)(iv) and (B) any proceeds from the sale of Purchased Mortgage Loans pursuant to Section 12(d), on a 360 day per year basis for the actual number of days during the period from and including the date of the Event of Default giving rise to such option to but excluding the date of payment of the Repurchase Price as so increased, (iii) all Income paid after such exercise or deemed exercise shall be paid over to and retained by Buyer and shall be applied to the aggregate unpaid Repurchase Prices and all other amounts owed by Seller to Buyer or any other Indemnified Party under the Transaction Documents, (iv) in accordance with Sections 4 and 5, all amounts on deposit in the Accounts, shall be applied by Buyer to the aggregate unpaid Repurchase Prices and all other amounts owed by Seller to Buyer or any other Indemnified Party under the Transaction Documents, (v) Seller shall, if directed by Buyer in writing, immediately deliver to Buyer any documents then in Seller's possession relating to any Purchased Mortgage Loans subject to such Transactions and (vi) Buyer may, by notice to Seller, declare the Termination Date to have occurred.

(d) Upon the exercise by Buyer of its option under Section 12(b)(i), without prior notice to Seller, Buyer may (A) immediately sell, on a servicing released or servicing retained basis as Buyer deems desirable, in a recognized market at such price or prices as Buyer may in its sole discretion deem satisfactory, any or all Purchased Mortgage Loans subject to such Transactions and apply the proceeds thereof to the aggregate unpaid Repurchase Prices and any other amounts owing by Seller to Buyer or any other Indemnified Party under the Transaction Documents or (B) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Mortgage Loans, to give Seller credit for such Purchased Mortgage Loans in an amount equal to the Market Value therefor on such date against the aggregate unpaid Repurchase Prices and any other amounts owing by Seller to Buyer or any other Indemnified Party under the Transaction Documents.

(e) The proceeds of any disposition or the amount of any credit described above shall be applied first, to the costs and expenses reasonably incurred by Buyer in connection with or as a result of an Event of Default (including reasonable legal fees and consulting fees, accounting fees, file transfer and inventory fees, costs and expenses reasonably incurred in respect of a transfer of the servicing of the Purchased Mortgage Loans and costs and expenses reasonably incurred in connection with a disposition of the Purchased Mortgage Loans); second, to costs of cover and/or related hedging transactions; third, to the aggregate and accrued Price Differential owed hereunder, fourth, to the remaining aggregate Repurchase Prices owed hereunder; fifth, to any other accrued and unpaid obligations of Seller hereunder and under the other Transaction Documents and sixth, any remaining proceeds shall be paid to Seller or other Person legally entitled thereto.

(f) The Parties acknowledge and agree that:

(i) Buyer has no desire or intention to hold any of the Purchased Mortgage Loans for investment under any circumstances, and if (x) Seller fails to repurchase any Purchased Mortgage Loan when required to do so by this Agreement, whether before or after its termination, or (y) any Event of Default has occurred and is continuing, and (z) Buyer has not made an affirmative election under the circumstances then prevailing to retain such Purchased Mortgage Loan pursuant to clause (B) of Section 12(d), Buyer will sell it (i) if practicable and if the sale can be made without Buyer's having to undertake representation, warranty or other obligations that Buyer, acting in its sole discretion, considers unacceptable, to the relevant Approved Takeout Investor (if any), or (ii) by private sale to another Person in the secondary mortgage market, undertaking only such representation, warranty and other obligations, if any, to such Person as Buyer, acting in its sole discretion, considers acceptable, at the earliest reasonable opportunity and for such price as Buyer, acting in its sole discretion, determines to be the optimal price available at the time of such sale; provided that if at any time Buyer determines that the secondary market for residential mortgage loans is illiquid, disrupted or dysfunctional, Buyer may elect to postpone sales of Purchased Mortgage Loans for so long as Buyer determines that any such market conditions persist, and no such delay shall be construed to constitute or require a change in the classification of the Purchased Mortgage Loans in Buyer's hands from "held for sale" to "held for investment", and in all cases, to the maximum extent not prohibited by applicable law, their Market Value shall be the only "reasonable determinant of value" of Purchased Mortgage Loans for purposes of Section 562 of the Bankruptcy Code;



(ii) in the absence (whether because of market disruptions or for any other reason whatsoever) of a generally recognized source for secondary mortgage market prices of, or for bid or offer quotations for, any one or more Purchased Mortgage Loans at any time, whether before or after any termination of this Agreement, Buyer may determine the Market Values of such Purchased Mortgage Loans using such means, methods, averaging, weighting, calculations and assumptions as it shall determine in its sole discretion to be appropriate, and Buyer's determination shall be conclusive and binding, absent manifest error, for all purposes, it being the Parties' specific intention to include therein the purposes of Sections 559 and 562 of the Bankruptcy Code;

(iii) except to the extent, if any, contrary to market practice, in determining values of Purchased Mortgage Loans, Buyer shall include all related accrued Income available either to be transferred to a secondary market purchaser or to be retained by Buyer to reduce their Repurchase Prices; and

(iv) in determining the Market Value of any Purchased Mortgage Loans, it is reasonable for Buyer to use and rely on the Loan Purchase Detail provided by Seller pursuant to Section 3(c) without being required to check or verify the accuracy or completeness of such information.

(g) The Parties further recognize that if, under the circumstances described in clause (x) or clause (y) of Section 12(f)(i), Buyer has elected to sell Purchased Mortgage Loans, the market for Mortgage Loans may then be insufficiently liquid or dysfunctional in other respects, they agree that Buyer may elect the time and manner of liquidating any Purchased Mortgage Loan, and nothing contained herein shall obligate Buyer (i) to liquidate any Purchased Mortgage Loan immediately after Seller's failure to repurchase it when required by this Agreement, the occurrence of an Event of Default or any termination of this Agreement, or (ii) to liquidate all Purchased Mortgage Loans in the same manner or on the same day, and no exercise by Buyer of any right or remedy shall constitute a waiver of any other right or remedy. Seller shall be liable to Buyer for (i) the amount of all reasonable legal fees and other expenses reasonably incurred by Buyer in connection with or as a result of an Event of Default, (ii) damages in an amount equal to the cost (including all fees, expenses and commissions reasonably incurred) of entering into replacement transactions and entering into or terminating hedge transactions in connection with or as a result of an Event of Default and (iii) any other loss, damage, cost or expense directly arising or resulting from the occurrence of an Event of Default.

(h) To the extent permitted by applicable law, Seller shall be liable to Buyer for interest on any amount owing by Seller hereunder that Seller has failed to pay when due, from the date such amount became due and payable until such amount is (i) paid in full by or on behalf of Seller or (ii) satisfied in full by the exercise of Buyer's rights hereunder. Interest on any sum payable by Seller to Buyer under this Section 12(h) shall be at a rate equal to the greater of (x) the Pricing Rate for the relevant Transaction and (y) the Prime Rate plus [\*\*\*].

(i) If an Event of Default occurs and is continuing, Buyer shall have, in addition to its rights hereunder, any rights otherwise available to it under any other agreement entered into in connection with the Transactions contemplated by this Agreement, under applicable law or in equity.

(j) Seller hereby acknowledges, admits and agrees that Seller's obligations under this Agreement are recourse obligations of Seller.

### **13. Servicing Rights Are Owned by Buyer; Interim Servicing of the Purchased Mortgage Loans**

(a) As a condition of purchasing an Eligible Mortgage Loan, Buyer hereby engages Seller to interim service such Purchased Mortgage Loan as agent for Buyer for a term (the "**Interim Servicing Term**") commencing on the Purchase Date of such Purchased Mortgage Loan and ending on the first Remittance Date thereafter, as such term may be renewed from time to time as provided in Section 13(a)(vi), on the following terms and conditions:

(i) Seller shall interim service and temporarily administer the Purchased Mortgage Loan on behalf of Buyer in accordance with prudent mortgage loan servicing standards and procedures generally accepted in the mortgage banking industry and in accordance with all applicable requirements of the Agencies, Requirements of Law, the provisions of any applicable servicing agreement, and the requirements of any applicable Takeout Agreement and the Approved Takeout Investor, so that the eligibility of the Purchased Mortgage Loan for purchase under such Takeout Agreement is not voided or reduced by such interim servicing and temporary administration;

(ii) If any Eligible Mortgage Loan that is proposed to be sold on a Purchase Date is serviced by a servicer other than Seller or any of its Affiliates (a "**Subservicer**"), or if the interim servicing of any Purchased Mortgage Loan is to be transferred to a Subservicer, Seller shall provide a copy of the related subservicing agreement and a Subservicer Instruction Letter executed by such Subservicer (collectively, the "**Subservicing Agreement**") to Buyer before such Purchase Date or interim servicing transfer date, as applicable. Each such Subservicing Agreement shall be in form and substance acceptable to Buyer. In addition, Seller shall have obtained the prior written consent of Buyer for such Subservicer to subservice the Purchased Mortgage Loans, which consent may be withheld in Buyer's sole discretion. In no event shall Seller's use of a Subservicer relieve Seller of its obligations hereunder, and Seller shall remain liable under this Agreement as if Seller were interim servicing such Purchased Mortgage Loans directly. Any termination of Seller as interim servicer shall automatically terminate each Subservicer. If any Agency or Governmental Authority revokes or materially restricts any Subservicer's authority to originate, sell or service Mortgage Loans, or if any Subservicer shall fail to meet all requisite originator, seller and servicer eligibility qualifications promulgated by any Agency, Buyer may direct Seller to immediately terminate such Subservicer as a subservicer of any or all of the Purchased Mortgage Loans and Seller shall promptly cause the termination of such Subservicer as directed by Buyer.

(iii) Seller acknowledges that it has no right, title or interest in the Servicing Rights for any Purchased Mortgage Loan, and agrees that Seller may not transfer or assign any rights to master service, service, interim service, subservice or administer any Purchased Mortgage Loan before Seller's repurchase thereof from Buyer (by payment to Buyer of the Repurchase Price therefor) other than an interim servicing transfer to a Subservicer approved by Buyer pursuant to a Subservicing Agreement approved by Buyer as described above in this Section 13.

(iv) Seller shall deliver all physical and contractual servicing materials, files and records for the servicing of each Purchased Mortgage Loan, together with all of the related Servicing Records that are not already in Buyer's possession, to Buyer's designee upon the earliest of (x) the occurrence of a Default or Event of Default hereunder unless Buyer gives written notice to Seller that the Interim Servicing Term is renewed and specifying the renewal term, (y) the termination of Seller as interim servicer by Buyer pursuant to Section 13(a)(v) or (z) the expiration (and non-renewal) of the Interim Servicing Term. Seller's transfer of the Servicing Records and the physical and such contractual servicing materials, files and records under this Section 13(a)(iv) shall be in accordance with customary standards in the industry and such transfer shall include the transfer of the gross amount of all escrows held for the related mortgagors (without reduction for unreimbursed advances or "negative escrows").

(v) Buyer shall have the right to terminate Seller as interim servicer of any of the Purchased Mortgage Loans, which right shall be exercisable at any time in Buyer's sole discretion, upon written notice.

(vi) The Interim Servicing Term will be deemed renewed (when it would otherwise expire) on each Remittance Date following the second Remittance Date after the related Purchase Date for a renewal term extending to the next succeeding Remittance Date unless (i) Seller has sooner been terminated as interim servicer of all of the Purchased Mortgaged Loans pursuant to Section 13(a)(v), or (ii) an Event of Default has occurred and is continuing, in which latter event the Interim Servicing Term will expire on the earlier of (x) the termination date specified in a Buyer's notice to Seller terminating the Interim Servicing Term or (y) such Remittance Date unless Buyer gives written notice to Seller that the Interim Servicing Term is renewed and specifying the renewal term.

(vii) The Interim Servicing Term will automatically terminate and Seller shall have no further obligation to interim service such Purchased Mortgage Loan as agent for Buyer or to make the delivery of documents required under this Section 13, upon receipt by Buyer of the Repurchase Price therefor.

(viii) Buyer has no obligation to pay Seller a fee for the interim servicing obligations Seller agrees to assume hereunder, no fee or other compensation will ever accrue or be or become owing, due or payable for or on account of such interim servicing and such interim servicing rights have no monetary value.

(b) During the period Seller is interim servicing the Purchased Mortgage Loans as agent for Buyer, Seller agrees that Buyer is the owner of the related Servicing Rights, Credit Files and Servicing Records and Seller, acting as interim servicer, shall at all times maintain and safeguard, and cause any Subservicer to maintain and safeguard, the Credit File for the Purchased Mortgage Loan (including photocopies or images of the documents delivered to Buyer), and accurate and complete records of its interim servicing of the Purchased Mortgage Loan, Seller's possession of the Credit Files and Servicing Records being for the sole purpose of interim servicing such Purchased Mortgage Loans and such retention and possession by Seller being in a temporary custodial capacity only.

(c) Seller further covenants as follows:

(i) Buyer may, at any time during Seller's business hours on reasonable notice (provided that after the occurrence and during the continuance of a Default or an Event of Default, no notice shall be required), examine and make copies of all such documents and records relating to interim servicing and administration of the Purchased Mortgage Loans;

(ii) At Buyer's request, Seller shall promptly deliver to Buyer reports regarding the status of any Purchased Mortgage Loan being interim serviced by Seller, which reports shall include a description of any event that would cause the Purchased Mortgage Loan to become a Defaulted Loan or a Defective Mortgage Loan or any other circumstances that could cause a material adverse effect on such Purchased Mortgage Loan, Buyer's title to such Purchased Mortgage Loan or the collateral securing such Purchased Mortgage Loan; Seller may be required to deliver such reports until the repurchase of the Purchased Mortgage Loan by Seller;

(iii) Seller shall immediately notify Buyer if it becomes aware of any payment default that occurs under any Purchased Mortgage Loan or any default under any Subservicing Agreement that would materially and adversely affect any Purchased Mortgage Loan subject thereto; and

(iv) If, during the Post-Origination Period, any Mortgagor contacts Seller requesting a payoff quote on the related Purchased Mortgage Loan, Seller shall ensure that any payoff quote provided requires Mortgagor to wire payoff funds directly to the Funding Account and includes wiring instructions therefor.

(d) Seller shall release its custody of the contents of any Credit File and any Loan File only (i) in accordance with the written instructions of Buyer, (ii) to a Subservicer approved by Buyer, (iii) when such release is required as incidental to Seller's servicing of the Purchased Mortgage Loan, or is required to complete the Takeout Funding or comply with the Takeout Guidelines, or (iv) as required by any Requirement of Law.

(e) Buyer reserves the right to appoint a successor interim servicer, or a regular servicer, at any time to service any Purchased Mortgage Loan (each a "**Successor Servicer**") in its sole discretion. If Buyer elects to make such an appointment after the occurrence of a Default or an Event of Default, Seller shall be assessed all costs and expenses incurred by Buyer associated with transferring the physical and contractual servicing materials, files and records for the servicing of each Purchased Mortgage Loan, together with all related Servicing Records, to the Successor Servicer. In the event of such an appointment, Seller shall perform all acts and take all action so that any part of the Credit File and related Servicing Records held by Seller, together with any and all mortgagors' escrow payments held in any account and all other receipts relating to such Purchased Mortgage Loan, are promptly delivered to the Successor Servicer, and shall otherwise fully cooperate with Buyer in effectuating such transfer. Seller shall have no claim for lost interim servicing income, any termination fee, lost profits or other damages if Buyer appoints a Successor Servicer hereunder. Buyer may, in its sole discretion if an Event of Default shall have occurred and be continuing, without payment of any termination fee or any other amount to Seller or any Subservicer, sell any or all of the Purchased Mortgage Loans on a servicing released basis, at the sole cost and expense of Seller.

(f) In the event Seller is terminated as interim servicer of any Purchased Mortgage Loan, whether by expiry of the Interim Servicing Term or by any other means, Seller shall cooperate with Buyer in effecting such termination and transferring all authority to interim service such Purchased Mortgage Loan to the Successor Servicer. Without limiting the generality of the foregoing, Seller shall, in the manner and at such times as the Successor Servicer or Buyer shall reasonably request (i) promptly transfer all data in its possession relating to the applicable Purchased Mortgage Loans and other Mortgage Assets to the Successor Servicer in such electronic format as the Successor Servicer may reasonably request, (ii) promptly transfer to the Successor Servicer, Buyer or Buyer's designee all other files, records, correspondence and documents relating to the applicable Purchased Mortgage Loans and other Mortgage Assets and (iii) fully cooperate and coordinate with the Successor Servicer and/or Buyer to comply with any applicable so-called "goodbye" letter requirements, notices or other applicable requirements of the Real Estate Settlement Procedures Act or other applicable Requirements of Law applicable to the transfer of the servicing of the applicable Purchased Mortgage Loans. Seller agrees that if Seller fails to cooperate with Buyer or any Successor Servicer in effecting the termination of Seller as servicer of any Purchased Mortgage Loan or the transfer of all authority to service such Purchased Mortgage Loan to such Successor Servicer in accordance with the terms hereof, Buyer will be irreparably harmed and entitled to injunctive relief and shall not be required to post bond.

(g) Notwithstanding anything to the contrary in any Transaction Document, Seller and Buyer agree that all Servicing Rights with respect to the Purchased Mortgage Loans are being transferred hereunder to Buyer on the applicable Purchase Date, the Purchase Price for the Purchased Mortgage Loans includes full and fair consideration for such Servicing Rights and such Servicing Rights will be conclusively deemed to be transferred by Buyer to Seller upon Seller's payment of the Repurchase Price for such Purchased Mortgage Loans.

#### **14. Single Agreement**

Buyer and Seller acknowledge that, and have entered into this Agreement and will enter into each Transaction hereunder in consideration of and in reliance upon the fact that, all Transactions hereunder, together with the provisions of the Side Letter, constitute a single business and contractual relationship and have been made in consideration of each other. Accordingly, each of Buyer and Seller agrees (i) to perform all of its obligations in respect of each Transaction hereunder and its obligations under the Side Letter, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, (ii) that each of them shall be entitled to set off claims and apply property held by them in respect of any Transaction against obligations owing to them in respect of any other Transactions hereunder or any obligations under the Side Letter and (iii) that payments, deliveries and other transfers made by either of them in respect of any Transaction or any agreement under the Side Letter shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Transactions hereunder or any agreement under the Side Letter, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted.

## 15. Notices and Other Communications

Except as otherwise expressly provided herein, all such notices, statements, demands or other communications shall be in writing and shall be deemed to have been duly given and received (i) if sent by facsimile, upon the sender's receipt of confirmation of transmission of such facsimile from the sending facsimile machine or (ii) if emailed, upon confirmation of receipt by the recipient (including by the recipient's replying to the email or by the sender's receiving a read receipt when the sender has chosen MS Outlook's "request a read receipt" option, or a substantially similar option under another email program, for the email when sent), provided that for both clauses (i) and (ii), if such transmission-confirmed facsimile is sent or such read receipt is received outside of the recipient's normal business hours, the faxed or emailed communication shall be deemed received at the opening of business on the next Business Day, or (iii) if hand delivered, when delivery to the address below is made, as evidenced by a confirmation from the applicable courier service of delivery to such address, but without any need of evidence of receipt by the named individual required and (iv) if mailed by Express Mail or sent by overnight courier, on the following Business Day, in each case addressed as follows:

if to Seller:

Guild Mortgage Company  
5898 Copley Drive, 5th Floor  
San Diego, California 92111  
Attention: Terry Schmidt  
Executive Vice President and Chief Financial Officer  
Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Fax: ( ) -  
email: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

if to Buyer:

JPMorgan Chase Bank, N.A.  
(for mail, courier and fax deliveries)  
712 Main Street, 5th Floor North  
Houston, Texas 77002  
Attention: Thanh Roettele, Corporate Client Banking  
Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
(for telephone and email)  
Attention: Carolyn W. Johnson  
Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
email: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

with copies to:

JPMorgan Chase Bank, N.A.  
Mortgage Warehouse Finance Operations  
Attn: MWF Operations Team  
TX1-0022  
14800 Frye Road, 2nd Floor  
Fort Worth, TX 76155  
Attention: Veronica J. Chapple  
Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
email: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

Either Party may revise any information relating to it by notice in writing to the other Party given in accordance with the provisions of this Section 15.

#### **16. Fees and Expenses; Indemnity**

(a) Seller will pay its own legal and accounting fees and other costs incurred in respect of this Agreement, the other Transaction Documents and this facility. Seller will promptly pay all out-of-pocket costs and expenses reasonably incurred by Buyer, including reasonable attorneys' fees, in connection with (i) preparation, negotiation, and documentation of this Agreement and the other Transaction Documents, (ii) administration of this Agreement and the other Transaction Documents and any amendment or waiver thereto and purchase and resale of Mortgage Loans by Buyer hereunder, (iii) protection of the Purchased Mortgage Loans (including all costs of filing or recording any assignments, financing statements, amendments and other documents), (iv) performance of due diligence and audits in respect of Mortgage Loans purchased or proposed for purchase hereunder and Seller's and any Guarantor's business and finances, by Buyer or any agent of Buyer, conducted before and after the date hereof, (v) enforcement of Buyer's rights hereunder and under any other Transaction Document (including costs and expenses suffered or incurred by Buyer in connection with any Act of Insolvency related to Seller or any Guarantor, appeals and any anticipated post-judgment collection services), (vi) entering into replacement transactions and entering into or terminating hedge transactions in connection with or as a result of an Event of Default, including all fees, expenses and commissions reasonably incurred, and (vii) any cost or expense reasonably incurred, directly or arising or resulting from the occurrence of an Event of Default.

(b) In addition to its other rights hereunder, Seller shall indemnify Buyer and Buyer's Affiliates and Subsidiaries and their respective directors, officers, agents, advisors and employees (each, an "**Indemnified Party**" and collectively, the "**Indemnified Parties**") against, and hold Buyer and each of them harmless from, any losses, liabilities, damages, claims, costs and expenses (including reasonable attorneys' fees and disbursements) suffered or incurred by any Indemnified Party ("**Losses**") relating to or arising out of this Agreement, any other Transaction Document or any other related document, or any transaction contemplated hereby or thereby or any use or proposed use of proceeds thereof and amendment or waiver thereof, or any breach by Seller, any Guarantor or any Subservicer engaged by Seller of any covenant, representation or warranty contained in any of such documents, or arising out of, resulting from,

or in any manner connected with, the purchase by Buyer of any Mortgage Loan or the servicing of any Purchased Mortgage Loans by Seller or any Subservicer; provided that Seller shall not be required to indemnify any Indemnified Party to the extent such Losses result from the gross negligence or willful misconduct of such Indemnified Party. The provisions of this Section 16 shall survive the termination of this Agreement.

#### **17. Shipment to Approved Takeout Investor; Trust Release Letters**

( a ) Shipping Instructions. If Seller desires that Buyer send a Mortgage Note and the related Mortgage to an Approved Takeout Investor, rather than to Seller directly, in connection with Seller's repurchase of the related Purchased Mortgage Loan, then Seller shall prepare and send to Buyer Shipping Instructions to instruct Buyer when and how to send such Mortgage Note and related Mortgage to such Approved Takeout Investor or its designee. Buyer shall use its best efforts to send each Mortgage Note and related Mortgage on or before the date specified for shipment in the Shipping Instructions in accordance with the cutoff times specified in the "Chase Mortgage Warehouse Finance Customer Reference Guide" provided by Buyer to Seller, or otherwise specified by Buyer to Seller in writing from time to time. If Seller instructs Buyer to send a Mortgage Note and related Mortgage before the Repurchase Date, Buyer will send the Mortgage Note and related Mortgage under a Bailee Letter. If Seller does not provide Buyer with Shipping Instructions with respect to a Mortgage Loan, Buyer shall send the Mortgage Note and related Mortgage to Seller at such time as Buyer receives the Repurchase Price therefor.

( b ) Trust Release Letters. If Seller believes that a Mortgage Note or other document in a Loan File contains one or more errors or omissions that are correctable and the correction of which is necessary to facilitate the purchase or enforceability of that Mortgage Loan, then Seller may deliver a Trust Release Letter to Buyer to request the release of the Mortgage Note or other document in the Loan File to Seller for the purpose of making that correction. If Buyer, in its sole discretion, deems the reason stated by Seller in the Trust Release Letter to be sufficient to warrant return of the Mortgage Note or such other document to Seller for correction, then Buyer will deliver the Mortgage Note or such other document to Seller at its earliest convenience. Seller shall return to Buyer the corrected Mortgage Note or other document provided by no later than the fifth (5<sup>th</sup>) Business Day after the date of the related Trust Release Letter. Whenever the Mortgage Note for any Purchased Mortgage Loan or any other document from the related Loan File is in the possession of Seller pursuant to a Trust Release Letter or otherwise, Seller shall hold such Mortgage Note or other document in trust for the benefit of Buyer. At no time shall the aggregate original Outstanding Principal Balance of all Mortgage Notes released, or from whose Loan Files any other documents are so released, to Seller pursuant to this Section 17(b) exceed [\*\*\*].

#### **18. Buyer as Attorney-in-Fact**

Buyer is hereby appointed the attorney-in-fact of Seller for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instruments that Buyer may, in good faith, deem necessary or advisable to accomplish the purposes hereof, including (i) receiving, endorsing and collecting all checks made payable to the order of Seller representing any Income on any of the Purchased Mortgage Loans and giving full discharge for the same, (ii) perfecting and continuing the Lien granted by this Agreement and (iii) protecting, preserving and



realizing on the Mortgage Assets. Buyer agrees to not exercise the power granted by this Section 18 unless an Event of Default has occurred and is continuing; provided that Buyer may (i) add and amend endorsements in Seller's name of Mortgage Notes either in blank or to any Approved Takeout Investor or its designee, cancel endorsements and re-endorse Mortgage Notes in Seller's name and (ii) take such actions as it deems in good faith to be necessary or appropriate to accomplish the purposes hereof, to perfect and continue the Lien granted hereby and to protect and preserve the Mortgage Assets, at any time before or after any Event of Default shall have occurred. This appointment of Buyer as attorney-in-fact is coupled with an interest and irrevocable.

## 19. Wire Instructions

(a) Unless otherwise specified in this Agreement, any amounts to be transferred by Buyer to Seller hereunder shall be sent by wire transfer in immediately available funds to the account of Seller at:

Bank:	JPMorgan Chase Bank, N.A.
ABA No.:	[***]
Account Name:	Guild Mortgage Funding Account
Acct. No.:	[***]
Attn:	Vickie Chapple [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

(b) Any amounts to be transferred by Seller to Buyer hereunder shall be sent by wire transfer in immediately available funds to the account of Buyer at:

Bank:	JPMorgan Chase Bank, N.A.
ABA No.:	[***]
Account Name:	Chase Mortgage Warehouse Finance - Clearing Account
Acct. No.:	[***]
Attn:	Vickie Chapple [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

(c) Amounts received after 4:00 p.m., Houston, Texas time, on any Business Day shall be deemed to have been paid and received on the next succeeding Business Day.

## 20. Entire Agreement; Severability

This Agreement, as supplemented by the Side Letter, supersedes any existing agreements between the Parties containing terms and conditions for repurchase transactions. Each provision and agreement of this Agreement and the other Transaction Documents shall be treated as separate and independent from any other provision or agreement of this Agreement and the other Transaction Documents and shall be enforceable notwithstanding the unenforceability of any of such other provisions or agreements. Without limiting the generality of the foregoing, if any phrase or clause of any Transaction Document would render any provision or agreement of that (or any other) Transaction Document unenforceable, such phrase or clause shall be disregarded and deemed deleted, and such provision or agreement shall be enforced as fully as if the offending phrase or clause had never appeared.

## 21. Assignments; Termination

(a) The rights and obligations of Seller under this Agreement and under any Transaction shall not be assigned by Seller without the prior written consent of Buyer and any such assignment without the prior written consent of Buyer shall be null and void.

(b) Buyer may assign all or any portion of its rights, obligations and interest under this Agreement and in the Mortgage Assets at any time without the consent of any Person, provided that any such assignment, other than an assignment to an Affiliate of Buyer, is subject to the prior written consent of Seller so long as an Event of Default or Default has not occurred and is not continuing. Any such assignment shall be in a minimum amount of at least [\*\*\*] unless otherwise consented to by Seller; provided that Seller's consent shall not be required if an Event of Default or Default has occurred and is continuing. Resales of Purchased Mortgage Loans by Buyer (subject to (i) Seller's right to repurchase the Purchased Mortgage Loans before termination of this Agreement or Buyer's liquidation of the Purchased Mortgage Loans pursuant to Section 12 and (ii) Buyer's obligation to deliver the same to Seller or its designee upon receipt of the Repurchase Price therefor) in accordance with applicable law, shall be permitted without restriction. Buyer may sell participation interests in all or any portion of its rights, obligations and interest under this Agreement and in the Mortgage Assets to any Person at any time without the consent of any Person. In addition to, and notwithstanding any provision to the contrary in, the foregoing, Buyer may assign its rights to enforce this Agreement as to any Mortgage Loan to any Person that subsequently purchases such Mortgage Loan from Buyer or provides financing to Buyer with respect to such Mortgage Loan.

(c) In addition to the foregoing, Buyer may, at any time in its sole discretion, pledge or grant a Lien in all or any portion of its rights under this Agreement (including any rights to Mortgage Assets and any rights to payment of the Repurchase Price) to secure obligations to a Federal Reserve Bank or Federal Home Loan Bank, without notice to or consent of Seller; provided that no such pledge or grant of a security interest would release Buyer from any of its obligations under this Agreement, or substitute any such pledgee or grantee for Buyer as a party to this Agreement.

(d) Subject to the foregoing, this Agreement and any Transactions shall bind and benefit the Parties and their respective successors and assigns.

(e) Notwithstanding any of the foregoing provisions of this Section 21, Buyer shall not be precluded from assigning, charging or otherwise dealing with all or any part of its interest in any sum payable to it under Section 12.

(f) This Agreement and all Transactions outstanding hereunder shall terminate automatically without any requirement for notice on the date occurring on or after the Termination Date on which all Repurchase Prices and all other obligations of Seller under the Transaction Documents have been paid in full.

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## 22. Counterparts; Signatures

(a) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract.

(b) Delivery of an executed counterpart of a signature page of this Agreement or any other Transaction Document by telecopy, emailed pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement. The words “execution”, “signed”, “signature”, “delivery” and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act and any other similar state laws based on the Uniform Electronic Transactions Act; provided that nothing herein shall require Buyer to accept electronic signatures in any form or format without its prior written consent.

## 23. Governing Law; Consent to Jurisdiction

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York, but giving effect to federal law applicable to national banks.

(b) Seller hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the United States District Court for the Southern District Of New York and of any New York state court sitting in the City of New York for purposes of all legal proceedings arising out of or relating to this Agreement or the Transactions contemplated hereby, or for recognition or enforcement of any judgment, and each Party hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may (and any such claims, cross-claims or third party claims brought against Buyer may only) be heard and determined in such state court or, to the extent permitted by law, in such federal court. Seller hereby irrevocably waives, to the fullest extent it may effectively do so, any objection that it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Nothing in this Section 23 shall affect the right of Buyer to bring any action or proceeding against Seller or its Property in the courts of other jurisdictions. Each Party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Party consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to it at its address for notices hereunder specified in Section 15.

## **24. WAIVER OF JURY TRIAL**

**EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY (A) CERTIFIES THAT NO REPRESENTATIVE OR OTHER AGENT (INCLUDING ANY ATTORNEY) OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 24.**

## **25. No Waivers, Etc.**

No express or implied waiver of any Event of Default by Buyer shall constitute a waiver of any other Event of Default and no exercise of any remedy hereunder by Buyer shall constitute a waiver of its right to exercise any other remedy hereunder. No modification or waiver of any provision of this Agreement and no consent by any Party to a departure herefrom shall be effective unless and until such shall be in writing and duly executed by both of the Parties hereto. Without limitation on any of the foregoing, the failure to give a notice pursuant to Section 4(a) will not constitute a waiver of any right to do so at a later date.

## **26. Use of Employee Plan Assets**

(a) If assets of an employee benefit plan subject to any provision of ERISA are intended to be used by Seller in a Transaction, Seller shall so notify Buyer before the Transaction. Seller shall represent in writing to Buyer that the Transaction does not constitute a prohibited transaction under ERISA or is otherwise exempt therefrom, and Buyer may proceed in reliance thereon but shall not be required so to proceed.

(b) Subject to the last sentence of Section 26(a), any such Transaction shall proceed only if Seller furnishes or has furnished to Buyer its most recent available audited statement of its financial condition and its most recent subsequent unaudited statement of its financial condition.

(c) By entering into a Transaction pursuant to this Section 26, Seller shall be deemed (i) to represent to Buyer that since the date of Seller's latest such financial statements, there has been no material adverse change in Seller's financial condition that Seller has not disclosed to Buyer, and (ii) to agree to provide Buyer with future audited and unaudited statements of its financial condition as they are issued, so long as any such Transaction is outstanding.

## 27. Intent

(a) The Parties intend and acknowledge that each Transaction is a “repurchase agreement” as that term is defined in Section 101 of the Bankruptcy Code, and a “securities contract” as that term is defined in Section 741 of the Bankruptcy Code. Seller hereby agrees that it shall not challenge the characterization of this Agreement as a “repurchase agreement” as that term is defined in Section 101 of the Bankruptcy Code, or as a “securities contract” as that term is defined in Section 741 of the Bankruptcy Code in any dispute or proceeding.

(b) It is understood that either Party’s right to accelerate or terminate this Agreement or to liquidate Mortgage Loans delivered to it in connection with Transactions hereunder, or to exercise any other remedies pursuant to Section 12, is a contractual right to accelerate, terminate or liquidate this Agreement or such Transaction as described in Sections 555 and 559 of the Bankruptcy Code.

(c) The Parties agree and acknowledge that if a Party hereto is an “insured depository institution,” as such term is defined in the FDIA each Transaction hereunder is a “qualified financial contract,” as that term is defined in FDIA and any rules, orders or policy statements thereunder (except insofar as the type of assets subject to such Transaction would render such definition inapplicable).

(d) It is understood that this Agreement constitutes a “netting contract” as defined in and subject to Title IV of the FDICIA and each payment entitlement and payment obligation under any Transaction hereunder shall constitute a “covered contractual payment entitlement” or “covered contractual payment obligation”, respectively, as defined in and subject to FDICIA (except insofar as one or both of the Parties is not a “financial institution” as that term is defined in FDICIA).

(e) It is understood and agreed that this Agreement constitutes a “master netting agreement” as that term is defined in Section 101 of the Bankruptcy Code, and that either Party’s right to cause the termination, liquidation, or acceleration of, or to offset net termination values, payment amounts or other transfer obligations arising under or in connection with, this Agreement or any Transaction is a contractual right to cause the termination, liquidation, or acceleration of, or to offset net termination values, payment amounts or other transfer obligations arising under or in connection with, this Agreement or any Transaction as described in Section 561 of the Bankruptcy Code.

## 28. Disclosure Relating to Certain Federal Protections

The Parties acknowledge that they have been advised that:

(a) in the case of Transactions in which one of the Parties is a broker or dealer registered with the Securities and Exchange Commission (“SEC”) under Section 15 of the Securities Exchange Act of 1934 (“1934 Act”), the Securities Investor Protection Corporation has taken the position that the provisions of the Securities Investor Protection Act of 1970 (“SIPA”) do not protect the other Party with respect to any Transaction hereunder;

(b) in the case of Transactions in which one of the Parties is a government securities broker or a government securities dealer registered with the SEC under Section 15C of the 1934 Act, SIPA will not provide protection to the other Party with respect to any Transaction hereunder; and

(c) in the case of Transactions in which one of the Parties is a financial institution, funds held by the financial institution pursuant to a Transaction hereunder other than funds on deposit in an Account are not a deposit and therefore are not insured by either the FDIC or the National Credit Union Share Insurance Fund.

## 29. Confidentiality

( a ) Confidential Terms. The Parties hereby acknowledge and agree that all written or computer-readable information provided by one Party to any other regarding the terms set forth in any of the Transaction Documents or the Transactions contemplated thereby (the “**Confidential Terms**”) shall be kept confidential and shall not be divulged to any Person (other than Affiliates and Subsidiaries thereof) without the prior written consent of such other Party except to the extent that (i) such Person is an Affiliate, Subsidiary, division, or parent holding company of a Party or a director, officer, employee or agent (including an accountant, legal counsel and other advisor) of a Party or such Affiliate, division or parent holding company, (ii) in such Party’s opinion it is necessary to do so in working with legal counsel, auditors, taxing authorities or other governmental agencies or regulatory bodies (including any self-regulatory authority, such as the National Association of Insurance Commissioners) or in order to comply with any applicable federal or state laws or regulations, (iii) any of the Confidential Terms are in the public domain other than due to a breach of this covenant, (iv) in the event of a Default or an Event of Default Buyer reasonably determines such information to be necessary or desirable to disclose in connection with the marketing and sales of the Purchased Mortgage Loans or otherwise to enforce or exercise Buyer’s rights hereunder, or (v) to the extent Buyer deems necessary or appropriate, in connection with an assignment or participation under Section 21 or in connection with any hedging transaction related to Purchased Mortgage Loans. Notwithstanding the foregoing or anything to the contrary contained herein or in any other Transaction Document, the Parties may disclose to any and all Persons, without limitation of any kind, the U.S. federal, state and local tax treatment of the Transactions, any fact that may be relevant to understanding the U.S. federal, state and local tax treatment of the Transactions, and all materials of any kind (including opinions or other tax analyses) relating to such U.S. federal, state and local tax treatment and that may be relevant to understanding such tax treatment, and the Parties may disclose information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the financing industry; provided that Seller may not disclose (except as provided in clauses (i) through (iii) of this Section 29(a)) the name of or identifying information with respect to Buyer or any pricing terms (including the Pricing Rate, Facility Fee or other fee, Purchase Price percentage and Purchase Price) or other nonpublic business or financial information (including any sublimits and financial covenants) that is unrelated to the U.S. federal, state and local tax treatment of the Transactions and is not relevant to understanding the U.S. federal, state and local tax treatment of the Transactions, without the prior written consent of Buyer. Any Person required to maintain the confidentiality of Confidential Terms as provided in this Section 29(a) shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care

to maintain the confidentiality of such Confidential Terms as such Person would accord to its own confidential information. The provisions set forth in this Section 29(a) shall survive the termination of this Agreement for a period of one (1) year following such termination.

(b) Privacy of Customer Information.

(i) Seller's Customer Information in the possession of Buyer, other than information independently obtained by Buyer and not derived in any manner from or using information obtained under or in connection with this Agreement, is and shall remain confidential and proprietary information of Seller. Except in accordance with this Section 29(b), Buyer shall not use any Seller's Customer Information for any purpose, including the marketing of products or services to, or the solicitation of business from, Customers, or disclose any Seller's Customer Information to any Person, including any of Buyer's employees, agents or contractors or any third party not affiliated with Buyer. Buyer may use or disclose Seller's Customer Information only to the extent necessary (1) for examination and audit of Buyer's activities, books and records by Buyer's regulatory authorities, (2) to protect or exercise Buyer's rights and privileges or (3) to carry out Buyer's express obligations under this Agreement and the other Transaction Documents (including providing Seller's Customer Information to Approved Takeout Investors), and for no other purpose; provided that Buyer may also use and disclose Seller's Customer Information as expressly permitted by Seller in writing, to the extent that such express permission is in accordance with the Privacy Requirements. Buyer shall take commercially reasonable steps to ensure that each Person to which Buyer intends to disclose Seller's Customer Information, before any such disclosure of information, agrees to keep confidential any such Seller's Customer Information and to use or disclose such Seller's Customer Information only to the extent necessary to protect or exercise Buyer's rights and privileges, or to carry out Buyer's express obligations, under this Agreement and the other Transaction Documents (including providing Seller's Customer Information to Approved Takeout Investors). Buyer agrees to maintain an information security program and to assess, manage and control risks relating to the security and confidentiality of Seller's Customer Information pursuant to such program in the same manner as Buyer does in respect of its own customers' information, and shall implement the standards relating to such risks in the manner set forth in the Interagency Guidelines Establishing Standards for Safeguarding Company Customer Information set forth in 12 CFR Parts 30, 168, 170, 208, 211, 225, 263, 308 and 364. Without limiting the scope of the foregoing sentence, Buyer shall use at least the same physical and other security measures to protect all of Seller's Customer Information in its possession or control as it uses for its own customers' confidential and proprietary information.

(ii) Seller shall indemnify the Indemnified Parties against, and hold each of them harmless from, any losses, liabilities, damages, claims, costs and expenses (including reasonable attorneys' fees and disbursements) suffered or incurred by any Indemnified Party relating to or arising out of Seller's loss, improper disclosure or misuse of any Seller's Customer Information.

**30. Setoff**

Except to the extent specifically permitted herein, Seller hereby irrevocably and unconditionally waives all right to setoff that it may have under contract (including this

Agreement), applicable law, in equity or otherwise with respect to any funds or monies of Buyer (or any disclosed principal for which Buyer is acting as agent) at any time held by or in the possession of Seller.

Seller agrees that Buyer may set off any funds or monies of Seller at any time held by or in the possession of Buyer in connection with this Agreement or any other Transaction Document or otherwise, against any amounts Seller owes to Buyer, or against any amounts Seller owes to any other Indemnified Party, pursuant to the terms of this Agreement or any other Transaction Document.

**31. WAIVER OF SPECIAL DAMAGES.**

**SELLER WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT SELLER MAY HAVE TO CLAIM OR RECOVER FROM BUYER IN ANY LEGAL ACTION OR PROCEEDING ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES.**

**32. USA PATRIOT ACT NOTIFICATION.**

The following notification is provided to Seller pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for Seller: When Seller opens an account, if Seller is an individual, Buyer will ask for Seller's name, taxpayer identification number, residential address, date of birth, and other information that will allow Buyer to identify Seller, and if Seller is not an individual, Buyer will ask for Seller's name, taxpayer identification number, business address, and other information that will allow Buyer to identify Seller. Buyer may also ask, if Seller is an individual, to see Seller's driver's license or other identifying documents, and if Seller is not an individual to see Seller's legal organizational documents or other identifying documents.**

**33. No Fiduciary Duty, etc.**

(a) Seller acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that Buyer will not have any obligations except those obligations expressly set forth in this Agreement and the other Transaction Documents and Buyer is acting solely in the capacity of an arm's-length contractual counterparty to Seller with respect to the Transaction Documents and the Transactions and not as a financial advisor or a fiduciary to, or an agent of, Seller or any other Person. Seller agrees that it will not assert any claim against Buyer based on an alleged breach of fiduciary duty by such Person in connection with this Agreement and the Transactions.



Additionally, Seller acknowledges and agrees that Buyer is not advising Seller as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. Seller will consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the Transactions, and Buyer shall have no responsibility or liability to Seller with respect thereto.

(b) Seller further acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that Buyer is a full service banking or securities firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, Buyer may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, Seller and other companies with which Seller may have commercial or other relationships. With respect to any securities and/or financial instruments so held by Buyer or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

(c) In addition, Seller acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that Buyer and its Affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which Seller may have conflicting interests regarding the Transactions and otherwise. Buyer will not use confidential information obtained from Seller by virtue of the Transactions or its other relationships with Seller in connection with the performance by Buyer of services for other companies, and Buyer will not furnish any such information to other companies. Seller also acknowledges that Buyer and Lenders have no obligation to use in connection with the transactions contemplated by the Transaction Documents, or to furnish to Seller, confidential information obtained from other companies.

#### **34. Amendment and Restatement of Prior MRA.**

This Agreement amends and restates in its entirety the Prior MRA effective as of the date hereof, subject to the satisfaction of the conditions precedent set forth in Section 7(a), shall have the effect of a substitution of terms of the Prior MRA, but this Agreement will not have the effect of causing a novation or repayment of the obligations under the Prior MRA or a termination or extinguishment of the Liens granted under the Prior MRA, but instead such obligations shall remain outstanding and repayable pursuant to the terms of this Agreement and such Liens shall remain attached, enforceable and perfected securing such obligations and all additional payment and performance obligations of Seller arising under this Agreement and the other Transaction Documents. Upon this Agreement becoming effective, all agreements, documents and instruments executed in connection with the Prior MRA shall be terminated; provided that the UCC financing statements filed in respect of the Liens granted to Buyer under the Prior MRA and any rights of Buyer under any provision of any such agreement, document or instrument that by its terms is stated to survive termination shall continue in effect.

Seller authorizes Buyer to amend and continue the UCC financing statements filed in connection with the Prior MRA from time to time in any manner deemed desirable or reasonably

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necessary by Buyer, in its sole discretion, to maintain the perfection and priority of such Liens granted under the Prior MRA.

*(The remainder of this page is intentionally blank; counterpart signature pages follow)*

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JPMORGAN CHASE BANK, N.A.

By: /s/ Carolyn Johnson  
Carolyn Johnson  
Authorized Officer

GUILD MORTGAGE COMPANY

By: /s/ Terry Schmidt  
Name: Terry Schmidt  
Title: COO, CFO, EVP

*Signature Page to First Amended and Restarted Master Repurchase Agreement between JPMorgan Chase Bank, N.A.,  
as Buyer, and Guild Mortgage Company, as Seller*

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List of Exhibits and Schedules

Exhibit A	Form of Confirmation [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit B	Mortgage Loan Representations and Warranties [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit C	Form of Compliance Certificate [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit D	Form of Shipping Instructions [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit E	Conditions Precedent Documents [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit F	Required Opinions of Counsel [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit G	Subsidiary Information [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit H	Form of Subservicer Letter [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit I	Loan Purchase Detail fields [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit J	Certain Permitted Debt [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit K	Form of Bailee Letter [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit L	Seller Names from Tax Returns [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Exhibit M	Form of Trust Release Letter [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Schedule I	Approved Takeout Investors [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Schedule II	Seller's Authorized Signers [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Schedule III	CLTV/FICO Score Criteria [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Schedule IV	Approved Correspondents [Omitted pursuant to Item 601(a)(5) of Regulation S-K]

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**FIRST AMENDMENT TO  
FIRST AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT**

**Dated as of June 21, 2019**

Between:

**GUILD MORTGAGE COMPANY, as Seller**

and

**JPMORGAN CHASE BANK, N.A., as Buyer**

**This Amendment**

The Parties hereby amend (for the first time) the First Amended and Restated Master Repurchase Agreement dated December 14, 2018 between them (the “**A&R MRA**”, and as amended hereby and supplemented, further amended or restated from time to time, the “**MRA**”) to modify the minimum Net Income financial covenant as follows.

All capitalized terms used in the A&R MRA and used, but not defined differently, in this amendment (this “**Amendment**”) have the same meanings here as there.

The sole Section of this Amendment is numbered to correspond with the number of the only Section in the A&R MRA amended hereby.

**11. Seller’s Covenants**

Section 11(aa)(v) is amended to read as follows:

( v ) Net Income. Seller shall not permit its cumulative net income before taxes, excluding mark-to-market adjustments to Seller’s Servicing Rights recorded at fair value, for any [\*\*\*] to be less than [\*\*\*], and Seller shall not permit its net income before taxes, excluding such mark-to-market Servicing Rights value adjustments, for any [\*\*\*] to be less than [\*\*\*].

*(The remainder of this page is intentionally blank; counterpart signature pages follow.)*

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As amended hereby, the A&R MRA remains in full force and effect, and the Parties hereby ratify and confirm it.

**JPMORGAN CHASE BANK, N.A.**

By:           /s/ Andre P. Tsoukias            
Andre P. Tsoukias  
Authorized Officer

**GUILD MORTGAGE COMPANY**

By:           /s/ Terry Schmidt            
Terry Schmidt  
Executive Vice President and  
Chief Financial Officer

*Counterpart signature page to First Amendment to First Amended and Restated Master  
Repurchase Agreement*

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**CONFIRMATION OF GUARANTY**

This Confirmation of Guaranty dated as of June 21, 2019 confirming the Guaranty dated December 14, 2018 made by GUILD MORTGAGE COMPANY, LLC (“Guarantor”) in favor of JPMORGAN CHASE BANK, N.A. (“JPMorgan”), the Buyer under the First Amended and Restated Master Repurchase Agreement dated December 14, 2018 (as amended, the “Repurchase Agreement”) by and between JPMorgan and Guild Mortgage Company (the “Seller”), recites and provides as follows:

*RECITALS*

Conditioned on Guarantor’s confirming its Guaranty, JPMorgan has agreed with the Seller to amend the Repurchase Agreement by the First Amendment to First Amended and Restated Master Repurchase Agreement dated on or about the date hereof (the “First Amendment to A&R MRA”) which Guarantor has reviewed and approved.

*AGREEMENT*

In consideration of the premises, and notwithstanding the changes to the Repurchase Agreement to be made by the First Amendment to A&R MRA. Guarantor hereby ratifies and confirms the Guaranty as remaining in full force and effect.

EXECUTED effective as of the date first above written.

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry Schmidt \_\_\_\_\_  
Terry Schmidt  
Executive Vice President and  
Chief Financial Officer

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

# J.P.Morgan

## SECOND AMENDMENT TO SIDE LETTER

February 21, 2020

Guild Mortgage Company  
5898 Copley Drive, Suite 400 & 500  
San Diego, CA 92111

Re: First Amended and Restated Master Repurchase Agreement dated as of December 14, 2018 between JPMorgan Chase Bank, N.A., as Buyer, and Guild Mortgage Company, as Seller and the related Side Letter of even date therewith

Ladies and Gentlemen:

This letter (this “Second Amendment to Side Letter”) amends (for the second time) the Side Letter dated December 14, 2018 (the “Original Side Letter” and, as amended by the First Amendment to Side Letter dated December 13, 2019, the “Amended Side Letter”) between the Parties.

Capitalized terms defined in the Agreement or in the Amended Side Letter and used, but not defined differently, in this Second Amendment to Side Letter, have the same meanings here as there.

Concurrently herewith, the Parties are amending the Agreement by the Third Amendment to Amended and Restated Master Repurchase Agreement (the “Third Amendment to A&R MRA”), to extend the Termination Date, add Low FICO Government Loans as Eligible Mortgage Loans, transfer the obligation to comply with most financial covenants from Seller to Guarantor, and appropriately adjust the Compliance Certificate attached as Exhibit C [Omitted pursuant to Item 601(a)(5) of Regulation S-K] to the Amended and Restated Master Repurchase Agreement. The Parties have also agreed to further amend the Amended Side Letter to reduce the Facility Amount, amend the Pricing Rate, replace the Facility Fee with a Commitment Fee, amend the Package and Funding Fee, amend which party is responsible for the payment of the Fraud Detection Fee, revise Section 8 pertaining to changes in the Facility Amount and calculation of fees, and they hereby amend the Amended Side Letter as follows:

1. Commitment. The caption and text of Section 1 of the Amended Side Letter are amended to read as follows:

1. Committed Facility Amount and Uncommitted Facility Amount.

Subject to the terms and conditions set forth in the Agreement, Buyer (i) agrees and is committed to enter into Transactions from time to time under the Agreement, as supplemented by this Side Letter, with respect to Eligible Mortgage Loans having a maximum aggregate Purchase Price outstanding at any one time of [\*\*\*]



[\*\*\*] from the date hereof through the Termination Date (such applicable maximum amount, the “Committed Facility Amount”), and (ii) agrees to consider engaging, on an uncommitted and wholly discretionary basis, in additional Transactions from time to time on or before the Termination Date and when the Committed Facility Amount is fully funded and outstanding, of up to a maximum aggregate Purchase Price outstanding at any one time of [\*\*\*] during the period from the date hereof through the Termination Date (such applicable maximum uncommitted amount, the “Uncommitted Facility Amount”, and the [\*\*\*] sum of the Committed Facility Amount and the Uncommitted Facility Amount being the amount referred to in the Repurchase Agreement and this Side Letter as the “Facility Amount”).

The Parties agree (1) that:

(x) notwithstanding the provisions of Section 7(b)(xii) of the Agreement, Buyer may from time to time electively enter into one or more Transactions with Seller; or

(y) another event may occur, or other circumstances may exist;

after which the Aggregate Purchase Price shall be greater than the Facility Amount, and (2) that notwithstanding the occurrence or existence of any such event or circumstances, every Transaction shall be and remain fully subject to all of the other terms and conditions of the Agreement and all other related Transaction Documents and entitled to all benefits thereof.

At the time of any reduction in the Facility Amount, whether pursuant to a letter agreement decreasing the Facility Amount or because the time limit for any increase in the Facility Amount shall have expired, Seller shall be obligated, without notice or demand, to make a cash payment to Buyer in an amount equal to the excess of the Aggregate Purchase Price then funded and outstanding over the reduced Facility Amount, to be applied by Buyer to reduce the Repurchase Prices of Purchased Mortgage Loans that are then subject to outstanding Transactions. In addition, the Parties may agree to increase or decrease the Committed Facility Amount, the Uncommitted Facility Amount or both to any amount from time to time in the future by executing a letter agreement stating the new Committed Facility Amount and/or the new Uncommitted Facility Amount and the period of time that it will be in effect. If the Facility Amount is so increased at any time or times, it shall be a condition precedent to each such increase’s becoming effective that the Seller first increase the deposit balance in the Cash Pledge Account to the Required Amount (determined in accordance with Section 5(b) of the Agreement) for such increased Facility Amount. No Guaranty shall be reduced, limited, canceled, terminated or impaired in any way by any such future change in the Committed Facility Amount, the Uncommitted Facility Amount or both, whether or not the Guarantor concurrently executes a confirmation of the Guaranty.

3. Pricing Rate. Section 3 of the Amended Side Letter is amended to read as follows:

3. Pricing Rate.

For purposes of the Agreement and all other Transaction Documents, "Pricing Rate" for any day means:

(a) for any Aged Loan, the per annum percentage rate equal to the sum of the Adjusted LIBO Rate for such day plus [\*\*\*]; and

(b) for any other Eligible Mortgage Loan, the per annum percentage rate equal to the sum of the Adjusted LIBO Rate for such day plus [\*\*\*];

provided that for each day on which the outstanding aggregate Purchase Price exceeds [\*\*\*], the respective Pricing Rates to be applied to the outstanding Purchase Prices of such Purchased Mortgage Loans as Buyer shall determine in its sole discretion comprise such excess (for the purpose of calculating the Price Differential on such excess) shall each be reduced by [\*\*\*] per annum; provided further that if Buyer, acting in its sole discretion, shall elect from time to time to give Seller a notice specifying a lower Pricing Rate (or Pricing Rates) for a specified time period, such lower Pricing Rate(s) specified in such notice shall be applicable for the time period specified in such notice; and provided further that at any time after the occurrence and during the continuance of an Event of Default, the Pricing Rate for any Purchased Mortgage Loan shall be the greater of (i) the applicable rate set forth in clause (a) or (b) above for such Purchased Mortgage Loan and (ii) [\*\*\*] plus the Prime Rate.

As used herein, the following terms have the following meanings:

"Adjusted LIBO Rate" means, for any day, an interest rate per annum equal to (x) the LIBO Rate or the Successor Rate, as applicable, on such day multiplied by (y) the Statutory Reserve Rate on such day.

"LIBO Rate" means, for any day, the rate appearing on the Bloomberg Screen US0001M <Index> page (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by Buyer from time to time for purposes of providing quotations of interest rates applicable to U.S. dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, on that day, as the rate for delivery on that day of one (1) month U.S. dollar deposits in an amount comparable to the Aggregate Purchase Price outstanding on that day; provided that if such rate is less than zero, such rate shall be deemed to be zero for purposes of this Side Letter and the Agreement. In the event that such rate quotation is not available at such time for any reason other than a reason specified or described in clause (a), (b) or (c) of the last grammatical paragraph of this Section 3, then the LIBO Rate for the relevant day shall be the rate at which one (1) month U.S. dollar deposits in an amount comparable to the Aggregate Purchase Price outstanding on that day are offered by Buyer's principal London

office in immediately available funds in the London interbank market at approximately 11:00 a.m. London time on that day.

“Statutory Reserve Rate” means, for any day, a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board of Governors of the Federal Reserve System to which Buyer is subject, with respect to the Adjusted LIBO Rate, for Eurocurrency funding (currently referred to as “Eurocurrency Liabilities” in Regulation D of the Board) as of such day. Such reserve percentages shall include those imposed pursuant to such Regulation D. Transactions shall be deemed to constitute Eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

“Successor Rate Conforming Changes” mean, with respect to any proposed Successor Rate, any spread adjustments or other conforming changes to the timing and frequency of determining rates and making payments of interest and other administrative matters as may be appropriate, in the good faith discretion of Buyer, to reflect the adoption of such Successor Rate and to permit administration thereof by Buyer in a manner substantially consistent with market practice.

If prior to any Remittance Date, Buyer determines in its good faith discretion that (a) by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the LIBO Rate, (b) the LIBO Rate is no longer in existence or (c) the administrator of the LIBO Rate or a Governmental Authority having jurisdiction over Buyer has made a public statement identifying a specific date after which the LIBO Rate shall no longer be made available or used for determining the interest rate of loans (any of the immediately preceding clauses, a “LIBOR Unavailability Event”), Buyer shall give prompt notice thereof to Seller (such notice, the “Scheduled Unavailability Notice”), that the greater of (x) an alternative benchmark rate (including any mathematical or other adjustments to the benchmark rate (if any) incorporated therein) and (y) zero (any such rate, a “Successor Rate”), together with any proposed Successor Rate Conforming Changes, shall be implemented and shall take effect on the ninety-first (91st) day after the date of the Scheduled Unavailability Notice (such effective date, the “Successor Rate Effective Date”); provided that in the event that Buyer is in good faith unable to comply with such contemplated ninety (90) day prior notice requirement due to an unexpected or premature occurrence of a LIBOR Unavailability Event, then Buyer shall provide the Scheduled Unavailability Notice as soon as commercially possible prior to the date on which such LIBOR Unavailability Event is expected to occur, and the date specified in the Scheduled Unavailability Notice as the expected date of such LIBOR Unavailability Event shall constitute the Successor Rate Effective Date. Any Successor Rate and corresponding Successor Rate Conforming Change shall be determined by Buyer in its reasonable

discretion. Any such determination of the Successor Rate shall be made by Buyer in a manner substantially consistent with market practice with respect to similarly situated counterparties with substantially similar assets in similar facilities.

5. Facility Fee. The caption and text of Section 5 of the Amended Side Letter are amended to read as follows:

5. Commitment Fee.

Seller shall pay to Buyer an amount (the "Commitment Fee") equal to [\*\*\*] per annum of the Committed Facility Amount, due and payable in quarterly installments in advance. The first installment is due on or before February 21, 2020, the effective date of the Third Amendment. Subsequent installments are due and payable on the first Remittance Date after the end of each successive three-month period after February 21, 2020. Commitment Fee payments are fully earned when due and are not refundable in whole or in part for any reason whatsoever.

6. Package and Funding Fee. The caption and text of Section 6 of the Amended Side Letter are amended to read as follows:

6. Package and Funding Fee.

Seller shall pay to Buyer an amount (the "Package and Funding Fee") equal to [\*\*\*] plus Buyer's standard wire transfer and shipping fees, as applicable, for each Purchased Mortgage Loan on the next Remittance Date following the applicable Purchase Date. Package and Funding Fees are not refundable in whole or in part for any reason whatsoever.

7. Fraud Detection Fee. The caption and text of Section 7 of the Amended Side Letter are amended to read as follows:

7. Fraud Detection Fee.

During each fiscal quarter, Buyer shall have the right to require fraud reports by a third-party mortgage fraud detection service for as many as [\*\*\*] randomly selected Mortgage Loans from those sold or proposed to be sold to Buyer during that quarter, at a cost of [\*\*\*] per Purchased Loan for a maximum fee of [\*\*\*] per fiscal quarter, and Buyer will pay such fee. In addition, on a loan-by-loan basis, as a condition precedent to agreeing to purchase any Mortgage Loan proposed to be sold to Buyer, Buyer may request that a fraud report in respect of such Mortgage Loan be provided by a third-party mortgage fraud detection service. If Seller agrees to pay the [\*\*\*] cost of such fraud report, then Buyer will order it. If Seller affirmatively declines any such request, Buyer will not order such fraud report and will not purchase such Mortgage Loan.

8. Change in Facility Amount; Calculation of Fees. The caption and text of Section 8 of the Amended Side Letter are amended to read as follows:

8. Change in Facility Amount; Calculation of Fees.

(a) If the Agreement is amended pursuant to its terms so as to increase or decrease the Facility Amount, all calculations of fees under this Side Letter that are based on the Facility Amount shall be adjusted accordingly as of the date such amendment becomes effective.

(b) Buyer shall calculate the amounts of the Pricing Rate the Commitment Fee and the results of such calculations shall be incontestable absent manifest error. Buyer shall advise Seller of the periodic amounts of such rate and fees at least one (1) Business Day before payment is due.

*(The remainder of this page is intentionally blank; counterpart signature pages follow)*

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Guild Mortgage Company

February 21, 2020

*(Counterpart signature page to Second Amendment to Side Letter)*

Please confirm our mutual agreement as set forth herein and acknowledge receipt of this Side Letter by executing the enclosed copy of this letter and returning it to JPMorgan Chase Bank, N.A., 221 W. Sixth Street, 2<sup>nd</sup> Floor, Austin, Texas 78701, Attention: Carolyn Johnson (email [Redacted pursuant to Item 601(a)(6) of Reg. S-K] or fax [Redacted pursuant to Item 601(a)(6) of Reg. S-K]. If you have any questions concerning this matter, please contact me by email or by phone at [Redacted pursuant to Item 601(a)(6) of Reg. S-K].

Very truly yours,

JPMORGAN CHASE BANK, N.A.,  
as Buyer

By: /s/ Preeti Yeung  
Preeti Yeung  
Authorized Officer

CONFIRMED AND ACKNOWLEDGED:

GUILD MORTGAGE COMPANY, as Seller

By: /s/ Amber Elwell  
Amber Elwell  
Chief Financial Officer

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Guild Mortgage Company

February 21, 2020

*(Counterpart signature page to Second Amendment to Side Letter)*

Please confirm our mutual agreement as set forth herein and acknowledge receipt of this Side Letter by executing the enclosed copy of this letter and returning it to JPMorgan Chase Bank, N.A., 221 W. Sixth Street, 2<sup>nd</sup> Floor, Austin, Texas 78701, Attention: Carolyn Johnson (email [Redacted pursuant to Item 601(a)(6) of Reg. S-K] or fax [Redacted pursuant to Item 601(a)(6) of Reg. S-K]. If you have any questions concerning this matter, please contact me by email or by phone at [Redacted pursuant to Item 601(a)(6) of Reg. S-K].

Very truly yours,

JPMORGAN CHASE BANK, N.A.,  
as Buyer

By: /s/ Preeti Yeung  
Preeti Yeung  
Authorized Officer

CONFIRMED AND ACKNOWLEDGED:

GUILD MORTGAGE COMPANY, as Seller

By: /s/ Amber Elwell  
Amber Elwell  
Chief Financial Officer

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**THIRD AMENDMENT TO  
FIRST AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT**

**Dated as of February 21, 2020**

Between:

**GUILD MORTGAGE COMPANY, as Seller**

and

**JPMORGAN CHASE BANK, N.A., as Buyer**

**This Amendment**

The Parties hereby amend (for the third time) the First Amended and Restated Master Repurchase Agreement dated December 14, 2018 between them (the “**A&R MRA**”, as amended by that certain First Amendment to First Amended and Restated Master Repurchase Agreement date June 21, 2019, the Second Amendment to First Amended and Restated Master Repurchase Agreement dated December 13, 2019, and as hereby and supplemented, further amended or restated from time to time, the “**MRA**”) to extend the Termination Date, add Low FICO Government Loans as an Eligible Mortgage Loan, revise Seller’s financial covenants, and revise Exhibit C [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached to the A&R MRA.

All capitalized terms used in the A&R MRA and used, but not defined differently, in this amendment (this “**Amendment**”) have the same meanings here as there.

The Sections of this Amendment are numbered to correspond with the numbering of the Sections of the A&R MRA amended hereby.

**2. Definitions; Interpretation**

A. The following definition in Section 2(a) of the A&R MRA is hereby amended to read as follows:

“**Termination Date**” means the earliest of (i) the Business Day, if any, that any Seller or Buyer designates as the Termination Date by written notice given to the other Party, (ii) the date of declaration of the Termination Date pursuant to Section 12(c) and (iii) February 19, 2021.

B. Subsection (ix) of the “**Eligible Mortgage Loan**” definition in Section 2(a) of the A&R MRA is hereby amended to read as follows:

(ix) whose Mortgagor has a FICO Score of at least [\*\*\*], or if it is a Low FICO Government Loan, at least [\*\*\*] (or in each case such other minimum FICO Score as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time);



C. Subsection (xxv) of the “**Eligible Mortgage Loan**” definition in Section 2(a) of the A&R MRA is hereby amended to read as follows:

(xxv) that, if an Low Fico Government Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all other Aged Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to any Seller from time to time) of the Facility Amount;

D. The following definition is hereby added to Section 2(a) of the A&R MRA:

“**Low FICO Government Loan**” means a Government Loan whose Mortgagor’s FICO Score is [\*\*\*] or higher but less than [\*\*\*], and whose underwriting, appraisal and all related documentation that Buyer elects to review are approved by Buyer.

**5. Accounts; Income Payments.**

The following is added as the new second sentence of Section 5(b) of the A&R MRA:

From and after February 21, 2020, the Required Amount will be an amount equal to [\*\*\*] of the Facility Amount.

**11. Seller’s Covenants.**

A. Section 11(h)(iii) of the A&R MRA is amended to read as follows:

(iii) together with each delivery of financial statements required in this Section 11(h), a Compliance Certificate executed by Seller’s President and Guarantor’s Chief Financial Officer;

B. Sections 11(aa)(i) through (v) of the A&R MRA are each hereby amended to read:

(Reserved)

**12. Events of Default; Remedies.**

Section 12(a)(iv) of the A&R MRA is hereby amended to read as follows:

(iv) Seller shall fail to comply with any of the requirements set forth in Section 11(d) (Inspection of Properties and Books), Section 11(i) (Limits on Distributions), Section 11(q) (Loan Determined to be Defaulted or Defective) or Section 11(aa); or

**Exhibit C**

Exhibit C attached to this Amendment is substituted for Exhibit C to the A&R MRA.

*(The remainder of this page is intentionally blank; counterpart signature pages follow.)*

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As amended hereby, the A&R MRA remains in full force and effect, and the Parties hereby ratify and confirm it.

**JPMORGAN CHASE BANK, N.A.**

By: /s/ Preeti Yeung  
Preeti Yeung  
Authorized Officer

**GUILD MORTGAGE COMPANY**

By: /s/ Amber Elwell  
Amber Elwell  
Chief Financial Officer

*Counterpart signature page to Third Amendment to First Amended and Restated Master  
Repurchase Agreement*

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As amended hereby, the A&R MRA remains in full force and effect, and the Parties hereby ratify and confirm it.

**JPMORGAN CHASE BANK, N.A.**

By: /s/ Preeti Yeung  
Preeti Yeung  
Authorized Officer

**GUILD MORTGAGE COMPANY**

By: /s/ Amber Elwell  
Amber Elwell  
Chief Financial Officer

*Counterpart signature page to Third Amendment to First Amended and Restated Master  
Repurchase Agreement*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**FOURTH AMENDMENT TO  
FIRST AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT**

**Dated as of June 23, 2020**

Between:

**GUILD MORTGAGE COMPANY, as Seller**

and

**JPMORGAN CHASE BANK, N.A., as Buyer**

**This Amendment**

The Parties hereby amend (for the third time) the First Amended and Restated Master Repurchase Agreement dated December 14, 2018 between them (the “**A&R MRA**”, as amended by that certain First Amendment to First Amended and Restated Master Repurchase Agreement dated June 21, 2019, the Second Amendment to First Amended and Restated Master Repurchase Agreement dated December 13, 2019, the Third Amendment to First Amended and Restated Master Repurchase Agreement dated February 21, 2020, the Omnibus Letter Agreement dated April 30, 2020, and as hereby and supplemented, further amended or restated from time to time, the “**MRA**”) to provide for eMortgage Loan to be Eligible Mortgage Loans.

All capitalized terms used in the A&R MRA and used, but not defined differently, in this amendment (this “**Amendment**”) have the same meanings here as there.

The Sections of this Amendment are numbered to correspond with the numbering of the Sections of the A&R MRA amended hereby.

**2. Definitions; Interpretation**

A. The following definitions in Section 2(a) of the A&R MRA are hereby amended to read as follows:

“**Credit File**” means, with respect to a Mortgage Loan, all of the paper and documents required to be maintained pursuant to the related Takeout Commitment, if any, or the specifically-related Hedging Arrangement, as applicable, and all other papers and records of whatever kind or description, whether developed or created by Seller or others, required to Originate, document or service the Mortgage Loan. For clarification purposes and without limiting the foregoing, the Credit File of an eMortgage Loan specifically includes the eMortgage Loan’s eClosing Transaction Records, information regarding the version of the eClosing System used in the Origination of such Purchased Mortgage Loan, the Mortgage and all files, documents, records, system logs, audit trail and other data and information relating to the related eNote and all other related Electronic Records throughout the life of such eMortgage Loan.

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“**Last Endorsee**” means with respect to each Purchased Mortgage Loan and its Mortgage Loan Documents, the last Person to whom such Mortgage Loan or the referenced Mortgage Loan Document were assigned, or to whom the related Mortgage Note was endorsed (or in the case of an eNote the Person appearing as the Controller of such eNote on the MERS® eRegistry), as applicable.

“**Loan File**” means, with respect to each Mortgage Loan, the following documents:

(i) If a Wet Loan, a fully executed Closing Protection Letter from the related Settlement Agent involved in the Wet Funding of that Mortgage Loan.

(ii) If a Government Loan, a valid eligibility certification from VA, FHA or RHS, as applicable, or such other documentation as may be required by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time, with respect to such Purchased Mortgage Loan.

(iii) If a Conventional Conforming Loan, a valid eligibility certification from Fannie Mae or Freddie Mac, as applicable, or such other documentation as may be required by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time, with respect to such Mortgage Loan.

(iv) Evidence satisfactory to Buyer, in its sole discretion, that such Mortgage Loan is subject to a valid and binding Takeout Commitment or Hedging Arrangement, which may include a copy of the related Takeout Agreement or Hedging Arrangement and such other documents required by Buyer in its sole discretion.

(v) (1) If not an eMortgage Loan, the original Mortgage Note, endorsed in blank without recourse by the Last Endorsee (which must be a Seller), together with all intervening endorsements showing an unbroken chain of endorsement from the originator of such Mortgage Loan to the Last Endorsee, or, if the original has been lost, a lost note affidavit in form and substance acceptable to Buyer and executed by the Last Endorsee, and if Freddie Mac is the Agency for such Mortgage Loan, the Freddie Mac Loan Number must appear on the top right hand corner of the Mortgage Note, or (2) if an eMortgage Loan, (A) the Authoritative Copy of its eNote bearing a digital or electronic signature shall have been delivered to Buyer’s eVault and the process of transferring Control and Location of the eNote shall have been completed on the MERS® eRegistry to identify Buyer as the Controller and the Location of the Authoritative Copy of the eNote, and the related Seller (or such other Person, if any, as shall have been approved by Buyer to service eMortgage Loans) as the “Servicing Agent” on the MERS® eRegistry (or such other counterparty designation as is then used on the MERS® eRegistry to identify the Person responsible for initiating life of loan servicing actions on the MERS® eRegistry); shall bear a digital or electronic signature, (B) the Hash Value of the eNote indicated in the MERS® eRegistry shall match the Hash Value of the eNote

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as reflected in the Buyer's eVault, and (C) the eNote shall contain the Agency eNote Clause.

(vi) If an eMortgage Loan, the eClosing Transaction Records, the versions of the eClosing System used in the Origination of such Purchased Mortgage Loan, the Mortgage and all files, documents, records, system logs, audit trail and other data and information relating to each related eNote and other Electronic Records throughout the life of such purchased eMortgage Loan;

(vii) If not a Cooperative Loan:

(1) Evidence satisfactory to Buyer that such Mortgage Loan is a MERS Designated Mortgage Loan, and if such Mortgage Loan (x) was a MOM Loan at Origination, a copy of the original Mortgage having on its face both such Mortgage's MIN and language indicating that the Mortgage Loan is a MOM Loan or (y) was not a MOM Loan at Origination, the original or a copy of (i) the Mortgage, (ii) its MIN and (iii) its assignment to MERS and the originals or copies of all intervening assignments.

(2) If not an eMortgage Loan, the original recorded Mortgage, or, if the original has been lost or if such Mortgage is in the process of being recorded, a copy of the original Mortgage together with an Officer's Certificate or certification by the related Settlement Agent (which may be included on the face of such copy) certifying (x) that such copy is a true, correct and complete copy and (y) that such Mortgage has been transmitted to the appropriate recording office for recordation.

(3) Except with respect to a MOM Loan, an original Assignment of Mortgage, in blank in the name of the Last Endorsee.

(4) The originals or copies of all intervening Assignments of Mortgage, if any, in each case, with evidence of recording thereon, showing an unbroken chain of title from its originator to the Last Endorsee.

(5) The original or a copy of the lender's policy of title insurance (or a commitment for title insurance or preliminary title report, if the policy is being held by the title insurance company pending recordation of the Mortgage) or an attorney's opinion of title and abstract of title.

(6) The originals or copies of all powers of attorney or similar instruments, if applicable.

(7) The originals of all assumption, modification, consolidation, substitution and extension agreements, if any, with evidence of recordation thereon, or copies of such original agreements together with an Officer's Certificate or certification by the related Settlement Agent (which may be stamped on the document or affixed to the document as a separate certification) (x) that such copy is a true, correct and complete copy and (y) that the original has been transmitted to the appropriate recording office for recordation.

(8) The originals or copies of all guarantees, security agreements or other supporting agreements, if any, received with respect to, or supporting repayment of, such Purchased Mortgage Loan.

(viii) If a Cooperative Loan:

(1) The original Cooperative Shares with original Stock Power with a signature guarantee in form and substance satisfactory to Buyer.

(2) A copy of the Proprietary Lease.

(3) A copy of the Recognition Agreement.

(4) An acknowledgement copy of the UCC-1 financing statement filed in connection with the Mortgage related thereto.

(5) Such additional documents, if any, as shall be required by Buyer in its sole discretion from time to time by written notice to Seller.

(ix) (1) unless waived by Buyer in writing as to one or more particular Purchased Mortgage Loans, a copy of the DU/DO/LP approval cover page or, (2) for a CL Jumbo Loan, a copy of the related CHL Correspondent Channel Approval Memorandum, (3) for an RHS Loan, a copy of the related Conditional Commitment for Single Family Housing Loan Guarantee 1980-18 or, (4) for an OATI Jumbo Loan that is not a DU Jumbo Loan, evidence of underwriting approval by the related Approved Takeout Investor, or for a DU Jumbo Loan, evidence of the Seller's internal underwriting approval and evidence of the Approved DU Jumbo Takeout Investor's approval of the appraisal for the loan;

(x) the original, or a copy (together with an Officer's Certificate, which may be included on the face of such copy, certifying that such copy is a true, correct and complete copy) of the policy of lender's title insurance described in item (p) of Exhibit B [Omitted pursuant to Item 601(a)(5) of Regulation S-K] or of a commitment to issue such title insurance;

(xi) if, at any point in the future, Buyer so designates, by giving at least thirty (30) days written notice to a Seller, that Seller will, on a going forward basis, be responsible for giving the same (it being understood and agreed that unless and until Buyer gives such notice to a Seller, Buyer will be responsible for giving such notices to Mortgagors as are required by the Truth in Lending Act of 1968, as amended, and this item will not be included in the Loan Files), a notice letter in form and substance acceptable to Buyer in its sole discretion, delivered at Buyer's request by a Seller on behalf of Buyer to Mortgagor setting forth the information regarding Buyer as the "new creditor" and such other information required by Section 404 of The Helping Families Save Their Homes Act of 2009 (amending the Truth in Lending Act of 1968 (as amended)), and acknowledged in writing by Mortgagor unless Buyer has notified Seller in writing that such notice is no longer required.

“**MIN**” means the eighteen digit MERS Identification Number permanently assigned to each MERS Designated Mortgage Loan and, in the case of an eMortgage Loan, to its eNote.

“**Mortgage Loan**” means a whole mortgage loan or Cooperative Loan, including an eMortgage Loan, that is secured by a Mortgage on residential real estate, and includes all of its Servicing Rights.

“**Mortgage Note**” means the original executed promissory note, including an eNote, or other primary evidence of indebtedness of a Mortgagor on a Mortgage Loan.

“**Servicing Records**” means all servicing records created and/or maintained by Seller in its capacity as interim servicer for Buyer with respect to a Purchased Mortgage Loan, including any and all servicing agreements, files, documents, records, databases, computer tapes, copies of computer tapes, proof of insurance coverage, insurance policies, appraisals, other closing documentation, payment history records and any other records relating to or evidencing its servicing, including for eMortgage Loans, the eClosing Transaction Record and any other files, documents, records, data and information required under applicable Agency Guidelines to be created or maintained by a servicer of eMortgage Loans.

“**Wet Loan**” means a Purchased Mortgage Loan that is not an eMortgage Loan, for which the completed Loan File was not delivered to Buyer before funding of the related Purchase Price.

B. The following new definitions are added to Section 2(a) of the A&R MRA in alphabetical order:

“**Buyer’s eVault**” means an eVault established and maintained for the benefit of the Buyer with respect to any Purchased Mortgage Loans that are eMortgage Loans. For the avoidance of doubt, initially the Buyer’s eVault shall be an eVault established and maintained by the Buyer.

“**Agency eNote Clause**” is defined in Exhibit B.

“**Approved eMortgage Takeout Investor**” means any of (i) CL, Fannie Mae and Freddie Mac and (ii) any other Approved Takeout Investor that has been specifically approved in writing by Buyer for purchases of eMortgage Loans and with which Buyer and Seller have entered into an eNote Control and Bailment Agreement; provided that Buyer will give Seller five (5) Business Days’ written notice of Buyer’s election to withdraw or remove its prior approval of any Approved eMortgage Takeout Investor described in clause (ii) above and no such elective withdrawal or removal of Buyer’s approval of any such Approved eMortgage Takeout Investor shall affect or impair the acceptability of any Takeout Commitment covering any Purchased Mortgage Loan purchased before the effective date of such removal. The initial list of Approved eMortgage Takeout Investors (in addition to CL, Fannie Mae and Freddie Mac), which may be updated



by Buyer from time to time, is attached as Schedule I-A [Omitted pursuant to Item 601(a)(5) of Regulation S-K] to the Fourth Amendment to MRA.

“**Authoritative Copy**” of any eNote means the single unique, identifiable and legally controlling copy of such eNote that meets the requirements of §16(c) of UETA and §7201(c) of E-SIGN, and that is registered on the MERS® eRegistry and stored, at all times, in an eVault that complies with applicable eCommerce Laws, maintained by the Person named in the Location specified in the MERS® eRegistry.

“**Control**” means with respect to an eNote, the “control” of such eNote within the meaning of UETA and/or, as applicable, E-SIGN, which is established by reference to the MERS® eRegistry and any party designated therein as the Controller.

“**Controller**” of an eNote means the Person identified on the MERS® eRegistry as the Person having “control” of the Authoritative Copy of such eNote within the meaning of §7201 of E-SIGN and §16 of UETA.

“**Continuity, Recovery and Incident Response Programs**” is defined in Section 11(bb).

“**Delegatee**” means, with respect to an eNote, the party designated in the MERS® eRegistry as the “Delegatee” or “Delegatee for Transfers”, and in such capacity is authorized by the Controller to perform certain MERS® eRegistry transactions on behalf of the Controller, such as a Transfer of Control and a Transfer of Control and Location.

“**eClosing System**” means the systems and processes used in the origination and closing of an eMortgage Loan and through which the eNote and other Mortgage Loan Documents are accessed, presented and signed electronically.

“**eClosing Transaction Record**” means, for each eMortgage Loan, a record of each eNote and Electronic Record presented and signed using the eClosing System and all actions relating to the creation, execution, and transferring of the eNote, and all other Electronic Records that are required to be maintained pursuant to Agency Guidelines and required to demonstrate compliance with all applicable eCommerce Laws. An eClosing Transaction Record shall include systems logs and audit trails that establish a temporal and process link between the presentation of identity documents and the electronic signing of each eNote and Electronic Record, together with identifying information that can be used to verify the Electronic Signature and its attribution to the signer’s identity, and evidence of the signer’s agreement to conduct the transaction electronically and the signer’s execution of each Electronic Signature.

“**eCommerce Laws**” means the Electronic Signature In Global and National Commerce Act, Pub. L. No. 106-229, 114 Stat. 464 (codified at 15 U.S.C. §§ 7001-31), as the same may be supplemented, amended, recodified or replaced

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from time to time (“**E-SIGN**”), the Uniform Electronic Transactions Act, as adopted in the relevant jurisdiction, and as may be supplemented, amended or replaced from time to time (“**UETA**”), any applicable state or local equivalent or similar laws and regulations, and any rules, regulations and guidelines promulgated under any of the foregoing.

“**Electronic Record**” means a contract or record created, generated, communicated, delivered or stored by electronic means and capable of being accurately reproduced in perceivable form.

“**eMortgage Loan**” means a MOM Loan that is evidenced by an eNote registered on the MERS® eRegistry in compliance with the MERS® eRegistry Procedures Manual and conforms to all applicable Agency Guidelines and Takeout Guidelines.

“**eNote**” means a Mortgage Note that is electronically issued, created, presented and executed in accordance with the requirements of, and is a valid and enforceable Transferable Record under, applicable eCommerce Laws and otherwise conforms to all applicable Agency Guidelines and Takeout Guidelines.

“**eNote Control and Bailment Agreement**” means a master control and bailment agreement, by and among an Approved eMortgage Takeout Investor, Buyer and Seller, setting forth the bailment terms and conditions for all transfers of the Control and/or Location of eNotes and deliveries of the Authoritative Copies of such eNotes, from Buyer to an Approved eMortgage Takeout Investor or its designee for the purposes of such Approved eMortgage Takeout Investor’s inspection and determination whether to purchase related eMortgage Loans from Seller, all in such form and containing such terms and conditions as shall be approved by Buyer.

“**E-SIGN**” is defined in the definition of eCommerce Laws.

“**eRisk Determination**” is defined in [Section 8\(e\)](#).

“**eVault**” means an electronic storage system that uses computer hardware and software to store and maintain eNotes and other Electronic Records, including any and all addenda, amendments, supplements or other modifications of eNotes that are Electronic Records, in compliance with applicable eCommerce Laws, Agency Guidelines and related Takeout Guidelines.

“**eVault Provider**” means any third party that establishes and maintains an eVault on behalf of the Seller.

“**Fourth Amendment Effective Date**” means June 23, 2020, the effective date of the Fourth Amendment to A&R MRA.

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**“Fourth Amendment to A&R MRA”** means the Fourth Amendment to First Amended and Restated Master Repurchase Agreement dated June 23, 2020 amending the A&R MRA.

**“Hash Value”** means, with respect to an eNote, the unique, tamper-evident digital signature of such eNote that is stored with MERS.

**“Location”** of an eNote means the Person identified on the MERS® eRegistry as the Person that stores and maintains the Authoritative Copy of such eNote, as the Controller of such eNote or as such Controller’s designated custodian.

**“MERS® eDelivery”** means the electronic system, operated and maintained by MERSCORP Holdings, Inc., that is used by the MERS® eRegistry to deliver documents and data from one MERS® eRegistry member to another.

**“MERS® eRegistry”** means the electronic registry operated and maintained by MERSCORP Holdings, Inc., that serves as the system of record to identify the current Controller and Location of the Authoritative Copy of an eNote, and any other Person who is authorized by the Controller to make certain updates or initiate certain actions in the MERS® eRegistry on behalf of the Controller of such eNote.

**“MERS® eRegistry Procedures Manual”** means the MERS® eRegistry Procedures Manual issued by MERS, as amended, replaced, supplemented or otherwise modified and in effect from time to time.

**“Paper Record”** means with respect to a Mortgage Loan, the related Mortgage Notes and all other documents comprising the Mortgage Loan File that are in paper format, either as a copy or an original document, and are not held electronically or as an Electronic Record.

**“Seller’s eVault”** shall mean an eVault established and maintained by Seller or by an eVault Provider on Seller’s behalf. For the avoidance of doubt, the Seller’s eVault is different from the Buyer’s eVault.

**“Servicing Agent”** means, with respect to an eNote, the party designated in the MERS® eRegistry as the “Servicing Agent” (if any), and in such capacity is authorized by the Controller to perform certain MERS® eRegistry transactions on behalf of the Controller.

**“Transferable Record”** has the meaning assigned to the term “transferable record” in §16 of UETA, §201 of E-SIGN (codified at 15 U.S.C. § 7021), and other applicable eCommerce Laws.

**“Transfer of Control”** means, with respect to an eNote, a MERS® eRegistry transfer transaction used to request a change to the current Controller of such eNote.

“**Transfer of Control and Location**” means, with respect to an eNote, a MERS® eRegistry transfer transaction used to request a change to the current Controller and Location of such eNote.

“**Transfer of Location**” means, with respect to an eNote, a MERS® eRegistry transfer transaction used to request a change to the current Location of such eNote.

“**Transfer of Servicing Agent**” means, with respect to an eNote, a MERS® eRegistry transfer transaction used to request a change to the current Servicing Agent of such eNote.

“**UETA**” is defined in the definition of eCommerce Laws.

“**Unauthorized Servicing Agent Modification**” means, with respect to an eNote, a Transfer of Location, Transfer of Servicing Agent or a change in any other information, status or data initiated by the Servicing Agent or a Vendor of the Servicing Agent with respect to such eNote on the MERS® eRegistry.

### **3. Initiation; Confirmations; Termination**

A. Section 3(g) is amended to read as follows:

(g) Termination of Transaction by Repurchase; Transfer of Purchased Mortgage Loans. On the Repurchase Date, termination of the Transaction will be effected by resale to a Seller or its designee by Buyer of the Purchased Mortgage Loans on a servicing released basis against Seller’s submission to Buyer of a Completed Repurchase Advice, all in form and substance satisfactory to Buyer. After receipt of the payment (for Buyer’s accounts) of the Repurchase Price from a Seller, Buyer shall transfer such Purchased Mortgage Loans to such Seller or its designee and deliver, or cause to be delivered, to Seller or its designee all Mortgage Loan Documents previously delivered to Buyer or its designee and take such steps as are necessary and appropriate to effect the transfer of the Purchased Mortgage Loan to such Seller or its designee on the MERS® System, the MERS® eRegistry or both, as applicable. All such transfers from Buyer to a Seller or a Seller’s designee, including any transfer of Location or other transfer on the MERS® eRegistry, that result in the transfer of Control of an eNote, are and shall be without recourse and without (i) any of the liabilities of an indorser under UCC §3-414, by analogy or otherwise, (ii) any of the transfer warranties of UCC §3-417, or (iii) any other warranty, express or implied other than that the transferred Mortgage Loans are free and clear of any claim or right by or through Buyer.

### **6. Security Interest; Assignment of Takeout Commitments**

A. Section 6(a) is amended to read as follows:

(a) Security Interest. Although the Parties intend that all Transactions hereunder be absolute sales and purchases and not loans, to secure the payment and

performance by Seller of its obligations, liabilities and indebtedness under each such Transaction and Seller's obligations, liabilities and indebtedness hereunder and under the other Transaction Documents, Seller hereby pledges, assigns, transfers and grants to Buyer a security interest in the Mortgage Assets in which such Seller (individually or collectively with the other Seller) has rights or power to transfer rights and all of the Mortgage Assets in which such Seller (individually or collectively with the other Seller) later acquires ownership, other rights or the power to transfer rights. "Mortgage Assets" means (i) the Purchased Mortgage Loans with respect to all related Transactions hereunder (including, without limitation, all Servicing Rights with respect thereto), (ii) all Servicing Records, Loan Files, Mortgage Loan Documents, including, without limitation, the Mortgage Note or eMortgage Note (as the case may be) and Mortgage, and all of Seller's claims, liens, rights, title and interests in and to the Mortgaged Property related to such Purchased Mortgage Loans, (iii) all Liens securing repayment of such Purchased Mortgage Loans, (iv) all Income with respect to such Purchased Mortgage Loans, (v) the related Accounts, (vi) the Takeout Commitments and Takeout Agreements to the extent such Seller's rights thereunder relate to the Purchased Mortgage Loans, (vii) the Closing Protection Letters to the extent Seller's rights thereunder relate to Mortgage Loans whose Originations were funded or intended to be funded in whole or in part with funds transferred by Buyer to the related Settlement Agent, (viii) all Hedging Arrangements to the extent relating to the Purchased Mortgage Loans, and (ix) all proceeds of the foregoing, including, without limitation, to the extent constituting proceeds of the foregoing, all mortgage backed securities, and the right to have and receive such mortgage backed securities when issued, that are, in whole or in part, based on, backed by or created from Purchased Mortgage Loans for which the full Repurchase Price has not been received by Buyer, irrespective of whether such Purchased Mortgage Loans have been released from this security interest. Seller hereby authorizes Buyer to file such financing statements and amendments relating to the Mortgage Assets as Buyer may deem appropriate, and irrevocably appoints Buyer as such Seller's attorney-in-fact to take such other actions as Buyer deems necessary or appropriate to perfect and continue the Lien granted hereby and to protect, preserve and realize upon the Mortgage Assets. Seller agree, jointly and severally, to pay all fees and expenses associated with perfecting such Liens including, without limitation, the cost of filing financing statements and amendments under the UCC, registering each Purchased Mortgage Loan with MERS and recording assignments of the Mortgages and registering each related eNote on the MERS® eRegistry and initiating transfers, loan data updates and other actions on the MERS® eRegistry, in each case as and when required by Buyer in its sole discretion. The Parties intend that this Section 6(a) is "a security agreement or arrangement or other credit enhancement", as defined and described in Sections 101(47)(A)(v) and 741(7)(A)(ix) of the Bankruptcy Code, related to the repurchase agreement and securities contract established and evidenced by this Agreement and the Transactions hereunder.

**7. Conditions Precedent**

Section 7 is amended by addition of the following new Section 7(c) to the end of Section 7:

(c) Conditions Precedent to the Effectiveness of the Fourth Amendment to this Agreement. The effectiveness of the Fourth Amendment to A&R MRA shall be subject to the satisfaction of each of the following conditions precedent (any of which Buyer may electively waive, in Buyer's sole discretion):

(i) on or before the Fourth Amendment Effective Date, Seller shall deliver or cause to be delivered each of the documents listed on Exhibit M [Omitted pursuant to Item 601(a)(5) of Regulation S-K] to the Fourth Amendment to A&R MRA in form and substance satisfactory to Buyer and its counsel;

(ii) as of the Fourth Amendment Effective Date, no material action, proceeding or investigation shall have been instituted or threatened, nor shall any material order, judgment or decree have been issued or proposed to be issued by any Governmental Authority with respect to Seller that has not been disclosed to Buyer; and

(iii) Seller shall have paid to the extent due all fees and out-of-pocket costs and expenses reasonably incurred (including due diligence fees and expenses and reasonable legal fees and expenses) required to be paid under this Agreement or any other Transaction Document.

**8. Change in Requirement of Law**

The following new Section 8(e) is added to Section 8 immediately following Section 8(d):

(e) If at any time Buyer determines (an "eRisk Determination") that any Change in Law or in the MERS® eRegistry, or other event or circumstance, imposes or increases Buyer's risk of making or maintaining purchases of eMortgage Loans, or of maintaining their obligations with respect to any eMortgage Loans Transactions, then Buyer shall give notice thereof to Seller, and (i) Buyer and Seller shall endeavor in good faith to establish alternative terms and conditions to apply to eMortgage Loan Transactions to eliminate or satisfactorily reduce such risk, in a manner reasonably satisfactory to both Buyer and Seller, and to amend this Agreement and the other Transaction Documents to implement such changes. If Buyer and Seller fail for any reason to execute such amendments on or before thirty (30) days after Buyer's said notice to Seller, Buyer may elect to give notice to Seller that, on and after ten (10) days thereafter, new eMortgage Loans will not be Eligible Mortgage Loans.

**9. Documents and Records Relating to Purchased Mortgage Loans**

The title of Section 9 is amended to read as above and its text is amended to read as follows:

(a) Segregation of Documents; Buyer May Engage in Other Transactions. All documents in the possession of Seller relating to Purchased Mortgage Loans shall be segregated from other documents and securities in its possession and shall be identified as being subject to this Agreement. Segregation may be accomplished by appropriate identification on the books and records of the holder, including a financial or securities intermediary or a clearing corporation. All of Seller's interest in the Purchased Mortgage Loans (including the Servicing Rights) shall pass to Buyer on the Purchase Date and nothing in this Agreement shall preclude Buyer from engaging in repurchase transactions with the Purchased Mortgage Loans or otherwise selling, transferring, pledging or hypothecating the Purchased Mortgage Loans, but no such transaction shall relieve Buyer of its obligations to transfer the Purchased Mortgage Loans to Seller if and as required pursuant to Section 3 or Section 4.

(b) eClosing Transaction Records and Post-Purchase Support.

(i) The eClosing Transaction Record of each Purchased Mortgage Loan that is an eMortgage Loan shall be stored and maintained by Seller or its Subservicer in a manner that preserves the integrity and reliability of the eClosing Transaction Record for the life of such eMortgage Loan plus a period consistent with applicable Agency Guidelines requirements.

(ii) Seller shall cooperate with Buyer in all activities necessary to enforce eMortgage Loans that are Purchased Mortgage Loans and related eNotes. Seller shall provide upon reasonable request by Buyer, such affidavits, certifications, records and information regarding the creation and maintenance of the eNote and other Electronic Records in connection with any eMortgage Loan that Buyer deems necessary or advisable to ensure admissibility of such eNote and other Electronic Records in a legal proceeding and may include, among other things, (a) a description of how the executed eNote and other Electronic Records have been stored to prevent against unauthorized access and unauthorized alteration and a description of how such Seller's eClosing System and such Seller's eVault can detect such unauthorized access or alteration, (b) a description of such Seller's eClosing System and such Seller's eVault controls in place to ensure compliance with applicable eCommerce Laws, including §201 of E-SIGN and §16 of UETA, (c) a description of the steps followed by a Mortgagor to execute the eNote or other Electronic Record using such Seller's eClosing System, (d) a copy of each screen, as it would have appeared to the Mortgagor, of the eNote or other Electronic Record that Buyer is seeking to enforce or defend, when Mortgagor signed the eNote or other Electronic Record, (e) a description of such Seller's eClosing System and eVault controls in place at the time of signing to ensure the integrity of the data, and (f) testimony by an authorized officer or employee of such Seller to support admission of the eNote and other Electronic Records into any legal proceeding to enforce or defend the eMortgage Loan.

(iii) Seller shall archive all versions of any eClosing System used to create eNotes and originate eMortgage Loans, and retain such versions including screenshots of each stage or version of the eClosing System process.

(iv) Seller shall retain the eClosing Transaction Record of each Purchased Mortgage Loan that is an eMortgage Loan in a manner that will provide Buyer or its designees with ready access to such documents and records promptly following any request by Buyer. With respect to each Purchased Mortgage Loan that is an eMortgage Loan, Seller must be able to provide to Buyer, at any time upon Buyer's reasonable request, the eNote, any portions of the related Credit File or Servicing Record, and the eClosing Transaction Record, each in a format that is reasonably compatible with Buyer's systems then in use.

(c) Access to eClosing Systems, eVaults, and Expertise. Promptly following any reasonable request by Buyer (and subject to the notice requirements applicable to discussions, inspections and audits specified in Section 11(e)), Seller will, and will cause each Subservicer (if any) of eMortgage Loans and each eVault provider (if any), to give Buyer access to (i) each eVault storing the Authoritative Copy of any eNote evidencing a Purchased Mortgage Loan, (ii) all software and systems used for the origination, management or administration of any Purchased Mortgage Loan or any related eClosing Transaction Record, Credit File or Servicing Records, and access to all media in which any part of such eClosing Transaction Record, Credit File or Servicing Records may be recorded or stored; (iii) Seller's, or such Subservicer's or eVault Provider's, as applicable, know-how, expertise, and relevant data (such as customer lists) regarding any Purchased Mortgage Loan, or the policies, procedures and processes of such Person in originating, maintaining, servicing and otherwise managing eMortgage Loans and eNotes, and (iv) the personnel responsible for such matters.

## **10. Representations and Warranties**

A. Section 10(a)(xxix) is amended to read as follows:

(xxviii) MERS. Seller is a member of MERS in good standing, and Seller, each of Seller's eVault Providers and each Subservicer (if any) of eMortgage Loans is a member of the MERS® eRegistry in good standing, and such Person's operations are integrated with MERS® eRegistry and MERS® eDelivery in compliance with the MERS® eRegistry Procedures Manual, Agency Guidelines and applicable Takeout Guidelines.

B. Section 10(a)(xxvi) is amended to read as follows:

(xxvi) In Compliance with Applicable Laws. Seller and its Material Subsidiaries have not violated any Requirement of Law respectively applicable to them, including (1) Agency Guidelines, (2) all applicable Anti-Money Laundering Laws, (3) Anti-Corruption Laws, (4) applicable Privacy Requirements, including the GLB Act and the Safeguards Rules promulgated thereunder, (5) all



consumer protection laws and regulations, (6) all licensing and approval requirements applicable to Seller's Origination of Mortgage Loans and (7) all other laws and regulations referenced in item (gg) of Exhibit B, in each case a breach of which would, or would reasonably be expected to, result in a Material Adverse Effect, except where contested in good faith by appropriate proceedings, and with adequate reserves determined in accordance with GAAP established therefor.

C. Section 10(a) is amended by adding the following new Section 10(a)(xxxv) immediately following Section 10(a)(xxxiv):

(xxxv) All audits and reviews of Seller's eClosing System and any Subservicer's or eVault provider's eVault and related policies and procedures requested or required by any Agency in connection with such Seller's or such Subservicer's or eVault provider's application for such Agency's approval to sell, service or maintain eNotes and eMortgage Loans, have been completed, Seller has reviewed reports of findings and remedial actions have been taken to address the material adverse findings, if any, discovered in the audits and reviews, and such Agency has approved such Person to sell, service or maintain (as applicable) eNotes and eMortgage Loans and its related policies and procedures.

## **11. Seller's Covenants**

A. The last sentence of Section 11(a) is amended to read as follows:

Seller will remain a member in good standing of the MERS® System and the MERS® eRegistry.

B. Section 11(b) of the MRA is amended to read as follows:

( b ) Compliance with Applicable Laws. Seller shall comply, and shall cause each of its Subsidiaries to comply, with all Requirements of Law, a breach of which would, or could reasonably be expected to, adversely affect the Purchased Mortgage Loans or the Mortgage Loans to be sold pursuant to this Agreement, or that could reasonably be expected to result in a Material Adverse Effect except where contested in good faith and by appropriate proceedings and with adequate reserves determined in accordance with GAAP established therefor. Without limiting the foregoing, Seller shall comply, and cause its Subsidiaries to comply, in all material respects with all applicable (1) Agency Guidelines (including, without limitation, Agency Guidelines applicable to Seller's eClosing System or eVault and related policies, procedures, and processes), (2) Privacy Requirements, including the GLB Act and Safeguards Rules promulgated thereunder, (3) consumer protection laws and regulations, (4) licensing and approval requirements applicable to Seller's and its Subsidiaries' Origination of Mortgage Loans and (5) other laws and regulations referenced in the definition of "Requirement(s) of Law", in item (gg) of Exhibit B or in both of such places, in each case, that could reasonably be expected to result in a Material Adverse Effect except where contested in good faith and by appropriate proceedings and with adequate reserves determined in

accordance with GAAP established therefor. Seller shall, and shall cause each of its Subsidiaries to, maintain in effect and enforce policies and procedures designed to ensure compliance by Seller, its Subsidiaries and their respective directors, managers, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

C. Section 11(d) is amended to read as follows:

(d) Inspection of Properties and Books. Seller shall permit authorized representatives of Buyer to (i) discuss the business, operations (including Seller's eClosing System and eVault), assets and financial condition of Seller and Seller's Subsidiaries with their officers and employees and to examine their books of account, records, reports and other papers and make copies or extracts thereof, (ii) inspect all of Seller's property and all related information and reports, and (iii) audit Seller's operations (including a technical, security and legal review of Seller's eClosing System and Seller's eVault as applicable, and related policies and procedures by Buyer or by third parties reasonably selected by Buyer, including, (a) a certified third party security assessment report, (b) results of systems testing and verification of integration with MERS® eRegistry and MERS® eDelivery, and (c) a legal analysis of Seller's eClosing System and Seller's eVault, and such systems' policies, procedures and processes) to ensure compliance with the terms of the Transaction Documents, the GLB Act and other privacy laws and regulations, and applicable eCommerce Laws and Agency Guidelines, all at Seller's expense and at such reasonable times as Buyer may request; it being understood and agreed that so long as no Event of Default shall have occurred and be continuing, Buyer shall give a Seller reasonable notice prior to conducting any discussion, inspection and/or audit under this Section 11(c). Seller will provide its accountants with a photocopy of this Agreement promptly after the execution hereof and will instruct its accountants to answer candidly any and all questions that the officers of Buyer or any authorized representatives of Buyer may address to them in reference to the financial condition or affairs of Seller and Seller's Subsidiaries. Seller may have its representatives in attendance at any meetings between the officers or other representatives of Buyer and Seller's accountants held in accordance with this authorization.

C . Section 11(d) is amended by replacing the “; or” at the end of Section 11(d)(xvi) with “;”, replacing the period at the end of Section 11(d)(xvii) with “; or”, and adding the following new Sections 11(d)(xviii) and 11(d)(xix) immediately thereafter:

(xviii) any proposed changes, at least [\*\*\*] prior to the proposed effective date of such changes, to Seller's eClosing System and/or eVault or related policies, procedures and/or processes that may adversely affect the performance of such eClosing System or eVault or that may adversely affect the enforceability of eMortgage Loans and eNotes or compliance with applicable Agency Guidelines and eCommerce Laws in any material respect; or

(xix) any occurrence of a data security incident, in any event no later than [\*\*\*] following such incident, regarding Seller's eClosing System or Seller's eVault that results in the unauthorized access to or acquisition of eNote and any other records, including details of such data security incident (if applicable), a summary of any external third party forensic examinations of it, and planned remediation steps to correct it and prevent similar incidents in the future.

D. Section 11(g) is amended to read as follows:

(g) Insurance. Seller shall, and shall cause its Subsidiaries to, maintain, at no cost to Buyer (a) errors and omissions insurance or mortgage impairment insurance and blanket bond coverage, with such companies and in such amounts as to satisfy prevailing Agency Guidelines requirements applicable to a qualified mortgage originating institution, and shall cause Seller's policy to be endorsed with the Blanket Bond Required Endorsement; (b) liability insurance and fire and other hazard insurance on its properties, with responsible insurance companies approved by Buyer, in such amounts and against such risks as is customarily carried by similar businesses operating in the same vicinity; (c) network security and cyber liability insurance that includes coverage for any and all costs and expenses associated with a data security incident; and (d) within thirty (30) days after notice from Buyer, obtain such additional insurance as Buyer shall reasonably require, consistent with prudent industry standards, all at the sole expense of Seller. Photocopies of such policies shall be furnished to Buyer without charge upon obtaining such coverage or any renewal of or modification to such coverage.

E. Section 11(h)(vi) is amended to read as follows:

(vi) Subject to applicable Agency confidentiality requirements (if any), photocopies or electronic copies of any audits completed by any Agency of Seller or any of its Subsidiaries, or of Seller's eClosing System and Seller's eVault that provide for material corrective action, material sanctions or classifications of the quality of Seller's operations, not later than five (5) days after receiving such audit;

F. Section 11 is further amended by adding the following new Section 11(dd) at the end of Section 11 (immediately following Section 11(dd)):

(d d) Business Continuity and Disaster Recovery. Seller agree to maintain, to cause each Subservicer (if any) of its eMortgage Loans and Seller's eVault Providers, to maintain, at all times (i) a disaster recovery program, (ii) a business continuity plan, and (iii) an incident response plan (collectively, the "**Continuity, Recovery and Incident Response Programs**"), each in scope and substance reasonably acceptable to Buyer. Seller, at its sole cost, shall test the Continuity, Recovery and Incident Response Programs on an annual basis. If the results of any such testing identify any material compliance or other issues with respect to any of a Seller's, a Subservicer's or an eVault Provider's Continuity, Recovery and Incident Response Programs, Seller shall notify Buyer and promptly correct any such issue to Buyer's reasonable satisfaction.

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**EXHIBIT B**

A . Exhibit B attached to the A&R MRA is deleted in its entirety and replaced with Exhibit B attached to the Fourth Amendment to A&R MRA.

*(The remainder of this page is intentionally blank; counterpart signature pages follow.)*

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As amended hereby, the A&R MRA remains in full force and effect, and the Parties hereby ratify and confirm it.

**JPMORGAN CHASE BANK, N.A.**

By:                   /s/ Preeti Yeung                    
Preeti Yeung  
Authorized Officer

**GUILD MORTGAGE COMPANY**

By:                   /s/ Amber Elwell                    
Amber Elwell  
Chief Financial Officer

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**FIFTH AMENDMENT TO  
FIRST AMENDED AND RESTATED MASTER REPURCHASE AGREEMENT**

**Dated as of July 24, 2020**

Between:

**GUILD MORTGAGE COMPANY, as Seller**

and

**JPMORGAN CHASE BANK, N.A., as Buyer**

**This Amendment**

The Parties hereby amend (for the fourth time) the First Amended and Restated Master Repurchase Agreement dated December 14, 2018 between them (the “**A&R MRA**”, as amended by that certain First Amendment to First Amended and Restated Master Repurchase Agreement date June 21, 2019, the Second Amendment to First Amended and Restated Master Repurchase Agreement dated December 13, 2019, the Third Amendment to First Amended and Restated Master Repurchase Agreement dated February 21, 2020, the Omnibus Letter Agreement dated April 30, 2020, and the Fourth Amendment to First Amended and Restated Master Repurchase Agreement dated June 23, 2020 and as hereby and supplemented, further amended or restated from time to time, the “**MRA**”) to provide for an increase in the leverage covenant, an increase in the Required Amount, and amend various sublimits under the Uncommitted Facility Amount.

All capitalized terms used in the A&R MRA and used, but not defined differently, in this amendment (this “**Amendment**”) have the same meanings here as there.

The Sections of this Amendment are numbered to correspond with the numbering of the Sections of the A&R MRA amended hereby.

**2. Definitions; Interpretation**

**A. Solely for Transactions funded or to be funded from the Uncommitted Facility Amount on and after July 24, 2020,** the following definition of “Eligible Mortgage Loan” in the A&R MRA is hereby amended to read as follows:

“**Eligible Mortgage Loan**” means, on any date of determination, a Mortgage Loan:

- (i) for which each of the applicable representations and warranties set forth on Exhibit B [Omitted pursuant to Item 601(a)(5) of Regulation S-K] is true and correct as of such date of determination;
- (ii) that is either a Conventional Conforming Loan or a Jumbo Loan;

(iii) whose Origination Date was no more than [\*\*\*] before the Purchase Date for the initial Transaction in which that Mortgage Loan was purchased by Buyer;

(iv) that is eligible for sale to an Approved Takeout Investor under its Takeout Guidelines;

(v) that has a scheduled Repurchase Date not later than the following number of days after the Purchase Date for the initial Transaction to which that Mortgage Loan was subject:

<b>Type of Mortgage Loan</b>	<b>Number of days</b>
Conventional Conforming Loan	[***]
Moderately Aged Loan	[***]
Long Aged Loan	[***]
Jumbo Loan	[***]

(vi) that does not have a Combined Loan-to-Value Ratio in excess of (i) [\*\*\*] in the case of a Conventional Conforming Loan or (ii) [\*\*\*] in the case of a Jumbo Loan (or, in each case, such other percentage determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) and, if its Loan-to-Value Ratio is in excess of [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time), it has private mortgage insurance in an amount required by the applicable Agency Guidelines, unless pursuant to Agency Guidelines in existence at the time such Mortgage Loan was originated, private mortgage insurance is not required for such Mortgage Loan;

(vii) if a Jumbo Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all Jumbo Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(viii) if an Investor Loan that is not a Jumbo Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all Investor Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(ix) if a Second Home Loan that is not a Jumbo Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all Second Home Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(x) if a Cash Out Refinancing Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all Investor Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(xi) if a Wet Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all other Wet Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to any Seller from time to time) of the Facility Amount;

(xii) if a Long Aged Loan, whose Purchase Price, when added to the sum of the Purchase Prices of all Long Aged Loans that are then subject to Transactions, is less than or equal to [\*\*\*] (or such other percentage as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time) of the Facility Amount;

(xiii) whose Mortgagor has a FICO Score of at least (i) [\*\*\*] in the case of a Conventional Conforming Loan, Government Loan, Second Home Loan, or Investor Loan, or (ii) [\*\*\*] in the case of a Jumbo Loan (or such other minimum FICO Score as may be determined by Buyer in its sole discretion and specified in a written notice from Buyer to Seller from time to time);

(xiv) that, if subject to a Takeout Commitment, (a) is not subject to a Takeout Agreement that has expired or been terminated or cancelled by the Approved Takeout Investor or with respect to which Seller is in default, (b) has not been rejected or excluded for any reason (other than default by Buyer) from the related Takeout Commitment by the Approved Takeout Investor;

(xv) that, if subject to a Hedging Arrangement, is not subject to a Hedging Arrangement that has expired or been cancelled by the Hedging Arrangement counterparty or with respect to which Seller is in default or a termination event has occurred;



(xvi) for which, if not a Wet Loan, a complete Loan File has been delivered to Buyer on or before its Purchase Date;

(xvii) for which, if a Wet Loan:

(A) on or before its Purchase Date, a written fraud detection report acceptable to Buyer in its sole discretion has been delivered to Buyer;

(B) if requested by Buyer, all applicable items listed in clauses (i) through (iii) of the definition of Loan File have been delivered to Buyer or Custodian, as applicable, on or before its Purchase Date;

(C) if it is also a Jumbo Loan, the applicable items listed in clause (xviii) of this definition of Eligible Mortgage Loan have been delivered to Buyer on or before its Purchase Date; and

(D) at or before its Wet Funding Deadline, a complete Loan File has been delivered to Buyer;

(xviii) if a Jumbo Loan, that is covered by a Takeout Commitment issued by CL;

(xix) if and to the extent that Buyer elects by notice to Seller to review and approve them, for which Buyer has approved the underwriting, the Takeout Commitment and other related information;

(xx) that is not a Mortgage Loan that Seller has failed to repurchase when required by the terms of this Agreement;

(xxi) for which the related Mortgage Note has not been out of the possession of Buyer pursuant to a Trust Release Letter for more than five (5) Business Days after the date of that Trust Release Letter;

(xxii) for which neither the related Mortgage Note nor the Mortgage has been out of the possession of Buyer pursuant to a Bailee Letter for more than the number of days specified in such Bailee Letter; and

(xxiii) that is not a Defaulted Loan.

“**Termination Date**” means the earliest of (i) the Business Day that Seller or Buyer designates as the Termination Date by written notice to Buyer, in the case of a Seller notice, or to Seller, in the case of a Buyer notice, at least thirty (30) days before such date, (ii) the date of declaration of the Termination Date pursuant to Section 12(c) and (iii) February 19, 2021.

B. The following new definition is added to Section 2(a) of the A&R MRA in alphabetical order:

“Fifth Amendment to A&R MRA” means the Fifth Amendment to First Amended and Restated Master Repurchase Agreement dated July \_\_, 2020 amending the A&R MRA.

**5. Accounts; Income Payments.**

The following is added as the new third sentence of Section 5(b) of the A&R MRA:

From and after July \_\_, 2020, the Required Amount will be an amount equal to [\*\*\*] of the Facility Amount.

**11. Seller’s Covenants.**

Section 11(aa)(i) is hereby amended to read as follows:

( i ) Leverage Ratio. Seller shall not permit the Leverage Ratio of Seller to exceed [\*\*\*] computed as of the end of each calendar month.

**EXHIBIT B**

A. Clause (qqq) of the A&R MRA is hereby amended to read as follows:

(qqq) Ineligible Loan Types. The Mortgage Loan is not (i) a negative amortization loan, (ii) a second lien loan, (iii) a home equity line of credit or similar loan, (iv) a reverse mortgage, (v) a subprime Mortgage Loan or alt-A Mortgage Loan or (vi) considered an “Expanded Approval” loan or a similar loan such as is described in the applicable Agency’s eligibility certification, and the following Loan Types and any similarly specially-designated Loan Types are ineligible for inclusion in any Transaction funded from the Uncommitted Facility Amount on or after April 30, 2020:

High-CLTV Loans, Government Loans, Low FICO Government Loans, Low FICO FHA/VA Loans, Manufactured Housing Loans, State Bond Loans, Freddie Mac Small Balance Loans, Government High CLTV Loans, OATI Jumbo Loans and RHS Loans

**EXHIBIT C [Omitted pursuant to Item 601(a)(5) of Regulation S-K]**

A . Exhibit C attached to the A&R MRA is deleted in its entirety and replaced with Exhibit C attached to the Fifth Amendment to A&R MRA.

*(The remainder of this page is intentionally blank; counterpart signature pages follow.)*

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As amended hereby, the A&R MRA remains in full force and effect, and the Parties hereby ratify and confirm it.

**JPMORGAN CHASE BANK, N.A.**

By:                     /s/ Preeti Yeung                      
                    Preeti Yeung  
                    Authorized Officer

**GUILD MORTGAGE COMPANY**

By:                     /s/ Amber Elwell                      
                    Amber Elwell  
                    Chief Financial Officer

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**MORTGAGE WAREHOUSE AGREEMENT**

by and between

GUILD MORTGAGE COMPANY, A CALIFORNIA CORPORATION,

and

TEXAS CAPITAL BANK, NATIONAL ASSOCIATION

**AGREEMENT DATE:**

APRIL 13, 2020

**AGREEMENT NO.:**

4847

## MORTGAGE WAREHOUSE AGREEMENT

THIS MORTGAGE WAREHOUSE AGREEMENT (this “Agreement”) is made and entered into as of APRIL 13, 2020 (the “Agreement Date”) (but effective as of the Effective Date) between GUILD MORTGAGE COMPANY, A CALIFORNIA CORPORATION (the foregoing are each individually and collectively referred to herein as “Seller”) and TEXAS CAPITAL BANK, NATIONAL ASSOCIATION.

### RECITALS

- A. Seller is actively engaged in Mortgage Loan Activities.
- B. Seller is seeking additional funding sources for its Mortgage Loan Activities through the sale of Participation Interests in Mortgage Loans generated by such Mortgage Loan Activities.
- C. Bank is, among other things, in the business of purchasing participation interests in Mortgage Loans.
- D. Seller shall have no obligation to offer for sale, and Bank shall have no obligation to purchase, Participation Interests in such Mortgage Loans. However, Seller and Bank desire to set forth the terms under which such offers and purchases, if any, can be made.

### AGREEMENT

NOW, THEREFORE, for and in consideration of the covenants, representations, warranties and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

#### ARTICLE 1 DEFINITIONS

- 1.1 **Specific Defined Terms.** As used in this Agreement, the following terms shall have the meanings set forth below:

“Advance Request Termination Date” shall mean the final day on which Seller may submit to Bank a Request. The Advance Request Termination Date is the earlier to occur of: (a) the date which is twelve (12) months after the Effective Date; or (b) the date on which Seller’s rights hereunder to submit any and all Requests to Bank shall terminate pursuant to the provisions of this Agreement or any other Warehouse Document (including, pursuant to Section 5.2, 5.3 or 9.2).

“Bank Document Deliverables” shall mean, with respect to any Participated Mortgage Loan, (a) the original of the fully executed Mortgage Note for such Participated Mortgage Loan, together with the Required Endorsements related thereto (including, without limitation, each original executed allonge required by Bank in connection therewith) and (b) any other agreements, files, records and other documents related to such Participated Mortgage Loan which are required to be delivered to Bank in connection with the purchase of the Participation Interest in such Participated Mortgage Loan pursuant to the Warehouse Program Guide in effect as of the related Purchase Date.

“Broker Originated Mortgage Loan” shall mean any Mortgage Loan which: (a) is closed in the name of a mortgage broker as lender; and (b) is simultaneously transferred and assigned by such mortgage broker to Seller at closing, and upon such transfer and assignment Seller shall be

the holder of the Mortgage Note for such Mortgage Loan and otherwise own all rights, titles and interests in and to such Mortgage Loan.

“Correspondent Originated Mortgage Loan” shall mean any Mortgage Loan which: (a) was not originated by Seller; (b) is not a Broker Originated Mortgage Loan; and (c) has or will be purchased by Seller from the holder of the Mortgage Note for such Mortgage Loan, and upon such purchase Seller shall be the holder of the Mortgage Note for such Mortgage Loan and otherwise own all rights, titles and interests in and to such Mortgage Loan.

“Document Custodian” shall mean Bank.

“Eligible Mortgage Loan” shall mean any Mortgage Loan: (a) that is a Seller Originated Mortgage Loan or a Third-Party Originated Mortgage Loan; (b) that is in all respects in compliance with the provisions of the Warehouse Program Guide applicable to such Mortgage Loan; (c) for which all of the representations and warranties set forth in Section 6.10 shall be true, complete and correct on and as of the Purchase Date of a Participation Interest in such Mortgage Loan and at all times thereafter; and (d) which is otherwise acceptable to Bank in its sole and absolute discretion on and as of such Purchase Date.

“Funding Fee” shall mean a fee payable by Seller to Bank in an amount equal to [\*\*\*] for each Participated Mortgage Loan. Subject to applicable Law, Bank may, in its sole and absolute discretion, adjust the Funding Fee applicable to Participated Mortgage Loans upon thirty (30) days advance written notice to Seller, in which case, commencing upon the thirty-first (31<sup>st</sup>) day after the date of such notice, the Funding Fee set forth in such written notice shall apply to any and all Mortgage Loans in which Bank elects to purchase Participation Interests on or after such thirty-first (31<sup>st</sup>) day.

“Maximum Participation Amount” shall mean an amount equal to [\*\*\*]; provided, however, that during any Overline Period, the Maximum Participation Amount shall be the amount set forth for the same in the related Overline Confirmation for such Overline Period.

“Minimum Pledged Balance” shall mean good funds in an amount not less than [\*\*\*] of the Maximum Participation Amount; provided, however, that during any Overline Period, the Minimum Pledged Balance shall be the amount set for the same in the related Overline Confirmation for such Overline Period.

“Mortgage Loan Activities” shall mean the purchasing, processing, origination, administration, servicing and selling of Mortgage Loans by Seller and any other business activities related thereto or contemplated by this Agreement (including any activities related to Mortgage Loan Transactions).

“Mortgage Loan Transaction” shall mean: (a) with respect to any Mortgage Loan that is a Seller Originated Mortgage Loan, the closing and funding of such Mortgage Loan by the applicable Escrow Agent; and (b) with respect to any Mortgage Loan that is a Third-Party Originated Mortgage Loan: (i) the purchase and sale transaction pursuant to which Seller shall have purchased, fully paid for and shall own all rights, titles and interests in and to such Mortgage Loan (if a Correspondent Originated Mortgage Loan); or (ii) the transaction pursuant to which such Mortgage Loan (if a Broker Originated Mortgage Loan) is closed in the name of the applicable mortgage broker as lender and funded by the applicable Escrow Agent, and all rights, titles and interests of

such mortgage broker in and to such Mortgage Loan are simultaneously transferred and assigned by such mortgage broker to Seller at closing.

“Participation Interest Rate” shall mean, with respect to any Participated Mortgage Loan, the per annum rate of interest payable to Bank in connection with such Participated Mortgage Loan and its Participation Interest therein, which rate shall be calculated as a variable rate equal to the greater of: (a) the LIBOR Rate as of the related Purchase Date, as the LIBOR Rate may vary from day to day thereafter, Plus [\*\*\*]; or (b) the Participation Interest Rate Floor; provided, however, that the Participation Interest Rate for any Participated Mortgage Loan shall not at any time be greater than the maximum rate permitted under applicable Law. Subject to applicable Law, Bank may, in its sole and absolute discretion, adjust the Participation Interest Rate applicable to Participated Mortgage Loans upon thirty (30) days advance written notice to Seller, in which case, commencing upon the thirty-first (31<sup>st</sup>) day after the date of such notice, the Participation Interest Rate for any and all Mortgage Loans in which Bank elects to purchase Participation Interests on or after such thirty-first (31<sup>st</sup>) day shall be the lesser of (a) the rate of interest set forth in such written notice or (b) the maximum rate permitted under applicable Law for the applicable Participated Mortgage Loan. For purposes of determining the Participation Interest Rate for any Participated Mortgage Loan, the “LIBOR Rate” means, with respect to a period of thirty (30) days, the London Interbank Offered Rate for deposits in United States Dollars (expressed as a percentage per annum) that is published or announced from time to time by Bloomberg or such other recognized commercial service selected by Bank, in its sole discretion; provided, however, if such rate is not available or, in Bank’s sole discretion, becomes unreliable, the LIBOR Rate will be determined by an alternate method reasonably selected by Bank. Notwithstanding anything herein to the contrary, in no event shall the LIBOR Rate be less than zero percent (0.00%) per annum. All interest hereunder shall be calculated on the basis of a three hundred sixty (360) day year and shall accrue on the actual number of days elapsed for any whole or partial month in which interest is being calculated.

“Participation Interest Rate Floor” shall mean an interest rate equal to [\*\*\*] per annum. Subject to applicable Law, Bank may, in its sole and absolute discretion, adjust the Participation Interest Rate Floor applicable to Participated Mortgage Loans upon thirty (30) days advance written notice to Seller, in which case, commencing upon the thirty-first (31<sup>st</sup>) day after the date of such notice, the Participation Interest Rate Floor set forth in such written notice shall apply to any and all Mortgage Loans in which Bank elects to purchase Participation Interests on or after such thirty-first (31<sup>st</sup>) day.

“Repayment Account” shall mean the deposit account established, owned and controlled by Bank, into which all proceeds from each sale of any Participated Mortgage Loan by Bank and Seller to a Take-Out Purchaser shall be funded and deposited, and such account and all funds deposited or maintained therein shall be disbursed and applied by Bank pursuant to the terms of this Agreement. The account number for the Repayment Account is [\*\*\*] or such other deposit account number designated by Bank from time to time as the Repayment Account in a written notice delivered by Bank to Seller pursuant to this Agreement.

“Required Endorsements” shall mean: (a) with respect to any Mortgage Note related to a Third-Party Originated Mortgage Loan, the endorsement pursuant to applicable Law of such Mortgage Note by the original payee and any and all subsequent holders thereof prior to the purchase of such Mortgage Note by Seller; and (b) with respect any Mortgage Note related to a Third-Party Originated Mortgage Loan or a Seller Originated Mortgage Loan, at Bank’s election, either (i) the endorsement pursuant to applicable Law of such Mortgage Note in blank by Seller (which may, in Bank’s discretion, be evidenced by an original allonge, in form and content

acceptable to Bank, executed by Seller and affixed to such Mortgage Note) or (ii) no endorsement of such Mortgage Note by Seller, if Bank shall have received and accepted a valid power of attorney, in form and content satisfactory to Bank, authorizing Bank to endorse such Mortgage Note for and on behalf of Seller (provided that prior to any delivery of such Mortgage Note by Bank to a Take-Out Purchaser, such Mortgage Note shall be endorsed in favor of such Take-Out Purchaser by Bank as agent for Seller under such power of attorney).

“Standard Participation Percentage” shall mean a percentage equal to [\*\*\*].

“Target Usage Amount” shall mean an amount equal to [\*\*\*] of the Maximum Participation Amount.

“Third-Party Originated Mortgage Loan” shall mean any Correspondent Originated Mortgage Loan or any Broker Originated Mortgage Loan.

1.2 **General Defined Terms.** In addition to the terms defined in Section 1.1, as used in this Agreement, the following terms shall have the meanings set forth below:

“Accepted Lending Practices” shall mean the loan origination practices to be observed by the originators of the Mortgage Loans, which practices shall be conducted: (a) in a commercially reasonable manner and in good faith; (b) in accordance with the provisions of this Agreement; (c) in accordance with all applicable Laws; (d) in accordance with the requirements (if any) of the Warehouse Program Guide; and (e) in a manner consistent with customary and usual standards of practice of prudent originators of residential mortgage loans.

“Accepted Servicing Practices” shall mean the loan servicing practices to be observed by Seller in connection with Participated Mortgage Loans, which practices shall be conducted: (a) in a commercially reasonable manner and in good faith; (b) in accordance with the provisions of this Agreement; (c) in accordance with all applicable Laws; (d) in accordance with the Warehouse Program Guide; (e) in a manner consistent with customary and usual standards of practice of prudent servicers of residential mortgage loans; and (f) to the extent consistent with the foregoing, in a manner to maximize the timely and complete recovery of all Mortgage Loan Collections.

“Account” or “Accounts” shall mean any of the deposit accounts to be established and maintained pursuant to this Agreement, including: (a) the Participation Account; (b) the Pledged Account; (c) the Remittance Account; (d) the Repayment Account; and (e) such other accounts as Bank may require Seller to establish pursuant to or in connection with this Agreement or any other Warehouse Document.

“Advance” shall mean each payment of funds by Bank to Seller pursuant to the terms of this Agreement to pay the Purchase Price for the purchase of a Participation Interest. Such payment by Bank to Seller of the Purchase Price for a Participation Interest shall be effected through the delivery by Bank on behalf of Seller of the proceeds of the related Advance directly to the applicable Funding Recipient, which proceeds shall be applied towards satisfying Seller’s obligations with respect to the applicable Mortgage Loan Transaction. With respect to any Participated Mortgage Loan, an Advance shall be deemed to be made on the date on which funds are wired or otherwise transferred by Bank to the related Funding Recipient regardless of whether funds are actually received by such Funding Recipient on the date of the initiation of such wire or other transfer.



“Aged Participated Mortgage Loan” shall mean any Participated Mortgage Loan which does not constitute a Retired Participated Mortgage Loan on or after the [\*\*\*] after the Purchase Date for such Participated Mortgage Loan.

“Agency” shall mean FHA, FHLMC, FNMA, GNMA, VA or USDA.

“Agency Approvals” shall mean: (a) all approvals and requirements of FNMA necessary for Seller to sell Eligible Mortgage Loans to FNMA and/or to service Eligible Mortgage Loans; (b) all approvals and requirements of FHLMC necessary for Seller to sell Eligible Mortgage Loans to FHLMC and/or to service Eligible Mortgage Loans; and (c) all approvals and requirements of GNMA for Seller to be an approved issuer of securities comprising any Eligible Mortgage Loans.

“Agreement Date” shall have the meaning given to such term in the first paragraph of this Agreement. The Agreement Date is for reference purposes only in order to identify in the Warehouse Documents the date of this Agreement. The effective date of this Agreement shall be the Effective Date.

“Agreement Termination Date” shall mean the date on which this Agreement shall terminate and cease to be in force and effect (except with respect to the provisions of this Agreement which expressly survive termination). The Agreement Termination Date is the earlier to occur of: (a) the date on which this Agreement shall terminate pursuant to Section 5.2(c); or (b) the date on which this Agreement shall otherwise terminate in accordance with the express terms of this Agreement or any other Warehouse Document.

“Bank” shall mean TEXAS CAPITAL BANK, NATIONAL ASSOCIATION, and its successors and assigns.

“Bank Payment Deliverables” shall mean any and all checks, commercial paper, notes, cash or other forms of payment of any and all sums: (a) required to be paid to Bank hereunder but which have been received by Seller (including any and all proceeds received by Seller from the sale of any Participated Mortgage Loan to a Take-Out Purchaser); or (b) received by Seller during the occurrence of an Event of Default which sums relate to any Participated Mortgage Loan.

“Bankruptcy Code” shall mean Title 11 of the United States Code, as now or hereafter in effect.

“Bailee Letter” shall mean a letter, in such form and content required by Bank, delivered or caused to be delivered by Bank to any Take-Out Purchaser in connection with the proposed purchase of a Participated Mortgage Loan by such Take-Out Purchaser or its designee, which letter, among other things, directs such Take-Out Purchaser to hold, as bailee for Bank, the Mortgage Loan Documents for such Participated Mortgage Loan.

“Blanket Assignment” shall mean an assignment agreement in the form of Exhibit I, or in such other form required by Bank, executed and acknowledged by Seller and Bank, which evidences, among other things, the sale, transfer, assignment and conveyance by Seller to Bank of any and all Participation Interests in the Participated Mortgage Loans and the Mortgage Loan Documents related thereto now or hereafter purchased by Bank from Seller.

“Borrower” shall mean any Person who is an obligor on or under a Mortgage Loan.

“Business Day” shall mean any day other than a Saturday, Sunday or day on which commercial banks are authorized or required to be closed under the Laws of the State of Texas. Unless otherwise provided herein, the term “day” means a calendar day.

“Collateral” shall have the meaning given to such term in the UCC-1 financing statement attached hereto as Exhibit D

“Effective Date” shall mean the date of Seller’s execution of this Agreement, as set forth below Seller’s signature block hereto; provided that this Agreement shall not be effective until fully executed by both Seller and Bank.

“Escrow Agent” shall mean, with respect to any Mortgage Loan, the title company or agency, approved in advance by Bank, which is responsible for the closing and funding of such Mortgage Loan.

“Event of Default” shall mean any of the events specified in Section 9.1.

“FHA” shall mean the Federal Housing Administration, or its successor.

“FHLMC” shall mean the Federal Home Loan Mortgage Corporation, or its successor.

“FNMA” shall mean the Federal National Mortgage Association, or its successor.

“Funding Recipient” shall mean, with respect to any Participated Mortgage Loan, the Person to whom Bank shall directly pay the Purchase Price for the purchase of a Participation Interest in such Participated Mortgage Loan, as set forth in the related Request, provided that such Person meets the qualifications set forth in the Warehouse Program Guide for being a Funding Recipient with respect to such Participated Mortgage Loan.

“Generally Accepted Accounting Principles” or “GAAP” shall mean those generally accepted accounting principles and practices which are recognized as such by the American Institute of Certified Public Accountants acting through its Accounting Principles Board or by the Financial Accounting Standards Board or through other appropriate boards or committees thereof and which are consistently applied for all applicable periods, except that any accounting principle or practice required to be changed by the said Accounting Principles Board or Financial Accounting Standards Board (or other appropriate board or committee of the said Boards) in order to continue as a generally accepted accounting principle or practice may be so changed.

“GNMA” shall mean the Government National Mortgage Association, or its successor.

“Governmental Authority” shall mean any and all (domestic or foreign) federal, state, county, municipal, city or other government department, commission, board, court, agency or any other instrumentality of any of them (including any Agency) having jurisdiction over Bank, Seller, the Mortgage Loans or any of the transactions contemplated herein.

“Guarantor” shall mean any Person who now or hereafter has executed and delivered to Bank a Guaranty Agreement.

“Guaranty Agreement” shall mean, individually and collectively, each guaranty agreement, in such form and content required by Bank, now or hereafter executed and delivered to Bank in

connection with this Agreement and the transactions contemplated hereby, including each agreement (if any) attached hereto as Exhibit C.

“Investor” shall mean any Person (other than a Securitizer), approved in advance by Bank, who purchases or agrees to purchase any Participated Mortgage Loan from Seller and Bank pursuant to an Investor Loan Purchase Agreement.

“Investor Loan Purchase Agreement” shall mean, with respect to any Participated Mortgage Loan to be sold by Seller and Bank to any Investor, a current, valid, binding and enforceable commitment issued by such Investor in favor of Seller, and/or other written agreement or arrangement between such Investor and Seller, to purchase such Participated Mortgage Loan (including any such commitment or agreement which does not specifically identify such Participated Mortgage Loan but which contemplates the purchase of Mortgage Loans by such Investor from time to time on a best-efforts basis), which Investor Loan Purchase Agreement provides for a purchase price to be paid by such Investor of not less than the Take-Out Purchase Price for such Participated Mortgage Loan and which is otherwise on terms and in such form and content acceptable to Bank.

“Law” or “law” shall mean any and all present and future law, statute, code, ordinance, order, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, guideline, authorization or other direction or requirement of the United States, or of any city or municipality, state, commonwealth, nation, country, territory or possession or of any court or governmental department, commission, board, bureau, agency or instrumentality. The terms “Law” and “law” include: (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. Law No. 111-203, 124 Stat. 1376 (2010), and any and all Laws issued thereunder or in connection therewith, as may be amended from time to time (collectively, the “Dodd-Frank Act”); (b) the Interagency Appraisal and Evaluation Guidelines jointly issued on December 2, 2010 by the Office of the Comptroller of Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, and the National Credit Union Administration, as the same may be amended from time to time (collectively, the “Interagency Appraisal Guidelines”); (c) the S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C. §§ 5101 et seq.) and any and all applicable state Laws related thereto, as may be amended from time to time (collectively, the “S.A.F.E. Act”); (d) any and all similar Laws from time to time in effect; (e) any and all interpretations, rules, and regulations promulgated by any Government Authority in connection with the foregoing; and (f) any and all amendments to or replacements of the foregoing.

“Lien” shall mean any lien, mortgage, security interest, assignment, tax lien, pledge or encumbrance, or conditional sale or title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, or any other interest in Property designed to secure the repayment of indebtedness.

“Loan Application” shall mean a completed application for the applicable Mortgage Loan in its final form, signed by all applicable Borrowers, and which is in compliance with all applicable Laws.

“Material Adverse Effect” shall mean any set of circumstances or event which with respect to any Person: (a) could reasonably be expected to have a material adverse effect upon the validity, performance, or enforceability of any Warehouse Document against such Person; (b) is or could reasonably be expected to have a material adverse effect upon the condition (financial or otherwise), properties, liabilities (actual or contingent), business operations or prospects of such Person; (c) could reasonably be expected to materially impair the ability of such Person to perform

its obligations under any Warehouse Document to which it is a party; or (d) could reasonably be expected to cause an Event of Default.

“Maximum Judgment Amount” shall mean the lesser of: (a) [\*\*\*]; or (b) at any particular time, the amount equal to [\*\*\*] of the sum of Seller’s cash, cash equivalents (certificates of deposit and other depository accounts established at FDIC-insured banks), United States government-issued securities and other registered, unrestricted equity or debt securities which are publicly traded on a recognized United States exchange and have been approved by Bank, in its sole and absolute discretion and which, in all events, are held in Seller’s name and are free and clear of all Liens (except Liens in favor of Bank).

“Mortgage Loan” shall mean a residential mortgage loan evidenced by a Mortgage Note and secured by a Security Instrument.

“Mortgage Loan Collections” shall mean all checks, instruments, funds, and other property from time to time paid on, under or with respect to any Participated Mortgage Loan under any Mortgage Loan Document or otherwise related thereto, including, without limitation, all payments of principal, interest, fees, charges, costs, expenses, indemnities and other amounts, and all proceeds of sale of such Participated Mortgage Loan.

“Mortgage Loan Documents” shall mean, with respect to any Mortgage Loan, the Mortgage Note evidencing such Mortgage Loan, the Security Instrument securing such Mortgage Loan, and all other agreements, instruments and documents governing, evidencing, guaranteeing or relating to such Mortgage Loan, Mortgage Note or Security Instrument.

“Mortgage Loan File” shall mean, with respect to any Participated Mortgage Loan, any and all Mortgage Loan Documents and other agreements, files, records and other documents related to such Participated Mortgage Loan (including the related credit file and underwriting standards under which Seller approved such Participated Mortgage Loan).

“Mortgage Note” shall mean, with respect to any Mortgage Loan, a full recourse promissory note evidencing such Mortgage Loan and secured by a Security Instrument.

“Mortgage Note Rate” shall mean, with respect to any Mortgage Loan, the per annum rate of interest in effect and accruing from time to time on the outstanding principal balance of such Mortgage Loan, as set forth in the Mortgage Note evidencing such Mortgage Loan.

“Mortgaged Property” shall mean, with respect to any Mortgage Loan, the Residential Real Property subject to a Security Instrument securing such Mortgage Loan.

“Obligated Party” shall mean Seller, each Guarantor, or any other Person who is or becomes party to any agreement that guarantees or secures payment or performance of Seller’s obligations to Bank under this Agreement.

“Outstanding Participation Balance” shall mean, at any given time, an amount, as reflected on Bank’s books and records, equal to the aggregate sum of the outstanding Advances hereunder made by Bank for the purchase of Participated Mortgage Loans which do not at such time constitute Retired Participated Mortgage Loans.

“Participated Mortgage Loan” shall mean any Mortgage Loan in which Bank has elected to purchase a Participation Interest from Seller pursuant to the terms and conditions of this

Agreement. A Mortgage Loan in which Bank has purchased a Participation Interest shall cease to be a Participated Mortgage Loan hereunder at such time as such Mortgage Loan is a Retired Participated Mortgage Loan.

“Participation Account” shall mean the deposit account established and maintained by Seller at Bank for the purpose of holding funds of Seller to be used to pay Seller’s Funding Amounts. The account number for the Participation Account is identified in Schedule 1 to the Pledge Agreement.

“Participation Interest” shall mean, with respect to any Mortgage Loan, an undivided percentage ownership interest in all rights, titles and interests in, to and under such Mortgage Loan (including, all Mortgage Loan Collections payable on, and with respect to such Mortgage Loan, all of such Mortgage Loan Documents and all other obligations thereunder, all claims, suits, causes of action, and any other rights, known or unknown, against any of the related Borrower, guarantor or other Person relating to any of the foregoing, all collateral, guarantees and other security of or provided by any of the related Borrower or any other Person of any kind for or in respect to any and all of the foregoing, and all proceeds of any and all of the foregoing) purchased by Bank from Seller hereunder and owned by Bank. The undivided percentage ownership interest of Bank in any such Mortgage Loan shall be equal to the Participation Percentage for such Mortgage Loan in effect from time to time.

“Participation Percentage” shall mean, with respect to any Participation Interest in a Participated Mortgage Loan, a percentage of undivided ownership interest in such Participated Mortgage Loan equal to: (a) the Standard Participation Percentage; or (b) if Bank elects, in its sole discretion, to make an Advance for the purchase of such Participation Interest which is greater or less than the amount equal to the Standard Participation Percentage multiplied by the outstanding principal amount of such Participated Mortgage Loan as of the related Purchase Date, then the amount of such Advance divided by such outstanding principal amount, expressed as a percentage; as the Participation Percentage for such Participated Mortgage Loan is reflected on Bank’s books and records. Upon any repurchase of all or any portion of Bank’s outstanding Participation Interest in any Participated Mortgage Loan by Seller hereunder, Bank’s then-current Participation Percentage in such Participated Mortgage Loan shall be adjusted pursuant to this Agreement to give effect to such repurchase. The Participation Percentage for any Participated Mortgage Loan shall be the percentage reflected on Bank’s books and records from time to time for such Participation Percentage, absent manifest error conclusively established by Seller.

“Party” shall mean each of Seller and Bank.

“Permitted Encumbrances” shall mean, with respect to any Mortgage Loan: (a) the Lien of current real property taxes and assessments not yet due and payable; (b) covenants, conditions and restrictions, rights of way, easements and other matters of the public record as of the date of recording being acceptable pursuant to Accepted Lending Practices and specifically referred to in the lender’s title insurance policy delivered to the originator of such Mortgage Loan and which do not adversely affect the appraised value of the Mortgaged Property for such Mortgage Loan; and (c) other matters to which like properties are commonly subject which are acceptable pursuant to Accepted Lending Practices and do not, individually or in the aggregate, materially interfere with the benefits of the security intended to be provided by the Security Instrument for such Mortgage Loan or the use, enjoyment, value or marketability of the related Mortgaged Property.

“Person” shall mean any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof, or any other form of entity.

“Pledge Agreement” shall mean, individually and collectively, each pledge or security agreement, in such form and content required by Bank, now or hereafter executed for the benefit of Bank in connection with this Agreement and the transactions contemplated hereby, including each agreement attached hereto as Exhibit B.

“Pledged Account” shall mean the depository account or accounts established and maintained by Seller at Bank for the purpose of holding funds of Seller to be used as a source of funds to pay the Repurchase/Sale Obligations. The account number for the Pledged Account is identified in Schedule 1 to the Pledge Agreement.

“Proceeding” means any action, claim, investigation, lawsuit or other proceeding.

“Property” shall mean any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

“Purchase Date” shall mean, with respect to any Participated Mortgage Loan, the date and time of the Advance for the purchase by Bank of a Participation Interest in such Participated Mortgage Loan.

“Purchase Price” shall mean, with respect to a Participation Interest in any Mortgage Loan to be purchased by Bank, an amount equal to the outstanding principal amount of such Mortgage Loan on the related Purchase Date multiplied by the Bank’s Participation Percentage for such Participation Interest in such Mortgage Loan.

“Remittance Account” shall mean the deposit account established and maintained by Seller at Bank into which Bank shall deposit any and all funds received by Bank from time to time which are attributable hereunder to Seller’s Retained Percentage in any Participated Mortgage Loan and which are required to be paid by Bank to Seller hereunder.

“Repurchase Participation Percentage” shall mean, with respect to a Participation Interest in any Participated Mortgage Loan: (a) the portion of Bank’s outstanding Participation Percentage in such Participated Mortgage Loan which is required by Bank to be repurchased by Seller from Bank pursuant to Section 4.7, expressed as a percentage (for example, if Bank’s Participation Percentage immediately prior to the repurchase is [\*\*\*], and Bank’s Participation Percentage is required to be reduced to [\*\*\*] in connection with the repurchase, then the Repurchase Participation Percentage would equal [\*\*\*]); or (b) [\*\*\*] of Bank’s outstanding Participation Percentage in such Mortgage Loan which is required by Bank to be repurchased in its entirety by Seller from Bank pursuant to Section 4.8 (for example, if Bank’s Participation Percentage immediately prior to the repurchase is [\*\*\*], and Bank’s Participation Percentage is required to be reduced to [\*\*\*] in connection with the repurchase, then the Repurchase Participation Percentage would equal [\*\*\*]).

“Repurchase Price” shall mean, with respect to a Participation Interest in any Participated Mortgage Loan, the amount to be paid by Seller to Bank for the repurchase of all or any portion of such Participation Interest which is required by Bank to be repurchased by Seller from Bank pursuant to Sections 4.7 or 4.8, which amount shall be equal to: (a) the amount of any then-earned and unpaid Funding Fee payable by Seller to Bank hereunder with respect to such Participated

Mortgage Loan as of the date of such repurchase; plus (b) an amount equal to (i) the outstanding principal amount of such Participated Mortgage Loan on the related Purchase Date, multiplied by (ii) the Repurchase Participation Percentage for such Participated Mortgage Loan; plus (c) the amount of Bank's pro rata share of accrued interest on such Participated Mortgage Loan (which is allocable to the portion of the Participation Interest that is required to be repurchased by Seller), determined at the Participation Interest Rate for such Participated Mortgage Loan, during the period of time commencing on the Purchase Date for such Participated Mortgage Loan and ending on the date of such repurchase; plus (d) any and all other amounts related to such Participated Mortgage Loan which are then due and payable by Seller to Bank under this Agreement as of the date of such repurchase (including, without limitation, any and all costs and expenses of Bank incurred in enforcing its rights and remedies hereunder in connection with the related Mortgage Loan); less (e) all amounts (if any) received and applied by Bank hereunder, as of the date of such repurchase, towards payment of Bank's pro rata share (determined in accordance with Bank's Participation Percentage in effect from time to time with respect to such Participation Interest) of principal and interest (determined at the applicable Participation Interest Rate) on such Participated Mortgage Loan.

"Repurchase/Sale Obligations" shall mean: (a) any and all obligations of Seller, whether now existing or hereafter arising, to (i) arrange for the sale by and on behalf of the Parties of each Participated Mortgage Loan to a Take-Out Purchaser, and complete each such sale, as and when required pursuant to the terms and conditions of this Agreement and (ii) repurchase all or any portion of Bank's Participation Interest in each Participated Mortgage Loan as and when required pursuant to the terms and conditions of this Agreement; (b) any and all liabilities of Seller to Bank in connection with the obligations described in clause (a) of this sentence; and (c) any and all costs and expenses incurred by Bank in connection with the collection, administration or enforcement of all or any part of the obligations and liabilities described in clauses (a) and (b) of this sentence or the protection or preservation of, or realization upon, any collateral securing all or any part of such liabilities and obligations, including, without limitation, all reasonable attorneys' fees.

"Request" shall mean any request by Seller to Bank for the purchase by Bank from Seller of a Participation Interest in an Eligible Mortgage Loan and the Advance by Bank of funds for the Purchase Price for such Participation Interest, which Request shall be delivered by Seller to Bank in such manner and shall contain such information as may be required by Bank from time to time.

"Residential Real Property" shall mean a single platted lot of land improved with a one-to-four family residence.

"Restricted Accounts" shall mean the Participation Account and the Pledged Account.

"Retained Percentage" shall mean, with respect to any Participated Mortgage Loan, the percentage of undivided ownership interest retained by Seller in such Participated Mortgage Loan, after giving effect to the sale by Seller and purchase by Bank of such Participation Interest hereunder, which percentage shall be, for any such Mortgage Loan, equal to the difference of [\*\*\*] less the Bank's Participation Percentage in such Participated Mortgage Loan. Upon any repurchase of all or any portion of Bank's outstanding Participation Interest in any Participated Mortgage Loan by Seller hereunder, Seller's then-current Retained Percentage in such Participated Mortgage Loan shall be adjusted to give effect to such repurchase. The Retained Percentage for any Participated Mortgage Loan shall be the percentage reflected on Bank's books and records from time to time for such Retained Percentage, absent manifest error conclusively established by Seller.

“Retired Participated Mortgage Loan” shall mean any Mortgage Loan in which Bank has purchased a Participation Interest: (a) which has been subsequently sold in its entirety to a Take-Out Purchaser and the full amount of the Take-Out Purchase Price for such sale has been received and applied by Bank (as reflected on the Bank’s books and records), all pursuant to the terms of this Agreement; (b) for which the Participation Interest in such Mortgage Loan has been subsequently repurchased in its entirety by Seller from Bank and the full amount of the Repurchase Price for such repurchase has been received and applied by Bank (as reflected on the Bank’s books and records), all pursuant to the terms of this Agreement; or (c) for which the entire principal balance and all accrued interest for such Mortgage Loan has been subsequently paid in full by the related Borrower, and Bank’s pro rata share of such amounts (determined in accordance with Bank’s Participation Percentage and the Participation Interest Rate in effect from time to time with respect to such Mortgage Loan) have been received and applied by Bank (as reflected on the Bank’s books and records), all pursuant to the terms of this Agreement.

“Security Instrument” shall mean, with respect to any Mortgage Loan, a full recourse mortgage or deed of trust securing such Mortgage Loan and granting a perfected first priority lien on the Residential Real Property related thereto.

“Securitizer” shall mean any Person, approved in advance by Bank in its sole and absolute discretion, who or which purchases or agrees to purchase any Participated Mortgage Loan from Seller and Bank pursuant to a Securitization Loan Purchase Agreement in connection with the securitization of a pool of mortgage loans.

“Securitization Loan Purchase Agreement” shall mean, with respect to any Participated Mortgage Loan to be sold by Seller and Bank to a Securitizer, a current, valid, binding and enforceable mortgage loan purchase and sale agreement and/or other written agreement between the Securitizer and Seller regarding the sale of mortgage loans by Seller to, and purchase by, the Securitizer in connection with the securitization of a pool of residential mortgage loans, which Securitization Loan Purchase Agreement provides for a purchase price to be paid by the Securitizer of not less than the Take-Out Purchase Price for such Participated Mortgage Loan and which is otherwise on terms and in such form and content acceptable to Bank in its sole and absolute discretion.

“Seller’s Funding Amount” shall mean, with respect to any Participated Mortgage Loan and the related Mortgage Loan Transaction, the total amount to be paid by Seller (through sources other than an Advance) in connection with such Mortgage Loan Transaction, which Seller’s Funding Amount shall be equal to the Total Funding Amount for such Participated Mortgage Loan less the Purchase Price for the Participation Interest therein.

“Seller Originated Mortgage Loan” shall mean any Mortgage Loan: (a) originated by Seller and closed in the name of Seller as lender; and (b) with respect to which Seller is (or shall be upon the closing thereof) the holder of the Mortgage Note for such Mortgage Loan and otherwise owns all rights, titles and interests in and to such Mortgage Loan.

“Take-Out Purchase Agreement” shall mean any Investor Loan Purchase Agreement or Securitization Loan Purchase Agreement.

“Take-Out Purchase Price” shall mean, with respect to any Participated Mortgage Loan to be sold by Seller and Bank to a Take-Out Purchaser pursuant to a Take-Out Purchase Agreement, an amount which is not less than: (a) as of the date of such sale, the outstanding principal balance of such Mortgage Loan plus any and all accrued and unpaid interest thereon; or (b) such other



amount approved by Bank as confirmed in writing by Bank to Seller prior to such sale.

“Take-Out Purchaser” shall mean any Securitizer or any Investor approved in advance by Bank in its sole and absolute discretion for the purchase of a Mortgage Loan from Seller and Bank.

“Title Policy” shall mean, with respect to any Participated Mortgage Loan, a title insurance policy relating to such Participated Mortgage Loan, in such form acceptable to Bank, which title insurance policy: (a) is issued by a nationally recognized title insurance company acceptable to Bank; (b) provides insurance to the lender named therein, and such lender’s successors and assigns, in the full amount of such Participated Mortgage Loan and insures that the lien of the Security Instrument for such Participated Mortgage Loan is a first and prior lien upon the related Mortgaged Property, without any exceptions, except for Permitted Encumbrances; (c) includes such endorsements thereto which are consistent with Accepted Lending Practices; and (d) satisfies the requirements (if any) of the Warehouse Program Guide.

“Total Funding Amount” shall mean, with respect to any Participated Mortgage Loan and the related Mortgage Loan Transaction, the total amount to be paid by Seller in connection with such Mortgage Loan Transaction (including amounts to be provided on behalf of Seller by Bank through the making of an Advance for the purchase of a Participation Interest in such Participated Mortgage Loan), as set forth in the related Request.

“UCC” shall mean the Uniform Commercial Code of the State of Texas or other applicable jurisdiction, as it may be amended from time to time.

“USDA” shall mean the United States Department of Agriculture, or its successor.

“VA” shall mean the United States Department of Veterans Affairs, or its successor.

“Warehouse Documents” shall mean this Agreement, the Blanket Assignment, each Guaranty Agreement, the Pledge Agreement and any and all other agreements, instruments and documents evidencing, securing or pertaining to Bank’s discretionary purchase of Participation Interests in Mortgage Loans from Seller hereunder, as shall from time to time be executed and delivered to Bank by Seller, any Obligated Party or any other Person pursuant to or in connection with this Agreement or the transactions contemplated hereby, including each addendum to this Agreement (if any) executed by Bank and Seller, any future amendments hereto, or restatements hereof, together with any and all renewals, extensions, and restatements of, and amendments and modifications to, any such agreements, documents and instruments.

“Warehouse Program Guide” shall mean, collectively, the “Warehouse Lending Program Guide” issued by Bank and made available to Seller pursuant to the provisions of this Agreement, as amended, modified or supplemented from time to time by Bank, and including any notices or bulletins issued by Bank concerning the guidelines, procedures and requirements for the transactions contemplated by this Agreement.

1.3 **Other Defined Terms.** In addition to the terms defined in Section 1.1 and Section 1.2, as used in this Agreement, other capitalized terms contained in this Agreement shall have the meanings assigned to them.

1.4 **Other Definitional Provisions.**

(a) All terms defined in this Agreement shall have the herein defined meanings when used in any document, certificate, report or other document, instrument, or writing made or delivered pursuant to this Agreement or any other Warehouse Document, unless the context therein shall otherwise require.

(b) Words used herein in the singular, where the context so permits, shall be deemed to include the plural and vice versa. The definitions of words in the singular herein shall apply to such words when used in the plural where the context so permits and vice versa.

(c) The words “herein,” “hereof,” “hereunder” and other similar compounds of the word “here” when used in this Agreement shall refer to the entire Agreement and not to any particular provision or section; and the word “including,” as used herein, shall mean “including, without limitation.”

(d) All references herein to “Articles” and “Sections” are, unless specified otherwise, references to articles and sections of this Agreement. All references herein to an “Exhibit,” “Schedule” or “Addendum” are references to exhibits, schedules or addenda attached hereto, all of which are made a part hereof for all purposes, the same as if set forth herein verbatim, it being understood that if any exhibit, schedule or addendum attached hereto, which is to be executed and delivered, contains blanks, the same shall be completed correctly and in accordance with the terms and provisions contained and as contemplated herein prior to or at the time of the execution and delivery thereof.

## **ARTICLE 2**

### **PURCHASE OF PARTICIPATION INTERESTS**

#### **2.1 Request for Purchase.**

(a) At any time prior to the Advance Request Termination Date, Seller may submit a Request to Bank for Bank to purchase a Participation Interest in one or more Eligible Mortgage Loans from Seller hereunder by delivering or causing to be delivered to Bank, by electronic data submission or in such other manner, as may be required by Bank from time to time, the information and other items for such Eligible Mortgage Loans required by Bank pursuant to the Warehouse Program Guide.

(b) To assist Bank in making its decision whether to purchase a Participation Interest in any particular Eligible Mortgage Loan, Seller will timely provide Bank or Bank’s agents with the information and other items for such Eligible Mortgage Loan required by Bank pursuant to the Warehouse Program Guide.

(c) Each submission of a Request shall be deemed to constitute a representation and warranty by Seller to Bank on the date of such Request and on the date of an Advance made by Bank to purchase a Participation Interest in any Mortgage Loan in connection with such Request that: (i) such Request relates to an Eligible Mortgage Loan; and (ii) the information and materials submitted to Bank in connection with such Mortgage Loan and such Request are true, correct and complete in all respects.

(d) Each submission of a Request shall constitute Seller’s agreement and reaffirmation of the terms of the Blanket Assignment, such that, if Bank elects to purchase from Seller a Participation Interest in the Mortgage Loan referenced in such Request, then effective upon payment by Bank to Seller of the Purchase Price for such Participation Interest pursuant to the

terms of this Agreement, Seller shall have (and shall be conclusively deemed to have) irrevocably and unconditionally sold, transferred, assigned and conveyed to Bank, and Bank shall have (and shall be conclusively deemed to have) purchased and accepted from Seller, all of Seller's rights, titles, and interests in, to and under such Participation Interest in such Mortgage Loan and the related Mortgage Loan Documents, and such sale, transfer, assignment and conveyance shall be evidenced by the Blanket Assignment (including the Schedule thereto which shall be updated and maintained by Bank, and which Seller hereby confirms and accepts, and shall be conclusive absent manifest error conclusively established by Seller).

2.2 **Decision to Purchase.** Each decision of Bank whether to purchase any Participation Interest in any Mortgage Loan from Seller hereunder shall be made by Bank in its sole and absolute discretion. Bank shall be under no obligation hereunder to purchase any Participation Interest in any Mortgage Loan nor shall Bank have any obligation hereunder to purchase any minimum amount of Participation Interests in Mortgage Loans. In each instance where a Request is submitted to Bank, Bank will make an independent decision whether to purchase a Participation Interest in any Mortgage Loan contemplated by the Request. Bank may decline to purchase any Participation Interest in any Mortgage Loan for any reason or for no reason whatsoever. The election of Bank to purchase a Participation Interest in any Mortgage Loan shall be evidenced by the making of an Advance by Bank for the payment of the Purchase Price related thereto. If for any reason whatsoever Bank fails to make an Advance for the payment of the Purchase Price for a Participation Interest in any Mortgage Loan, then it shall be conclusive evidence of Bank's election not to purchase a Participation Interest in such Mortgage Loan.

2.3 **Conditions to Each Purchase.** As a condition precedent to any purchase of a Participation Interest by Bank from Seller hereunder, in addition to all other requirements set forth herein, Seller shall deliver to Bank all of the following, each being duly executed, endorsed, notarized where applicable and delivered and in form and content satisfactory to Bank in its sole and absolute discretion:

- (a) The information and other items required to be delivered to Bank pursuant to Section 2.1;
- (b) If requested by Bank, a written certification from Seller to Bank that the representations and warranties of Seller contained in this Agreement and each other Warehouse Document (other than those representations and warranties which are, by their terms, expressly limited to the date of the agreement in which they were initially made) are true and correct in all material respects on and as of the date of such purchase;
- (c) If requested by Bank, a written certification from Seller that no Event of Default has occurred or is continuing as of the date of the Advance;
- (d) Seller has adequate available funds on deposit in the Participation Account in an amount not less than Seller's Funding Amount for such Mortgage Loan; and
- (e) Such other documents as Bank may reasonably request at any time at or prior to the date of the first Advance hereunder or as a condition to any subsequent Advance hereunder, including any and each Pledge Agreement and Guaranty Agreement required by Bank to be executed in connection with the transactions contemplated by this Agreement.

Each submission of a Request shall be deemed to constitute a representation and warranty by Seller to Bank on the date of such Request and on the date of the applicable Advance made to purchase a Participation Interest in connection with such Request as to the facts and statements specified in clauses (a), (b), (c) and (d) immediately above and in Sections 5.1(e), (g) and (h) are true and correct. It is understood and agreed

that Bank shall not make any Advance for the Purchase Price of any Participation Interest unless with respect thereto Bank is in receipt of all agreements and documents required to be delivered to Bank under this Agreement and all other conditions precedent and requirements set forth herein are satisfied or waived by Bank in writing.

All conditions precedent hereunder to the purchase of a Participation Interest are solely for the benefit of Bank. Bank's election, in its sole discretion, to waive any condition precedent hereunder for the purchase of any Participation Interest shall not constitute a waiver of the satisfaction of such condition precedent for any subsequent purchase of any other Participation Interest. No such condition precedent shall be deemed waived unless waived in writing by Bank.

2.4 **Funding of Mortgage Loan Transactions; Purchase of Participation Interests.** With respect to each Participated Mortgage Loan, Bank and Seller agree that:

(a) Bank shall (and is authorized to) debit funds from the Participation Account in an amount equal to Seller's Funding Amount for such Participated Mortgage Loan and deliver on behalf of Seller by wire transfer such funds directly to the account of the Funding Recipient designated in the related Request (provided, however, if such Funding Recipient is an Escrow Agent, then such account shall be an escrow account) or deliver such funds on behalf of Seller to such Funding Recipient in any other manner acceptable to Bank. Bank shall not make an Advance for the purchase of a Participation Interest in any Mortgage Loan unless Seller has good funds on deposit in the Participation Account in an amount not less than Seller's Funding Amount for such Mortgage Loan;

(b) As payment by Bank to Seller for the purchase of a Participation Interest in such Participated Mortgage Loan, Bank shall make an Advance in an amount equal to the related Purchase Price. Seller hereby irrevocably and unconditionally instructs Bank, with respect to any such Advance, to deliver by wire transfer the proceeds of such Advance on behalf of Seller directly to the account of the Funding Recipient designated in the related Request or to deliver such proceeds on behalf of Seller to such Funding Recipient in any other manner acceptable to Bank; and

(c) Upon the making of an Advance by Bank to or on behalf of Seller for the purchase of a Participation Interest in such Participated Mortgage Loan as described above in this Section: (i) Bank shall immediately have purchased such Participation Interest from Seller, and shall immediately have become fully vested with, an undivided percentage ownership interest in all of Seller's rights, titles and interests in and to such Participated Mortgage Loan and the related Mortgage Loan Documents, which undivided percentage ownership interest shall equal the Participation Percentage for such Participated Mortgage Loan; and (ii) Seller shall immediately make proper entries on its books and records disclosing the absolute sale by Seller to Bank of such Participation Interest in such Participated Mortgage Loan and the related Mortgage Loan Documents. The purchase and sale of a Participation Interest in any Participated Mortgage Loan hereunder shall be conclusively established by the making of an Advance by Bank for the Purchase Price for such Participation Interest as and in the manner provided in this Section and shall be evidenced by the Blanket Assignment.

2.5 **Failure to Complete Mortgage Loan Transaction.** Each Advance made by Bank to purchase a Participation Interest from Seller in a Mortgage Loan is intended by Bank and Seller to be made in connection with a Mortgage Loan Transaction, which Mortgage Loan Transaction is to occur on or about the date on which the related Request for such Advance is submitted by Seller to Bank for Bank to purchase a Participation Interest in such Mortgage Loan or on such date otherwise specified in such Request. With

respect to any Mortgage Loan for which Seller has submitted a Request to Bank for Bank to purchase a Participation Interest therein, if the Mortgage Loan Transaction related thereto is not expected by Seller to occur or fails to occur within [\*\*\*] of such Request then Seller shall immediately provide notice thereof to Bank. Should the Mortgage Loan Transaction related to any Mortgage Loan not be expected by Seller to occur or fail to occur within [\*\*\*] of the Request to Bank for Bank to purchase a Participation Interest therein and Bank shall have delivered on behalf of Seller to the related Funding Recipient the proceeds of the Advance for the purchase by Bank of such Participation Interest, then: (a) the proceeds of such Advance shall immediately be returned directly to Bank and Bank may instruct such Funding Recipient to immediately return such proceeds directly to Bank; and (b) Seller shall (i) immediately instruct and cause such Funding Recipient to return the proceeds of such Advance directly to Bank and (ii) cooperate with Bank to effect the immediate return of the proceeds of such Advance directly to Bank and, at the request of Bank, take such actions and do such things deemed necessary or appropriate by Bank to effect the immediate return directly to Bank of the proceeds of such Advance.

2.6 **Funding Fee.** Seller shall pay to Bank a Funding Fee for each Participated Mortgage Loan as compensation for Bank's costs and expenses incurred in connection with underwriting and processing its purchase of the Participation Interest in such Participated Mortgage Loan and administering such Participation Interest hereunder. The Funding Fee with respect to any Participated Mortgage Loan shall be: (a) earned in full by Bank on the related Purchase Date; and (b) payable to Bank by Seller upon the earlier to occur of the date on which: (i) all or any portion of the related Participation Interest is to be repurchased by Seller from Bank as contemplated by and in accordance with the terms of this Agreement; (ii) such Participated Mortgage Loan is sold to a Take-Out Purchaser as contemplated by and in accordance with the terms of this Agreement; or (iii) the entire principal balance of such Participated Mortgage Loan has been paid in full by the related Borrower.

2.7 **Maximum Participation Amount.** Notwithstanding anything to the contrary contained herein, Bank shall not purchase and hold, at any one time, Participation Interests such that the Outstanding Participation Balance exceeds the Maximum Participation Amount; provided, however, that Bank may, in its sole and absolute discretion, elect to temporarily increase the Maximum Participation Amount upon written notice to Seller pursuant to Section 2.8. Nothing contained in this Section shall limit, impair or affect the provisions of Section 2.2.

2.8 **Overline Facility Increases.** Upon Seller's request from time to time, Bank may, in its sole and absolute discretion, elect to temporarily increase the amount of the Maximum Participation Amount (each, an "Overline Facility Increase") by providing written notice thereof to Seller (each, an "Overline Confirmation"). Each Overline Confirmation shall set forth the terms on which Bank agrees to temporarily increase the Maximum Participation Amount, including: (a) the amount to which the Maximum Participation Amount will be temporarily increased; (b) the date on which such temporary increase in the Maximum Participation Amount shall commence and terminate (the "Overline Period"); and (c) the amount to which the Minimum Pledged Balance shall be increased in connection with such Overline Facility Increase. As a condition precedent to the effectiveness of any Overline Facility Increase, Seller shall deposit into the Pledged Account good funds in such amount required in order to maintain therein the Minimum Pledged Balance set forth in the related Overline Confirmation. During any Overline Period, the Maximum Participation Amount and Minimum Pledged Balance shall equal the respective amounts set forth on the Overline Confirmation and, upon the expiration of the Overline Period, the Maximum Participation Amount and Minimum Pledged Balance shall automatically be reduced to the respective amounts in effect prior to the commencement of any Overline Period.

2.9 **Client-to-Client Funding.** If Seller submits a Request to Bank for Bank to purchase a Participation Interest in a Mortgage Loan from Seller hereunder to pay off a Mortgage Loan in which Bank already holds an ownership interest pursuant to a separate agreement with a different mortgage company

(each, a “Client-to-Client Funding”), then Seller: (a) shall provide any and all documents and information Bank requests regarding or related to such Participation Interest representing the Client-to-Client Funding; and (b) acknowledges and agrees that, without limiting any other provision in this Article 2 relating to the purchase of such Participation Interest, any such Client-to-Client Funding shall be conditioned upon the timely satisfaction of all other conditions Bank may in its sole and absolute discretion determine to be necessary or appropriate, including the consent of the original mortgage company to the Client-to-Client Funding and Bank’s agreement to the application of the funds advanced under the Client-to-Client Funding.

**ARTICLE 3**  
**DELIVERY OF BANK DOCUMENT DELIVERABLES**

3.1 **Documents to be Delivered to the Document Custodian After an Advance**. Subject to Sections 3.2 and 3.3, within five (5) Business Days after the Purchase Date for any Participated Mortgage Loan, Seller shall deliver or cause to be delivered to the Document Custodian all of the Bank Document Deliverables for such Participated Mortgage Loan. Bank reserves the right to require copies of any of the Bank Document Deliverables for review prior to making any Advance for the purchase of a Participation Interest in any specific Mortgage Loan.

3.2 **Procedure for Delivery of Bank Document Deliverables**. Seller shall cause the Bank Document Deliverables for each Participated Mortgage Loan to be: (i) delivered directly to Seller (and, in the event that the applicable Funding Recipient for such Participated Mortgage Loan is or is required hereunder to be an Escrow Agent, such Bank Document Deliverables shall be delivered directly to Seller from escrow by the Escrow Agent for such Participated Mortgage Loan); and (ii) thereafter, delivered directly to the Document Custodian by Seller within five (5) Business Days after the Purchase Date for such Participated Mortgage Loan, unless otherwise expressly provided by Bank in writing to Seller with respect to such Participated Mortgage Loan (it being understood that any such writing from Bank shall only apply to the specific Participated Mortgage Loan referenced therein). Seller acknowledges and agrees that the foregoing arrangement (which allows for Seller, subject to Subsection (c) of this Section, to directly deliver to the Document Custodian the Bank Document Deliverables within five (5) Business Days after the Purchase Date for the related Participated Mortgage Loan) is being made as an accommodation to Seller and that Bank may, in its sole discretion, by providing written notice to Seller: (i) terminate Seller’s authorization to deliver directly to the Document Custodian any or all of the Bank Document Deliverables; and (ii) require that within (2) two Business Days after the Purchase Date for any Participated Mortgage Loan, any or all Bank Document Deliverables shall be delivered directly to the Document Custodian (and, in the event that the applicable Funding Recipient for such Participated Mortgage Loan is or is required hereunder to be an Escrow Agent, such Bank Document Deliverables shall be delivered directly to the Document Custodian from escrow by the Escrow Agent for such Participated Mortgage Loan).

3.3 **Bank Document Deliverables Held By Seller**. Without limiting the requirements set forth in Section 3.2, Seller acknowledges and agrees that each and every Bank Document Deliverable for any Participated Mortgage Loan which is at any time in the custody, possession or control of Seller after Bank’s purchase of a Participation Interest in such Participated Mortgage Loan shall be held and delivered to the Document Custodian pursuant to the terms and conditions of Section 5.11 of the Warehouse Agreement. Nothing contained in this Section authorizes or permits the delivery to Seller or any other Person (other than the Document Custodian) of any of the Bank Document Deliverables which are required to be delivered directly to the Document Custodian pursuant to the provisions of this Section.

**ARTICLE 4**  
**SALE OF LOANS TO TAKE-OUT PURCHASERS;**  
**AGED LOANS; REPURCHASE OBLIGATIONS**

4.1 **Short Term Nature of Investment.**

(a) It is understood that each Participation Interest which Bank purchases in any Mortgage Loan shall be purchased by Bank for its own account for the short term investment of its capital and in reliance of Seller's agreement hereunder that: (i) Seller shall arrange and complete the sale by and on behalf of the Parties of the related Participated Mortgage Loan as and when required pursuant to the terms of this Agreement; or (ii) repurchase all or any portion of such Participation Interest as and when required pursuant to the terms of this Agreement, if such sale is not arranged and completed by Seller as and when required pursuant to the terms of this Agreement. In order to secure the prompt and complete performance by Seller of its Repurchase/Sale Obligations, Seller does hereby pledge, assign and grant to Bank a continuing security interest in and to the Collateral. For this purpose, this Agreement shall constitute a security agreement in accordance with the UCC, and Bank shall have all the rights of a secured creditor with respect to such security.

(b) For each Participated Mortgage Loan, it is the intention of Bank and Seller that such Participated Mortgage Loan and the related Mortgage Loan Documents will be sold and delivered to a Take-Out Purchaser, and for such Take-Out Purchaser to have paid the full amount of the Take-Out Purchase Price for such Participated Mortgage Loan, within [\*\*\*] of the Purchase Date for such Participated Mortgage Loan. Notwithstanding the foregoing, it is understood and agreed that Bank shall not have and does not undertake any duty, obligation or liability arising from or related to any Take-Out Purchase Agreement or any Take-Out Purchaser.

4.2 **Sale of Participated Mortgage Loans to Take-Out Purchasers.**

(a) The sale of each Participated Mortgage Loan by Seller and Bank to any Take-Out Purchaser shall be in accordance with the terms of the related Take-Out Purchase Agreement. If a Take-Out Purchaser fails to perform or anticipatorily breaches its obligations under a Take-Out Purchase Agreement to purchase any Participated Mortgage Loan, then Seller shall promptly locate and consummate the sale by Bank and Seller of such Participated Mortgage Loan to another Take-Out Purchaser acceptable to Bank at a price which is not less than the Take-Out Purchase Price for such Participated Mortgage Loan; provided, however, that the foregoing shall not limit or qualify any other rights or remedies available to Bank hereunder with respect to such Participated Mortgage Loan or any Participation Interest therein.

(b) Notwithstanding anything to the contrary in any Take-Out Purchase Agreement, the procedures of sale to a Take-Out Purchaser by Seller and Bank of any Participated Mortgage Loan shall be as follows:

(i) Seller shall deliver to the Take-Out Purchaser the Mortgage Loan Documents for such Participated Mortgage Loan (other than the related Mortgage Note and other Mortgage Loan Documents, if any, which are then being held by the Document Custodian). Such Mortgage Loan Documents shall be delivered by Seller to the Take-Out Purchaser under the provisions of the Take-Out Purchase Agreement which govern the Take-Out Purchaser's custody and possession of such Mortgage Loan Documents or under such other written custodial or similar agreement between Seller and the Take-Out Purchaser acceptable to Bank. Seller shall provide prompt written notice to Bank of the transmittal and delivery of such Mortgage Loan Documents to the Take-Out Purchaser.

(ii) Bank shall deliver or cause to be delivered to the Take-Out Purchaser, under a Bailee Letter, the Mortgage Loan Documents for such Participated Mortgage Loan

which are then held by the Document Custodian pursuant to this Agreement, including the original Mortgage Note for such Participated Mortgage Loan accompanied by: (A) the Required Endorsements; and (B) if such Mortgage Note was not endorsed in blank by Seller, an allonge endorsed in favor of such Take-Out Purchaser by Bank, as agent for Seller, pursuant to (and if and to the extent that Bank shall have received and accepted) a valid power of attorney, in form and content satisfactory to Bank, authorizing Bank to endorse such Mortgage Note for and on behalf of Seller.

(c) Within a period of time acceptable to Bank, but in no event more than twenty (20) days after the delivery by the Document Custodian to the Take-Out Purchaser of the Mortgage Note evidencing such Participated Mortgage Loan, Seller shall cause the Take-Out Purchaser to pay or cause to be paid directly to Bank, as payment to Seller and Bank for the purchase by the Take-Out Purchaser of such Participated Mortgage Loan, immediately available funds in an amount not less than the Take-Out Purchase Price for such Participated Mortgage Loan.

(d) All of the proceeds from the sale by Seller and Bank of a Participated Mortgage Loan to a Take-Out Purchaser shall be paid directly to Bank pursuant to Section 4.3 and shall be applied by Bank on behalf of Bank and Seller in accordance with Section 4.4.

(e) Subject to Section 4.4(b), Bank and Seller's ownership interests in any Participated Mortgage Loan to be sold to a Take-Out Purchaser shall continue in full force and effect, and Bank and Seller shall not have (and shall not be deemed to have) sold such Participated Mortgage Loan to a Take-Out Purchaser unless and until such time as Bank shall have received immediately available funds from the Take-Out Purchaser for such sale in an amount not less than the Take-Out Purchase Price for such Participated Mortgage Loan and applied such funds in accordance with Section 5.12.

**4.3 Payments From Take-Out Purchasers.** In connection with each sale of a Participated Mortgage Loan by Seller and Bank to a Take-Out Purchaser, Seller shall cause the Take-Out Purchase Price to be paid by the Take-Out Purchaser for the purchase of the Participated Mortgage Loan to be paid by the Take-Out Purchaser, in immediately available funds, directly to Bank into the Repayment Account.

**4.4 Processing Payments From Take-Out Purchasers.** With respect to any immediately available funds on deposit in the Repayment Account which constitute the proceeds of any Take-Out Purchase Price (each a "Take-Out Purchaser Payment"):

(a) Seller shall promptly confirm to Bank the Participated Mortgage Loan to which such Take-Out Purchaser Payment applies; provided, however, that if Seller shall not have provided such confirmation to Bank by the last Business Day of the calendar month in which Bank provided notice to Seller of the Take-Out Purchaser Payment, then Bank may, in its sole discretion, determine and designate the Participated Mortgage Loan to which such Take-Out Purchaser Payment applies to the extent Bank is able to make such a determination based on information available to it;

(b) Bank reserves the right, in its sole discretion, to determine whether to accept or reject such Take-Out Purchaser Payment in the event that insufficient funds were delivered by the Take-Out Purchaser to Bank to fully pay the Take-Out Purchase Price for the Participated Mortgage Loan to which the Take-Out Purchaser Payment applies. Seller acknowledges and agrees that: (i) if Bank elects, in its sole discretion, to reject a Take-Out Purchaser Payment for which insufficient funds were delivered, then Bank's related Participation Interest shall not have been sold (and shall be deemed to not have been sold) to such Take-Out Purchaser, and Seller shall immediately notify



such Take-Out Purchaser that no sale of such Participated Mortgage Loan by Bank and Seller to such Take-Out Purchaser has occurred; and (ii) if Bank elects, in its sole discretion, not to reject a Take-Out Purchaser Payment for which insufficient funds were delivered, then Bank shall have the right to offset any amounts in any Account in order to effect full payment of Bank's share of such Take-Out Purchase Price; and

(c) If such Take-Out Purchaser Payment is accepted by Bank, the proceeds of the Take-Out Purchaser Payment shall be applied by Bank pursuant to Section 5.12.

All notices to be given and actions to be taken pursuant to this Section shall be effectuated electronically or in such other manner, as required by Bank from time to time pursuant to the Warehouse Program Guide.

4.5 **Reserved.**

4.6 **Participation Interest Rate for Aged Participated Mortgage Loans.**

(a) With respect to any Aged Participated Mortgage Loan, to the extent permitted by applicable Law, Bank may from time to time, in its sole discretion, increase the then-current Participation Interest Rate with respect to such Aged Participated Mortgage Loan by an amount, as determined by Bank, in accordance with the following:

Number of days elapsed since the Purchase Date for the Participation Interest in the Aged Participated Mortgage Loan	Maximum <i>aggregate total</i> amount by which Bank may increase the applicable Participation Interest Rate pursuant to this Section	Date on which the increase (if any) in the Participation Interest Rate is effective
[***] or more	up to [***]	[***] following the Purchase Date of the Participation Interest

(b) Notwithstanding anything herein to the contrary, the Participation Interest Rate for any Participated Mortgage Loan shall not at any time exceed the maximum rate permitted under applicable Law.

(c) The provisions of this Section shall not limit or qualify any rights or remedies of Bank hereunder (including, without limitation, any rights or remedies of Bank under Sections 4.7 or 4.8).

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4.7 **Curtailment of Aged Participated Mortgage Loans.**

(a) With respect to any Aged Participated Mortgage Loan, to the extent permitted by applicable Law, Bank may from time to time, in its sole and absolute discretion, require Seller to repurchase from Bank any portion of the Participation Interest then owned by Bank in such Aged Participated Mortgage Loan, as determined by Bank, in accordance with the following table:

Number of days elapsed since the Purchase Date for the Participation Interest in the Aged Participated Mortgage Loan	Maximum <i>aggregate total</i> portion of the Participation Percentage (as of the Purchase Date for the related Participation Interest) in the applicable Aged Participated Mortgage Loan which Bank may require to be repurchased by Seller pursuant to this Section
[***] or more but less than [***]	up to [***]

(b) To effect the repurchase by Seller from Bank of any portion of a Participation Interest required by Bank to be repurchased under this Section, Seller shall pay to Bank an amount equal to the applicable Repurchase Price for such portion of such Participation Interest, which amount shall be due and payable upon any demand therefor made by Bank pursuant to the terms of this Section. Bank shall have the right to offset any amounts in the Pledged Account in order to effect full payment of any Repurchase Price when due and payable under this Section, and upon any such offset, Seller shall immediately deposit funds into the Pledged Account in the amount required to fully restore the Minimum Pledged Balance.

(c) Upon Bank’s receipt from Seller of the full amount of the Repurchase Price for the portion of the Participation Interest in any Aged Participated Mortgage Loan required to be repurchased by Seller from Bank pursuant to this Section, effective as of the date of receipt of such funds and the application by Bank of such funds pursuant to the terms of this Agreement, Seller shall have repurchased from Bank such portion of such Participation Interest equal to the Repurchase Participation Percentage for such Participation Interest, and Bank’s respective Participation Percentage in such Aged Participated Mortgage Loan and Seller’s respective Retained Percentage in such Aged Participated Mortgage Loan shall be correspondingly adjusted, all as indicated on the Bank’s books and records.

(d) The provisions of this Section shall not limit or qualify any rights or remedies of Bank hereunder (including, without limitation, any rights or remedies of Bank under Sections 4.6 or 4.8).

4.8 **Full Repurchase of Participation Interests.**

(a) With respect to any specific Participated Mortgage Loan, Bank shall have the right to require Seller, upon demand by Bank, to repurchase from Bank, in its entirety, all of Bank’s then-outstanding Participation Interest in such Participated Mortgage Loan, if Bank reasonably determines at any time, that: (i) any representation or warranty made or deemed made by Seller to Bank under Sections 2.1 or 6.10 as to such Participated Mortgage Loan was false, misleading, or erroneous in any respect at the time on or as of the Purchase Date for such Participated Mortgage Loan; (ii) such Participated Mortgage Loan was not an Eligible Mortgage Loan on or as of the Purchase Date for such Participated Mortgage Loan or no longer qualifies as an Eligible Mortgage Loan anytime thereafter; (iii) any Mortgage Loan Document related to such Participated Mortgage Loan was erroneous, unsigned or incomplete in any material respect on the Purchase Date for such

Participated Mortgage Loan and such error, lack of signature or incompleteness has not been corrected to the reasonable satisfaction of Bank within a commercially reasonable time period following such Purchase Date; (iv) any fraud occurred on the part of Seller or its agents or employees or of Borrower or any other Person with respect to the origination, underwriting, closing or funding of such Mortgage Loan; or (v) any of the Bank Document Deliverables for such Participated Mortgage Loan have not been delivered to the Document Custodian as and when required pursuant to the provisions of this Agreement. In addition, if an Event of Default shall have occurred, Bank shall have the right to require Seller, upon demand by Bank, to repurchase from Bank, in their entirety, all of Bank's then-outstanding Participation Interests in the Participated Mortgage Loans identified in such demand.

(b) In Bank's sole and absolute discretion, Seller shall automatically be required to immediately repurchase from Bank, in its entirety, all of Bank's then-outstanding Participation Interest in any Aged Participated Mortgage Loan on the [\*\*\*] after the Purchase Date for such Participation Interest if such Aged Participated Mortgage Loan does not constitute a Retired Participated Mortgage Loan by such [\*\*\*]. In addition, Seller shall automatically be required, whether or not Bank has made demand therefor, to immediately repurchase from Bank, in their entirety, all of Bank's then-outstanding Participation Interests in any and all Participated Mortgage Loan upon the occurrence of an Event of Default under Sections 9.1(e) or (f) with respect to Seller.

(c) To effect the repurchase of any Participation Interest required under this Section, Seller shall pay to Bank an amount equal to the applicable Repurchase Price for such Participation Interest, which amount shall be due and payable: (i) on the date Bank has made demand for the repurchase of such Participation Interest, if such repurchase is required pursuant to Section 4.8(a); or (ii) on the [\*\*\*] after the Purchase Date for such Participation Interest, if such repurchase is required pursuant to Section 4.8(b). Bank shall have the right to offset any amounts in the Pledged Account in order to effect full payment of any Repurchase Price when due and payable under this Section, and upon any such offset, Seller shall immediately deposit funds into the Pledged Account in the amount required to fully restore the Minimum Pledged Balance.

(d) Upon Bank's receipt from Seller of the full amount of the Repurchase Price for the Participation Interest in any Participated Mortgage Loan to be repurchased in its entirety by Seller from Bank pursuant to this Section, and so long as such payment is not disgorged or revoked by a court of competent jurisdiction: (i) effective as of the date of receipt of such funds and the application by Bank of such funds pursuant to the terms of this Agreement, Seller shall have repurchased from Bank such Participation Interest in its entirety, and Bank's respective Participation Percentage in such Participated Mortgage Loan and Seller's respective Retained Percentage in such Participated Mortgage Loan shall be correspondingly adjusted, all as indicated on the Bank's books and records; and (ii) Bank shall thereafter deliver or cause to be delivered to Seller the Mortgage Note and any other Mortgage Loan Documents for such Participated Mortgage Loan then in the Document Custodian's possession.

(e) The provisions of this Section shall not limit or qualify any rights or remedies of Bank hereunder (including, without limitation, any rights or remedies of Bank under Sections 4.6 or 4.7).

4 . 9 **Bank's Direct Contact with Take-Out Purchasers.** Seller irrevocably authorizes Bank and its agents and representatives to directly deliver all pertinent documentation to, and communicate with, disclose to, receive from and share information with, any Take-Out Purchaser, which is related to any Participated Mortgage Loan which is to be purchased or has been purchased by such Take-Out Purchaser.

**ARTICLE 5**  
**GENERAL PROVISIONS**

5.1 **Conditions to Effectiveness of Agreement**. As a condition precedent to effectiveness of this Agreement, in addition to all other requirements set forth herein, Seller shall deliver to Bank all of the following, each being duly executed, endorsed, notarized where applicable and delivered and in form and content satisfactory to Bank in its sole and absolute discretion:

- (a) This Agreement, the Blanket Assignment, the Pledge Agreement and each Guaranty Agreement;
- (b) One (1) or more limited power of attorney in the form of Exhibit A executed by Seller;
- (c) All financing statements required by Bank, including a UCC-1 financing statement identifying Seller, as debtor, and Bank, as secured party, which covers the Collateral, and Seller hereby authorizes Bank and its representatives to execute, deliver and file of record all such financing statements;
- (d) Such signature cards, depository account agreements, USA PATRIOT Act forms and information, and such other documents and instruments, as Bank may require for Seller to establish at Bank, the Pledged Account, the Participation Account and the Remittance Account or to otherwise implement the arrangements contemplated herein;
- (e) Evidence that all necessary action on the part of Seller and each other Obligated Party has been taken with respect to the execution and delivery of the Warehouse Documents and the performance of the matters contemplated thereby, so that this Agreement and all of the other Warehouse Documents shall be valid and binding upon each Person executing and delivering the same. Such evidence shall include certified organizational documents, certified resolutions, and certificates of incumbency for Seller and each other Obligated Party that is not a natural person;
- (f) For Seller and each Obligated Party that is not a natural person, a copy, certified as true, complete and correct, by an authorized officer, partner, member, manager or other representative of such entity, of the documents evidencing the formation and governance of the operations and affairs of such entity, together with all amendments thereto;
- (g) For Seller and each Obligated Party that is not a natural person, a certificate of existence and good standing showing that such entity is in good standing under the Laws of the state of its formation and certificates indicating that such entity has qualified to transact business and is in good standing in all other states where it transacts business;
- (h) Evidence that Seller has received any and all licenses, permits, approvals and other consents under any and all applicable Laws to permit Seller to lawfully engage in the Mortgage Loan Activities, and evidence that the same are currently in existence and good standing; and
- (i) Such other documents, information and materials as Bank may require to be delivered or caused to be delivered by Seller to Bank prior to the execution of this Agreement by Bank.

5.2 **Termination; Burn-Down.**

(a) Seller's rights hereunder to submit any Request to Bank shall automatically terminate on the Advance Request Termination Date.

(b) Notwithstanding anything herein to the contrary, and without limiting Bank's rights and remedies under Section 9.2, prior to the Advance Request Termination Date, either Party may immediately terminate for any reason whatsoever Seller's rights hereunder to submit any Request to Bank to purchase a Participation Interest by providing written notice thereof to the other Party. It is understood that the Parties intend the continuation of this Agreement by Bank (and, accordingly, the continuation of Seller's rights hereunder to submit any Request to Bank for Bank to purchase a Participation Interest) will be based upon the quality of the Mortgage Loans owned by Seller and Seller's performance of its obligations in connection therewith and herewith and also based upon market conditions and the business objectives of Bank and Seller which may change from time to time.

(c) Any and all outstanding Participation Interests in Participated Mortgage Loans owned by Bank on or before the Advance Request Termination Date shall continue to be subject to the terms and conditions of this Agreement. Unless extended by a written agreement executed by Seller and Bank, this Agreement shall automatically terminate and cease to be in force and effect (except with respect to the provisions of this Agreement which expressly survive termination) without any action or notice upon such time as: (i) Seller shall no longer have any rights hereunder to submit any Request to Bank to purchase a Participation Interest; (ii) each Participated Mortgage Loan constitutes a Retired Participated Mortgage Loan; (iii) Bank has received full, final and indefeasible payment of all other amounts due and payable by Seller to Bank pursuant to the terms hereof and any other Warehouse Document; (iv) Seller has fully performed and discharged each of its duties, covenants and obligations under each Warehouse Document; and (v) Bank has remitted to Seller all amounts, if any, required hereunder to be remitted by Bank to Seller hereunder.

5.3 **Target Usage; Termination for Non-Usage.** While pursuant to Section 2.2, Bank is not obligated to purchase, and Seller is not obligated to sell, any Participation Interests, or any minimum amount of Participation Interests, Bank and Seller contemplate that Seller shall sell, and Bank shall purchase, Participation Interests such that, at any given time, the Outstanding Participation Balance shall equal or exceed the Target Usage Amount. Should for any calendar quarter, the Outstanding Participation Balance, on average for such calendar quarter, not equal or exceed the Target Usage Amount, Bank may elect to increase the Participation Interest Rate Floor or, pursuant to Section 5.2(b), terminate Seller's right hereunder to submit any Request to Bank to purchase a Participation Interest.

#### 5.4 **Seller's Accounts.**

(a) Seller shall at all times during the term of this Agreement maintain each Restricted Account with Bank. With respect to each Restricted Account, Seller may deposit funds into the Restricted Account, however Seller shall not be permitted to withdraw, transfer or otherwise exercise any rights to access any funds held therein and Seller shall have no rights to exercise dominion or control over the Restricted Account.

(b) Seller shall at all times during the term of this Agreement maintain the Remittance Account with Bank. Subject to the terms and conditions of this Agreement and the other Warehouse Documents, Seller shall be permitted to withdraw, transfer and otherwise exercise rights to access any funds held therein; provided, that notwithstanding the foregoing, upon the occurrence of an Event of Default, Seller shall not be permitted to withdraw, transfer or otherwise exercise any rights to access any funds held therein and Seller shall have no rights to exercise dominion or control over the Remittance Account.

(c) Concurrently with the execution hereof Seller shall deposit into the Pledged Account, and thereafter for the duration of this Agreement Seller shall maintain in the Pledged Account, good funds in an amount not less than the Minimum Pledged Balance. Seller shall replenish funds in the Pledged Account, such that the Pledged Account is fully restored to the Minimum Pledged Balance, in the event Bank shall offset or apply funds from the Pledged Account in accordance with the terms of this Agreement.

(d) In order to secure the prompt and complete performance by Seller of its Repurchase/Sale Obligations, Seller does hereby pledge, assign and grant to Bank a continuing security interest in and to the Restricted Accounts, the Remittance Account and the other Collateral. For this purpose, this Agreement shall constitute a security agreement in accordance with the UCC, and Bank shall have all the rights of a secured creditor with respect to such security, and Bank shall have the right to hold and “freeze” such Accounts and the funds maintained therein upon the occurrence of an Event of Default. Without limiting any rights and remedies available to Bank hereunder, Bank may exercise the right to offset and apply all or any portion of the funds of Seller held in one or more of the Accounts towards the payment of all or any portion of any amount due and payable by Seller to Bank hereunder in connection with Seller’s Repurchase/Sale Obligations. Bank is hereby authorized to debit funds from the Accounts in accordance with the provisions of this Agreement without any notice to or permission from Seller.

5 . 5 **Subordination.** It is expressly understood and agreed that all of Seller’s rights, title and interests in and to any Participated Mortgage Loan (including Seller’s servicing rights, if any) are subordinate and inferior to Bank’s Participation Interest in such Participated Mortgage Loan, from and after the Purchase Date for such Participated Mortgage Loan.

5.6 **Power of Attorney.** Seller hereby irrevocably appoints Bank and each officer of Bank as its attorney-in-fact, with full power of substitution, for, on behalf of, and in the name of Seller, to: (a) endorse and deliver to any Person any notes, checks, drafts, money orders or other instruments of payment coming into Bank’s possession and representing any payment made on or with respect to any Participated Mortgage Loan or otherwise received in connection with any Participated Mortgage Loan (including the proceeds from the sale of any such Participated Mortgage Loan received from a Take-Out Purchaser), and any collateral and any Take-Out Purchase Agreement therefor; (b) prepare, complete, execute, deliver and record, and do anything else necessary or desirable to effect, (i) any endorsement to Bank, any Take-Out Purchaser or any other Person, of any Mortgage Note evidencing a Participated Mortgage Loan, or (ii) any transfer, assignment or conveyance to Bank, any Take-Out Purchaser or any other Person, of any or all rights, titles and interests in and to any Mortgage Note and the Mortgage Loan Documents related thereto in which Bank has purchased a Participation Interest (including servicing rights); (c) do anything necessary or desirable to effect the sale, transfer, assignment or conveyance, of any or all rights, titles and interests of Seller and/or Bank in and to any Participated Mortgage Loan and the related Mortgage Loan Documents related thereto to any Take-Out Purchaser or any other Person; (d) commence, prosecute, settle, discontinue, defend, or otherwise dispose of any claim relating to any Take-Out Purchase Agreement or any Participated Mortgage Loan; (e) sign Seller’s name wherever appropriate, as determined by Bank, to effectuate the purposes of this Agreement; and (f) to take any such further action as Bank may deem appropriate, and to act under changed circumstances, the exact nature of which may not be currently foreseen or foreseeable, in order to fully and completely effectuate Bank’s rights under this Agreement. The powers and authorities herein conferred on Bank may be exercised by Bank through any Person who, at the time of the execution of a particular instrument, is an officer of Bank. The limited power of attorney conferred by this Section is granted for a valuable consideration and is coupled with an interest and, therefore, is irrevocable so long as any duties or obligations to Bank under this Agreement or any other Warehouse Document, or any part thereof, shall remain unpaid or otherwise unsatisfied, and so long as Bank may elect to purchase any Participation Interests hereunder. The limited power of attorney conferred hereunder shall not be affected

by any subsequent disability or incapacity of the principal or by the lapse of time. To facilitate processing, Bank may request that Seller execute and deliver a separate, limited power of attorney in such form and content required by Bank, but any failure of Bank to request or obtain any such separate power of attorney instrument shall not mitigate or undermine the rights and powers conferred under this Section.

5.7 **Private Recording Systems.** Bank reserves the right to require or permit that any or all Participated Mortgage Loans be registered and processed on the MERS® System and/or any other similar mortgage registration or processing system (collectively, “Private Recording System”). Should Bank require or permit the registration or processing of any or all Participated Mortgage Loans on any Private Recording System: (a) each such Participated Mortgage Loan shall be registered and processed on the Private Recording System approved by Bank in accordance with the requirements of the Warehouse Program Guide; and (b) Bank may terminate and revoke any such requirement or permission regarding the registration and processing of any such Participated Mortgage Loans on any Private Recording System.

5.8 **Regulatory Compliance.** With respect to each Participated Mortgage Loan, Seller hereby represents, warrants and certifies to Bank that such Participated Mortgage Loan and each related Mortgage Loan Document was originated, made, negotiated, executed and delivered pursuant to and in accordance with the applicable terms and provisions of the Federal Truth in Lending Act, the Real Estate Settlement Procedures Act, the Equal Credit Opportunity Act, Dodd-Frank Act, the Interagency Appraisal Guidelines, and all other applicable Laws relating to the financing of Residential Real Property, each of which Laws have been fully satisfied and strictly complied with by Seller and such other applicable parties, and that Bank shall have no obligation with respect to the compliance with any such Laws, or the filing of any reports, certifications or other documents or items with or to any Borrower, any Governmental Authority, or any other Person whatsoever. **IN THIS RESPECT, SELLER WILL RELEASE, HOLD HARMLESS AND INDEMNIFY EACH INDEMNIFIED PARTY FROM AND AGAINST ANY AND ALL LOSSES WHICH ARE INCURRED BY OR ASSERTED AGAINST BANK IN CONNECTION WITH ANY BREACH OR INACCURACY OF THE TERMS CONTAINED IN THIS SECTION.**

5.9 **Verifications.** Bank shall have the right and authority to re-verify all information obtained by Seller regarding any Borrower, including verification of employment, verification of deposit and all information included in each related Loan Application. Seller shall cooperate with Bank in such re-verification process. Further, Bank shall have full right and authority to obtain an updated credit report on any Borrower. In such verification process, Seller shall, upon the request of Bank, supply a copy of Borrower’s handwritten, typed or signed Loan Application.

5.10 **Servicing Responsibilities.**

(a) Seller shall administer, manage, collect and enforce each Participated Mortgage Loan for and on behalf of and for the benefit of Bank and Seller in accordance with Accepted Servicing Practices (collectively, the “Mortgage Loan Services”). With respect to each Participated Mortgage Loan, Seller shall promptly take any and all actions, and exercise any and all available remedies, under the related Mortgage Loan Documents or otherwise which are necessary or advisable to perform the Mortgage Loan Services pursuant to this Agreement.

(b) At the request of Bank: (i) Seller shall promptly provide to Bank such information requested by Bank regarding any default, breach, violation or event of acceleration related to any Participated Mortgage Loan, and the actions which Seller has taken or proposes to take in connection therewith; and (ii) Seller shall promptly take any and all actions, and exercise any and all remedies, under the Mortgage Loan Documents or otherwise for any Participated Mortgage

Loan which Bank shall deem, in its discretion, reasonably necessary or advisable to effect the provisions of this Section.

(c) With respect to any Participated Mortgage Loan, any and all Mortgage Loan Collections received by Seller from the exercise of any rights or remedies under the related Mortgage Loan Documents or in connection with the full repayment of the outstanding principal balance and all accrued and unpaid interest for such Participated Mortgage Loan shall (i) be immediately transferred or delivered by Seller to Bank (and, if required by Bank, into the Repayment Account) and (ii) upon receipt by Bank, be applied pursuant to the provisions of this Agreement.

(d) Notwithstanding anything herein to the contrary, upon the occurrence of an Event of Default: (i) Seller shall not exercise any remedies under any of the Mortgage Loan Documents for any Participated Mortgage Loan without the prior written consent of Bank; and (ii) Bank may at any time: (A) provide written notice to Seller terminating any or all rights, duties and obligations of Seller to provide Mortgage Loan Services with respect to any Participated Mortgage Loan (each, a "Servicing Termination Notice"); and/or (B) require that Seller instruct in writing any Borrower or other Person obligated on any Participated Mortgage Loan to deliver any and all payments to be made by such Borrower or such other Person on or in respect of such Participated Mortgage Loan directly to Bank or to the Repayment Account, and Seller shall not make any changes to any such instructions so provided without first obtaining the prior written consent of Bank. With respect to each Participated Mortgage Loan specified in any Servicing Termination Notice, Seller shall at its expense: (i) immediately turn over to Bank or its designee all books, records and other documents related to the Mortgage Loan Services for such Participated Mortgage Loan; (ii) cooperate with Bank in the immediate and orderly transfer of the administration and servicing responsibilities for such Participated Mortgage Loan to Bank or its designee; and (iii) upon Bank's request, immediately execute and deliver to Bank all documents, agreements and instruments, and take such other actions and do such other things, deemed necessary or advisable by Bank in connection with the transfer to Bank of the administration and servicing responsibilities for such Participated Mortgage Loan.

#### 5.11 Trust Provisions.

(a) Any and all amounts required hereunder to be paid to Bank shall be paid to Bank pursuant to the terms and conditions of this Agreement. Without limiting the foregoing, any and all Bank Payment Deliverables received by Seller at any time (and any and all Bank Payment Deliverables that are or are deemed to be in or under the custody, possession or control of Seller at any time) shall be held in trust by Seller as the property and for the benefit of Bank. In such event, Seller shall, and Seller has a fiduciary duty to Bank, (i) to hold in trust, as the property and for the benefit of Bank, the Bank Payment Deliverables and (ii) (A) to immediately turn over and deliver to Bank each Bank Payment Deliverable, in kind, and in the exact form received, no later than one (1) Business Day after receipt thereof, and concurrently, endorse to Bank any instrument or other form of payment payable to Seller, but which is to be paid to Bank under this Agreement, (B) not to release any Bank Payment Deliverable to any other Person without Bank's prior written consent, and (C) not to negotiate or otherwise seek to convert to cash any Bank Payment Deliverables which are in the form of a check or other form of payment without Bank's prior written consent. Nothing contained in this Section authorizes or permits payment to Seller or any other Person (other than Bank) of any amounts which are required under this Agreement to be paid directly to Bank.

(b) Any and all Bank Document Deliverables required hereunder to be delivered to the Document Custodian shall be delivered to the Document Custodian pursuant to the terms and



conditions of this Agreement. Without limiting the foregoing, any and all Bank Document Deliverables received by Seller at any time (and any and all Bank Document Deliverables that are or are deemed to be in or under the custody, possession or control of Seller at any time) shall be held in trust by Seller as the property and for the benefit of Bank. In such event, Seller shall, and Seller has a fiduciary duty to Bank, (i) to hold in trust for Bank, and as the property and for the benefit of Bank, the Bank Document Deliverables and (ii) (A) to immediately turn over and deliver to the Document Custodian each Bank Document Deliverable no later than one (1) Business Day after receipt thereof (except that Seller may deliver the applicable Bank Document Deliverables to the Document Custodian by such later time, if any, permitted by the express terms of this Agreement) and (B) not to release any Bank Document Deliverable to any Person (other than the Document Custodian). Nothing contained in this Section authorizes or permits the delivery to Seller or any other Person (other than the Document Custodian) of any Bank Document Deliverables which are required under this Agreement to be delivered directly to the Document Custodian.

(c) The Mortgage Loan Files for Participated Mortgage Loans (other than any portions thereof which constitute Bank Document Deliverables or which have been delivered to Bank) shall be held in trust by Seller as the property and for the benefit of Bank. Seller shall, and Seller has a fiduciary duty to Bank, (i) to hold in trust for Bank, and as the property and for the benefit of Bank, such Mortgage Loan Files and (ii) (A) to turn over and deliver to Bank such Mortgage Loan Files no later than one (1) Business Day after Bank's request and (B) not to release such Mortgage Loan Files to any Person (other than Bank) except as otherwise expressly permitted hereunder.

#### 5.12 **Application of Payments.**

(a) Except as expressly provided otherwise herein, any and all Mortgage Loan Collections received by Bank with respect to any Participated Mortgage Loan (each, a "Payment"), including all proceeds from the sale of such Participated Mortgage Loan by Seller and Bank to a Take-Out Purchaser, shall be credited and applied in the following order of priority upon Bank's actual receipt of such sums, and Seller hereby instructs Bank to so apply such proceeds:

(i) To the payment of any then-earned and outstanding Funding Fees payable by Seller to Bank hereunder in connection with such Participated Mortgage Loan;

(ii) To the payment of any other outstanding fees, costs and expenses assessed or incurred by Bank and payable by Seller to Bank under this Agreement or any other Warehouse Document with respect to such Mortgage Loan;

(iii) To the reimbursement of all outstanding amounts (other than the Advance made by Bank to purchase a Participation Interest in such Participated Mortgage Loan), if any, disbursed by Bank in connection with such Participated Mortgage Loan;

(iv) To the payment of Bank's pro rata share (determined in accordance with the Participation Interest Rate in effect from time to time for such Participated Mortgage Loan) of all interest that accrued on such Participated Mortgage Loan from and after the related Purchase Date, but which has not been previously paid to Bank;

(v) To the repayment of Bank's pro rata share (determined in accordance with Bank's Participation Percentage in effect from time to time for such Participated Mortgage Loan) of the outstanding principal amount of such Participated Mortgage Loan (as of the related Purchase Date) which has not been previously paid to Bank;

(vi) Upon the occurrence of an Event of Default, if required by Bank, to the payment of any of the amounts set forth above with respect to any other Participated Mortgage Loan, to be applied in the same order of priority as set forth above;

(vii) To any other amounts payable by Seller to Bank;

(viii) To restoring (in whole or in part) the Minimum Pledged Balance of the Pledged Account if the balance thereof is less than the Minimum Pledged Balance. Any such funds shall be deposited directly by Bank into the Pledged Account;

(ix) To the payment of Seller's pro rata share (determined in accordance with the Seller's Retained Percentage in effect from time to time with respect to such Participated Mortgage Loan) of: (A) the outstanding principal amount of such Participated Mortgage Loan (as of the related Purchase Date) which has not been previously paid to or otherwise received by Seller; and (B) interest that has accrued on such Participated Mortgage Loan from and after the related Purchase Date (including any portion of such interest that accrued at a rate in excess of the Participation Interest Rate in effect from time to time for such Participated Mortgage Loan), but which has not been previously paid to or otherwise received by Seller. Any and all of the foregoing amounts due to Seller shall be paid by Bank to Seller on or before the next Business Day after receipt by Bank of the applicable Payment and shall be disbursed by Bank into the Remittance Account; and

(x) Thereafter, as otherwise required to be in compliance with this Agreement.

(b) Notwithstanding anything to the contrary in Section 5.12(a), with respect to any Participated Mortgage Loan, Bank may elect, in its sole and absolute discretion, to defer applying any proceeds of any Payment to any of the items described in Section 5.12(a)(i), (ii) or (iii), in which case Bank reserves the right to satisfy any outstanding amount for such items with the proceeds of any future Payment with respect to such Participated Mortgage Loan.

(c) If the amount of any Take-Out Purchaser Payment received by Bank in connection with the sale of any Participated Mortgage Loan to a Take-Out Purchaser is insufficient to pay any and all amounts payable to Bank under Section 5.12(a) with respect to such Participated Mortgage Loan, then Bank shall be entitled to offset and apply available funds in the Pledged Account to satisfy the deficiency in such amounts payable to Bank. In such event, if after resorting the foregoing described sources of payment, any amounts remain payable to Bank under Section 5.12(a) with respect to such Participated Mortgage Loan, then Seller shall immediately pay such amounts to Bank upon demand.

(d) In the event that Bank offsets or applies any funds in the Pledged Account to satisfy amounts payable to Bank, then Seller shall immediately deposit funds into the Pledged Account in the amount required to fully restore the Minimum Pledged Balance. Bank shall have no duty or obligation at any time to apply any amounts due from any Take-Out Purchaser or from any other Person with respect to any purchase of any Participated Mortgage Loan until Bank has actually received such amounts in immediately available funds. Further, notwithstanding anything herein to the contrary, Bank shall be under no duty at any time to apply any amounts representing Take-Out Purchaser Payments except pursuant to the procedures set forth in Section 4.4.

#### 5.13 Warehouse Program Guide.

(a) Seller agrees to comply at all times with all of the provisions of the Warehouse Program Guide in effect from time to time. Notwithstanding anything herein to the contrary, each Participated Mortgage Loan: (i) shall be subject to the provisions of the Warehouse Program Guide in effect as of the Purchase Date for such Participated Mortgage Loan; and (ii) shall not be subject to any material amendment, modification or supplement to the Warehouse Program Guide which occurs after the Purchase Date for such Participated Mortgage Loan. The Warehouse Program Guide is hereby incorporated into this Agreement by reference as if it was fully set forth herein.

(b) Bank shall make available to Seller the Warehouse Program Guide by: (i) posting the Warehouse Program Guide on a web portal or website (including the Electronic Platform) to which Seller will be granted access (if Bank shall elect to maintain a web portal or web site for such purpose and if Bank shall grant Seller access thereto); or (ii) by providing a written copy of the Warehouse Program Guide to Seller. Bank may, in its sole discretion, amend, modify or supplement the Warehouse Program Guide from time to time. If Bank shall have granted Seller access to a web portal or website on which the Warehouse Program Guide is posted, then: (i) any amendments, modifications or supplements to the Warehouse Program Guide shall become effective as to Seller upon such time as the same are posted on such web portal or website, without any further action or notice by Bank; and (ii) Seller shall be solely responsible for monitoring such web site or web portal for any amendments, modifications or supplements to the Warehouse Program Guide. If Bank shall have provided to Seller written copies of any amendments, modifications or supplements to the Warehouse Program Guide, then such amendments, modifications or supplements to the Warehouse Program Guide shall become effective as to Seller upon Seller's receipt thereof (unless Bank shall have also granted Seller access to a web portal or website to which such amendments, modifications or supplements are posted, in which case, such amendments, modifications or supplements shall become effective as to Seller upon the earlier of the posting thereof on such web portal or website or Seller's receipt of written copies thereof).

(c) Each submission of a Request by Seller to Bank shall constitute: (i) the ratification by Seller of the provisions of the Warehouse Program Guide in effect as of the Purchase Date (if any) for the Mortgage Loan that is the subject of the Request; and (ii) the agreement by Seller to be bound by all of the provisions of the Warehouse Program Guide (which is in effect as of such Purchase Date) applicable to the Mortgage Loan that is the subject of the Request.

5.14 **Financial Covenants.** At all times prior to the Agreement Termination Date (and thereafter if expressly required), Seller shall promptly and fully perform, observe and comply with the provisions set forth in Exhibit E.

5.15 **Supplemental Provisions.** At all times prior to the Agreement Termination Date (and thereafter if expressly required), Seller shall promptly and fully perform, observe and comply with the provisions set forth in Exhibit F.

5.16 **Other Warehousing Facilities.** Seller represents and warrants to Bank that any and all mortgage warehousing facilities of Seller (other than with Bank) in effect as of the Effective Date hereof are identified on Exhibit G. Seller covenants and agrees to: (a) notify Bank in writing prior to entering into any other mortgage warehousing facilities; and (b) promptly notify Bank in writing regarding any material change in any mortgage warehousing facility of Seller (including as to the maximum amount of any such facility and as to any termination, suspension or non-renewal of any such facility) or any default by Seller under any such mortgage warehousing facility.

5.17 **Affiliate Escrow Agents.** Seller represents and warrants to Bank that any and all title companies and other Persons that provide closing services in connection with residential mortgage loan

transactions which are directly or indirectly owned or controlled by Seller or under common ownership or control with Seller (each an “Affiliate Escrow Agent”) as of the Effective Date are identified on Exhibit H. Seller represents and warrants that, prior to the Effective Date, Seller has delivered to Bank true, correct and complete copies of the financial statements for each Affiliate Escrow Agent. Seller covenants and agrees to promptly notify Bank in writing regarding any new Affiliate Escrow Agents arising after the Effective Date.

**ARTICLE 6**  
**REPRESENTATIONS AND WARRANTIES**

Seller represents and warrants to Bank as of the Effective Date and thereafter:

6.1 **Organization and Good Standing**. Seller is duly organized, validly existing, and in good standing under the Laws of the state of its formation, and is duly qualified to transact business and is in good standing in each jurisdiction where the nature and extent of Seller’s business and property requires the same.

6.2 **Authorization and Power**. Seller has: (a) the requisite power and authority to, and has taken all action necessary to authorize it to, execute, deliver and perform this Agreement, the other Warehouse Documents to which Seller is a party, and all of the other documents herein contemplated to be executed by Seller or otherwise to be executed by Seller from time to time in connection herewith; (b) all requisite authority, power, licenses, permits and franchises to conduct its business; and (c) received, has in its possession, and will maintain in full force and effect and in good standing, any and all federal, state and local licenses or approvals which may be necessary for Seller to undertake the actions required of it pursuant to this Agreement and to conduct its business. No consent or approval of any Person is required (other than such consents and approvals already obtained by Seller) in order for Seller to legally execute, deliver, and comply with the terms of the Warehouse Documents to which it is a party.

6.3 **No Conflicts**. Not the execution and delivery of this Agreement, the other Warehouse Documents to which Seller is a party, or any other documents to be executed in connection herewith, nor the consummation of any of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or with the terms and provisions thereof, will contravene or materially conflict with any applicable Law, or any loan agreement, lease, promissory note, indenture, mortgage, deed of trust, or other agreement or instrument to which Seller is a party or by which Seller or any of its Property may be bound or be subject, or violate any provision of the documents creating or governing Seller.

6.4 **Enforceable Obligations**. This Agreement and each other Warehouse Document to which Seller is or will become a party are or upon execution will be the legal, valid and binding obligations of Seller, are enforceable in accordance with their respective terms, except as limited by bankruptcy, insolvency or other Laws of general application relating to the enforcement of creditors’ rights.

6.5 **Financial Condition**. Seller has delivered to Bank copies of its most recent balance sheet, and the related statements of income, stockholders’ equity and changes in financial position for the year ending on the date indicated therein, audited by independent certified public accountants; such financial statements are true and correct, fairly present the financial condition of Seller as of such date and have been prepared in accordance with GAAP as of the date hereof; there are no obligations, liabilities or indebtedness (including contingent and indirect liabilities and obligations or unusual forward or long term commitments) of Seller which are not reflected in such financial statements; and no change having a material adverse effect has occurred in the financial condition or business of Seller since the date of such financial statements.

6.6 **Material Agreements.** To the best of Seller's knowledge, Seller is not in default under any loan agreement, mortgage, security agreement or other material agreement or obligation to which it is a party or by which any of its Properties is bound, and the execution of this Agreement and the other Warehouse Documents to which Seller is a party, and Seller's performance of its duties and obligations hereunder and thereunder, will not cause a default under any loan agreement, mortgage, security agreement or other material agreement or obligation to which Seller is a party or by which any of its Properties is bound.

6.7 **Disclosure of Proceedings.** Except as previously disclosed to Bank in writing prior to the Effective Date or pursuant to Section 7.15, there are no: (a) (i) Proceedings by any Governmental Authority pending, or to the knowledge of Seller, threatened against Seller or (ii) any other Proceedings pending, or to the knowledge of Seller, threatened against Seller which, if determined adversely to Seller, may have a Material Adverse Effect; or (b) outstanding or unpaid judgments against Seller.

6.8 **Taxes.** All tax returns required to be filed by Seller in any jurisdiction have been filed. All taxes, assessments, fees and other governmental charges upon Seller or upon any of its Properties, income or franchises have been paid (if applicable, prior to the time that such taxes, assessments, fees or other governmental charges could give rise to a Lien), other than those being protested in good faith by appropriate proceedings, with respect to which no Lien exists and for which Seller has set aside adequate reserves.

6.9 **No Approvals Required.** Neither the execution and delivery of this Agreement and the other Warehouse Documents to which Seller is a party, nor the consummation of any of the transactions contemplated hereby or thereby, requires the consent or approval of, the giving of notice to, or the registration, recording or filing of any document with, or the taking of any other action in respect of, any Governmental Authority or other Person.

6.10 **Representations Regarding Participated Mortgage Loans.** Each Participated Mortgage Loan is in all respects in compliance with the provisions of the Warehouse Program Guide. Without limiting the generality of the foregoing, Seller hereby represents and warrants to Bank with respect to each Participated Mortgage Loan:

(a) Except for the Participation Interest in such Participated Mortgage Loan and any and all other rights, titles or interests of Bank in or to such Participated Mortgage Loan and the related Mortgage Loan Documents: (i) Seller is the sole direct, legal and beneficial owner of all rights, titles and interests in and to such Participated Mortgage Loan and the related Mortgage Loan Documents; (ii) such Participated Mortgage Loan and the related Mortgage Loan Documents are free and clear of all Liens; and (iii) no right, title, or interest in or to such Participated Mortgage Loan or the related Mortgage Loan Documents, or any part thereof, has been transferred, assigned or conveyed to any Person. Seller has the full right to sell to Bank a Participation Interest in such Participated Mortgage Loan and the related Mortgage Loan Documents free and clear of any Lien;

(b) Bank is the sole legal and beneficial owner of a Participation Interest in such Mortgage Loan, having an undivided percentage ownership interest equal to the Participation Percentage therefor;

(c) The Mortgage Note evidencing such Participated Mortgage Loan contains the Required Endorsements. The endorsement of such Mortgage Note pursuant to the Required Endorsements (including any endorsement of such Mortgage Note on behalf of Seller pursuant to the power of attorney granted herein or such other power of attorney delivered by Seller to Bank in accordance with this Agreement) and the assignment of such Mortgage Note and the other

Mortgage Loan Documents related to such Participated Mortgage Loan (whether executed by Seller or by Bank pursuant to the general power of attorney herein granted or such other power of attorney delivered by Seller to Bank in accordance with this Agreement) is or will be valid and enforceable under all applicable Law;

(d) Any and all portions of the Participated Mortgage Loan required hereunder to be funded by Seller have been funded from sources other than any loan, credit facility or other financing or sale arrangement;

(e) (i) The Mortgage Loan Documents for such Participated Mortgage Loan have been duly executed and delivered by the related Borrower, and where applicable, acknowledged, and recorded; and (ii) such Participated Mortgage Loan is valid and complies with all applicable lending Laws applicable to the related Borrower, Seller and Bank and the Mortgaged Property securing such Participated Mortgage Loan;

(f) (i) Such Participated Mortgage Loan is secured by a valid first Lien on the Mortgaged Property described in the Security Instrument for such Participated Mortgage Loan; (ii) such Mortgaged Property is free and clear of all Liens, claims and encumbrances having priority over the Lien of the Security Instrument which secures such Participated Mortgage Loan, except for Permitted Encumbrances; and (iii) there is no subordinate Lien encumbering such Mortgaged Property;

(g) A Title Policy has been obtained by Seller, in the full amount of such Participated Mortgage Loan, which provides insurance to Seller (and its successors and/or assigns) that the Lien of the Security Instrument securing such Participated Mortgage Loan is a first and prior Lien upon the related Mortgaged Property, without any exceptions, except for Permitted Encumbrances, and which Title Policy includes such endorsements thereto which are consistent with Accepted Lending Practices;

(h) Such Participated Mortgage Loan and the related Mortgage Loan Documents are valid, binding and enforceable in accordance with their respective terms, in full force and effect, except as such enforceability may be limited by bankruptcy, insolvency or other Laws of general application relating to the enforcement of creditors' rights;

(i) The Mortgage Note evidencing such Participated Mortgage Loan is genuine in all respects as appearing on its face and as represented in the books and records of Seller, and all information set forth therein is true and correct;

(j) (i) The Mortgage Loan Documents evidencing such Participated Mortgage Loan contain the entire agreement of the parties thereto with respect to the subject matter thereof, have not been modified or amended in any respect not expressed in writing therein and are free of concessions or understandings with the obligor thereon of any kind not expressed in writing therein; and (ii) such Participated Mortgage Loan and the related Mortgage Loan Documents are in all respects consistent with, and contain the same terms as represented by Seller to Bank in, the related Request, except as disclosed by Seller to Bank in writing prior to the time of the Purchase Date for such Participated Mortgage Loan;

(k) No default or breach has occurred under any Mortgage Loan Document relating to such Participated Mortgage Loan;

(l) (i) Such Participated Mortgage Loan is in all respects in compliance with all Laws

applicable thereto, including all Laws applicable to the processing, origination, underwriting, closing and funding of such Participated Mortgage Loan; and (ii) without limiting the forgoing, Seller is in compliance with all Laws applicable to Seller in connection with such Participated Mortgage Loan;

(m) (i) The full principal amount of such Participated Mortgage Loan has been advanced; (ii) the outstanding principal balance of such Participated Mortgage Loan as of the Purchase Date related thereto is as stated in the related Request; and (iii) all costs, fees and expenses incurred in making, closing and recording such Participated Mortgage Loan have been paid;

(n) (i) All payments and other deposits made with respect to such Participated Mortgage Loan have been paid in cash by the related Borrower; (ii) Seller has not advanced funds, or induced, solicited or knowingly received any advance of funds by a Person other than such Borrower, directly or indirectly, for the payment of any amount required by such Participated Mortgage Loan, except for interest accruing from the date of the disbursement of the proceeds of such Participated Mortgage Loan to the day which precedes by one (1) month the due date of the first installment of principal and interest thereunder; and (iii) other than as disclosed to Bank in writing, there have been no prepayments made on such Participated Mortgage Loan;

(o) To the best of Seller's knowledge, all taxes, governmental assessments, insurance premiums, water, sewer and municipal charges (relating to any of the Mortgaged Property for such Participated Mortgage Loan) which previously became due and owing have been paid, or an escrow of funds has been established in an amount sufficient to pay for every such item which remains unpaid;

(p) Such Participated Mortgage Loan which Seller represents to be insured by a private mortgage insurer is so insured;

(q) With respect to such Participated Mortgage Loan, all conditions as to the validity of the applicable insurance as required by applicable Law, the related Mortgage Loan Documents and by private mortgage insurance companies or other insurers, if and to the extent applicable, have been properly satisfied, and said insurance is valid and enforceable;

(r) To the best of Seller's knowledge: (i) the Mortgaged Property for such Participated Mortgage Loan is (A) in good repair and (B) free from damage (normal wear and tear excepted) since the date of the origination of such Participated Mortgage Loan; and (ii) there is no proceeding pending for the total or partial condemnation of any portion of such Mortgaged Property;

(s) (i) Seller has arranged to sell such Participated Mortgage Loan to a Take-Out Purchaser pursuant to a Take-Out Purchase Agreement, which sale is to be completed pursuant to the terms of such Take-Out Purchase Agreement no later than thirty (30) days after the Purchase Date for such Participated Mortgage Loan; and (ii) such Participated Mortgage Loan satisfies the eligibility, qualifications and other requirements under such Take-Out Purchase Agreement for the purchase thereunder by such Take-Out Purchaser;

(t) (i) If such Participated Mortgage Loan shall have been represented by Seller to Bank to be a Mortgage Loan eligible for purchase by any Agency or is required by Bank pursuant to the Warehouse Program Guide to be eligible for purchase by any Agency, (A) Seller has fully complied with the underwriting requirements of such Agency (in effect at the time such Participated Mortgage Loan was made) and such other underwriting requirements of the Warehouse Program Guide (in effect as of the date of the Purchase Date for such Participated Mortgage Loan) and (B)

such Participated Mortgage Loan is otherwise in compliance with any and all other rules, regulations, policies, procedures and other requirements of such Agency for the purchase of such Participated Mortgage Loan; or (ii) if such Participated Mortgage Loan shall not have been represented by Seller to Bank to be a Mortgage Loan eligible for purchase by any Agency or is not required by Bank pursuant to the Warehouse Program Guide to be eligible for purchase by any Agency, Seller has fully complied with the underwriting requirements of the applicable Take-Out Purchaser for such Participated Mortgage Loan and complied with the underwriting requirements of the “general overlays” within the Warehouse Program Guide (in effect as of the date of the Purchase Date for such Participated Mortgage Loan);

(u) Except as otherwise provided in this Agreement, Seller has obtained, and has in its possession, in due form, fully executed originals of all of the Mortgage Loan Documents relating to such Participated Mortgage Loan required to legally effect such Participated Mortgage Loan, and all such Mortgage Loan Documents will be held and delivered by Seller pursuant to the terms and conditions of this Agreement;

(v) To the best of Seller’s knowledge, all of the improvements which are included for the purpose of determining the appraised value of the Mortgaged Property related to such Participated Mortgage Loan lie wholly within the boundaries of such Mortgaged Property and do not encroach upon building restriction lines, and no improvements on adjoining properties encroach upon such Mortgaged Property. Seller has obtained a Title Policy without exceptions for boundary line and building line encroachments;

(w) To the best of Seller’s knowledge, no circumstances or conditions exist with respect to such Participated Mortgage Loan, the related Mortgaged Property or the related Borrower (including its credit standing) that could be reasonably expected: (i) to cause the Take-Out Purchaser committed to purchase such Participated Mortgage Loan from Seller to not purchase such Participated Mortgage Loan; (ii) to cause any other private institutional investors or any Agency to regard such Participated Mortgage Loan as an unacceptable investment; (iii) to cause the occurrence of a default under the related Mortgage Loan Documents; or (iv) to adversely affect the value or marketability of such Participated Mortgage Loan;

(x) The information regarding such Participated Mortgage Loan (including with regard to the related Borrower) provided to Bank is true, complete and correct as of the Purchase Date for such Participated Mortgage Loan; and

(y) The Mortgage Loan Transaction for such Participated Mortgage Loan shall have been completed on and as of the Purchase Date related thereto.

6.11 **Survival of Representations.** All representations and warranties by Seller herein shall survive the termination or expiration of this Agreement and the making of any and all Advances. Any and all investigations at any time made by or on behalf of Bank shall not limit, impair or diminish Bank’s right to rely on any and all representations and warranties by Seller herein.

## **ARTICLE 7**

### **AFFIRMATIVE COVENANTS**

At all times prior to the Agreement Termination Date (and thereafter if expressly required hereunder), Seller covenants and agrees with Bank that:



7.1 **Financial Statements and Reports.** Seller and Guarantor shall furnish to Bank the following, all in form and detail satisfactory to Bank:

(a) Promptly after becoming available, and in any event within ninety (90) days after the close of each fiscal year of Seller and Guarantor, an audited balance sheet of Seller and Guarantor as of the end of such year, and an audited statement of income and retained earnings of Seller and Guarantor for such year, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, accompanied by the related report of independent certified public accountants acceptable to Bank, which report shall be to the effect that such statements have been prepared in accordance with GAAP;

(b) If requested by Bank, on or before the thirtieth (30th) day of any calendar month: (i) a statement of income and expenses of Seller and Guarantor for the prior calendar month; and (ii) a statement, in form and content acceptable to Bank, setting forth the status, as of the last day of the prior calendar month, of all Loan Applications being processed by Seller and Guarantor for closing;

(c) Promptly after becoming available, and in any event within thirty (30) days after the close of each fiscal quarter of Seller and Guarantor, a balance sheet of Seller and Guarantor as of the end of such fiscal quarter, a statement of income and retained earnings for such fiscal quarter and an operating statement of Seller and Guarantor for such fiscal quarter setting forth in each case in comparative form the corresponding figures for the corresponding fiscal quarter of the preceding fiscal year, prepared in accordance with GAAP and certified by the principal financial officer of Seller and Guarantor;

(d) If Seller has been approved by Bank to sell Mortgage Loans to Securitizers, weekly hedging reports; in such form and content required by Bank;

(e) Promptly upon receipt thereof, a copy of each other report submitted to Seller and Guarantor by independent accountants in connection with any annual, interim or special audit of the books of Seller; and

(f) Such other information concerning the business, Properties or financial condition of Seller, or regarding any Participated Mortgage Loan, as Bank may reasonably request.

7.2 **Taxes and Other Liens.** Seller shall pay and discharge promptly any taxes, assessments and governmental charges or levies imposed upon it or upon its income or upon any of its Property as well as all claims of any kind (including claims for labor, materials, supplies and rent) which, if unpaid, might become a Lien upon any or all of its Property or the Mortgage Loans; provided, however, Seller shall not be required to pay any such tax, assessment, charge, levy or claim regarding its Property (other than with respect to Participated Mortgage Loans) if the amount, applicability or validity thereof shall currently be contested in good faith by appropriate proceedings diligently conducted by or on behalf of Seller and if Seller shall have set up reserves therefor adequate under GAAP.

7.3 **Maintenance.** Seller shall: (a) maintain its existence and all of its licenses, permits, franchises, qualifications and rights that are necessary in order for Seller to conduct its business; and (b) observe and comply in all material respects with all applicable Laws. Without limiting the generality of the foregoing, Seller shall at all times maintain all Agency Approvals in good standing, and none of the Agency Approvals shall at any time be suspended or terminated.

7.4 **Further Assurances.** Seller shall promptly cure any defects in the execution and delivery of this Agreement and any other Warehouse Document. Seller shall, at its expense, promptly execute and deliver to Bank, upon Bank's reasonable request, all such other and further documents, agreements and instruments in compliance with or accomplishment of the covenants and agreements of Seller in this Agreement; the other Warehouse Documents and all documents executed in connection herewith. In addition, Seller will provide Bank with any and all documentation and other information required by Bank relating to the business and background of Seller and its directors, officers, employees and representatives, and any certifications reasonably required by Bank to verify Seller's compliance with any applicable Laws.

7.5 **Accounts.** To facilitate the transfer of funds contemplated by this Agreement, Seller shall establish and maintain at Bank each of the Accounts. All other deposit accounts, certificate of deposit and other similar account of Seller shall be maintained only in accounts at federally insured financial institutions.

7.6 **Use of Electronic Platform.** Seller shall be required to use the Internet-based electronic platform established by Bank (as modified, replaced, enhanced or upgraded by Bank from time to time, the “Electronic Platform”) in connection with the purchase and sale of Participation Interests and the other transactions contemplated in this Agreement, subject to the following:

(a) Bank hereby grants to Seller a revocable, non-exclusive, non-transferable license to access and use the Electronic Platform solely for the limited purpose of facilitating the sale by Seller to Bank of Participation Interests and the other transactions contemplated by this Agreement. Seller shall not permit any Person to utilize the Electronic Platform other than employees of Seller who have been approved in advance by Bank in writing (each an “Authorized User”). Seller shall immediately notify Bank of any unauthorized use of the Electronic Platform.

(b) Seller shall take all reasonable precautions to prevent unauthorized Persons from obtaining access to or use of the Electronic Platform. Bank shall have the right to rely upon any information received in the Electronic Platform from any Person using a password assigned to an Authorized User, and will incur no liability for such reliance. Seller shall be responsible for securing such passwords and shall be responsible for any actions taken using such passwords. In the event of any breach of the security measures established by Bank, including use of the Electronic Platform by any unauthorized Person, Bank shall have the right to immediately terminate or suspend access to the affected portion of the Electronic Platform by Seller and their Authorized Users until such time such breach has been secured to Bank’s satisfaction.

(c) Bank shall not be required to perpetually license, maintain, service or support the Electronic Platform. Bank may at any time discontinue the Electronic Platform by providing written notice thereof to Seller. In addition, Bank may at any time terminate the license granted to Seller to use, and Seller’s access to, the Electronic Platform by providing written notice thereof to Seller. Bank reserves the right to modify, replace, enhance or upgrade the Electronic Platform from time to time in Bank’s sole discretion.

(d) SELLER UNDERSTANDS AND AGREES THAT THE ELECTRONIC PLATFORM IS BEING LICENSED, DELIVERED AND MADE AVAILABLE “AS IS”, “WHERE IS”, “WITH ALL FAULTS”, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS, WITHOUT ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY BY BANK, AND BANK HEREBY DISCLAIMS AND SELLER HEREBY WAIVES ANY AND ALL IMPLIED REPRESENTATIONS, WARRANTIES AND COVENANTS. EXCEPT AS EXPRESSLY STATED HEREIN, BANK HAS NOT MADE AND DOES NOT HEREBY MAKE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR CHARACTER WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND BANK HEREBY DISCLAIMS AND RENOUNCES ANY AND ALL SUCH REPRESENTATIONS AND WARRANTIES.

(e) Seller is fully aware of the inherent security risks of any Internet-based application (such as the Electronic Platform) and, in particular, the risk that unauthorized third-parties may through unauthorized use, “hacking”, “Trojan horses”, viruses or otherwise be able to access and manipulate the use of the Electronic Platform and the data made available thereby without Bank in

any way being aware that the user is not Seller. Seller voluntarily assumes all such risks. Accordingly, **SELLER WILL RELEASE, HOLD HARMLESS AND INDEMNIFY EACH INDEMNIFIED PARTY FROM AND AGAINST ANY AND ALL LOSSES WHICH ARE RELATED TO ANY UNAUTHORIZED PARTY'S ACCESS THAT RESULTS IN THE DIVERSION, MISAPPROPRIATION OR USE OF THE INFORMATION MADE AVAILABLE THROUGH THE ELECTRONIC PLATFORM OR SELLER'S FUNDS AT BANK OR OTHERWISE.**

(f) Notwithstanding anything in this Section to the apparent contrary, the provisions of this Section shall not be deemed to limit or release Bank from its obligations under Section 10.26.

7.7 **Reimbursement of Expenses.** Seller shall pay, upon demand by Bank, any and all out of pocket fees and expenses incurred by Bank in negotiating or entering into, or in administering or enforcing its rights or remedies, under this Agreement or any other Warehouse Document, which amounts shall include all court costs, attorneys' fees (including for trial, appeal or other proceedings), fees of auditors and accountants, and investigation expenses reasonably incurred by Bank in connection with any such matters, together with interest at the highest rate allowed by applicable Law on each such amount from the date of written demand or request for reimbursement until the date of reimbursement. Seller and Bank shall otherwise each be responsible for their own out of pocket expenses unless expressly provided otherwise in this Agreement or any other Warehouse Document.

7.8 **Insurance.** Seller shall at all times maintain in force and effect such insurance required under the Warehouse Program Guide. Without limiting the generality of the foregoing, such insurance shall be issued by such insurers, insure against such risks, be in such form, have such coverage amounts, deductibles, limits and retentions, contain such endorsements and otherwise be in such form, as required under the Warehouse Program Guide.

7.9 **Accounts and Records.** Seller shall keep books of record and account in which full, true and correct entries will be made of all dealings or transactions in relation to its business and activities, including the sale of any Participation Interests to Bank, in accordance with GAAP.

7.10 **Books and Records.** Seller agrees to maintain customary books and records relating to the Participation Interests sold by Seller to Bank hereunder. Seller shall properly reflect in its books and records the sale by Seller to Bank of all Participation Interests sold to Bank and the Percentage Interests of Bank in such Participation Interests. Upon request, Seller shall furnish to Bank copies of any of Seller's books and records and financial statements relating to the Participation Interests purchased by Bank from Seller hereunder.

7.11 **Mortgage Loan Files.** Except as expressly permitted or required hereunder, and subject to the provisions of Section 5.11, at all times after the Purchase Date for any Participated Mortgage Loan, Seller shall have and maintain in its direct custody and possession the Mortgage File for such Participated Mortgage Loan.

7.12 **Document Retention.** With respect to each Participated Mortgage Loan, Seller will maintain in its files all records relating to such Participated Mortgage Loan for the period of time required by applicable Law, but in no event for less than twenty-five (25) months from the Purchase Date for such Participated Mortgage Loan. Within twenty-four (24) hours following any demand therefor, Seller will supply Bank with certified copies and/or originals of any such records.

7.13 **Right of Inspection.** Seller shall permit any officer, employee, agent or representative of Bank: (a) with at least twenty-four (24) hours written notice, to examine (at any office of Seller selected by Bank) Seller's books and records, accounts and any and all files, records and documents relating to the Mortgage Loans in which Bank has purchased or will purchase Participation Interests (including any in-file credit reports), and to make copies and extracts of any and all of the foregoing; and (b) to discuss the affairs, finances, books and records, and accounts of Seller with Seller's officers, accountants and auditors and other representatives.

7.14 **Audit.** Seller shall permit any third-party consultant engaged by Bank (each an "Auditor"), at the expense of Seller, to inspect and conduct an audit of Seller's business operations and records related thereto; provided, however, if such audit is conducted by Bank more than once during any fiscal year, and such additional audit is not the result of the occurrence of an Event of Default, Bank shall be responsible for the fee payable to the Auditor that performed such additional audit. In connection with each audit, Seller shall cooperate with the Auditor and will cause Seller's employees, agents and contractors to cooperate with the Auditor, and Seller shall furnish or cause to be furnished to the Auditor such information and documentation the Auditor may consider necessary or useful in connection with the performance of the audit.

7.15 **Notice from Seller of Certain Events.**

(a) Seller shall promptly, but in any event within ten (10) days of obtaining knowledge thereof (or by such earlier time if expressly required hereunder), notify Bank in writing of any event or circumstance or notice thereof which has had, or could reasonably be expected to have, a Material Adverse Effect upon Seller. Without limiting the generality of the foregoing:

(i) Seller shall promptly, but in any event within ten (10) days of obtaining knowledge thereof, notify Bank in writing of: (A) any Proceeding by any Governmental Authority pending, or to the knowledge of Seller, threatened against Seller; and (B) any other Proceeding pending, or to the knowledge of Seller, threatened against Seller which, if determined adversely to Seller, may have a Material Adverse Effect upon Seller. Seller shall immediately notify Bank in writing upon obtaining any knowledge thereof of any judgment, decision, order, finding, determination or other disposition in connection with a Proceeding that has resulted in a Material Adverse Effect upon Seller.

(ii) Seller shall promptly, but in any event within ten (10) days of receipt, deliver to Bank copies of all notices and other documents and correspondence from any Governmental Authority regarding any alleged non-compliance or potential non-compliance with the Dodd-Frank Act or any other applicable Law related to the financing and sale of Mortgage Loans.

(b) If there is any pending or threatened audit or investigation of Seller by any applicable Agency, or any other Proceeding involving Seller, which could reasonably be expected to result in any Agency Approval being suspended or terminated (including due to the failure of Seller to comply with the results or findings of any such audit or investigation), then Seller shall provide written notice thereof to Bank within ten (10) days of Seller obtaining any knowledge thereof. If any Agency Approval is not in good standing or is otherwise suspended or terminated, then Seller shall provide immediate written notice thereof to Bank.

(c) Seller shall furnish to Bank immediately upon becoming aware of the existence of any Event of Default, a written notice specifying the nature and period of existence thereof and the action which Seller is taking or proposes to take with respect thereto.

7.16 **Compliance with Warehouse Documents.** Seller shall promptly and fully perform, observe and comply with any and all provisions of this Agreement and the other Warehouse Documents to which Seller is a party.

7.17 **Guaranty.** If requested by Bank at any time, Seller agrees to obtain and deliver to Bank one or more Guaranty Agreements executed by any of the shareholders, partners, members, managers and/or principals of Seller and/or other Persons required by Bank in consideration of Bank executing this Agreement and/or to induce Bank to consider purchasing Participation Interests.

7.18 **INDEMNIFICATION. SELLER SHALL INDEMNIFY, DEFEND, PROTECT AND HOLD HARMLESS BANK, BANK'S PARENTS, SUBSIDIARIES AND AFFILIATES, AND ALL DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES AND AGENTS, SUCCESSORS AND ASSIGNS OF ANY OF THE FOREGOING (EACH AN "INDEMNIFIED PARTY") FROM AND AGAINST ANY AND ALL LOSSES, LIABILITIES, DAMAGES, CLAIMS, PENALTIES, JUDGMENTS, OBLIGATIONS, DISBURSEMENTS, COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES), ACTIONS, PROCEEDINGS OR DISPUTES (COLLECTIVELY, "LOSSES") INCURRED BY ANY INDEMNIFIED PARTY OR TO WHICH ANY INDEMNIFIED PARTY MAY BECOME SUBJECT WHICH DIRECTLY OR INDIRECTLY ARISE FROM OR RELATE TO THIS AGREEMENT, ANY OTHER WAREHOUSE DOCUMENT, ANY PARTICIPATED MORTGAGE LOAN OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER WAREHOUSE DOCUMENT, INCLUDING ANY AND ALL LOSSES DUE TO: (A) ANY NEGLIGENT OR FRAUDULENT ACT OR OMISSION OF SELLER OR ANY OF ITS AGENTS, REPRESENTATIVES OR EMPLOYEES; (B) ANY BREACH BY SELLER OF ANY REPRESENTATION OR WARRANTY CONTAINED HEREIN; (C) ANY BREACH BY SELLER OF ANY PROVISION OF THIS AGREEMENT OR ANY OTHER WAREHOUSE DOCUMENT; (D) ANY EVENT OF DEFAULT; (E) SELLER'S USE FOR ANY MORTGAGE LOAN OF ANY FORM OR DOCUMENT NOT PROVIDED OR APPROVED BY BANK; (F) ANY MISCALCULATIONS OR OTHER ERRORS WHICH RESULT FROM SELLER'S INDEPENDENT PROCESSING PROCEDURES OR ITS MISUSE OR ALTERATION OF ANY FORMS OR DOCUMENTS PROVIDED OR APPROVED BY BANK; (G) ANY FAILURE BY SELLER TO COMPLY WITH ANY LAW; (H) THE UNMARKETABILITY OF ANY PARTICIPATED MORTGAGE LOAN RESULTING FROM ANY MATTER DESCRIBED IN CLAUSES (A) THROUGH (G) OF THIS SENTENCE; AND (I) ANY UNAUTHORIZED ACCESS TO OR USE OF THE ELECTRONIC PLATFORM OR THE INFORMATION MADE AVAILABLE THEREBY DUE TO ANY ACT OR OMISSION OF SELLER. IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO THAT EACH INDEMNIFIED PARTY TO BE INDEMNIFIED UNDER THIS SECTION OR ANY OTHER SECTION OF THIS AGREEMENT (INCLUDING, SECTIONS 5.8, 7.6 AND 10.23) OR UNDER ANY OTHER WAREHOUSE DOCUMENT SHALL BE INDEMNIFIED FROM AND HELD HARMLESS AGAINST ANY AND ALL LOSSES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF, OR ARE CLAIMED TO BE CAUSED BY OR ARISE OUT OF, THE NEGLIGENCE (WHETHER SOLE, COMPARATIVE OR CONTRIBUTORY) OR STRICT LIABILITY OF SUCH INDEMNIFIED PARTY; PROVIDED, HOWEVER, THAT SUCH INDEMNITIES SHALL NOT APPLY TO A PARTICULAR INDEMNIFIED PARTY WITH REGARD TO, AND TO THE EXTENT OF THE AMOUNT OF, THOSE CERTAIN LOSSES (IF ANY) WHICH ARE DETERMINED BY A FINAL NON-APPEALABLE ORDER OF A COURT OF COMPETENT JURISDICTION TO HAVE BEEN PROXIMATELY CAUSED SOLELY BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNIFIED PARTY.** Each Indemnified Party may employ an attorney or attorneys to protect or enforce its respective rights, remedies and recourses under this Agreement and any other Warehouse Documents, and to advise and defend it with

respect to any such actions and other matters. Seller shall reimburse each Indemnified Party for its respective reasonable attorneys' fees and expenses (including expenses and costs for experts) immediately upon receipt of a written demand therefor, whether on a monthly or other time interval, and whether or not an action is actually commenced or concluded. All other reimbursement and indemnity obligations hereunder shall become due and payable when actually incurred by such Indemnified Party. Any payments not made within five (5) days after written demand therefor shall bear interest at the highest rate permitted under applicable Law from the date of such demand until fully paid. The provisions of this Section and the other indemnity and hold harmless provisions of this Agreement (including Sections 5.8, 7.6 and 10.23) and the other Warehouse Documents shall survive the termination of this Agreement.

7.19 **Interest Rate Hedging.** Seller shall at all times hedge against the interest rate risk associated with any and all Mortgage Loans owned in whole or in part by Seller, as may be reasonably required by Bank from time to time.

7.20 **Reserved.**

## **ARTICLE 8** **NEGATIVE COVENANTS**

At all times prior to the Agreement Termination Date (and thereafter if expressly required hereunder), Seller covenants and agrees with Bank that:

8.1 **Management or Control.** Without the prior written consent of Bank: (a) there shall not be any change in direct or indirect management or control of Seller; and (b) Seller, and each entity which directly or indirectly manages or controls Seller, shall not cease to maintain key management and executive personnel at a level of experience and ability equivalent to the present executive management and executive personnel as of the date hereof.

8.2 **Transfer of Ownership Interest.** Without the prior written consent of Bank, which consent shall not be unreasonably withheld or delayed, there shall not be any sale, transfer or assignment to any Person of the direct or indirect ownership interest in Seller if such sale, transfer or assignment shall result in such Person holding, directly or indirectly, [\*\*\*] or more of the total outstanding ownership interest in Seller.

8.3 **Merger.** Without the prior written consent of Bank, Seller shall not: (a) become a party to any merger or consolidation; (b) purchase or otherwise acquire all or any part of the assets or shares or other evidence of beneficial ownership of any Person; (c) sell or otherwise sell, transfer or assign all or substantially all of the assets or Properties of Seller to any other Person; or (d) wind-up, dissolve or liquidate.

8.4 **Fiscal Year; Method of Accounting.** Seller shall not, without giving prior written notice to Bank, change its fiscal year or method of accounting.

8.5 **Actions with respect to Mortgage Loans.** Seller shall not:

- (a) Release the Lien of any Security Instrument of any Participated Mortgage Loan;
- (b) Amend, modify or supplement in any material respect any Mortgage Loan Document related to any Participated Mortgage Loan;

(c) Grant, create, incur, permit or suffer to exist any Lien upon the Mortgaged Property which is security for any Participated Mortgage Loan, except for the Lien granted under the Security Instrument for such Participated Mortgage Loan; or

(d) Sell, transfer or assign any of Seller's rights, titles or interests in or to any Participated Mortgage Loan to any Person except as expressly provided in this Agreement, or otherwise with the prior written consent of Bank.

8.6 **Compliance with Material Agreements.** Seller shall not permit any default to occur with respect to any agreement, indenture, mortgage or document binding on it or affecting its Property or business, if such default may have a Material Adverse Effect upon Seller.

8.7 **Representations Regarding Interests Sold.** Seller will not represent to any Person that Seller owns all or any portion of the Participation Interests purchased by Bank under this Agreement.

**ARTICLE 9**  
**EVENTS OF DEFAULT;**  
**CERTAIN RIGHTS AND REMEDIES OF BANK**

9.1 **Events of Default.** An Event of Default shall exist if any one or more of the following occurs:

(a) Seller or any other Obligated Party shall fail to punctually make any payment of fees or other sums when due hereunder, or under any other Warehouse Document to which it is a party, and such failure shall continue for a period of [\*\*\*] thereafter (provided that Bank shall not be required to provide any such [\*\*\*] grace period more than [\*\*\*] in any [\*\*\*] period);

(b) The failure or refusal of Seller or any other Obligated Party to perform, observe or comply with any covenant or agreement contained in this Agreement or any other Warehouse Document to which it is a party, which failure or refusal is not otherwise addressed in this Section, and such failure or refusal continues for a period of [\*\*\*] (provided that Bank shall not be required to provide any such [\*\*\*] grace period more than [\*\*\*] in any [\*\*\*] period);

(c) Any material statement, warranty or representation made at any time by or on behalf of Seller or any other Obligated Party in this Agreement or any other Warehouse Document, or in any writing or communication (including any Request), or any statement or representation made in any certificate, report, or opinion delivered to Bank pursuant to or in connection with this Agreement or any other Warehouse Document to which it is a party, is false, calculated to mislead, misleading or erroneous in any material respect at the time made;

(d) Default shall occur (after the expiration of any applicable grace and cure periods): (i) in the punctual payment of any material indebtedness of Seller or any other Obligated Party owing to any Person (other than Bank), or in the performance, observance or compliance with any other covenant, agreement or obligation of any agreement executed in connection therewith; or (ii) in the performance of any other material agreement binding upon Seller or any other Obligated Party;

(e) Seller or any other Obligated Party shall: (i) apply for or consent to the appointment of a receiver, trustee, custodian, intervenor or liquidator of such Person or of all or a

substantial part of its assets; (ii) file a voluntary petition in bankruptcy, admit in writing that it is unable to pay its debts as they become due or generally not pay its debts as they become due; (iii) make a general assignment for the benefit of creditors; (iv) file a petition or answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy or insolvency laws; (v) file an answer admitting the material allegations of, or consent to, or default in answering, a petition filed against it in any bankruptcy, reorganization or insolvency proceeding; or (vi) take any action for the purpose of effecting any of the foregoing;

(f) An involuntary petition or complaint shall be filed against Seller or any other Obligated Party seeking bankruptcy or reorganization of such Person or the appointment of a receiver, custodian, trustee, intervenor or liquidator of it, or of all or substantially all of its assets, and such petition or complaint shall not have been dismissed within [\*\*\*] of the filing thereof; or an order, order for relief, judgment or decree shall be entered by any court of competent jurisdiction or other competent authority approving a petition or complaint seeking reorganization of such Person or appointing a receiver, custodian, trustee, intervenor or liquidator of such Person, or of all or substantially all of its assets, and such order, judgment or decree shall continue unstayed and in effect for a period of [\*\*\*];

(g) Seller shall fail within [\*\*\*] to pay, bond or otherwise discharge any judgment or order for payment of money in excess of the Maximum Judgment Amount that is not otherwise being satisfied in accordance with its terms and is not stayed on appeal or otherwise being contested in good faith;

(h) Any default or event of default shall occur (after the expiration of any applicable grace and cure periods) under any indebtedness of Seller or any other Obligated Party to Bank (other than arising out of or pursuant to this Agreement) or under any document evidencing, securing or pertaining to any indebtedness of Seller or any other Obligated Party to Bank;

(i) Any Person shall levy on, seize, or attach all or any material portion of the Property of Seller or any other Obligated Party which is not permanently dismissed or discharged within thirty (30) days after commencement of such action;

(j) The failure of Seller to repurchase any Participation Interest (or any portion thereof) as and when required pursuant to the provisions of this Agreement;

(k) The dissolution of Seller or any other Obligated Party that is an entity for any reason, or the death or incapacity of any Obligated Party that is a natural person;

(l) If any Guarantor should purport or attempt to revoke Guarantor's guaranty or terminate Guarantor's liability thereunder;

(m) If (i) any Agency Approval is not in good standing, (ii) any Agency Approval is suspended or terminated, or (iii) Seller failed to provide any written notice as and when required pursuant to [Section 7.15\(b\)](#);

(n) If (i) there is any Proceeding by any Governmental Authority pending, or threatened against Seller which, if determined adversely to Seller, may have a Material Adverse Effect, (ii) there is any judgment, decision, order, finding, determination or other disposition in connection with a Proceeding that has resulted in a Material Adverse Effect upon Seller, or (iii) Seller failed to provide any written notice as and when required pursuant to [Section 7.15\(a\)\(i\)](#);



(o) (i) Any change in the financial condition of Seller or any other Obligated Party from the condition shown on the financial statements submitted to Bank and relied upon by Bank in connection with the execution of this Agreement, which change would have a Material Adverse Effect upon Seller or any other Obligated Party, the materiality and adverse effect of such change in financial condition to be reasonably determined by Bank in accordance with its credit standards and underwriting practices in effect at the time of making such determination; or (ii) if Bank in good faith believes that any other act, event, condition or circumstance exists or has occurred (including a material management or organizational change in Seller or any other Obligated Party) that would have a Material Adverse Effect upon Seller or any other Obligated Party; or

(p) Any Warehouse Document ceases to be in full force and effect, or to be enforceable in accordance with its terms.

9.2 **Default Remedies.** Upon the occurrence of an Event of Default, without any presentment, demand, protest, notice of protest and nonpayment, or other notice of any kind, all of which are hereby expressly waived by Seller, Bank may, in its sole and absolute discretion, immediately: (a) terminate or suspend Seller's right hereunder to submit any Request to Bank for Bank to purchase Participation Interests; (b) pursuant to the power of attorney conferred to Bank by Seller in connection with this Agreement (and in reliance on Section 10.18 in the event that Bank exercises the following remedy after the occurrence of an Event of Default specified in Sections 9.1(e) or (f)), sell in a recognized market (or otherwise in a commercially reasonable manner) at such price or prices as Bank shall reasonably deem satisfactory, any or all rights, titles and interest of Bank and Seller in and to any or all Participated Mortgage Loans and apply the proceeds thereof to the aggregate outstanding Advances made by Bank in connection with such Participated Mortgage Loans and to any other amounts payable to Bank in connection with this Agreement or any other Warehouse Document, in such order and amounts determined by Bank; (c) exercise its rights and remedies under any Pledge Agreement, Guaranty Agreement or other Warehouse Document; and/or (d) exercise any other right or remedy otherwise available to Bank under this Agreement or any other Warehouse Document or at law or in equity. Notwithstanding the foregoing, if an Event of Default specified in Sections 9.1(e) or (f) occurs, fees and other sums due hereunder shall become automatically and immediately due and payable, both without any action by Bank and without presentment, demand, protest, notice of protest and nonpayment, notice of acceleration or of intent to accelerate, or any other notice of any kind, all of which are hereby expressly waived, notwithstanding anything contained herein to the contrary.

9.3 **Option to Purchase Retained Percentage.** Without limiting the generality of Section 9.2, upon the occurrence of an Event of Default, Bank shall have the right at any time, in its sole and absolute discretion, to purchase from Seller the Retained Percentage in any or all Participated Mortgage Loans (the "Retained Interest Purchase Option"). To effect the purchase by Bank from Seller of the Retained Percentage in any Participated Mortgage Loan in connection with the Bank's exercise of the Retained Interest Purchase Option, Bank shall pay to Seller an amount (the "Retained Interest Purchase Price") equal to (a) the then outstanding principal balance of such Participated Mortgage Loan, as of the date of the exercise by Bank of the Retained Interest Purchase Option, multiplied by the Retained Percentage of Seller therein as of such date, less (b) the amount of Bank's pro rata share of any and all principal payments (which are allocable to Bank's Participation Interest in such Participated Mortgage Loan), determined in accordance with Bank's Participation Percentage in effect from time to time for such Participated Mortgage Loan, made on such Participated Mortgage Loan during the period of time commencing on the Purchase Date for such Participated Mortgage Loan and ending on the date of the exercise by Bank of the Retained Interest Purchase Option, but that have not been previously paid to Bank, less (c) the amount of Bank's pro rata share of any and all interest payments (which are allocable to Bank's Participation Interest in such Participated Mortgage Loan), determined in accordance with the Participation Interest Rate in effect from time to time for such Participated Mortgage Loan, made on such Participated Mortgage Loan during the

period of time commencing on the Purchase Date for such Participated Mortgage Loan and ending on the date of the exercise by Bank of the Retained Interest Purchase Option, but that have not been previously paid to Bank, less (d) the amount of any then-earned and unpaid Funding Fee payable by Seller to Bank hereunder with respect to such Participated Mortgage Loan as of the date of the exercise by Bank of the Retained Interest Purchase Option, less (e) any other amounts due and payable by Seller to Bank hereunder as of the date of the exercise by Bank of the Retained Interest Purchase Option, by depositing the Retained Interest Purchase Price into the Remittance Account. Effective immediately upon Bank's deposit into the Remittance Account of the Retained Interest Purchase Price for the Retained Percentage in any Participated Mortgage Loan, without any further action by or notice to any Person, Bank shall have purchased from Seller such Retained Percentage as reflected on Bank's books and records.

## **ARTICLE 10** **MISCELLANEOUS**

10.1 **Accounting Principles.** Where the character or amount of any asset or liability or item of income or expense is required to be determined or other financial or accounting computation is required to be made for the purposes of this Agreement or any other Warehouse Document, such determination shall be made in accordance with GAAP, except where such principles are inconsistent with the requirements of this Agreement or such other Warehouse Document. In addition, any accounting term used in this Agreement or any other Warehouse Document shall have, unless otherwise specifically provided therein, the meaning customarily given to such term in accordance with GAAP or other method of accounting acceptable to Bank.

10.2 **Time.** Time is of the essence of each and every term of this Agreement and the other Warehouse Documents.

10.3 **Titles of Articles, Sections and Subsections.** All titles or headings to articles, sections, subsections or other divisions of this Agreement or any other Warehouse Document or the exhibits or addenda hereto or thereto are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the content of such articles, sections, subsections or other divisions, such content being controlling as to the agreement between the parties hereto.

10.4 **Seller's Status.** It is agreed that the relationship of Seller and Bank hereunder shall be that of the seller and purchaser of interests in Mortgage Loans. Seller and Bank are not partners or joint venturers, and nothing contained herein shall be construed to create a partnership, joint venture or similar relationship between the parties. Seller shall not act as or hold itself out to the public as being an agent for Bank, but is to act in all loan origination, administration and servicing matters hereunder for itself and in its name only, except to the extent that Seller is required under this Agreement to act as a trustee with fiduciary duties to hold for the benefit of Bank the Participated Mortgage Loans and the related Mortgage Loan Documents, and any and all funds and receipts, whether as principal, interest, escrows or otherwise, in respect of any Participated Mortgage Loan, and to make the remittances of any and all such documents and funds as specified in this Agreement. It further is agreed that Seller, as trustee, shall not assign its responsibilities under this Agreement except in accordance with this Agreement.

10.5 **Notices.** Any and all notices, requests and other communications required or permitted to be given under or in connection with this Agreement or any other Warehouse Document, except as otherwise provided herein or therein, shall be in writing and mailed or sent by electronic mail to the respective address, and to the attention of the designated recipient, provided below for Bank and provided on the signature page of this Agreement for Seller (or to such other address or to such designated recipient, as either party may designate in a written notice to the other party furnished pursuant to this Section). Such notices, requests and other communications so sent shall be deemed to have been given immediately if

made by electronic mail (confirmed by concurrent written notice sent first class U.S. mail, postage prepaid), or one (1) day after sending by recognized national overnight courier company, signature of recipient required if to Seller or Bank; any notice, request and other communication sent by any other means shall be deemed made when actually received in writing by the designated recipient of the party to which notice is provided in accordance with this Section. Notwithstanding the foregoing, Requests or communications related to a Request shall not be effective until actually received by Bank. Bank's address for notices is:

TEXAS CAPITAL BANK, N.A.  
2221 Lakeside Boulevard, Suite 800  
Richardson, Texas 75082  
Attention: Bruce Karda  
E-mail: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

10.6 **Amendments and Waivers.** Subject to Section 10.7, any provision of this Agreement or any other Warehouse Document may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by all the parties to this Agreement, such Warehouse Document or such other documents, as the case may be. The acceptance of Bank at any time and from time to time of part payment on any amounts payable to Bank hereunder shall not be deemed to be a waiver of the balance of such amounts. No waiver by Bank of any Event of Default shall be deemed to be a waiver of any other then-existing or subsequent Event of Default. No waiver by Bank of any of its rights or remedies under this Agreement, any other Warehouse Document, or otherwise, shall be considered a waiver of any other or subsequent right or remedy of Bank. No delay or omission by Bank in exercising any right or remedy under this Agreement or any other Warehouse Document shall impair such right or remedy or be construed as a waiver thereof or any acquiescence therein, nor shall any single or partial exercise of any such right or remedy preclude other or further exercise thereof, or the exercise of any other right or remedy under this Agreement, any other Warehouse Document or otherwise.

10.7 **Amendment Due to Government Regulation.** Both Bank and Seller understand that Bank is subject to the supervision of various Governmental Authorities. Should any Governmental Authority direct Bank to discontinue any practice set forth herein or to amend the terms hereof, Bank shall take immediate action to do so and shall notify Seller of such action. Seller hereby consents to such action and agrees to enter into any amendment or termination hereof as may be reasonably required by Bank to bring Bank into full compliance with applicable Laws.

10.8 **Participations.** Seller agrees that Bank may elect, at any time and in its sole discretion, to sell, assign and convey an undivided percentage ownership interest, or grant an undivided participation interest, in all or any portion of the Participation Interests (or any portion of any such Participation Interest) to one or more financial institutions, private investors and/or other Persons (collectively, "**Participants**"). Seller further agrees that Bank may disseminate to any such actual or potential Participants all documents and information (including any and all financial information) which has been or is hereafter provided to or known to Bank in connection with this Agreement and the other Warehouse Documents and the transactions contemplated hereby and thereby, including, information with respect to Seller, each Obligated Party and each Mortgage Loan in which Bank has purchased a Participation Interest.

10.9 **Invalidity.** In the event that any one or more of the provisions contained in this Agreement or any other Warehouse Document, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement or the other Warehouse Documents.

10.10 **Survival.** All covenants, agreements, representations and warranties made herein and in any other Warehouse Document shall continue in full force and effect as long as Bank has the right to

purchase Participation Interests hereunder and until all obligations to Bank hereunder and thereunder have been fully satisfied and discharged. Without limiting the generality of the foregoing, termination of this Agreement by either party pursuant to the terms of this Agreement shall not relieve Seller of: (a) its duties, obligations, representations, warranties, covenants, agreements or indemnities which accrued under this Agreement prior to the Advance Request Termination Date or the Agreement Termination Date; or (b) performance of its duties and obligations hereunder so long as there is any Participated Mortgage Loan which does not constitute a Retired Participated Mortgage Loan.

10.11 **Successors and Assigns.** All covenants and agreements contained by or on behalf of Seller in this Agreement or any Warehouse Document shall bind Seller's successors and assigns and shall inure to the benefit of Bank and its successors and assigns. Seller shall not, however, have the right to assign its rights under this Agreement or any interest herein, without the prior written consent of Bank, which consent may be withheld by Bank for any reason.

10.12 **Renewal.** If, as of the Effective Date, Bank holds any outstanding undivided percentage ownership interests (each an "Existing Participation Interest") in any Mortgage Loan purchased by Bank from Seller pursuant to a written mortgage warehouse agreement or similar written agreement executed by Bank and Seller prior to the Effective Date (as amended or modified from time to time, the "Existing Warehouse Agreement"), then, as of the Effective Date, unless expressly agreed to otherwise by Seller and Bank in writing after the date of the Existing Warehouse Agreement: (a) Seller shall not have any rights under the Existing Warehouse Agreement to request Bank to purchase additional undivided percentage ownership interests in Mortgage Loans, and any and all such requests and purchases on or after the Effective Date shall be governed by the terms and conditions of this Agreement; (b) any and all Existing Participation Interests shall continue to be subject to the terms and conditions of the Existing Warehouse Agreement; (c) the Existing Warehouse Agreement shall automatically terminate and cease to be in force and effect (except with respect to the provisions of the Existing Warehouse Agreement which expressly survive termination) without any action or notice upon such time as (i) pursuant to the terms and conditions of the Existing Warehouse Agreement, with respect to each Mortgage Loan in which Bank purchased an Existing Participation Interest (A) such Mortgage Loan has been sold in its entirety and the full amount of the proceeds of such sale have been received and applied by Bank thereunder or (B) the Existing Participation Interest in such Mortgage Loan has been repurchased in its entirety by Seller and the full amount of the proceeds of such repurchase have been received and applied by Bank thereunder, (ii) Bank has received full and indefeasible payment of all amounts due and payable to Bank pursuant to the Existing Warehouse Agreement, and (iii) Bank has remitted to Seller all sums, if any, required by the Existing Warehouse Agreement to be remitted by Bank to Seller; and (d) the Maximum Participation Amount shall be reduced by the sum, as such sum may vary from time to time, of (i) the Outstanding Participation Balance calculated with respect to the outstanding Existing Participation Interests plus (ii) all other amounts due and payable to Bank pursuant to the Existing Warehouse Agreement. The terms of this Section supersede and modify any and all inconsistent provisions in any Existing Warehouse Agreement.

10.13 **Bank's Consent or Approval.** Except where otherwise expressly provided in this Agreement or the other Warehouse Documents, in any instance under this Agreement or the other Warehouse Documents where the approval, consent or the exercise of judgment of Bank is required: (a) the granting or denial of such approval or consent and the exercise of such judgment shall be (i) within the sole and absolute discretion of Bank and (ii) deemed to have been given only by a specific writing intended for that purpose and executed by Bank; and (b) in order to be effective, such approval, consent or exercise of judgment must be given by Bank prior to the applicable action to be taken by Seller which requires Bank's approval, consent or exercise of judgment, unless otherwise agreed to in writing by Bank. Each provision for consent, approval, inspection, review, or verification by Bank is for Bank's own purposes and benefit only.

10.14 **Cumulative Rights.** The rights and remedies of Bank under this Agreement and any other Warehouse Document shall be cumulative, and shall be in addition to any rights and remedies of Bank at law or in equity.

10.15 **Acceptance of Agreement in Texas; Governing Law.** Seller has signed this Agreement and submits it to Bank for acceptance at Bank's offices in Richardson, Collin County, Texas. Seller and Bank shall make all payments and perform all other obligations arising hereunder at Collin County, Texas, and this Agreement is made and entered into at Collin County, Texas. This Agreement and all of the terms and conditions hereof and the rights of the parties hereto shall be governed by and interpreted in accordance with the Laws of the State of Texas and venue for any legal action brought hereunder shall lie in Collin County, Texas or Dallas County, Texas.

10.16 **Seller's Understanding.** Seller has read this Agreement and has had the opportunity to seek and/or receive counsel from an attorney of Seller's choice as to the effects hereof.

10.17 **Nature of Transactions.**

(a) The relationship established by this Agreement and the other Warehouse Documents between Bank and Seller is that of a seller and purchaser of Participation Interests in Mortgage Loans, and not that of a lender and borrower. Subject to Section 10.17(b), it is the intention of Bank and Seller that: (i) the purchase and sale of each Participation Interest hereunder shall be treated and construed as a sale by Seller to Bank, and the purchase by Bank from Seller, of a certain undivided percentage ownership interest in the related Mortgage Loan and the related Mortgage Loan Documents; and (ii) each sale of a Participation Interest by Seller to Bank, and each purchase of a Participation Interest by Bank from Seller, is a sale of an undivided interest in a promissory note to Bank, and that pursuant to Section 9.109 of the UCC of the State of Texas, Bank and Seller's characterization of each such sale and purchase of a Participation Interest as a purchase and sale of such Participation Interest shall be conclusive that (A) the transaction is a sale and is not a secured transaction and (B) legal and equitable title has passed to Bank in the Mortgage Loan and Mortgage Loan Documents in which Bank acquired such Participation Interest.

(b) Neither Party has made or hereby makes any representations or warranties to the other Party, and hereby disclaims any such representations or warranties, regarding the accounting or tax treatment to be applied to any Participation Interest (including whether any such Participation Interest qualifies for "sale" treatment under any applicable accounting rules, regulations or standards). Each Party hereby agrees that it has and will make its own independent determination regarding the accounting and tax treatment to be applied to each Participation Interest, and has not relied upon the other Party in any manner in making such determination. The accounting or tax treatment applied by any Party with respect to any Participation Interest shall not be binding upon the other Party, shall not be used by the other Party in any manner inconsistent with, and shall not affect, the Parties' intent hereunder that any and all transaction pursuant to which Bank pays a Purchase Price to Seller is for a sale by Seller to Bank, and the purchase by Bank from Seller, of a certain undivided percentage ownership interest in the related Mortgage Loan and Mortgage Loan Documents and that legal and equitable title has passed to Bank in the Mortgage Loan in which Bank acquired such Participation Interest.

(c) If any court of competent jurisdiction shall deem any transaction involving Bank, Seller or any Participation Interest governed by this Agreement to be a loan, extension of credit or a secured financing, or if any court of competent jurisdiction shall determine that any purported Participation Interest in any purported Participated Mortgage Loan (or any portion thereof) is the property of Seller or shall otherwise not have been sold by Seller to, and purchased by, Bank, as

contemplated herein, then notwithstanding anything herein or in any other Warehouse Document to the contrary: (i) as of the Effective Date, Bank shall have (and Seller shall have been deemed to have pledged, assigned and granted to Bank) a first priority security interest in and to the Collateral to secure the prompt and complete payment and performance of any and all of Seller's indebtedness and obligations to Bank under this Agreement and the other Warehouse Documents; and (ii) any and all amounts received by Bank with respect to any Participated Mortgage Loan may be applied in such order and priority as Bank may determine. For this purpose, this Agreement shall constitute a security agreement in accordance with the UCC, and Bank shall have all the rights of a secured creditor with respect to such security.

10.18 **Repurchase Agreement.** It is expressly stipulated to be the intent of Bank and Seller, and understood and agreed by Bank and Seller, that (a) this Agreement constitutes a "repurchase agreement" under Section 101(47) of the Bankruptcy Code and (b) pursuant to Sections 362(b), 555 and 559 of the Bankruptcy Code, the rights of Bank under this Agreement related to the sale and repurchase of Mortgage Loans (including, the rights of Bank hereunder, upon the occurrence of an Event of Default, to liquidate and/or foreclose on the Mortgage Loans in which it holds Participation Interests) shall not be stayed, avoided or otherwise limited by the operation of any provision of the Bankruptcy Code.

10.19 **Usury Savings Provision.** It is expressly stipulated to be the intent of Bank and Seller, and understood and agreed by Bank and Seller, that this Agreement: (a) does not represent a loan from Bank to Seller; and (b) allows Bank to purchase the Participation Interests for its own account and for a short term investment. If, notwithstanding the foregoing or the terms of this Agreement, a court of competent jurisdiction establishes a loan or extension of credit within this Agreement from Bank to Seller, then the parties to this Agreement hereby understand, acknowledge and agree that in such event: (a) Seller shall be the underlying obligor of that loan or extension of credit established by such court of competent jurisdiction; (b) Seller is utilizing the proceeds of that loan or extension of credit established by such court of competent jurisdiction for business, commercial, investment, or similar purposes; and (c) Seller has determined that it is beneficial to use any and all proceeds of that loan or extension of credit established by such court of competent jurisdiction to establish collateral for that loan or extension of credit established by such court of competent jurisdiction by: (i) making deposits at Bank; (ii) purchasing certificates of deposit from Bank; and/or (iii) establishing other accounts at Bank. Furthermore, it is Bank's and Seller's intention and agreement that if a court of competent jurisdiction establishes a loan or extension of credit from Bank to Seller under this Agreement, then any proceeds of that loan or extension of credit established by such court of competent jurisdiction deposited with Bank as additional collateral for that loan or extension of credit: (a) shall be considered a compensating balance under and pursuant to Section 276.003 of the Texas Finance Code; and (b) shall not be considered a reduction in the amount of the proceeds of that loan and/or extension of credit from Bank to Seller. Additionally, it is stipulated, understood and agreed to be the intent of Bank and Seller that this Agreement shall at all times comply strictly with the applicable Texas law governing the maximum rate or amount of interest payable on the Indebtedness (as hereinafter defined), if any, or applicable United States federal law to the extent that such law permits Bank to contract for, charge, take, reserve or receive a greater amount of interest than under Texas law. For purposes of this provision, "Indebtedness" shall mean all indebtedness, if any, evidenced, referenced, described, or established by a court of competent jurisdiction under this Agreement, and all amounts payable in the performance of any covenant or obligation in any of the other documents or any other communication or writing by or between Bank and Seller related to the transaction or transactions that are the subject matter of this Agreement, or any part of such Indebtedness, if any. If the applicable law is ever judicially interpreted so as to render usurious any amount contracted for, charged, taken, reserved or received in respect of the Indebtedness, if any, including by reason of the acceleration of the maturity or the prepayment thereof, then it is Bank's and Seller's express intent that all amounts charged in excess of the Maximum Lawful Rate (as hereinafter defined), if any, shall be automatically canceled, ab initio, and all amounts in excess of the Maximum Lawful Rate theretofore collected by Bank, if any, shall be credited

on the principal balance of the Indebtedness, if any, or, if the Indebtedness, if any, has been or would thereby be paid in full, refunded to Seller, and the provisions of this Agreement and any underlying documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable laws, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder; provided, however, if the Indebtedness has been paid in full before the end of the stated term hereof, then Bank and Seller agree that Bank shall, with reasonable promptness after Bank discovers or is advised by Seller that interest was received in an amount in excess of the Maximum Lawful Rate, either credit such excess interest against the Indebtedness then owing by Seller to Bank and/or refund such excess interest to Seller. If and to the extent Indebtedness is determined to exist by a court of competent jurisdiction, then Seller hereby agrees that as a condition precedent to any claim seeking usury penalties against Bank, Seller will provide written notice to Bank, advising Bank in reasonable detail of the nature and amount of the violation, and Bank shall have sixty (60) days after receipt of such notice in which to correct such usury violation, if any, by either refunding such excess interest to Seller or crediting such excess interest against the Indebtedness, if any, then owing by Seller to Bank. All sums contracted for, charged, taken, reserved or received by Bank for the use, forbearance or detention of Indebtedness, if any, shall, to the extent permitted by applicable law, be amortized, prorated, allocated or spread, using the actuarial method, throughout the stated term of this Agreement (including any and all renewal and extension periods) until payment in full so that the rate or amount of interest on account of the Indebtedness, if any, does not exceed the Maximum Lawful Rate from time to time in effect and applicable to the Indebtedness, if any, for so long as debt is outstanding. In no event shall the provisions of Chapter 346 of the Texas Finance Code (which regulates certain revolving credit loan accounts and revolving tri-party accounts) apply to this Agreement or any other part of the Indebtedness, if any. If and to the extent any Indebtedness is determined to exist under this Agreement by a court of competent jurisdiction, then notwithstanding anything to the contrary contained herein or in any of underlying documents referenced herein, it is not the intention of Bank to accelerate the maturity of any interest, if any, that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration. If and to the extent any Indebtedness is determined to exist under this Agreement by a court of competent jurisdiction, then the terms and provisions of this paragraph shall control and supersede every other term, covenant or provision contained herein, in any of the other underlying documents referenced within this Agreement or in any other document or instrument pertaining to the Indebtedness. As used herein, the term "Maximum Lawful Rate" shall mean the maximum lawful rate of interest which may be contracted for, charged, taken, received or reserved in accordance with the applicable Laws of the State of Texas (or applicable United States federal law to the extent that such law permits Bank to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law), taking into account all fees, charges and any other value whatsoever made in connection with the transaction evidenced by this Agreement. To the extent United States federal law permits contracting for, charging, taking, receiving or reserving a greater amount of interest than under Texas law, then such United States federal law will be relied upon instead of Texas law for the purpose of determining the Maximum Lawful Rate. Additionally, if and to the extent any Indebtedness is determined to exist under this Agreement by a court of competent jurisdiction, to the extent permitted by applicable law now or hereafter in effect, Bank may, at its option and from time to time utilize any other method of establishing the Maximum Lawful Rate under Texas law or under other applicable law by giving notice, if required, to Seller as provided by such applicable law now or hereafter in effect.

10.20 **WAIVER OF JURY TRIAL**. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, SELLER HEREBY IRREVOCABLY AND EXPRESSLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER WAREHOUSE DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY OR THE ACTIONS OF BANK IN THE NEGOTIATION, ADMINISTRATION, OR ENFORCEMENT THEREOF.

10.21 **Joint and Several Liability.** The liability of all Persons obligated to Bank in any manner under this Agreement shall be joint and several. If more than one Person shall execute this Agreement as “Seller”, then the term “Seller” as used herein and in the other Warehouse Documents shall refer both to each such Person individually and to all such Persons collectively.

10.22 **Electronic Processing.**

(a) Seller acknowledges that Bank may employ one or more electronic processes and systems with respect to the transactions contemplated by this Agreement, including the purchase of Participation Interests in Mortgage Loans and the sale of such Participation Interests to Take-Out Purchasers. Seller shall cooperate with Bank with respect to the implementation of any such electronic document processes or systems.

(b) With respect to the Mortgage Loan Documents for Participated Mortgage Loans, Seller may use electronic services, process and systems for the execution thereof only with the Bank’s prior written consent, which approval may be conditioned by Bank upon, among other things, the following: (i) full, unrestricted access by Bank to all electronic reports, records and data related thereto; (ii) cooperation on the part of Seller with respect to access and turnover of such reports, records and data to Bank; and (iii) recognition agreements with third party service providers and vendors, in form and content satisfactory to Bank.

10.23 **Electronic Transmission of Data.** Bank and Seller agree that certain data related to Mortgage Loans (including confidential information, documents, applications and reports) and the transactions contemplated by this Agreement may be transmitted electronically, including over the Internet and/or through the use of the Electronic Platform. This data may be transmitted to, received from or circulated among agents and representatives of Seller and/or Bank and their affiliates, and other Persons involved with the subject matter of this Agreement. Seller acknowledges and agrees that: (a) there are risks associated with the use of electronic transmission and that Bank does not control the method of transmittal or service providers; (b) Bank has no obligation or responsibility whatsoever and assumes no duty or obligation for the security, receipt, or third party interception of such transmissions, and (c) **SELLER WILL RELEASE, HOLD HARMLESS AND INDEMNIFY EACH INDEMNIFIED PARTY FROM AND AGAINST ANY AND ALL LOSSES WHICH ARE RELATED TO THE ELECTRONIC TRANSMITTAL OF DATA.**

10.24 **Force Majeure.** Bank shall not be responsible for any failure or delay of Bank in its performance hereunder by reason of fire, flood or other acts of God, lockout, acts of public enemy, riot, insurrection or any interruption, failure or defects in Internet, telephone or other interconnection service or in electronic or mechanical equipment or any other cause beyond the reasonable control Bank (“Force Majeure Event”). During the duration of any Force Majeure Event, Bank will use commercially reasonable efforts to avoid or remove such Force Majeure Event and will take reasonable steps to resume its performance under this Agreement with the least possible delay.

10.25 **Limitation of Liability.** Neither Bank nor any other Indemnified Party shall have any liability with respect to, and Seller hereby waives, releases, and agrees not to sue any of them upon, any claim for any special, indirect, incidental, consequential or punitive damages suffered or incurred by Seller in connection with, arising out of, or in any way related to, this Agreement or any of the other Warehouse Document, or any of the transactions contemplated by this Agreement or any of the Warehouse Document.

10.26 **Confidentiality.**



(a) The Parties hereby acknowledge and agree that all information provided on, before, or after the Effective Date by or on behalf of one Party or its affiliates, officers, directors, employees, representatives, agents or advisors (collectively, the “Disclosing Party”) to the other Party or its Permitted Recipients (collectively, the “Receiving Party”) in connection with any Warehouse Document or the transactions contemplated hereby which the Receiving Party knows or reasonably should know is the confidential or proprietary information of the Disclosing Party, including (i) all information relating to the business, operations and affairs of the Disclosing Party (including internal operating procedures, methodologies, strategies, trade secrets, sales data, vendor data and customer lists, financial plans, projections and reports), (ii) all property owned, licensed and/or developed by or for the Disclosing Party or its affiliates, such as computer systems, programs, software and devices (including information about the design, methodology and documentation therefor), (iii) the terms of this Agreement and the other Warehouse Documents (including the outline of the proposed terms of the transactions contemplated hereby contained in any and all term sheets provided by Bank to Seller); and (iv) all “nonpublic personal information” of “customers” and “consumers” (as each is defined in the GLB Act) (collectively “Confidential Information”), shall be kept confidential by the Receiving Party and shall not be divulged by the Receiving Party to any Person without the prior written consent of the Disclosing Party except to the extent set forth in Section 10.26(b). Notwithstanding anything herein to the contrary, Confidential Information shall not include information of the Disclosing Party that: (i) is expressly permitted to be disclosed by the Receiving Party pursuant to and in accordance with any other provisions of this Agreement or the other Warehouse Documents; (ii) is or becomes generally available to the public (through no action or inaction in breach of this Agreement by the Receiving Party); (iii) was in the Receiving Party’s possession or known by the Receiving Party without obligations of confidentiality owed to the Disclosing Party prior to receipt from the Disclosing Party; (iv) was rightfully disclosed to the Receiving Party by a third-party without obligations of confidentiality owed to the Disclosing Party, or (v) was independently developed by the Receiving Party without use or access to the Confidential Information. Each Party agrees to take reasonable precautions to protect Confidential Information from disclosure in violation of this Section.

(b) Any Receiving Party shall be permitted to disclose, on a confidential basis, Confidential Information to: (i) its officers, directors, employees, legal counsel and auditors (“Permitted Recipients”), but only to the extent necessary in connection with the transactions contemplated hereby; (ii) taxing authorities and of Governmental Authorities, but only to the extent necessary to comply with applicable Law; (iii) any bank examiner, auditor or regulatory authority or supervisory authority that has jurisdiction over such Receiving Party or otherwise in connection with any audit or examination of such Receiving Party by any such bank examiner, auditor or authority. Any Receiving Party may disclose Confidential Information in connection with any litigation or other legal proceeding if required under applicable Law, and subject to the following: (i) to the extent permitted by applicable Law, the Receiving Party shall promptly notify the Disclosing Party in writing of the litigation or other proceeding involving the potential disclosure of Confidential Information, whereupon the Disclosing Party may seek an appropriate protective order or other relief (at the Disclosing Party’s sole expense) and the Receiving Party shall cooperate with the Disclosing Party (at the Disclosing Party’s sole expense) to obtain such order or relief; and (ii) Receiving Party shall exercise reasonable efforts to limit the disclosure to only that portion of the Confidential Information which is necessary to comply with applicable Law. In addition, Bank may disclose Confidential Information: (i) to an actual Participant or to a potential Participant pursuant to the provisions of Section 10.8; (ii) if an Event of Default has occurred and Bank has determined that the disclosure of Confidential Information is necessary or desirable in connection with the marketing and sale of Participated Mortgage Loans or the enforcement or exercise of Bank’s rights or remedies under the Warehouse Documents.

(c) The Parties understand that the Confidential Information may contain “nonpublic personal information”, as that term is defined in Section 509(4) of the Gramm-Leach-Bliley Act (the “GLB Act”), and each Party agrees to maintain such nonpublic personal information that it receives hereunder in accordance with the GLB Act and other applicable privacy and data protection Laws binding upon such Party. Each Party shall implement such physical and other security measures as shall be necessary to: (i) ensure the security and confidentiality of the “nonpublic personal information” of “customers” and “consumers” (as those terms are defined in the GLB Act); (ii) protect against any threats or hazards to the security and integrity of such nonpublic personal information; and (iii) protect against any unauthorized access to or use of such nonpublic personal information. Each Party shall, at a minimum establish and maintain such data security program as is necessary to meet the objectives of the Interagency Guidelines Establishing Standards for Safeguarding Customer Information as set forth in the Code of Federal Regulations at 12 C.F.R. Parts 30, 168, 208, 211, 225, 263, 308 and 364. Upon request, each Party will provide evidence reasonably satisfactory to allow the other Party to confirm that the providing Party has satisfied its obligations as required under this Section. Each Party shall notify the other Party immediately following discovery of any breach or compromise of the security, confidentiality or integrity of nonpublic personal information of customers and consumers related to the Confidential Information.

10.27 **Other Facilities.**

(a) Any default or breach under any present or future indebtedness, obligation or liability of Seller to Bank (other than any obligations or liabilities of Seller to Bank under the Warehouse Documents) (collectively, the “Other Obligations”) shall also constitute an Event of Default under the Warehouse Documents. Any Event of Default under any Warehouse Document shall also constitute a default and breach under the documents evidencing, securing or otherwise governing or pertaining to the Other Obligations.

(b) Any and all Liens at any time securing the Other Obligations shall also secure any and all obligations and liabilities of Seller under the Warehouse Documents. Any and all Liens at any time securing the obligations and liabilities of Seller under the Warehouse Documents shall also secure the Other Obligations.

(c) The documents evidencing, securing or otherwise governing or pertaining to the Other Obligations in effect as of the Effective Date hereof are hereby modified and amended in accordance with the provisions of this Section.

10.28 **Inconsistencies.** To the extent of any conflict between the provisions of this Agreement and the provisions of any other Warehouse Document, the provisions of this Agreement shall govern and control. To the extent of any conflict between the provisions of any Warehouse Document and the provisions of the Warehouse Program Guide, subject to Section 5.13(a), the provisions of the Warehouse Program Guide shall govern and control.

10.29 **Counterparts.** To facilitate execution, this Agreement may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all Persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single agreement. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

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10.30 **ENTIRE AGREEMENT.** THIS WRITTEN AGREEMENT AND THE OTHER WAREHOUSE DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

[Signature Pages Follow]

Page 55

Mortgage Warehouse Agreement  
Version: 2015-21  
HAL2018-1

EXECUTED by Seller to be effective as of the Effective Date.

**SELLER:**

GUILD MORTGAGE COMPANY, A  
CALIFORNIA CORPORATION

By: /s/ AMBER ELWELL

Name: AMBER ELWELL

Title: CHIEF FINANCIAL OFFICER

Execution Date: 5/11, 2020

**Seller's Contact Information for Notices:**

GUILD MORTGAGE COMPANY  
5898 COPLEY DRIVE  
SAN DIEGO, CA 92111

Attention: AMBER ELWELL

Phone: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

E-mail: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

\* \* \*

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of San Diego )  
On May 11, 2020 before me, Dorothy Giacalone, Notary Public  
Date Here Insert Name and Title of the Officer  
personally appeared Amber Elwell  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Dorothy Giacalone  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_ Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  Partner —  Limited  General  
 Individual  Attorney in Fact  Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_ Signer Is Representing: \_\_\_\_\_

**BANK:**

TEXAS CAPITAL BANK,  
NATIONAL ASSOCIATION

By: /s/ Heather Crawford

Name: Heather Crawford

Title: Vice President

Execution Date: June 2, 2020

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**EXHIBIT LIST**

- Exhibit A - Power of Attorney [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit B - Pledge Agreement [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit C - Guaranty Agreement [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit D - UCC-1 Financing Statement [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit E - Financial Covenants Addendum [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit F - Supplemental Provisions Addendum [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit G - List of Current Warehouse Facilities [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit H - List of Current Affiliate Escrow Agents [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
- Exhibit I - Blanket Assignment [Omitted pursuant to Item 601(a)(5) of Regulation S-K]

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.



June 10, 2020

GUILD MORTGAGE COMPANY  
5898 COPLEY DRIVE  
SAN DIEGO, CA 92111  
Attn: AMBER ELWELL

Re: Mortgage Warehouse Agreement (as modified or amended from time to time prior to the date of this letter, the “Warehouse Agreement”) entered into as of APRIL 13, 2020, executed by GUILD MORTGAGE COMPANY, A CALIFORNIA CORPORATION (the foregoing are each individually and collectively referred to herein as “Seller”), and TEXAS CAPITAL BANK, NATIONAL ASSOCIATION (“Bank”)

Dear Ms. ELWELL:

This letter relates to Seller’s request for an Overline Facility Increase pursuant to the above-referenced Warehouse Agreement and constitutes an Overline Confirmation thereunder. Capitalized terms used in this Overline Confirmation but not otherwise defined herein shall have the meanings given to such terms in the Warehouse Agreement.

Please be advised that in response to Seller’s request, Bank has agreed to the Overline Facility Increase described in this Overline Confirmation subject to the following terms:

- The Overline Facility Increase shall: (a) commence on JULY 1, 2020 (the “Overline Commencement Date”) on which a fully executed copy of this Overline Confirmation is received by the undersigned and all other conditions precedent set forth herein to the effectiveness of the Overline Facility Increase have been satisfied; and (b) shall terminate at 5:00 P.M. (Central Time) on AUGUST 15, 2020 (the “Overline Period”).
- During the Overline Period, the Maximum Participation Amount shall be temporarily increased to an amount equal to [\*\*\*].
- During the Overline Period, the Minimum Pledged Balance shall be temporarily increased to an amount equal to [\*\*\*]. As a condition precedent to the effectiveness of the Overline Facility Increase, Seller shall deposit into the Pledged Account good funds in such amount required in order to maintain therein the Minimum Pledged Balance set forth in the preceding sentence.
- As an additional condition precedent to the effectiveness of the Overline Facility Increase, a fully executed copy of this Overline Confirmation must be returned to the undersigned.

During the Overline Period, the Maximum Participation Amount and Minimum Pledged Balance shall equal the respective amounts set forth in this Overline Confirmation. Upon the termination of the Overline Period, the Maximum Participation Amount and (if applicable) the Minimum Pledged Balance shall automatically be reduced to the respective amounts set forth in the Warehouse Agreement. Please note that nothing contained in this Overline Confirmation amends or modifies the Warehouse Agreement.



This Overline Confirmation, the Warehouse Agreement and the other Warehouse Documents represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

If this Overline Confirmation correctly reflects your agreement as to the matters contained herein, please indicate such agreement by signing the acknowledgment where indicated below. In the event that any signature to this Overline Confirmation is delivered by facsimile transmission or by e-mail delivery of an electronic image of this Overline Confirmation, such signature shall create a valid and binding obligation of the executing party with the same force and effect as if such facsimile or electronic image is an original signature. This Overline Confirmation may be executed in one or more counterparts, all of which together shall be one and the same instrument.

Sincerely,

TEXAS CAPITAL BANK,  
NATIONAL ASSOCIATION

By: /s/ Heather Crawford  
Name: Heather Crawford  
Title: Vice President

**AGREED TO AND APPROVED BY SELLER:**  
**this 25 day of June, 2020**

GUILD MORTGAGE COMPANY, A CALIFORNIA CORPORATION

By: /s/ AMBER ELWELL  
Name: AMBER ELWELL  
Title: CHIEF FINANCIAL OFFICER

\* \* \*

STATE OF \_\_\_\_\_ §  
  §  
COUNTY OF \_\_\_\_\_ §

This document was acknowledged before me on the \_\_ day of \_\_\_\_\_, 20\_\_, by AMBER ELWELL, CHIEF FINANCIAL OFFICER of GUILD MORTGAGE COMPANY, A CALIFORNIA CORPORATION, known to me to be the person who executed this document in the capacity and for the purposes therein stated.

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_

My commission expires:

\_\_\_\_\_

[NOTARY STAMP]

**AGREED TO AND APPROVED BY GUARANTOR:**  
**this 25 day of June, 2020**

GUILD MORTGAGE COMPANY, LLC, A DELAWARE  
LIMITED LIABILITY COMPANY

By: /s/ AMBER ELWELL  
Name: AMBER ELWELL  
Title: CHIEF FINANCIAL OFFICER

\* \* \*

STATE OF \_\_\_\_\_ §  
  §  
COUNTY OF \_\_\_\_\_ §

This document was acknowledged before me on the \_\_ day of \_\_\_\_\_, 20\_\_, by AMBER ELWELL, CHIEF FINANCIAL OFFICER of GUILD MORTGAGE COMPANY, LLC, A DELAWARE LIMITED LIABILITY COMPANY, known to me to be the person who executed this document in the capacity and for the purposes therein stated.

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_

My commission expires:

\_\_\_\_\_

[NOTARY STAMP]

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of San Diego )

On June 25, 2020 before me, Dorothy Giacalone, Notary Public  
*Date Here Insert Name and Title of the Officer*

personally appeared Amber Etwell, Chief Financial Officer of Guild Mortgage Company,  
*Name(s) of Signer(s)*  
a California Corporation

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Dorothy Giacalone  
*Signature of Notary Public*

*Place Notary Seal Above*

**OPTIONAL**

*Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_ Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  Partner —  Limited  General  
 Individual  Attorney in Fact  Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_ Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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State of California )  
County of San Diego )

On June 25, 2020 before me, Dorothy Giacalone, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared Amber Elwell, Chief Financial Officer of Guild Mortgage Company,  
Name(s) of Signer(s)  
LLC, a Delaware Limited Liability Company

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Dorothy Giacalone  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

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**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

FIFTH AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

among

GUILD MORTGAGE COMPANY,  
a California corporation,  
as Borrower,

THE LENDERS FROM TIME TO TIME PARTY HERETO

and

TEXAS CAPITAL BANK, NATIONAL ASSOCIATION,  
as Administrative Agent

and

TEXAS CAPITAL BANK, NATIONAL ASSOCIATION,  
as Sole Lead Arranger and Sole Book Runner

DATED AS OF JUNE 6, 2020

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## FIFTH AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

THIS FIFTH AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT (this “Agreement”) dated as of June 6, 2020, is among GUILD MORTGAGE COMPANY, a California corporation (“Borrower”), the lenders from time to time party hereto (collectively, “Lenders” and individually, a “Lender”), and TEXAS CAPITAL BANK, NATIONAL ASSOCIATION, a national banking association, as Administrative Agent.

### RECITALS

Borrower has requested that Lenders extend credit to Borrower as described in this Agreement. Lenders are willing to make such credit available to Borrower upon and subject to the provisions, terms and conditions hereinafter set forth.

### AGREEMENTS

In consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

#### **Article 1** **DEFINITIONS**

Section 1.1 **Definitions.** As used in this Agreement, all exhibits, appendices and schedules hereto and any note, certificate, report or other Loan Document made or delivered pursuant to this Agreement, the following terms will have the following meanings:

“Acknowledgment Agreement” means an acknowledgment agreement in the form acceptable to Ginnie Mae to be executed by Borrower, Administrative Agent as “Secured Party” and Ginnie Mae in connection with this Agreement in accordance with Agency Guidelines or as a condition to Borrower’s pledging Servicing Rights under any Servicing Agreement with Ginnie Mae to Lenders.

“Administrative Agent” means Texas Capital Bank, National Association in its capacity as administrative agent under the Loan Documents until the appointment of a successor administrative agent pursuant to the terms of this Agreement and, thereafter, shall mean such successor administrative agent.

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by Administrative Agent.

“Affiliate” means, as to any Person, any other Person (a) that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, such Person; (b) that directly or indirectly beneficially owns or holds [\*\*\*] or more of any class of voting stock of such Person; or (c) [\*\*\*] or more of the voting stock of which is directly or indirectly beneficially owned or held by such Person. The term “control” means the possession, directly or indirectly, of the power to direct or cause direction of the management or policies of a Person, whether through the ownership of voting securities, by

contract or otherwise; *provided* that in no event shall any Lender be deemed an Affiliate of Borrower or any of its Subsidiaries or Affiliates.

“Agency” Means Ginnie mae or its successor.

“Agency Guidelines” means the Ginnie Mae Contract.

“Agent Parties” means, collectively, Administrative Agent and any of its Related Parties.

“Agreement” is defined in the introductory paragraph of this Agreement.

“Applicable Margin” means, [\*\*\*].

“Anti-Corruption Laws” means all state or federal Laws, rules, and regulations applicable to any Obligated Party or any of their Affiliates from time to time concerning or relating to bribery or corruption, including the FCPA and the Bank Secrecy Act, and other similar anti-corruption legislation in other jurisdictions.

“Applicable Percentage” means in respect of the Revolving Credit Facility, with respect to any Revolving Credit Lender at any time, the percentage (carried out to the ninth decimal place) of the Revolving Credit Facility represented by such Revolving Credit Lender’s Revolving Credit Commitment at such time; *provided* that if the Revolving Credit Commitments have been terminated pursuant to the terms of this Agreement, then the Applicable Percentage of each Lender with respect to the Revolving Credit Facility shall be determined based upon the Applicable Percentage of such Lender immediately prior to such termination and after giving effect to any subsequent assignments made pursuant to this Agreement.

“Applicable Rate” means the Eurodollar Rate *plus* the Applicable Margin; *provided* that the Applicable Rate shall never be less than [\*\*\*] per annum.

“Appointing Party” means (i) if the Largest Lender and its Affiliates hold more than [\*\*\*] of the aggregate Total Credit Exposure of all Lenders, the Largest Lender, and (ii) otherwise, the Required Lenders.

“Approved Bank” means any bank approved to be a Lender by Administrative Agent and Borrower.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arranger” means Texas Capital Bank in its capacity as sole lead arranger and sole book manager.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 12.9), and accepted by Administrative Agent, in substantially the form of Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K] or any other form approved by the Required Lenders.

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“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing Law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“Bank Product Agreements” means the agreements entered into from time to time between Borrower and a Lender or its Affiliate in connection with any of the Bank Products, including Hedge Agreements.

“Bank Product Obligations” means all obligations, liabilities, contingent reimbursement obligations, fees, and expenses owing by Borrower to any Lender or its Affiliate pursuant to or evidenced by a Bank Product Agreement and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including all such amounts that Borrower is obligated to reimburse to any Lender or its Affiliate as a result of such Lender or its Affiliate purchasing participations or executing indemnities or reimbursement obligations with respect to the Bank Products provided to Borrower pursuant to a Bank Product Agreement. For the avoidance of doubt, the Bank Product Obligations arising under any Hedge Agreement shall be determined by the Hedge Termination Value thereof.

“Bank Product Provider” means any Person that, at the time it enters into a Bank Product Agreement is a Lender or an Affiliate of a Lender, in its capacity as a party to such Bank Product Agreement.

“Bank Products” means any service provided to, facility extended to, or transaction entered into with, Borrower by any Lender or its Affiliate consisting of (a) deposit accounts, (b) cash management services, including treasury, depository, return items, overdraft, controlled disbursement, merchant store value cards, e-payables services, electronic funds transfer, interstate depository network, automatic clearing house transfer (including the Automated Clearing House processing of electronic funds transfers through the direct Federal Reserve Fedline system) and other cash management arrangements maintained with any Lender or its Affiliates, (c) debit cards, stored value cards, and credit cards (including commercial credit cards (including so-called “procurement cards” or “P-cards”)) and debit card and credit card processing services or (d) Hedge Agreements. For the avoidance of doubt, “Bank Products” does not include any mortgage loan warehouse line of credit.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. §1010.230.

“Borrower” means the Person identified as such in the introductory paragraph of this Agreement.

“Borrowing Base” means, for each date of determination, the amount equal to the sum of (a) the amount equal to the least, as of such date (the “Servicing Rights BB Component”), of (i) [\*\*\*] of the aggregate outstanding principal balance of mortgage loans in Borrower’s portfolio of Serviced Ginnie Mae Loans, (ii) [\*\*\*] of the market value of the Pledged Servicing Rights and the Pledged Servicing Receivables, as determined by the most recent Servicing Appraisal, and (iii) the aggregate Revolving Credit Commitments, and (b) the “Servicing Advances Receivables BB Component”, which is the amount equal to [\*\*\*] of the sum of the unpaid balance of Borrower’s outstanding Servicing Advances Receivables as of such date, excluding any such receivables relating to Non-Recoverable Servicing Advances, subject to the Servicing Advances Receivables Sublimit. Notwithstanding anything to the contrary contained herein, the following shall be expressly excluded from the calculation of the Borrowing Base: (x) any HECM Loan, (y) Servicing Rights in respect of HECM Loans, and (z) Servicing Rights in respect of Warehoused Mortgage Loans, during such time, but only for such time, as such Warehoused Mortgage Loans are subject to a Warehousing Facility.

“Borrowing Base Report” means, as of any date of preparation, a certificate in substantially the form of Exhibit B [Omitted pursuant to Item 601(a)(5) of Regulation S-K] or in any other form agreed to by Borrower and Administrative Agent prepared by, and certified by a Responsible Officer of, Borrower.

“Business Day” means for all purposes, a weekday, Monday through Friday, except a legal holiday or a day on which banking institutions in Dallas, Texas are authorized or required by law to be closed. Unless otherwise specified, the term “days” when used herein means calendar days.

“Capitalized Lease Obligation” means, with respect to any Person, the amount of Debt under a lease of Property by such Person that would be shown as a liability on a balance sheet of such Person prepared for financial reporting purposes in accordance with GAAP.

“Cash Equivalent” means, at any time:

(a) any direct obligation of (or unconditionally guaranteed by) the United States or a State thereof (or any agency or political subdivision thereof, to the extent such obligations are supported by the full faith and credit of the United States or a State thereof) maturing not more than one year after such time;

(b) commercial paper or variable or fixed rate notes maturing not more than one year from the date of acquisition thereof, issued by (i) a corporation (other than an Obligated Party or an Affiliate thereof) organized under the laws of any State of the United States or of the District of Columbia and rated A-2 or higher by S&P or P-2 or higher by Moody’s or (ii) any Lender (or its holding company) or Approved Bank;

(c) any certificate of deposit, overnight bank deposits, time deposit, money market deposit account or bankers’ acceptance, maturing not more than one year after its date of acquisition, that is issued, guaranteed or offered by an Approved Bank or by any Lender;

(d) any repurchase agreement having a term of one year or less from the date of acquisition entered into with any Approved Bank that is secured by a security interest in any obligation of the type described in clause (a) of this definition;

(e) investments with average maturities of twelve (12) months or less from the date of acquisition in money market funds rated AAA- (or the equivalent) or better by S&P or Aaa3 (or the equivalent) or better by Moody's; or

(f) investments in money market investment or similar programs that are registered under the Investment Company Act of 1940 or that are administered by financial institutions having capital of at least [\*\*\*], and, in either case, the portfolios of which are limited such that substantially all of such investments are of the character, quality and maturity described in clauses (a) through (e) of this definition.

“Change in Law” means the occurrence after the date of this Agreement of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (i) all requests, rules, guidelines or directives under the Dodd-Frank Wall Street Reform and Consumer Protection Act or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, implemented, adopted or issued.

“Change of Control” means an event or series of events by which a majority interest (meaning, for the avoidance of doubt, [\*\*\*]) in the equity securities of either Borrower or Guild Mortgage Company, LLC shall cease for any reason to be owned of record and beneficially by its majority shareholder on the effective date of this Agreement. Notwithstanding the foregoing, a “Change of Control” shall not be deemed to have occurred as a result of any Transfer of equity securities of Guild Mortgage Company, LLC by an owner of such equity securities on the date of this Agreement (i) that is permitted by Section 8.6 or (ii) to (a) a trust in connection with estate planning or (b) any spouse, lineal descendant, parent, heir, sibling, executor, administrator, testamentary trustee or legatee of such owner or any trust or other Person in which the sole (direct or indirect) beneficiaries or other equity holders thereof are such owner or any of the other Persons referred to herein.

“Closing Date” means the first date when all of the conditions precedent in Section 5.1 are satisfied, or are waived in accordance with Section 12.12.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute, together with the regulations promulgated thereunder.

“Collateral” means all property that secures, either directly or indirectly, the payment and performance of the Obligations, wherever located, in which Borrower now has or at any

time hereafter has or acquires any right, title or interest, but only to the extent of such right, title or interest, and all Proceeds (as defined in the UCC) and products thereof, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto. Subject, in all events, to the terms and conditions of, and rights of the Agency under, the Acknowledgment Agreement, Collateral includes all of the following (in each case, whether now owned or existing or hereafter acquired or arising, and wherever located):

(a) all Accounts, Chattel Paper, Payment Intangibles and General Intangibles (as such terms are defined in the UCC), whether now or hereafter existing (including all of Borrower's present and future rights to have and receive income and other compensation, whether or not yet accrued, earned, due or payable), under or arising out of any or all of the Pledged Servicing Rights; provided that all Servicer's Deposit Accounts are expressly excluded herefrom;

(b) all Pledged Servicing Rights and all Pledged Servicing Receivables (whether classified as Instruments, Accounts, Payment Intangibles or General Intangibles under the Uniform Commercial Code), together with:

(i) all rights to compensation, including, without limitation, all revenues, late charges, cash flows, fees, servicing or other compensation arising under, for or in respect of all Serviced Ginnie Mae Loans, or due or to become due to Borrower in consideration of the performance of the duties and obligations of Borrower with respect to the Serviced Ginnie Mae Loans, or under or in respect of any Ginnie Mae Servicing Agreements, whether arising or becoming due pursuant to a Ginnie Mae Servicing Agreement or pursuant to Agency Guidelines or otherwise, whether or not yet accrued, earned, due or payable;

(ii) all profits, income, surplus, moneys and revenues of any kind accruing under or in respect of (1) the Ginnie Mae Servicing Agreements, (2) the Serviced Ginnie Mae Loans and (3) the Pledged Servicing Rights;

(iii) Borrower's rights, if any, to proceeds of any sale or other disposition of the Pledged Servicing Rights;

(iv) all of Borrower's rights to any payment in respect of the transfer or termination of the Pledged Servicing Rights by the counterparty to the relevant Servicing Agreement or by an Agency pursuant to the relevant Acknowledgment Agreement;

(v) all other present and future rights and interests of Borrower in, to, under or in respect of the Serviced Ginnie Mae Loans;

(vi) all insurance and claims for insurance effected or held for the benefit of Borrower in respect of the Serviced Ginnie Mae Loans;

(vii) all of Borrower's files, surveys, certificates, correspondence, appraisals, accounting entries, journals and reports, other information and data that

describes, catalogs or lists such information or data, or that otherwise directly relates to (1) the Serviced Ginnie Mae Loans and (2) the Pledged Servicing Rights, and other information and data that is used or useful for managing and administering (x) the Serviced Ginnie Mae Loans and (y) the Pledged Servicing Rights;

(viii) all media (computer programs, tapes, discs, cards, drives, flash memory or any other kind of physical or virtual data or information storage media or systems) on which is stored only information or data that relates to the Serviced Ginnie Mae Loans and the Pledged Servicing Rights, and on which no other material information and data that relates to property other than the Servicing Rights is stored;

(ix) the nonexclusive right to use (in common with Borrower and any other secured party that has a valid and enforceable security interest therein and that agrees that its security interest is similarly nonexclusive) Borrower's operating systems to manage and administer the Serviced Ginnie Mae Loans and the Pledged Servicing Rights and any of the related data and information described above, or that otherwise relates to (1) the Serviced Ginnie Mae Loans and (2) the Pledged Servicing Rights, together with the media on which the same are stored to the extent stored with material information or data that relates to property other than the Serviced Ginnie Mae Loans and the Pledged Servicing Rights (tapes, discs, cards, drives, flash memory or any other kind of physical or virtual data or information storage media or systems, and Borrower's rights to access the same, whether exclusive or nonexclusive, to the extent that such access rights may lawfully be transferred or used by Borrower's permittees), and any computer programs that are owned by Borrower (or licensed to Borrower under licenses that may lawfully be transferred or used by Borrower's permittees) and that are used or useful to access, organize, input, read, print or otherwise output and otherwise handle or use such information and data;

(x) all instruments, documents or writings evidencing any monetary obligation, account, payment intangible, general intangible or security interest in any of the Serviced Ginnie Mae Loans and in the Pledged Servicing Rights or the Pledged Servicing Receivables, whether now existing or hereafter arising, accruing or acquired; and

(xi) all security for or claims against others in respect of the Serviced Ginnie Mae Loans, the Pledged Servicing Rights and the Pledged Servicing Receivables;

(c) all rights to have and receive any of the Collateral described above, all accessions or additions to and substitutions for any of such Collateral, together with all renewals and replacements of any of such Collateral, all other rights and interests now owned or hereafter acquired by Borrower in, under or relating to any of such Collateral or referred to above and all proceeds of any of such Collateral; all of Borrower's present and future Accounts, Payment Intangibles and General Intangibles arising from or relating to any of the Pledged Servicing Rights or the Pledged Servicing Receivables or any such other property as may be specifically pledged in writing by Borrower to Administrative Agent and each Lender; all other rights and interests of Borrower in, under or, in the case of Pledged Servicing Rights only, relating to any of such property, all of Borrower's rights and interests (but none of its

obligations) in, to and under all contracts and agreements, whether oral or written, relating thereto; any instruments, documents or writings evidencing any monetary obligation, contract right, account or security interest in any of such property or its proceeds accruing or accrued and all other rights and interests in and to any and all security for or claims against others in respect of any of the property described or referred to herein; all books, records, contract rights, instruments, documents (including all documents of title), chattel paper and proceeds relating to, arising from or by virtue of or collections with respect to, or comprising part of, any of such property, including all insurance and claims for insurance effected or held for the benefit of Borrower, Administrative Agent or each Lender in respect of any of the foregoing, in each case whether now existing or hereafter arising, accruing or accrued; and all other rights and interests in and to any and all security for or claims against others in respect of any of the rights, interests and property described or referred to above; and

(d) all products and proceeds of all of the foregoing.

“Commitment Fee”, for any part of a calendar quarter, means an amount equal to the applicable percentage per annum set forth in the third column below, based upon the Revolving Credit Utilization for that partial calendar quarter, as determined by Administrative Agent, of the aggregate Revolving Credit Commitments for the same time period:

Pricing Level	Revolving Credit Utilization	Commitment Fee
1	***	***
2	***	***

Any increase or decrease in the Commitment Fee resulting from a change in the Revolving Credit Utilization in any part of a calendar quarter shall become effective as of the first Business Day of the next following part of that calendar quarter (or if the change occurs at the end of a calendar quarter, on the first Business Day of the next succeeding quarter). The Commitment Fee from the Closing Date through the end of the calendar quarter in which the Closing Date occurs shall be determined based upon Pricing Level 1.

“Commodity Exchange Act” means the Commodity Exchange Act (7 U.S.C. § 1 *et seq.*), as amended from time to time, and any successor statute.

“Communications” means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of Borrower pursuant to any Loan Document or the transactions contemplated therein that is distributed to Administrative Agent or any Lender by means of electronic communications pursuant to Section 12.13(b), including through the Platform.

“Compliance Certificate” means a certificate, substantially in the form of Exhibit C [Omitted pursuant to Item 601(a) (5) of Regulation S-K], or in any other form agreed to by Borrower and the Administrative Agent and the Required Lenders, prepared by and certified by a Responsible Officer of Borrower.



“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Constituent Documents” means in the case of (a) a corporation, its articles or certificate of incorporation and bylaws; (b) a general partnership, its partnership agreement; (c) a limited partnership, its certificate of limited partnership or certificate of formation, as applicable, and partnership agreement; (d) a trust, its trust agreement; (e) a joint venture, its joint venture agreement; (f) a limited liability company, its articles of organization, operating agreement, regulations and other organizational and governance documents and agreements and (g) any other entity, its organizational and governance documents and agreements.

“Converted Term Loan” is defined in Section 2.1(d)(i).

“Corporate Advance” means a cash advance that is (1) made by Borrower pursuant to its contractual obligation or right under a Servicing Agreement with Ginnie Mae to make such advance to pay customary, reasonable and necessary out-of-pocket costs and expenses incurred to (i) preserve, restore and protect the real estate securing a Serviced Ginnie Mae Loan, (ii) enforce liens, rights and remedies, including judicial or nonjudicial note and mortgage enforcement proceedings and foreclosures, in respect of a Serviced Ginnie Mae Loan or (iii) manage and liquidate properties acquired through a Serviced Ginnie Mae Loan’s foreclosure or similar proceedings, and (2) fully recoverable by Borrower out of sums that are both required and expected to be paid to Borrower in the ordinary course of its servicing of the Serviced Ginnie Mae Loan under such Servicing Agreement, on a first priority of (reimbursement) payment basis (i.e., before any payment from or on account of those sums to or for the account of the holder(s) of the relevant MBS or whole Serviced Loans or to any other Person).

“Credit Extension” means each Revolving Credit Borrowing.

“Debt” means, of any Person as of any date of determination (without duplication): (a) all obligations of such Person for borrowed money; (b) all obligations of such Person evidenced by bonds, notes, debentures, or other similar instruments; (c) all obligations of such Person to pay the deferred purchase price of Property or services except (i) trade accounts payable of such Person arising in the ordinary course of business, (ii) any earn-out obligation until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP at the time incurred and (iii) deferred or equity compensation arrangements payable to directors, officers or employees; (d) all Capitalized Lease Obligations of such Person; (e) all Debt or other obligations of others Guaranteed by such Person; (f) all obligations secured by a Lien existing on Property owned by such Person, whether or not the obligations secured thereby have been assumed by such Person or are nonrecourse to the credit of such Person; (g) any other obligation for borrowed money or other financial accommodations that in accordance with GAAP would be shown as a liability on the balance sheet of such Person; (h) any repurchase obligation or liability of a Person with respect to Accounts, chattel paper or notes receivable sold by such Person; (i) any liability under a sale and leaseback transaction that is not a Capitalized Lease Obligation; (j) any obligation under any so called “synthetic leases”; (k) all payment and reimbursement obligations of such Person (whether contingent or otherwise) in respect of letters of credit, banker’s acceptances, surety or other bonds and similar instruments and (l) all Hedge

Obligations of such Person, valued at the Hedge Termination Value thereof. Debt shall not include advances required to be made by Borrower in its capacity as a servicer of Serviced Loans (including principal, interest, taxes, insurance and other corporate advances) that are due but unpaid by the underlying obligor thereof.

For all purposes, the Debt of any Person shall include the Debt of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Debt is expressly made nonrecourse to such Person.

“Debtor Relief Laws” means Title 11 of the United States Code, as now or hereafter in effect, or any other applicable law, domestic or foreign, as now or hereafter in effect, relating to bankruptcy, insolvency, liquidation, receivership, reorganization, assignment for the benefit of creditors, moratorium, arrangement or composition, extension or adjustment of debts, or similar Laws affecting the rights of creditors.

“Default” means an Event of Default or the occurrence of an event or condition that with notice or lapse of time or both would become an Event of Default.

“Default Interest Rate” means an interest rate equal to (i) the Applicable Rate plus (ii) [\*\*\*] per annum.

“Defaulting Lender” means, subject to Section 12.24(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within [\*\*\*] of the date such Loans were required to be funded hereunder unless such Lender notifies Administrative Agent and Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to Administrative Agent or any other Lender any other amount required to be paid by it hereunder within [\*\*\*] of the date when due, (b) has notified Borrower and Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund a Loan hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within [\*\*\*] after written request by Administrative Agent or Borrower, to confirm in writing to Administrative Agent and Borrower that it will comply with its prospective funding obligations hereunder (*provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by Administrative Agent and Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity, or (iii) has, or has a direct or indirect parent company that has, become the subject of a Bail-In Action; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest

in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 12.24(b)) upon delivery of written notice of such determination to Borrower and each Lender.

“Disposition” means any sale, lease, sublease, transfer, assignment, conveyance, release, loss or other disposition of any interest in Property, or of any interest in a Subsidiary that owns Property, in any transaction or event or series of transactions or events, or entry into any contract to do any of the foregoing, and “Dispose” has the correlative meaning.

“Distribution” means, during the period of determination, any dividends or other distribution of earnings to Borrower’s equity holders, the net increase in the outstanding balance of all obligations or indebtedness due from Borrower’s equity holders, officers and Affiliates to Borrower and the net decrease in the outstanding balance of all Subordinated Debt.

“Dollars” and “\$” mean lawful money of the United States of America.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 12.9(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 12.9(b)(iii)).

“ERISA” means the Employee Retirement Income Security Act of 1974.

“ERISA Affiliate” means any corporation or trade or business that is a member of the same controlled group of corporations (within the meaning of *Section 414(b)* of the Code) as an Obligated Party or is under common control (within the meaning of *Section 414(c)* of the Code and *Sections 414(m) and (o)* of the Code for purposes of the provisions relating to *Section 412* of the Code) with an Obligated Party.

“ERISA Event” means (a) a Reportable Event with respect to a Plan, (b) a withdrawal by any Obligated Party or any ERISA Affiliate from a Plan subject to *Section 4063* of ERISA during a plan year in which it was a substantial employer (as defined in *Section 4001(a)(2)* of ERISA) or a cessation of operations that is treated as such a withdrawal under *Section 4062(e)* of ERISA, (c) a complete or partial withdrawal by any Obligated Party or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization, (d) the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under *Section 4041* or *4041A* of ERISA, or the commencement of proceedings by the PBGC to terminate a Plan or Multiemployer Plan, (e) the occurrence of an event or condition that might reasonably be expected to constitute grounds under *Section 4042* of ERISA for the termination of, or the appointment of a trustee to administer, any Plan or Multiemployer Plan, (f) the imposition of any liability to the PBGC under Title IV of ERISA, other than for PBGC premiums due but not delinquent under *Section 4007* of ERISA, upon any Obligated Party or any ERISA Affiliate, (g) the failure of any Obligated Party or ERISA Affiliate to meet any funding obligations with respect to any Plan or Multiemployer Plan, or (h) a Plan becomes subject to the at-risk requirements in *Section 303* of ERISA and *Section 430* of the Code.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Eurodollar Rate” means, for any Interest Period, the rate (expressed as a percentage per annum and adjusted as described in Section 3.6(b)) for deposits in Dollars for a term comparable to such Interest Period that is published or announced on Bloomberg BTMM (or on any successor or substitute page or service providing quotations of interest rates applicable to Dollar deposits in the London interbank market comparable to those currently provided on such page or service, as determined by Administrative Agent from time to time) as calculated by ICE as of 11:00 a.m., London, England time, on the related Eurodollar Rate Determination Date, and if such rate shall cease to be published or announced on Bloomberg BTMM or such successor or substitute page or service or if Administrative Agent determines (which determination shall be conclusive absent manifest error) that the rate calculated by ICE no longer accurately reflects the rate available to Administrative Agent in the London interbank market and that such circumstance is likely to be temporary, then the Eurodollar Rate shall be determined by Administrative Agent to be the offered rate as announced by a recognized commercial service as representing the average London interbank offered rate for deposits in Dollars for a term comparable to such Interest Period as of 11:00 a.m. on the relevant Eurodollar Rate Determination Date.

“Eurodollar Rate Determination Date” means a day that is two (2) Business Days prior to the beginning of the relevant Interest Period or prior to the applicable date, as applicable.

“Event of Default” is defined in Section 10.1.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the Laws of, or having its principal office or, in the case of any Lender, its applicable lending office

located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Revolving Credit Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in such Loan or Revolving Credit Commitment (other than pursuant to an assignment request by Borrower under Section 3.3(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 3.2, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.2(g), and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Fannie Mae" means the Federal National Mortgage Association and any successor.

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"FATCA" means *Sections 1471 through 1474* of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to *Section 1471(b)(1)* of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

"FCPA" means the Foreign Corrupt Practices Act of 1977, as amended.

"Federal Funds Rate" means, (a) for any day, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve Bank of New York, on the Business Day next succeeding such day, *provided* that (a) if the day for which such rate is to be determined is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if such rate is not so published for any day, the Federal Funds Rate for such day shall be the average rate charged to Administrative Agent on such day on such transactions as determined by Administrative Agent.

"Fees Letter" means the Fees Letter dated as of the Closing Date between the Lenders and the Administrative Agent specifying the fees to be paid each Lender.

"FHA" means the Federal Housing Administration or its successor.

"Foreign Lender" means (a) if Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if Borrower is not a U.S. Person, a Lender that is resident or organized under the Laws of a jurisdiction other than that in which Borrower is resident for tax purposes.

"Freddie Mac" means the Federal Home Loan Mortgage Corporation and any successor.

“Fund” means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

“GAAP” means generally accepted accounting principles, applied on a consistent basis, as set forth in opinions of the Accounting Principles Board of the American Institute of Certified Public Accountants and/or in statements of the Financial Accounting Standards Board and/or their respective successors and that are applicable in the circumstances as of the date in question. Accounting principles are applied on a “consistent basis” when the accounting principles applied in a current period are comparable in all material respects to those accounting principles applied in a preceding period.

“Ginnie Mae” means the Government National Mortgage Association and any successor.

“Ginnie Mae Contract” is has the meaning assigned in Section 4.7.

“Ginnie Mae Liquidity Requirement” has the meaning set forth in Section 9.3.

“Ginnie Mae Net Worth Requirement” has the meaning set forth in Section 9.2.

“Governmental Authority” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank, tribal body or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

“Guarantee” by any Person means any obligation or liability, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person as well as any obligation or liability, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation or liability (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to operate Property, to take-or-pay, or to maintain net worth or working capital or other financial statement conditions or otherwise) or (b) entered into for the purpose of indemnifying or assuring in any other manner the obligee of such Debt or other obligation or liability of the payment thereof or to protect the obligee against loss in respect thereof (in whole or in part); *provided* that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business. The term “Guarantee” used as a verb has a corresponding meaning.

“Guarantors” means all Persons who from time to time pursuant to Section 7.13 Guarantee all or any part of the Obligations under the Loan Documents, and “Guarantor” means any one of the Guarantors.

“Guaranty” means a written guaranty of each Guarantor in favor of Administrative Agent, for the benefit of Lenders, in form and substance satisfactory to Administrative Agent.

“HECM Loan” means, any Mortgage Loan that qualifies or is intended to qualify as a reverse mortgage loan under the FHA’s Home Equity Conversion Mortgage (HECM) program.

“Hedge Agreement” means (a) any and all interest rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, (b) any and all transactions of any kind, and the related confirmations, that are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules and annexes, a “Master Agreement”) and (c) any and all Master Agreements and any and all related confirmations.

“Hedge Obligations” means, at any time with respect to any Person, all indebtedness, liabilities and obligations of such Person under or in connection with any Hedge Agreement, whether actual or contingent, due or to become due and existing or arising from time to time.

“Hedge Termination Value” means, in respect of any one or more Hedge Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedge Agreements, (a) for any date on or after the date such Hedge Agreements have been closed out and settlement amounts, early termination amounts or termination value(s) determined in accordance therewith, such settlement amounts, early termination amounts or termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Hedge Agreements, as determined based upon one or more commercially reasonable mid-market or other readily available quotations provided by any dealer that is a party to such Hedge Agreement or any other recognized dealer in such Hedge Agreements (which may include a Lender or any Affiliate of a Lender).

“ICE” means the Intercontinental Exchange Benchmark Administration or any successor thereto.

“Increase Effective Date” is defined in Section 2.7(d).

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of Borrower under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“Information” is defined in Section 12.27.

“Interest Period” means a period of one (1) month commencing on a Business Day on which commercial banks in the City of London, England are open for business and dealing in offshore dollars and ending on the numerically corresponding day in the calendar month that is one (1) month thereafter (in each case subject to the availability of the Eurodollar Rate for such period); provided, that if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period.

“Interest Rate” means the rate equal to the lesser of (a) the Maximum Rate or (b) the Applicable Rate.

“IRS” means the Internal Revenue Service or any entity succeeding to all or any of its functions.

“Landlord’s Lien Subordination Agreement” means a landlord subordination agreement in form and substance reasonably acceptable to Administrative Agent.

“Largest Lender” means the Lender that from time to time holds the largest portion of the Total Credit Exposure of all Lenders, so long as such Lender is not a Defaulting Lender; provided that unless and until another Lender with a Revolving Credit Commitment of at least [\*\*\*] joins this Agreement, Largest Lender will be deemed to mean Texas Capital Bank, whether or not Texas Capital Bank actually has the largest portion of the Total Credit Exposure of all Lenders.

“Laws” means, collectively, all international, foreign, federal, state, provincial and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administrative thereof by any Governmental Authority charged with the enforcement, interpretation or administrative thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“Lease” means those certain lease agreements between the owners of the real property on which any part of Borrower’s business is operated, as landlord, and Borrower, as tenant, pertaining to the lease of such real property.

“Lender” and “Lenders” have the meanings set forth in the introductory paragraph of this Agreement.

“Lending Office” means, as to any Lender, the office or offices of such Lender described as such in such Lender’s Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify Borrower and Administrative Agent.



“Leverage Ratio” means, in respect of a Person and as of any date of determination, the ratio of (a) Liabilities (excluding Liabilities for Mortgage Loans eligible for purchase out of a Ginnie Mae pool under the Ginnie Mae MBS Guide or otherwise and Liabilities for REO assets that were purchased out of a Ginnie Mae pool under the Ginnie Mae MBS Guide or otherwise) minus Subordinated Debt to (b) Tangible Net Worth plus Subordinated Debt; such ratio to be subject to adjustment by Administrative Agent in accordance with its standard practices.

“Liabilities” means, at any particular time, all amounts that in conformity with GAAP, or other method of accounting acceptable to Administrative Agent, would be included as liabilities on a balance sheet of a Person.

“Lien” means, as to any Property of any Person, (a) any lien, mortgage, security interest, tax lien, pledge, charge, hypothecation, collateral assignment, preference, priority, or other encumbrance of any kind or nature whatsoever (including any conditional sale or title retention agreement), whether arising by contract, operation of law, or otherwise, affecting such Property and (b) the signing or filing of a financing statement that names the Person as debtor or the signing of any security agreement or the signing of any document authorizing a secured party to file any financing statement that names such Person as debtor.

“Liquid Assets” means, in respect of a Person and at any particular time, the sum of all cash held by such Person in unrestricted domestic deposit accounts, Cash Equivalents and other registered, unrestricted equity or debt securities that are publicly traded on a recognized United States exchange and which, in all events, are held in such Person’s name and are free and clear of all Liens.

“Loan” means an extension of credit by a Lender to Borrower) under Article 2 (including the Revolving Credit Loans and the Converted Term Loans).

“Loan Documents” means this Agreement, the Guaranty, the Security Documents, the Notes and all other promissory notes, security agreements, deeds of trust, assignments, letters of credit, guaranties and other instruments, documents, or agreements executed and delivered pursuant to or in connection with this Agreement or the Security Documents; *provided* that the term “Loan Documents” shall not include any Bank Product Agreement.

“Maker” means and includes each maker of a Mortgage Note and each cosigner, guarantor, endorser, surety and assumptor thereof, and each mortgagor or grantor under a Mortgage Loan, whether or not such Person has personal liability for its payment of the Mortgage Loan evidenced or secured thereby, in whole or in part.

“Marginable Assets” means, in respect of a Person and on any day, the sum of the balance sheet values of (i) all such Person’s assets that are subject to financing or other arrangements that allow the counterparty to make margin calls or demand if such assets decline in value, including Mortgage Loans held for sale, Servicing Rights (to the extent actually financed, excluding Servicing Rights to Mortgage Loans that are subject to any Warehousing Facility) and (ii) interest rate lock commitments and other financial derivative instruments (net of derivative liabilities).

“Master Agreement” is defined in the definition of “Hedge Agreement”.

“Material Adverse Event” means an act, event, condition or circumstance that, individually or in the aggregate, has had or could reasonably be expected to have, a material adverse effect on (a) the operations, business, properties, liabilities (actual or contingent), or financial condition of Borrower and its Subsidiaries, taken as a whole; (b) the ability of any Obligated Party to perform its obligations under any Loan Document to which it is a party; or (c) the legality, validity, binding effect or enforceability against any Obligated Party of any Loan Document to which it is a party.

“Maturity Date” means June 6, 2022, or such earlier date on which the Revolving Credit Commitment of each Revolving Credit Lender terminates as provided in this Agreement; *provided* that if such date is not a Business Day, the Maturity Date will be the next succeeding Business Day.

“Maximum Rate” means, at all times, the maximum rate of interest that may be charged, contracted for, taken, received or reserved by Lenders in accordance with applicable Texas law (or applicable United States federal law to the extent that such law permits Lenders to charge, contract for, receive or reserve a greater amount of interest than under Texas law). The Maximum Rate shall be calculated in a manner that takes into account any and all fees, payments and other charges in respect of the Loan Documents that constitute interest under applicable law. Each change in any interest rate provided for herein based upon the Maximum Rate resulting from a change in the Maximum Rate shall take effect without notice to Borrower at the time of such change in the Maximum Rate.

“MBS” means a mortgage pass-through security, collateralized mortgage obligation, REMIC or other security that (a) is based on and backed by an underlying pool of Mortgage Loans and (b) provides for payment by its issuer to its holder of specified principal installments and/or a fixed or floating rate of interest on the unpaid balance and for prepayments to be passed through to the holder, whether issued in certificated or book-entry form and whether or not issued, guaranteed, insured or bonded by Fannie Mae, Freddie Mac, Ginnie Mae, an insurance company, a private issuer or any other Person.

“Mortgage Loan” means a loan evidenced by a Mortgage Note and secured by a Security Instrument.

“Mortgage Note” means a full recourse promissory note secured by a Security Instrument and evidencing a Mortgage Loan.

“Mortgage Warehouse Agreement” means the Mortgage Warehouse Agreement between Texas Capital Bank and Borrower in which Texas Capital Bank agrees from time to time to purchase participation interests in mortgage loans originated by Borrower, as such Mortgage Warehouse Agreement may be amended, restated, modified, supplemented, or replaced from time to time.

“Mortgaged Property” means the Residential Real Property subject to a Security Instrument securing a Mortgage Loan.

“Multiemployer Plan” means a multiemployer plan defined as such in *Section 3(37)* of ERISA to which contributions are being made or have been made by, or for which there is an

obligation to make by or there is any liability, contingent or otherwise, with respect to an Obligated Party or any ERISA Affiliate and that is covered by Title IV of ERISA.

“Net Income” means, for any Person for any period, the net income (or loss) of such Person and its Subsidiaries on a consolidated basis as determined in accordance with GAAP; *provided* that Net Income shall exclude (a) the net income of any Subsidiary of such Person during such period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its Constituent Documents or any agreement, instrument or Law applicable to such Subsidiary during such period, except that such Person’s equity in any net loss of any such Subsidiary for such period shall be included in determining Net Income, and (b) any income (or loss) for such period of any other Person if such other Person is not a Subsidiary, except that Borrower’s equity in the net income of any such Person for such period shall be included in Net Income up to the aggregate amount of cash actually distributed by such Person during such period to Borrower or a Subsidiary as a dividend or other distribution (and in the case of a dividend or other distribution to a Subsidiary, such Subsidiary is not precluded from further distributing such amount to Borrower as described in clause (a) of this proviso).

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all affected Lenders in accordance with the terms of Section 12.12 and (b) has been approved by the Required Lenders.

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“Non-Recoverable Servicing Advance” means an advance or payment made by or on behalf of Borrower with respect to a Serviced Ginnie Mae Loan pursuant to its contractual obligation or right under a Servicing Agreement with Ginnie Mae or pursuant to Agency Guidelines or otherwise, which are not fully recoverable by Borrower from Serviced Ginnie Mae Loan recoveries paid to Borrower on, (a) with respect to advances or payments made for scheduled monthly payments due on such Serviced Ginnie Mae Loans, either a first priority of (reimbursement) payment basis or second in right of payment only to the right of full repayment to Borrower of any outstanding T&I Advances, or, (b) with respect to Corporate Advances or advances or payments made to pay taxes, assessments or maintenance fees or maintain hazard and flood insurance on the real estate securing such Serviced Ginnie Mae Loans, fully recoverable by Borrower from Serviced Ginnie Mae Loan recoveries paid to Borrower on a first priority of (reimbursement) payment basis (i.e., before any payment from or on account of those sums to or for the account of holder(s) of the relevant MBS or Serviced Loans or to or for the account of any other Person), but in all events before any payment from or on account of those Serviced Ginnie Mae Loan recoveries to or for the account of the holder(s) of the relevant MBS or Serviced Loans or to or for the account of any other Person.

“Notes” means, collectively, the Revolving Credit Notes, and “Note” means any one of the Revolving Credit Notes.

“Obligated Party” means Borrower, each Guarantor or any other Person who is or becomes party to any agreement that obligates such Person to pay or perform, or that Guarantees

or secures payment or performance of, the Obligations under the Loan Documents or any part thereof.

“Obligations” means all obligations, indebtedness and liabilities of Borrower, each Guarantor and any other Obligated Party to Administrative Agent, each Lender and any Affiliates of Administrative Agent or any Lender now existing or hereafter arising, whether direct, indirect, related, unrelated, fixed, contingent, liquidated, unliquidated, joint, several, or joint and several, arising under or pursuant to this Agreement, any Bank Product Agreement, the other Loan Documents, and all interest accruing thereon (whether a claim for post-filing or post-petition interest is allowed in any bankruptcy, insolvency, reorganization or similar proceeding) and all attorneys’ fees and other expenses incurred in the enforcement or collection thereof.

“OFAC” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.2(i)).

“Outstanding Amount” means on any date, the aggregate outstanding principal amount of Revolving Credit Loans after giving effect to any borrowings and prepayments or repayments of Revolving Credit Loans, occurring on such date.

“P&I Advance” means a cash monthly payment that is both (1) made by Borrower as Servicer to (or to a trustee for the account of) the holders of Ginnie Mae MBS based on Serviced Ginnie Mae Loans, or of whole Serviced Loans, pooled for MBS guaranteed by Ginnie Mae, in an amount equal to the sum of the scheduled monthly payments (excluding any principal prepayments) due on the Serviced Loans in the preceding month but not received by the close of business on its last day — or, where so provided under the applicable Servicing Agreement, due on or before the first day of the current month but not received by the date that the monthly payment, if received, is required to be remitted to (or to a trustee for the account of) such MBS’s or whole Serviced Loan’s holder — with the interest portion of the payment adjusted to the mortgage loan rate less the relevant servicing fee rate and trustee fee rate (if applicable) for that same pool of Mortgage Loans, and (2) fully recoverable by Borrower from Serviced Ginnie Mae Loans recoveries paid to Borrower on either a first priority of (reimbursement) payment basis or second in right of payment only to the right of full repayment to Borrower of any outstanding T&I Advances in respect of that pool, but in all events before any payment from or on account of

those Serviced Ginnie Mae Loans recoveries to or for the account of the holder(s) of the relevant MBS or whole Serviced Loans or to or for the account of any other Person.

“Participant” means any Person (other than a natural Person, a Defaulting Lender, or Borrower or any of Borrower’s Affiliates or Subsidiaries or any other Obligated Party) to which a participation is sold by any Lender in all or a portion of such Lender’s rights and/or obligations under this Agreement (including all or a portion of its Revolving Credit Commitment and/or the Loans owing to it).

“Participant Register” means a register in the United States on which each Lender that sells a participation enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant’s interest in the Loans or other obligations under the Loan Documents.

“Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56, signed into law October 26, 2001).

“Payment Date” means the first day of each and every calendar month during the term of this Agreement and the Maturity Date, and during the Term-Out Period, if applicable.

“PBGC” means the Pension Benefit Guaranty Corporation or any entity succeeding to all or any of its functions under ERISA.

“Permitted Businesses” means, with respect to Borrower, (i) those businesses in which Borrower was engaged as of the Closing Date and (ii) the Mortgage Loan subservicing business, and (iii) such other businesses, if any, that are reasonably related, ancillary, incidental or complementary to the businesses described in clauses (i) and (ii) of this sentence that shall have been approved in writing by Administrative Agent.

“Permitted Dividends” is defined in the definition of “Restricted Payment”.

“Permitted Liens” means those Liens permitted by Section 8.4.

“Person” means any individual, corporation, limited liability company, business trust, association, company, partnership, joint venture, Governmental Authority or other entity, and shall include such Person’s heirs, administrators, personal representatives, executors, successors and assigns.

“Plan” means any employee benefit or other plan, other than a Multiemployer Plan, established or maintained by, or for which there is an obligation to make contributions by or there is any liability, contingent or otherwise with respect to Borrower or any ERISA Affiliate and that is covered by Title IV of ERISA or subject to *Section 412* of the Code.

“Platform” means Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system.

“Pledged Servicing Receivables” means all of Borrower’s present and future rights, including to have, demand, receive, recover, obtain and retain payments and prepayments of principal, interest or both, and tax, assessment, maintenance fee and insurance escrow payments and service fees and compensation, owing, paid or due to be paid on, under or in respect of the Serviced Ginnie Mae Loans pursuant and subject to Servicing Agreements with Ginnie Mae or in accordance with Agency Guidelines for making advances (including, for the avoidance of doubt, Servicing Advances) or incurring expenses with respect to the Serviced Ginnie Mae Loans, including all of Borrower’s present and future rights to have, demand, receive, recover, obtain and retain payment, reimbursement or indemnity for (or for making) advances (including, for the avoidance of doubt, Servicing Advances) made by Borrower (or its predecessor servicer) under Servicing Agreements with Ginnie Mae or pursuant to Agency Guidelines, in each case from any and all sources, including:

- (i) sums paid or to be paid by or for the accounts of the Makers in respect of such Serviced Ginnie Mae Loans;
- (ii) any other master servicer, servicer or subservicer agreement or arrangement with respect to the Serviced Ginnie Mae Loans, whether or not affiliated or bound by any contract with Borrower;
- (iii) any owner or holder of any Serviced Ginnie Mae Loan or MBS backed by Serviced Ginnie Mae Loans, or any trustee, master servicer, servicer, subservicer or asset manager for any such owner;
- (iv) any investor (whether pursuant to an express or implied advances reimbursement covenant under a contract between such investor and Borrower, or any predecessor servicer, contained in or executed pursuant to any asset management agreement or any mortgage or MBS selling or servicing guide, pursuant to any other agreement between Borrower, or any predecessor servicer, and such investor or by operation of any legal or equitable rule or principle, including subrogation);
- (v) Ginnie Mae, VA, FHA or any other governmental, government-sponsored enterprise or private mortgage insurer or guarantor;
- (vi) any proceeds of foreclosure or other realizations on any security for, or guarantees or insurance of, any Serviced Ginnie Mae Loan in respect of which an advance was made by Borrower (or its predecessor servicer) under or pursuant to relevant Agency Guidelines or any servicing agreement or arrangement;
- (vii) any pool insurance, title insurance or any other insurance on property or property rights comprising or covered by any Serviced Ginnie Mae Loan that is the subject of any unrecovered advance; and
- (viii) funds paid over by Borrower to the trustee for the holder of the related MBSs for such servicer advances as are subsequently determined to not be recoverable from the related Makers.

Administrative Agent's and each Lender's rights in Pledged Servicing Receivables shall in all events be subject to the prior rights of the Agency under, and the terms of conditions of, the Acknowledgment Agreement and shall expressly exclude the Servicer's Deposit Accounts.

"Pledged Servicing Rights" means and includes all of Debtor's rights relating to the Serviced Ginnie Mae Loans, including the rights to service, and to be compensated for servicing, the Serviced Ginnie Mae Loans, and includes all of the rights described or referred to in the definition of "Collateral", together with all Servicing Rights described in any subservicing agreement for the Serviced Ginnie Mae Loans between Debtor or any third party subservicer.

"Principal Office" means the principal office of Administrative Agent, presently located at the address set forth on Schedule 12.12 [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

"Prohibited Transaction" means any transaction set forth in *Section 406* of ERISA or *Section 4975* of the Code.

"Property" of a Person means any and all property, whether real, personal, tangible, intangible or mixed, of such Person, or any other assets owned, operated or leased by such Person.

"Protective Advances" means any advance, payment or expense incurred in order to preserve Administrative Agent's rights and interests in the Collateral, including advances, payments or expenses incurred to preserve Administrative Agent's rights and interests under or with respect to an Acknowledgment Agreement.

"Recipient" means Administrative Agent and any Lender, as applicable.

"Register" means a register for the recordation of the names and addresses of Lenders, and the Revolving Credit Commitments of, and principal amounts of the Loans owing to, each Lender pursuant to the terms hereof from time to time.

"Related Indebtedness" means any and all indebtedness paid or payable by Borrower to Administrative Agent or any Lender pursuant to any Loan Document other than any Note.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Release" means, as to any Person, any release, spill, emission, leaking, pumping, injection, deposit, disposal, disbursement, leaching, or migration of Hazardous Materials into the indoor or outdoor environment or into or out of Property owned by such Person, including the movement of Hazardous Materials through or in the air, soil, surface water or ground water.

"Remedial Action" means all actions required to (a) clean up, remove, treat, or otherwise address Hazardous Materials in the indoor or outdoor environment, (b) prevent the Release or threat of Release or minimize the further Release of Hazardous Materials so that they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor

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environment, or (c) perform pre-remedial studies and investigations and post-remedial monitoring and care.

“Removal Effective Date” is defined in Section 11.6(b).

“REO Assets” means real estate owned assets of a Person.

“Replacement Rate” is defined in Section 3.6(b).

“Reportable Event” means any of the events set forth in *Section 4043* of ERISA.

“Required Lenders” means, at any time, Lenders having Total Credit Exposures representing more than [\*\*\*] of the Total Credit Exposures of all Lenders; *provided* that, if there are only [\*\*\*] or fewer Lenders having Total Credit Exposure hereunder, Required Lenders shall be all Lenders hereunder. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time.

“Residential Real Property” means a single platted lot of land improved with a one-to-four family residence.

“Resignation Effective Date” is defined in Section 11.6(a).

“Resignation Notice Date” is defined in Section 11.6(a).

“Responsible Officer” means the chief executive officer, president, chief financial officer, or treasurer of an Obligated Party or any Person designated by a Responsible Officer to act on behalf of a Responsible Officer; *provided* that such designated Person may not designate any other Person to be a Responsible Officer. Any document delivered hereunder that is signed by a Responsible Officer of an Obligated Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Person and such Responsible Officer shall be conclusively presumed to have acted on behalf of Obligated Party.

“Restricted Payment” means, with respect to Borrower, directly or indirectly, (i) declaring or paying any dividends or Distributions except at any time that no Default or Event of Default has occurred and is continuing or would exist after payment thereof, dividends of up to the greater of (x) [\*\*\*] in the aggregate paid in any calendar year or (y) [\*\*\*] of Borrower’s net income (excluding from net income any fair value adjustments of Borrower’s Servicing Rights, although – for the avoidance of doubt – not including in such fair value adjustments, any adjustments for amortization or payoffs of the Mortgage Loans to which such Servicing Rights relate) for the trailing [\*\*\*] (“Permitted Dividends”), or (ii) making any other payment or distribution (in cash, Property or obligations) on account of its equity interests, or (iii) redeeming, purchasing, retiring, calling or otherwise acquiring any of its equity interests, or (iv) permitting any of its Subsidiaries to purchase or otherwise acquire any equity interest in Borrower or another Subsidiary of Borrower, or (v) setting apart any money for a sinking or other analogous fund for any dividend or other distribution on its equity interests (other than Permitted Dividends) or for any redemption,



purchase, retirement or other acquisition of any of its equity interests, or (vi) incur any obligation (contingent or otherwise) to do any of the foregoing.

“Revolving Credit Availability” means, as of any date of determination, the excess, if any, of (x) an amount equal to the lesser of (i) the Borrowing Base in effect on such date and (ii) the aggregate amount of the Revolving Credit Commitments of the Revolving Credit Lenders on such date over (b) the total Revolving Credit Exposure of the Revolving Credit Lenders on such date.

“Revolving Credit Borrowing” means a borrowing consisting of simultaneous Revolving Credit Loans made by each of the Revolving Credit Lenders pursuant to Section 2.1.

“Revolving Credit Borrowing Request” means a writing, substantially in the form of Exhibit D, [Omitted pursuant to Item 601(a)(5) of Regulation S-K], properly completed and signed by Borrower, requesting a Revolving Credit Borrowing.

“Revolving Credit Commitment” means, as to each Revolving Credit Lender, its obligation to make Revolving Credit Loans to Borrower pursuant to Section 2.1(a), in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender’s name on Schedule 2.1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] under the caption “Revolving Credit Commitment” or opposite such caption in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

“Revolving Credit Exposure” means, as to any Revolving Credit Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Credit Loans (or, following the conversion, if any, of the Revolving Credit Loans to Converted Term Loans, its outstanding Converted Term Loan) and as to all Revolving Credit Lenders, collectively, the aggregate amount of the outstanding Revolving Credit Loans (or, following the conversion, if any, of the Revolving Credit Loans to Converted Term Loans, the outstanding Converted Term Loans) of all the Revolving Credit Lenders, which, if, as and when other lenders are identified and elect to become Revolving Credit Lenders and if Borrower then invokes the provisions of Section 2.7, the Revolving Credit Facility may ultimately increase to an aggregate amount of up to [\*\*\*].

“Revolving Credit Facility” means, at any time, the aggregate amount of the Revolving Credit Lenders’ Revolving Credit Commitments at such time.

“Revolving Credit Lender” means, (a) at any time prior to the termination of the Revolving Credit Commitments, any Lender that has a Revolving Credit Commitment at such time, and (b) at any time after the termination of the Revolving Credit Commitments, any Lender that has Revolving Credit Exposure at such time.

“Revolving Credit Loan” is defined in Section 2.1(a).

“Revolving Credit Note” means a promissory note made by Borrower in favor of a Revolving Credit Lender evidencing Revolving Credit Loans made by such Revolving Credit Lender, substantially in the form of Exhibit E, [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

“Revolving Credit Utilization” means, with respect to any part of a calendar quarter, the daily average outstanding Revolving Credit Borrowings maintained by Borrower, expressed as a percentage of the aggregate amount of the Revolving Credit Commitments outstanding during such part.

“RICO” means the Racketeer Influenced and Corrupt Organization Act of 1970.

“SDN List” is defined in Section 6.18.

“Secured Parties” means the collective reference to Administrative Agent, each Lender, each Bank Product Provider and any other Person the Obligations owing to which are, or are purported to be, secured by the Collateral under the terms of the Security Documents.

“Security Documents” means this Agreement, each Guaranty and each and every other security agreement, pledge agreement, mortgage, deed of trust, control agreement or other collateral security agreement required by or delivered to Administrative Agent from time to time that purport to create a Lien in favor of any of the Secured Parties to secure payment or performance of the Obligations or any portion thereof.

“Security Instrument” means a full recourse mortgage or deed of trust securing a Mortgage Loan and granting a perfected first priority lien on Residential Real Property.

“Serviced Ginnie Mae Loans” means all Mortgage Loans now or hereafter comprising the base or backing for MBSs guaranteed by Ginnie Mae and that are now or hereafter serviced or required to be serviced by Borrower under any Servicing Agreement with Ginnie Mae, irrespective of whether the actual servicing or subservicing is done by another Person (a subservicer) retained by Borrower for that purpose.

“Serviced Loans” means all Mortgage Loans now or hereafter comprising the base or backing for MBSs guaranteed by Ginnie Mae or issued by Fannie Mae or Freddie Mac and that are now or hereinafter serviced or required to be serviced by Borrower under any Servicing Agreement, irrespective of whether the actual servicing or subservicing is done by another Person (a subservicer) retained by Borrower for that purpose.

“Servicer” means a Person (which may, or shall, mean Borrower if the context permits or requires it) retained by the owner (or a trustee for the owner) of Serviced Loans to service them under a Servicing Agreement.

“Servicer Event” means any debt, deposit, financial strength or any other financial, operational or performance rating for Borrower, a Servicer or any sub-servicer is deemed less than satisfactory by Ginnie Mae pursuant to Agency Guidelines or otherwise.

“Servicer’s Deposit Account” means a deposit account maintained with a financial institution (which may be Administrative Agent or any Lender) for deposits of principal and interest payments or taxes and insurance payments made by Makers of Serviced Ginnie Mae Loans, irrespective of how such account is styled or who is the designated owner of such account. Administrative Agent and each Lender disclaim any interest in any Servicer’s Deposit Account.

“Servicing Advance” means a Corporate Advance, a P&I Advance, and/or a T&I Advance (as the context requires) made by Borrower in respect of a Serviced Ginnie Mae Loan.

“Servicing Advances Receivables” means all of Borrower’s present and future rights under the Ginnie Mae Contract, to have, demand, receive, recover, obtain and retain payments and prepayments of principal, interest or both, payments and deposits for taxes, assessments and maintenance fees, and for insurance premiums, and servicing fees and compensation, owing, paid or due to be paid on, under or in respect of Serviced Ginnie Mae Loans, including all of Borrower’s present and future rights to have, demand, receive, recover, obtain and retain payment, reimbursement or indemnity for (or for making) Corporate Advances, P&I Advances, and/or T&I Advances made by Borrower (or its predecessor servicer) under Borrower’s Servicing Agreements with Ginnie Mae or pursuant to Agency Guidelines, in each case from any and all sources, including, without limitation:

(i) sums paid or to be paid by or for the accounts of the Makers in respect of such Serviced Ginnie Mae Loans;

(ii) any other master servicer, servicer or subservicer agreement or arrangement with respect to such Serviced Ginnie Mae Loans, whether or not affiliated or bound by any contract with Borrower;

(iii) any owner or holder of any Serviced Ginnie Mae Loan, or MBS backed by Serviced Ginnie Mae Loans, or any trustee, master servicer, servicer, subservicer or asset manager for any such owner;

(iv) any investor (whether pursuant to an express or implied advances reimbursement covenant under a contract between such investor and Borrower, or any predecessor servicer, contained in or executed pursuant to any asset management agreement or any mortgage or MBS selling or servicing guide, pursuant to any other agreement between Borrower, or any predecessor servicer, and such investor or by operation of any legal or equitable rule or principle, including subrogation);

(v) Ginnie Mae, VA, FHA or any other governmental, government-sponsored enterprise or private mortgage insurer or guarantor;

(vi) any proceeds of foreclosure or other realizations on any security for, or guarantees or insurance of, any Serviced Ginnie Mae Loan in respect of which a Servicing Advance was made by Borrower (or its predecessor servicer);

(vii) any pool insurance, title insurance or any other insurance on property or property rights comprising or covered by any such Serviced Ginnie Mae Loan; and

(viii) funds paid over by Borrower to the trustee for the holder of the related MBSs for such Servicing Advances as are subsequently determined to not be recoverable from the related Makers.

Administrative Agent's and each Lender's rights in Servicing Advances Receivables shall in all events be subject to the terms and conditions of the Acknowledgment Agreement and shall expressly exclude all Servicer's Deposit Accounts.

“Servicing Advances Receivables BB Component” has the meaning set forth in the definition of “Borrowing Base.”

“Servicing Advances Receivables RC Loans” means a Revolving Credit Loan made to fund Borrower's Servicing Advances, and/or to finance Borrower's Servicing Advances Receivables produced by such Servicing Advances.

“Servicing Advances Receivables Sublimit” means [\*\*\*].

“Servicing Advances Report” means the report described in Section 7.1(n).

“Servicing Agreement” means and includes each regulation, contractual agreement and guide pursuant to which Borrower services residential mortgage loans for Ginnie Mae, Fannie Mae, or Freddie Mac.

“Servicing Appraisal” means a written appraisal or evaluation conducted by an outside third party nationally recognized valuation firm used by Borrower that is acceptable to Administrative Agent in its sole discretion, evaluating the fair market value of all of the Pledged Servicing Rights, as applicable, as of a date stated in the written report of such evaluation, each such evaluation and report to be made at Borrower's expense, to be addressed to Administrative Agent and to be in a form reasonably acceptable to Administrative Agent, it being understood that, for purposes of this Agreement, (i) the opinion of value in any such independent appraisal or evaluation shall be expressed as a range of high limit, midpoint and low limit values, (ii) the market value shall be deemed the midpoint value, (iii) each Servicing Appraisal shall take into account customary factors, including current market conditions and the fact that the Pledged Servicing Rights may be terminated by the relevant Servicing Agreement's counterparty, or sold or otherwise disposed of, under circumstances where Borrower is in default under this Agreement, and (iv) each Servicing Appraisal shall not assign any value to Servicing Advances or Servicing Advances Receivables. Borrower acknowledges that each Servicing Appraisal's determination of market value is for the limited purpose of determining an advance rate for purposes of the financing provided in this Agreement.

“Servicing Portfolio” means Borrower's entire portfolio of Serviced Loans, including mortgage loans serviced for Ginnie Mae, Fannie Mae, or Freddie Mac.

“Servicing Portfolio Delinquency Rate” means the fraction, expressed as a percentage, whose numerator is the aggregate unpaid principal balance of all Serviced Loans within the Servicing Portfolio that have payments delinquent for [\*\*\*] or more and (ii) whose denominator is the aggregate unpaid balance of the Servicing Portfolio; *provided* that such calculation shall include and take into account any Serviced Loan for which the underlying Mortgaged Property has been foreclosed upon or for which the foreclosure process has been initiated by Borrower and any Serviced Loan for which the underlying borrower is the debtor under voluntary or involuntary bankruptcy proceedings.

“Servicing Rights” means all of Borrower’s rights and interests under any Servicing Agreement with respect to Serviced Loans, including the rights to (a) service the Serviced Loans that are the subject matter of such Servicing Agreement and (b) be compensated, directly or indirectly, for doing so, and shall include those rights described in clause (b) of the definition of “Collateral”.

“Servicing Rights BB Component” has the meaning set forth in the definition of “Borrowing Base.”

“Servicing Rights Reconciliation” is defined in Section 7.1(d).

“Solvent” means, with respect to any Person, as of any date of determination, that the fair value of the assets of such Person (at fair valuation) is, on the date of determination, greater than the total amount of liabilities (including contingent and unliquidated liabilities) of such Person as of such date, that the present fair saleable value of the assets of such Person will, as of such date, be greater than the amount that will be required to pay the probable liability of such Person on its debts as such debts become absolute and matured, and that, as of such date, such Person will be able to pay all liabilities of such Person as such liabilities mature and such Person does not have unreasonably small capital with which to carry on its business. In computing the amount of contingent or unliquidated liabilities at any time, such liabilities will be computed at the amount that, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability discounted to present value at rates believed to be reasonable by such Person acting in good faith.

“Standby Issuer” is defined in Section 7.14(i).

“Subordinated Debt” means any Debt of Borrower (other than the Obligations) that has been subordinated to the Obligations under the Loan Documents by written agreement, in form and content satisfactory to Administrative Agent and that has been approved in writing by Administrative Agent as constituting Subordinated Debt for purposes of this Agreement.

“Subsidiary” means (a) any corporation of which at least a majority of the outstanding shares of stock having by the terms thereof ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether or not at the time stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by Borrower or one or more of other Subsidiaries or by Borrower and one or more of such Subsidiaries, and (b) any other entity (i) of which at least a majority of the ownership, equity or voting interest is at the time directly or indirectly owned or controlled by one or more of Borrower and other Subsidiaries and (ii) that is treated as a subsidiary in accordance with GAAP.

“T&I Advance” means a cash advance made by Borrower pursuant to its contractual obligation or right under a Servicing Agreement with Ginnie Mae to make such advance to pay taxes, assessments or maintenance fees or maintain hazard and flood insurance on the real estate securing Serviced Ginnie Mae Loans which such cash advance is fully recoverable by Borrower from Serviced Ginnie Mae Loan recoveries paid to Borrower on either a first priority of (reimbursement) payment basis (i.e., before any payment from or on account of those sums to or

for the account of holder(s) of the relevant MBS or whole Serviced Loans or to or for the account of any other Person).

“Tangible Net Worth” means, as of any date of determination, for any Person all amounts that, in conformity with GAAP, or other method of accounting acceptable to Administrative Agent, would be included as owner’s equity on a balance sheet of a Person, but excluding (a) all assets that are properly classified as intangible assets, (b) all loans and advances to any related party of such Person, and (c) all loans and advances to any owner, officer, or employee of such Person. Notwithstanding the foregoing and for the avoidance of doubt, mortgage servicing rights shall not be deemed to be intangible assets.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Installment Amount” is defined in Section 2.1(d).

“Term-Out Period” is defined in Section 2.1(d)(ii).

“Texas Capital Bank” means Texas Capital Bank, National Association, a national banking association, and its successors and assigns.

“Total Credit Exposure” means, as to any Lender at any time, the unused Revolving Credit Commitments and Revolving Credit Exposure of such Lender at such time.

“Transfer” means, with respect to any equity securities of Borrower, a direct or indirect transfer, sale, exchange, assignment, pledge, hypothecation or other encumbrance or other disposition of such equity securities, including the grant of an option or other right, whether directly or indirectly, whether voluntarily, involuntarily or by operation of Law; *provided* that “Transfer” shall not include Borrower’s issuance of promissory notes in exchange for shares of its capital stock.

“UCC” means Chapters 1 through 11 of the Texas Business and Commerce Code.

“Unfunded Pension Liability” means the excess, if any, of (a) the funding target as defined under *Section 430(d)* of the Code without regard to the special at-risk rules of *Section 430(i)* of the Code, over (b) the value of plan assets as defined under *Section 430(g)(3)(A)* of the Code determined as of the last day of each calendar year, without regard to the averaging that may be allowed under *Section 310(g)(3)(B)* of the Code and reduced for any prefunding balance or funding standard carryover balance as defined and provided for in *Section 430(f)* of the Code.

“United States” or “U.S.” means the United States of America, its fifty states and the District of Columbia.

“U.S. Person” means any Person that is a “*United States Person*” as defined in *Section 7701(a)(30)* of the Code.

“U.S. Tax Compliance Certificate” is defined in Section 3.2(g)(ii)(B)(3).

“VA” means the United States Department of Federal Affairs or its successor.

“Warehoused Mortgage Loans” means Mortgage Loans which have been pledged to or purchased by a warehousing party or in which the warehousing party has acquired a participation interest pursuant to a Warehousing Facility, and which remain financed under such Warehousing Facility.

“Warehousing Facility” means any warehouse, purchase, repurchase, participation or other similar financing facility extended by a warehousing party to Borrower to finance the funding or acquisition of Mortgage Loans, on an interim basis, pending the repurchase of such Mortgage Loans by Borrower or the subsequent sale and delivery of such Mortgage Loans, or interests therein, to a third party investor or through a MBS, which facility is secured by such Mortgage Loans, or interests therein, or through purchase of such Mortgage Loans, or interests therein, from Borrower by such warehousing party, but only for such time as such Mortgage Loan remains financed under such Warehousing Facility.

“Withholding Agent” means each of Borrower and Administrative Agent.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

## Section 1.2 **Accounting Matters.**

(a) **Generally.** All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the audited financial statements described in Section 6.2, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Debt of Borrower and its Subsidiaries shall be deemed to be carried at [\*\*\*] of the outstanding principal amount thereof, and the effects of FASB ASC 825 on financial liabilities shall be disregarded.

(b) **Changes in GAAP.** If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth herein, and either Borrower or the Required Lenders shall so request, Administrative Agent, Lenders and Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); *provided* that, until so amended, (A) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (B) Borrower shall provide to Administrative Agent and Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

**Section 1.3 ERISA Matters.** If, after the date of this Agreement, there shall occur, with respect to ERISA, the adoption of any applicable law, rule, or regulation, or any change therein, or any change in the interpretation or administration thereof by the PBGC or any other Governmental Authority, then either Borrower or Required Lenders may request a modification to this Agreement solely to preserve the original intent of this Agreement with respect to the provisions of this Agreement applicable to ERISA, and the parties to this Agreement shall negotiate in good faith to complete such modification.

**Section 1.4 Other Definitional Provisions.** All definitions contained in this Agreement are equally applicable to the singular and plural forms of the terms defined. The words “hereof”, “herein” and “hereunder” and words of similar import referring to this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. Unless otherwise specified, all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear. Capitalized terms used herein that are defined in the UCC, unless otherwise defined herein, shall have the meanings specified in the UCC. Any definition of or reference to any agreement, instrument or other document shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document). Any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time. Words denoting gender shall be construed to include the masculine, feminine and neuter, when such construction is appropriate; and specific enumeration shall not exclude the general but shall be constructed as cumulative; the word “or” is not exclusive; the word “including” (in its various forms) means “including, without limitation”; in the computation of periods of time, the word “from” means “from and including” and the words “to” and “until” mean “to but excluding”; and all references to money refer to the legal currency of the United States of America.

**Section 1.5 Interpretative Provision.** For purposes of Section 10.1, a breach of a financial covenant contained in Article 9 of this Agreement, or in the Guaranty, shall be deemed to have occurred as of any date of determination thereof by Borrower, Guarantor, the Required Lenders or as of the last date of any specified measurement period, regardless of when the financial statements or the Compliance Certificate reflecting such breach are delivered to Administrative Agent.

**Section 1.6 Times of Day.** Unless otherwise specified, all references herein to times of day shall be references to U.S. central time (daylight or standard, as applicable).

**Section 1.7 Other Loan Documents.** The other Loan Documents, including the Security Documents, contain representations, warranties, covenants, defaults and other provisions that are in addition to and not limited by, or a limitation of, similar provisions of this Agreement. Such provisions in such other Loan Documents may be different or more expansive than similar provisions of this Agreement and neither such differences nor such more expansive provisions shall be construed as a conflict.



Section 1.8 **Acknowledgment Agreements.** Notwithstanding anything to the contrary in this Agreement or any of the other Loan Documents, all terms and provisions of this Agreement and the other Loan Documents are and shall be subject to the terms and provisions of each Acknowledgment Agreement executed by and between Borrower, Administrative Agent and Ginnie Mae. To the extent that any conflict necessarily exists or shall be adjudged to exist between the terms and provisions of this Agreement and those of the applicable Acknowledgment Agreement, solely with respect to the relationship and agreements between Borrower and/or Administrative Agent, on the one hand, and Ginnie Mae, on the other hand, the terms and provisions of the Acknowledgment Agreement shall govern and control.

**Article 2**  
**THE COMMITMENTS AND CREDIT EXTENSIONS**

Section 2.1 **The Loan.**

(a) **Revolving Credit Borrowings.** Subject to the terms and conditions of this Agreement, each Revolving Credit Lender severally agrees to make one or more revolving credit loans (each such loan, a “Revolving Credit Loan”) to Borrower from time to time from the Closing Date until the Maturity Date for the Revolving Credit Facility in an aggregate principal amount for such Revolving Credit Lender at any time outstanding up to but not exceeding the amount of such Revolving Credit Lender’s Revolving Credit Commitment; *provided* that the Revolving Credit Exposure of all Revolving Credit Lenders shall not exceed the lesser of (i) the aggregate amount of the Revolving Credit Commitments of the Revolving Credit Lenders and (ii) the Borrowing Base; provided further that the sum of the Servicing Advances Receivables RC Loans outstanding at any time shall not exceed the Servicing Advances Receivables Sublimit. Subject to the foregoing limitations and the other terms and provisions of this Agreement, Borrower may borrow, repay and reborrow Revolving Credit Loans hereunder.

(b) **Borrowing Procedure.** Each Revolving Credit Borrowing (subject to the then aggregate Revolving Credit Commitments) shall be made upon Borrower’s irrevocable notice to Administrative Agent, which may be given by telephone. Each such notice must be received by Administrative Agent not later than 11:00 a.m. on the Business Day before the requested date of any Revolving Credit Borrowing. Each telephonic notice by Borrower pursuant to this Section 2.1(b) must be confirmed promptly by delivery to Administrative Agent of a written Revolving Credit Borrowing Request, appropriately completed and signed by a Responsible Officer of Borrower. Each Revolving Credit Borrowing shall be in a principal amount of [\*\*\*] or a whole multiple of [\*\*\*] in excess thereof; *provided* that such Revolving Credit Borrowing may be in an amount equal to the Revolving Credit Availability. Each Revolving Credit Borrowing Request (whether telephonic or written) shall specify (i) the requested date of the Revolving Credit Borrowing (which shall be a Business Day), and (ii) the principal amount to be borrowed.

(c) **Funding.** Following receipt of a Revolving Credit Borrowing Request, Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage of the Loan and the requested date of the Revolving Credit Borrowing. Each Lender shall make the amount of its Loan available to Administrative Agent in immediately available

funds at Administrative Agent's Principal Office not later than 1:00 p.m. on the Business Day specified in the applicable Revolving Credit Borrowing Request. Upon satisfaction of the applicable conditions set forth in Section 5.2 (and, if such Revolving Credit Borrowing is the initial Credit Extension, Section 5.1), Administrative Agent shall make all funds so received available to Borrower in like funds as received by Administrative Agent either by (i) crediting the account of Borrower on the books of Texas Capital Bank with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) Administrative Agent by Borrower.

**(d) Renewal; Term-Out.**

(i) Not earlier than [\*\*\*], and not later than [\*\*\*], before the then-effective stated Maturity Date, Borrower may elect by notice to Administrative Agent that the Revolving Credit Loans be converted on the Maturity Date to an amortizing closed end term loan (the "Converted Term Loan") due and payable in monthly installments of [\*\*\*] of the principal balance of the Notes on such conversion date, plus interest accrued to and unpaid on the due date of each monthly installment at the applicable interest rate under the Notes (such monthly installment amount, the "Term Installment Amount"), with final payment due [\*\*\*] after such conversion date without notice or demand, both of which Borrower hereby waives. If Borrower timely elects such conversion and no Default or Event of Default shall have occurred and be continuing on the Maturity Date, the Revolving Credit Loans shall be converted automatically on the Maturity Date to the Converted Term Loan. Borrower shall not be entitled to any more Revolving Credit Borrowings after such conversion. If a Default or Event of Default shall have occurred and be continuing on the Maturity Date, such conversion shall not occur and the entire unpaid balance of principal and accrued interest on the Notes shall be due and payable without notice or demand on the Maturity Date.

(ii) If Borrower does not timely elect such conversion, provided that, and only so long as, there is no Default or Event of Default hereunder, Borrower shall have a period of [\*\*\*] (the "Term-Out Period") from the Maturity Date in which to pay off the Loan; *provided* that Borrower shall not be entitled to any more Revolving Credit Borrowings after the Maturity Date and Borrower shall pay monthly installments of principal and interest, each in an amount equal to the Term Installment Amount, on each monthly Payment Date during the Term-Out Period; and *provided further* that at the end of the [\*\*\*] following the Maturity Date, the entire unpaid principal balance and all accrued and unpaid interest on the Notes shall be finally due and payable without notice or demand, both of which Borrower hereby waives. If a Default or Event of Default shall have occurred and be continuing on the Maturity Date, such conversion shall not occur and the entire unpaid balance of principal and accrued interest on the Notes shall be due and payable without notice or demand on the Maturity Date.

(iii) In either of the cases described in clauses (i) and (ii) above, all payments on, and any prepayments of, the Notes shall be applied first to accrued interest, next to the principal installment due on or next after the date of payment and the balance to the remaining principal installments in inverse order of maturity.

Section 2.2 **Fees.**

(a) **Fees.** Borrower agrees to pay to Administrative Agent and Arranger, for the account of Administrative Agent, Arranger and each Lender, as applicable, fees in the amounts and on the dates set forth in the Fee Letter.

(b) **Commitment Fee.** Borrower agrees to pay the Commitment Fee to Administrative Agent for the account of each Revolving Credit Lender in accordance, subject to Section 12.24, with such Revolving Credit Lender's Applicable Percentage. The Commitment Fee shall be due and payable quarterly in arrears on the first day of each April, July, October and January during the term of this Agreement and on the Maturity Date.

Section 2.3 **Payments Generally; Administrative Agent's Clawback.**

(a) **General.** All payments of principal, interest and other amounts to be made by Borrower under this Agreement and the other Loan Documents (other than Protective Advances) shall be made to Administrative Agent for the account of Administrative Agent or the pro rata accounts of the applicable Lenders, as applicable, at the Principal Office, in Dollars and immediately available funds, without setoff, deduction or counterclaim, and free and clear of all taxes at the time and in the manner provided herein. Payments by check or draft shall not constitute payment in immediately available funds until the required amount is actually received by Administrative Agent in full. Payments in immediately available funds received by Administrative Agent in the place designated for payment on a Business Day before 11:00 a.m. at such place of payment shall be credited before the close of business on the Business Day received, while payments received by Administrative Agent on a day other than a Business Day or after 11:00 a.m. on a Business Day will be credited on the next succeeding Business Day. If any payment of principal or interest on the Notes shall become due and payable on a day other than a Business Day, then such payment shall be made on the next succeeding Business Day. Any such extension of time for payment shall be included in computing interest that has accrued, and that interest shall be due and payable in connection with such payment. Administrative Agent is hereby authorized to charge any account or accounts of Borrower maintained with Administrative Agent that is not a Servicer's Deposit Account for each payment of principal, interest and fees as it becomes due hereunder and shall give notice to Borrower of any such charge.

(b) **Funding by Lenders; Presumption by Administrative Agent.** Unless Administrative Agent shall have received notice from a Lender, that such Lender will not make available to Administrative Agent such Lender's share of a Revolving Credit Borrowing, Administrative Agent may assume that such Lender has made such share available on such date in accordance with this Agreement and may, in reliance upon such assumption, make available to Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Revolving Credit Borrowing available to Administrative Agent, then the applicable Lender and Borrower severally agree to pay to Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to Borrower to but excluding the date of payment to Administrative Agent, at (i) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by Administrative Agent in accordance with

banking industry rules on interbank compensation, and (ii) in the case of a payment to be made by Borrower, the interest rate applicable to the applicable Revolving Credit Borrowing. If Borrower and such Lender shall pay such interest to Administrative Agent for the same or an overlapping period, Administrative Agent shall promptly remit to Borrower the amount of such interest paid by Borrower for such period. If such Lender pays its share of the applicable Revolving Credit Borrowing to Administrative Agent, then the amount so paid shall constitute such Lender's Loan. Any payment by Borrower shall be without prejudice to any claim Borrower may have against a Lender that shall have failed to make such payment to Administrative Agent.

(c) **Payments by Borrower; Presumption by Administrative Agent.** Unless Administrative Agent shall have received notice from Borrower before the date when any payment is due to Administrative Agent for the account of the applicable Lenders that Borrower will not make such payment, Administrative Agent may assume that Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the applicable Lenders the amount due. In such event, if Borrower has not in fact made such payment, then each applicable Lender severally agrees to repay to Administrative Agent forthwith on demand the amount so distributed to such Lender, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to Administrative Agent, at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by Administrative Agent in accordance with banking industry rules on interbank compensation.

(d) **Protective Advances.** Lenders reserve the right, but disclaim the obligation, to make Protective Advances to an Agency or any other party as Administrative Agent deems necessary or appropriate, in its sole and absolute discretion, to preserve the Lenders' rights and interests under an Acknowledgment Agreement. Upon Administrative Agent's demand, each Lender shall pay to Administrative Agent forthwith its Applicable Percentage of such Protective Advance, subject to such Lender's Revolving Credit Commitment, and such amounts shall be deemed to be Advances hereunder. In the event that, due to the limitation of each Lender's Revolving Credit Commitment, Administrative Agent or any Protective Advance-funding Lender is not fully reimbursed for the amount of its Protective Advance, the unreimbursed portion of such Protective Advance (the "Outstanding Protective Advance") shall bear interest at the interest rate applicable under the Revolving Note and shall be repaid to Administrative Agent or such funding Lender, as applicable, as a first priority out of subsequent payments or prepayments made hereunder.

Section 2.4 **Evidence of Debt.** The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by Administrative Agent in the ordinary course of business; *provided* that such Loans shall also be evidenced by such Lender's Note, whether or not any notations regarding such Loans are made on such Note. The accounts or records maintained by Administrative Agent, and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made to Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by

any Lender and the accounts and records of Administrative Agent in respect of such matters, the accounts and records of Administrative Agent shall control in the absence of manifest error.

**Section 2.5 Interest; Payment Terms.**

(a) **Revolving Credit Loans — Payment of Principal and Interest; Revolving Nature.** Subject to the following sentence and Section 2.5(f), the unpaid principal amount of each of the Revolving Credit Loans shall bear interest at the applicable Interest Rate. If at any time such rate of interest would exceed the Maximum Rate but for the provisions thereof limiting interest to the Maximum Rate, then any subsequent reduction shall not reduce the rate of interest on the Revolving Credit Loans below the Maximum Rate until (i) the aggregate amount of interest accrued on the Revolving Credit Loans equals the aggregate amount of interest that would have accrued on the Revolving Credit Loans if the interest rate had not been limited by the Maximum Rate or (ii) all principal of and interest accrued to the date of final payment on the Revolving Credit Loans shall have been fully paid and satisfied. All accrued but unpaid interest on the principal balance of the Revolving Credit Loans shall be due and payable on each Payment Date and on the Maturity Date for the Revolving Credit Facility, *provided* that interest accruing at the Default Interest Rate pursuant to Section 2.5(f) shall be payable on demand. Subject to Section 2.1(d), the then Outstanding Amount of the Revolving Credit Loans and all accrued but unpaid interest thereon shall be due and payable on the Maturity Date for the Revolving Credit Facility. The unpaid principal balance of the Revolving Credit Loans at any time shall be the total amount advanced hereunder by Revolving Credit Lenders less the amount of principal payments made thereon by or for Borrower, which balance may be endorsed on the Revolving Credit Notes from time to time by Revolving Credit Lenders or otherwise noted in Revolving Credit Lenders' and/or Administrative Agent's records, which notations shall be, absent manifest error, conclusive evidence of the amounts owing hereunder from time to time.

(b) **Application.** Except as expressly provided herein (specifically including the provisions of Section 10.3) to the contrary, all payments on the Obligations under the Loan Documents shall be applied in the following order of priority: to (i) the payment or reimbursement of any expenses, costs or obligations (other than the Outstanding Amount thereof and interest thereon) for which Borrower shall be obligated or Administrative Agent or any Lender shall be entitled pursuant to the provisions of this Agreement, the Notes or the other Loan Documents, including all Outstanding Protective Advances; (ii) the payment of accrued but unpaid interest and (iii) subject to the last sentence of Section 2.1(d), the payment of all or any portion of the principal balance then outstanding hereunder as directed by Borrower. If an Event of Default exists under this Agreement, the Notes or under any of the other Loan Documents, any such payment shall be applied as provided in Section 10.3.

(c) **Computation Period.** Interest on the Loans and all other amounts payable by Borrower hereunder on a per annum basis shall be computed on the basis of a 365/366-day year and the actual number of days elapsed (including the first day but excluding the last day). In computing the number of days during which interest accrues, the day when funds are initially advanced shall be included regardless of the time of day such advance is made, and the day when funds are repaid shall be included unless repayment is credited before the close of business on the Business Day received. Each determination by Administrative Agent of an

interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(d) **Unconditional Payment.** Borrower is and shall be obligated to pay all principal, interest and any and all other amounts that become payable under any of the Loan Documents absolutely and unconditionally and without any abatement, postponement, diminution or deduction whatsoever and without any reduction for counterclaim or setoff whatsoever. If at any time any payment received by Administrative Agent hereunder shall be deemed by a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance under any Debtor Relief Law, then the obligation to make such payment shall survive any cancellation or satisfaction of the Obligations under the Loan Documents and shall not be discharged or satisfied with any prior payment thereof or cancellation of such Obligations, but shall remain a valid and binding obligation enforceable in accordance with the terms and provisions of this Agreement, and such payment shall be immediately due and payable upon demand.

(e) **Partial or Incomplete Payments.** Remittances in payment of any part of the Obligations under the Loan Documents other than in the required amount in immediately available funds at the place where such Obligations are payable shall not, regardless of any receipt or credit issued therefor, constitute payment until the required amount is actually received by Administrative Agent in full in accordance herewith, and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Administrative Agent of any payment in an amount less than the full amount then due shall be deemed an acceptance on account only, and the failure to pay the entire amount then due shall be and continue to be an Event of Default.

(f) **Default Interest Rate.** For so long as any Event of Default exists, regardless of whether or not there has been an acceleration of the Loans, and at all times after the maturity of the Loans (whether by acceleration or otherwise), and in addition to all other rights and remedies of Administrative Agent or Lenders hereunder, interest shall accrue on any past due amount at the Default Interest Rate, and such accrued interest shall be immediately due and payable. Borrower acknowledges that it would be extremely difficult or impracticable to determine Administrative Agent's or Lenders' actual damages resulting from any late payment or Event of Default, and such accrued interest is a reasonable estimate of those damages and does not constitute a penalty.

#### Section 2.6 **Voluntary Termination or Reduction of Revolving Credit Commitments; Prepayments.**

(a) **Voluntary Termination or Reduction of Revolving Credit Commitments.** Borrower may, upon written notice to Administrative Agent, terminate the Revolving Credit Commitments, or from time to time permanently reduce the Revolving Credit Commitments; *provided* that (i) any such notice shall be received by Administrative Agent not later than 11:00 a.m. [\*\*\*] prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of [\*\*\*] or any whole multiple of [\*\*\*] in excess thereof, and (iii) Borrower shall not terminate or reduce the Revolving Credit Commitments if, after giving

effect thereto and to any concurrent prepayments hereunder, the Revolving Credit Exposure of all Revolving Credit Lenders would exceed the lesser of (x) the aggregate amount of the Revolving Credit Commitments so reduced or terminated, and (y) the Borrowing Base. Administrative Agent will promptly notify Revolving Credit Lenders of any such notice of termination or reduction of the Revolving Credit Commitments. Any reduction of the Revolving Credit Commitments shall be applied to the Revolving Credit Commitment of each Revolving Credit Lender according to its Applicable Percentage. All fees accrued until the effective date of any termination of the Revolving Credit Commitments shall be paid on the effective date of such termination.

(b) **Voluntary Prepayments.** Subject to the conditions set forth below, Borrower shall have the right, at any time and from time to time upon at least [\*\*\*] prior written notice to Administrative Agent, to prepay the principal of the Revolving Credit Loans in full or in part. If there is a prepayment of all or any portion of the principal of the Revolving Credit Loans on or before the Maturity Date for such Loans, whether voluntary or because of acceleration or otherwise, such prepayment shall also include any and all accrued but unpaid interest on the amount of principal being so prepaid through and including the date of prepayment, plus any other sums that have become due to Lenders under the other Loan Documents on or before the date of prepayment, but that have not been fully paid.

(c) **Mandatory Prepayment of Revolving Credit Facility.**

(i) If at any time, whether before or after conversion, if any, of the Revolving Credit Loans to the Converted Term Loan pursuant to Section 2.1(d)(i) or commencement of the Term-Out Period, if any, pursuant to Section 2.1(d)(ii), the Revolving Credit Exposure of the Revolving Credit Lenders exceeds the Borrowing Base then in effect, then Borrower shall immediately prepay the entire amount of such excess to Administrative Agent, for the ratable account of Revolving Credit Lenders.

(ii) If after giving effect to any Disposition permitted by Section 8.10, the Revolving Credit Exposure of the Revolving Credit Lenders will exceed the Borrowing Base then in effect, then concurrently with such Disposition, Borrower shall apply the cash proceeds of such Disposition, and pay such additional cash (if any) as shall be required, to immediately prepay the entire amount of such excess to Administrative Agent, for the ratable accounts of Revolving Credit Lenders. Administrative Agent may require, in its sole discretion, that the purchaser or transferee pay such excess to Administrative Agent directly.

(iii) If at any time the sum of the Servicing Advances Receivables RC Loans outstanding exceeds the Servicing Advances Receivables Sublimit, then Borrower shall immediately prepay the entire amount of such excess to Administrative Agent, for the ratable account of Revolving Credit Lenders.

**Section 2.7 Uncommitted Increase in Revolving Credit Commitments.**

(a) **Request for Increase.** Provided there exists no Default, upon notice to Administrative Agent (which shall promptly notify the Lenders), (i) Borrower may from time to time before the Maturity Date request an increase in the aggregate Revolving Credit

Commitments to an amount not to exceed [\*\*\*]; *provided* that any such request for an increase shall be in a minimum amount of [\*\*\*] or such other amount as Administrative Agent may otherwise agree in writing. At the time of sending such notice, Borrower (in consultation with Administrative Agent) shall specify the time period within which each Revolving Credit Lender is requested to respond (which shall in no event be less than [\*\*\*] from the date of delivery of such notice to the Revolving Credit Lenders).

(b) **Lender Elections to Increase.** Each Revolving Credit Lender shall notify Administrative Agent within such time period whether or not it agrees to increase its Revolving Credit Commitment and, if so, whether by an amount equal to, greater than, or less than its Applicable Percentage of such requested increase. Any Revolving Credit Lender not responding within such time period shall be deemed to have declined to increase its Revolving Credit Commitment.

(c) **Notification by Administrative Agent; Additional Revolving Credit Lenders.** Administrative Agent shall notify Borrower and each Lender of the Revolving Credit Lenders' responses to each request made under this Section 2.7. To achieve the full amount of a requested increase and subject to the approval of Administrative Agent (which approval shall not be unreasonably withheld), Borrower or Lender may also invite additional Eligible Assignees to become Revolving Credit Lenders. If such additional Eligible Assignee commits to become a Revolving Credit Lender, (i) in addition to satisfying the conditions of Section 2.7(e), Borrower shall execute a Revolving Credit Note in favor of such Eligible Assignee in the amount of such Eligible Assignee's Revolving Credit Commitment, and (ii) such Eligible Assignee shall execute this Agreement, an acknowledgment of the terms and conditions hereof, and any such other acknowledgments and agreements as Administrative Agent may require, all in form and substance satisfactory to Administrative Agent and its counsel.

(d) **Increase Effective Date and Allocations.** If the Revolving Credit Commitments are increased in accordance with this Section 2.7, Administrative Agent and Borrower shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase. Administrative Agent shall promptly notify Borrower and the Lenders of the final allocation of such increase and the Increase Effective Date.

(e) **Conditions to Effectiveness of Increase.** As a condition precedent to such increase, (i) Borrower shall execute a Revolving Credit Note in favor of each Revolving Credit Lender which has agreed to increase its Revolving Credit Commitment in the amount of such Lender's Revolving Credit Commitment as affected by such increase, and (ii) Borrower shall deliver to Administrative Agent a certificate of each Obligated Party dated as of the Increase Effective Date (in sufficient copies for each Lender) signed by a Responsible Officer of such Obligated Party (x) certifying and attaching the resolutions adopted by such Obligated Party approving or consenting to such increase, and (y) in the case of Borrower, certifying that, before and after giving effect to such increase, (A) the representations and warranties contained in Article 6 and the other Loan Documents are true and correct on and as of the Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, and except that for purposes of this Section 2.7, the representations and warranties contained in Section 6.2 shall be deemed



to refer to the most recent statements furnished pursuant to Section 7.1(a) and Section 7.1(b), respectively, and (B) no Default or Event of Default exists. Borrower shall prepay any Revolving Credit Loans outstanding on the Increase Effective Date to the extent necessary to keep the outstanding Revolving Credit Loans ratable with any revised Applicable Percentages arising from any nonratable increase in the Revolving Credit Commitments under this Section 2.7.

(f) **Conflicting Provisions.** This Section 2.7 shall supersede and control over any conflicting or inconsistent provisions of Section 12.25 or Section 12.12.

**Article 3**  
**TAXES, YIELD PROTECTION AND INDEMNITY**

**Section 3.1 Increased Costs.**

(a) **Increased Costs Generally.** If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of “Excluded Taxes” and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, converting to, continuing or maintaining any Loan or of maintaining its obligation to make any Loan or to reduce the amount of any sum received or receivable by such Lender or other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or other Recipient, Borrower will pay to such Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) **Capital or Liquidity Requirements.** If any Lender determines that any Change in Law affecting such Lender or any lending office of such Lender or such Lender’s holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender’s capital or on the capital of such Lender’s holding company as a consequence of this Agreement, the Revolving Credit Commitments of such Lender or the Loans made by such Lender, to a level below that which such Lender or such Lender’s holding company could have achieved but for such Change in Law (taking into consideration such Lender’s and its holding company’s policies with respect to capital adequacy and liquidity), then from time to time Borrower will pay to such Lender such additional amount

or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) **Certificates for Reimbursement.** A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in Section 3.1(a) or Section 3.1(b) and delivered to Borrower, shall be conclusive absent manifest error. Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) **Delay in Requests.** Failure or delay on the part of any Lender to demand compensation pursuant to this Section 3.1 shall not constitute a waiver of such Lender's right to demand such compensation; *provided* that Borrower shall not be required to compensate a Lender pursuant to this Section 3.1 for any increased costs incurred or reductions suffered more than [\*\*\*] prior to the date that such Lender notifies Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the [\*\*\*] period referred to above shall be extended to include the period of retroactive effect thereof).

## Section 3.2 Taxes.

(a) **Defined Terms.** For purposes of this Section 3.2, the term "applicable law" includes FATCA.

(b) **Payment Free of Taxes.** Any and all payments by or on account of any obligation of Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 3.2) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) **Payment of Other Taxes by Borrower.** Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(d) **Indemnification by Borrower.** Borrower shall indemnify each Recipient, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.2) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by

the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to Borrower by a Lender (with a copy to Administrative Agent), or by Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) **Indemnification by Lenders.** Each Lender shall severally indemnify Administrative Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that Borrower has not already indemnified Administrative Agent for such Indemnified Taxes and without limiting the obligation of Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.9 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by Administrative Agent to such Lender from any other source against any amount due to Administrative Agent under this Section 3.2(e).

(f) **Evidence of Payments.** As soon as practicable after any payment of Taxes by Borrower to a Governmental Authority pursuant to this Section 3.2, Borrower shall deliver to Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to Administrative Agent.

(g) **Status of Lenders.**

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to Borrower and Administrative Agent, at the time or times reasonably requested by Borrower or Administrative Agent, such properly completed and executed documentation reasonably requested by Borrower or Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by Borrower or Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by Borrower or Administrative Agent as will enable Borrower or Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two (2) sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 3.2(g)(ii)(A), Section 3.2(g)(ii)(B) and Section 3.2(g)(ii)(D)) shall not be required if in such Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that Borrower is a U.S. Person:

(A) any Lender that is a U.S. Person shall deliver to Borrower and Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN (or IRS Form W-8BEN-E, if applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under *Section 881(c)* of the Code, (x) a certificate substantially in the form of Exhibit F-1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] to the effect that such Foreign Lender is not a “bank” within the meaning of *Section 881(c)(3)(A)* of the Code, a “10 percent shareholder” of Borrower within the meaning of *Section 881(c)(3)(B)* of the Code, or a “controlled foreign corporation” described in *Section 881(c)(3)(C)* of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of IRS Form W-8BEN (or IRS Form W-8BEN-E, if applicable); or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN (or IRS Form W-8BEN-E, if applicable), a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-2 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] or Exhibit F-3 [Omitted pursuant to Item 601(a)(5) of Regulation S-K], IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-4 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly

completed, together with such supplementary documentation as may be prescribed by applicable law to permit Borrower or Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in *Section 1471(b)* or *1472(b)* of the Code, as applicable), such Lender shall deliver to Borrower and Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by Borrower or Administrative Agent such documentation prescribed by applicable law (including as prescribed by *Section 1471(b)(3)(C)(i)* of the Code) and such additional documentation reasonably requested by Borrower or Administrative Agent as may be necessary for Borrower and Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 3.2(g)(ii)(D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify Borrower and Administrative Agent in writing of its legal inability to do so.

(h) **Treatment of Certain Refunds.** If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 3.2 (including by the payment of additional amounts pursuant to this Section 3.2), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 3.2 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 3.2(h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 3.2(h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 3.2(h) that would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section 3.2(h) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i) **Survival.** Each party's obligations under this Section 3.2 shall survive the resignation or replacement of Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Revolving Credit Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

Section 3.3 **Mitigation of Obligations; Replacement of Lenders.**

( a ) **Designation of a Different Lending Office.** If any Lender requests compensation under Section 3.1, or requires Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.2, then such Lender shall (at the request of Borrower) use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.1 or Section 3.2, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) **Replacement of Lenders.** If any Lender requests compensation under Section 3.1, or if Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.2 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.3(a), or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then Borrower may, at its sole expense and effort, upon notice to such Lender and Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 12.9), all of its interests, rights (other than its existing rights to payments pursuant to Section 3.1 or Section 3.2) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); *provided* that:

(i) Borrower shall have paid to Administrative Agent the assignment fee (if any) specified in Section 12.9;

(ii) such Lender shall have received payment of an amount equal to the Outstanding Amount of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.2) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 3.1 or payments required to be made pursuant to Section 3.2, such assignment will result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with applicable Laws; and

(v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling Borrower to require such assignment and delegation cease to apply.

Section 3.4 **Survival.** All of Borrower's obligations under this Article 3 shall survive termination of the Revolving Credit Commitments, repayment of all other Obligations hereunder and resignation of Administrative Agent.

Section 3.5 **Illegality.** If any Lender determines that any law or regulation has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its Lending Office to make, maintain or fund Loans whose interest is determined by reference to the Eurodollar Rate, or to determine or charge interest rates based upon the Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to Borrower through Administrative Agent, (i) any obligation of such Lender to make or continue Revolving Credit Loans shall be suspended until such Lender notifies Administrative Agent and Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, Borrower shall, upon demand from such Lender (with a copy to Administrative Agent), prepay all Revolving Credit Loans of such Lender either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Revolving Credit Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Revolving Credit Loans. Upon any such prepayment, Borrower shall also pay accrued interest on the amount so prepaid.

Section 3.6 **Inability to Determine Rates.**

(a) Subject to clause (b) below, if (i) Administrative Agent or the Required Lenders determine that for any reason that (A) Dollar deposits are not being offered to banks in the London interbank eurodollar market for the Interest Period, (B) adequate and reasonable means do not exist for determining the Eurodollar Rate for the Interest Period, (C) the Eurodollar Rate for the Interest Period does not adequately and fairly reflect the cost to such Lenders of funding such Eurodollar Rate Portion, (D) ICE has ceased to calculate the Eurodollar Rate, or (E) the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Portion or in connection with an existing or proposed Base Rate Portion does not accurately reflect the rate available to the Lenders in the London interbank market, or (ii) (without duplication of Section 3.1) by reason of any Change in Law any Lender would become subject to restrictions on the amount of a category of liabilities or assets which it may hold and notifies Administrative Agent of same, Administrative Agent will promptly so notify Borrower and each Lender. Thereafter, in the event of a determination described in the preceding sentence, the utilization of the Eurodollar Rate shall be suspended, in each case until Administrative Agent (upon the instruction of the Required Lenders) revokes such notice or a Replacement Rate and replacement benchmark spread has been established pursuant to Section 3.6(b).

(b) If at any time Administrative Agent determines (which determination shall be conclusive absent manifest error) that (i) any of the circumstances set forth in clause (a)(i) or clause (a)(ii) have arisen and such circumstances are unlikely to be temporary or (ii) any of the circumstances set forth in clause (a)(i) or clause (a)(ii) have not arisen but (x) ICE or the

Alternative Reference Rates Committee convened by the Board of Governors has announced a commercial loan index as an alternative to the Eurodollar Rate and commercial banks in the United States are using such alternative loan index for new commercial loans, (y) the Eurodollar Rate is no longer being widely used by commercial banks as a loan index in the United States for new commercial loans similar to the Facility, or (z) a Governmental Authority having jurisdiction over Administrative Agent has made a public statement identifying a specific date after which the Eurodollar Rate shall no longer be used for determining interest rates for new commercial loans originated in the United States, then Administrative Agent may, to the extent practicable (in consultation with Borrower and as determined by Administrative Agent to be generally in accordance with similar situations in other transactions in which it is serving as administrative agent or otherwise consistent with market practice), establish a replacement interest rate (the "Replacement Rate" provided that, if the Replacement Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement) and a replacement benchmark spread, and Borrower and Administrative Agent shall enter into an amendment to this Agreement to reflect such Replacement Rate and replacement benchmark spread or such other related changes to this Agreement as may be applicable. Notwithstanding anything to the contrary in Section 12.12, such amendment shall become effective without any further action or consent of any other party to this Agreement so long as Administrative Agent shall not have received, within five (5) Business Days of the date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such amendment.

**Section 3.7 Compensation for Losses.** Upon demand of any Lender (with a copy to Administrative Agent) from time to time, Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

- (a) any continuation, payment or prepayment of any Revolving Credit Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise); or
- (b) any failure by Borrower (for a reason other than the failure of such Lender to lend a Revolving Credit Loan) to prepay, borrow, or continue any Revolving Credit Loan on the date or in the amount notified by Borrower; or
- (c) any assignment of a Revolving Credit Loan on a day other than the last day of the Interest Period therefor as a result of a request by Borrower pursuant to Section 3.3(b);

including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by Borrower to the Lenders under this Section 3.7, each Lender shall be deemed to have funded each Revolving Credit Loan made by it at the Eurodollar Rate for such Loan by a matching deposit or other borrowing in the London



interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Revolving Credit Loan was in fact so funded.

#### **Article 4 SECURITY**

**Section 4.1 Collateral.** To secure full and complete payment and performance of the Obligations, Borrower (i) hereby pledges, assigns and grants to Administrative Agent, for its benefit and that of the Lenders, a continuing first priority security interest, subject to the limitations set forth in any Acknowledgment Agreement in favor of the relevant Agency relating to any part of the Collateral, in all of Borrower's right, title and interest in and to all of the Collateral, and (ii) shall, and shall cause the other Obligated Parties to, execute and deliver or cause to be executed and delivered all of the Security Documents required by Administrative Agent covering the Collateral. Borrower shall execute and cause to be executed such further documents and instruments, including UCC financing statements, as Administrative Agent, in its sole discretion, deems necessary or desirable to create, evidence, preserve and perfect its liens and security interests in the Collateral and maintain the priority thereof as required by the Loan Documents.

**Section 4.2 Setoff.** If an Event of Default exists, Administrative Agent and each Lender shall have the right to set off against the Obligations under the Loan Documents, at any time and without notice to Borrower, any and all deposits (general or special, time or demand, provisional or final) or other sums at any time credited by or owing from Administrative Agent or such Lender to Borrower whether or not the Obligations under the Loan Documents are then due; *provided* that in the event that any Defaulting Lender shall exercise any such right of setoff, (a) all amounts so set off shall be paid over immediately to Administrative Agent for further application in accordance with the provisions of Section 12.24 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of Administrative Agent and Lenders, and (b) such Defaulting Lender shall provide promptly to Administrative Agent a statement describing in reasonable detail the Obligations under the Loan Documents owing to such Defaulting Lender as to which it exercised such right of setoff. Each amount set off shall be paid to Administrative Agent for application to the Obligations under the Loan Documents in the order set forth in Section 10.3. Administrative Agent and Lenders each agrees to use commercially reasonable efforts to promptly notify Borrower of each exercise by such party of such right of setoff, but shall incur no liability for any failure to do so. As further security for the Obligations, Borrower hereby grants to Administrative Agent and each Lender a security interest in all money, instruments and other Property of Borrower now or hereafter held by Administrative Agent or such Lender, including Property held in safekeeping, but excluding in all cases, each Servicer's Deposit Accounts. In addition to Administrative Agent's and each Lender's right of setoff and as further security for the Obligations, Borrower hereby grants to Administrative Agent and each Lender a security interest in all deposits (general or special, time or demand, provisional or final) and other accounts of Borrower now or hereafter on deposit with or held by Administrative Agent or such Lender and all other sums at any time credited by or owing from Administrative Agent or such Lender to Borrower, excluding in all cases, each Servicer's Deposit Accounts. The rights and remedies of Administrative Agent and each Lender hereunder are in addition to other rights and remedies (including other rights of setoff) that Administrative Agent or such Lender may have.

Section 4.3 **Authorization to File Financing Statements.** Subject to any limitations set forth in any Acknowledgment Agreement in favor of an Agency relating to any part of the Collateral, Borrower and each other Obligated Party that has granted a security interest in connection herewith authorizes Administrative Agent to complete and file, from time to time, financing statements naming Borrower or such other Obligated Party, as applicable, as debtor.

Section 4.4 **Subordination of Landlord Liens.** If, at any time during the term of the Loan, Borrower performs in-house the servicing of any Serviced Ginnie Mae Loan (as opposed to such servicing being outsourced and performed by a subservicer) on or from leased premises, Borrower shall give Administrative Agent Notice of the location of such leased premises and the landlord's contact information and, upon Administrative Agent's request, shall exercise commercially reasonable efforts to cause the landlord under each Lease of premises where Borrower administers or maintains its servicing records to execute and deliver to Administrative Agent a Landlord's Lien Subordination Agreement to allow Administrative Agent, subject to the terms of the Acknowledgment Agreement, access to, and the use and right to possession of, such servicing records following the occurrence of any Event of Default.

Section 4.5 **Market Value; Servicing Advances Receivables BB Component; Acknowledgment Agreements.** Serviced Ginnie Mae Loans will be deemed to have a market value of zero for purposes of determining the Borrowing Base until the date on which an Acknowledgment Agreement has been executed and delivered by Borrower, Administrative Agent and Ginnie Mae; *provided* that Administrative Agent may waive such requirement in its sole and absolute discretion. The Servicing Advances Receivables BB Component shall be deemed zero, and Borrower's outstanding Servicing Advances Receivables shall be excluded from any calculation of the Borrowing Base, until such time Administrative Agent receives written notification from Ginnie Mae of its approval of the inclusion of the Servicing Advances Receivables BB Component in calculating the Borrowing Base (of which Administrative Agent will reasonably promptly notify Borrower and Lenders).

Section 4.6 **Periodic Valuations of Servicing Rights.** The value of all Pledged Servicing Rights to Administrative Agent shall be periodically determined as provided in Section 7.1(m), and the Borrowing Base shall be adjusted to reflect each such determination and updating of the value of such Collateral; *provided* that, notwithstanding any other provision hereof to the contrary, Administrative Agent shall have the right, exercisable from time to time (daily or less often) in its sole discretion on any day after the occurrence and during the continuance of any Event of Default to mark the Pledged Servicing Rights to market, whereupon, for purposes of determining the value of the Collateral for that day (and for each day thereafter until it shall thereafter be evaluated or re-evaluated by such an approved appraiser or broker or again marked to market by Administrative Agent) such Pledged Servicing Rights shall be equal to [\*\*\*] of its market value on that day (which the parties acknowledge may be nominal). Borrower acknowledges that a determination by Administrative Agent of market value pursuant to this Agreement is for the limited purpose of determining value of the Collateral for lending purposes under this Agreement without the ability to perform customary purchaser's due diligence and is not necessarily equivalent to a determination of the fair market value of Collateral achieved by obtaining competing bids in an orderly market in which the servicer is not in default, insolvent or the subject of a case in bankruptcy and the bidders have adequate opportunity to perform customary diligence.

Section 4.7 **Ginnie Mae Restrictions.** Notwithstanding anything to the contrary contained herein or in any of the other Loan Documents, the pledge of the Borrower's right, title and interest in mortgage servicing rights under Servicing Agreements with Ginnie Mae shall only secure the Borrower's indebtedness and obligations to Administrative Agent and each Lender incurred for the purposes of funding the purchase of additional mortgage servicing portfolios. The Administrative Agent and the Lenders each acknowledges and agrees that (x) Borrower is entitled to servicing income with respect to a given mortgage pool only so long as Borrower is an issuer in good standing pursuant to Ginnie Mae rules, regulations, guides and similar announcements; (y) upon Borrower's loss of such good-standing issuer status, Administrative Agent's rights to any servicing income related to a given mortgage pool also terminate; and (z) the pledge of Borrower's rights to servicing income related to a given mortgage pool conveys no rights (such as a right to become a substitute servicer or issuer) except to the extent of such rights specifically provided for in the rules, regulations, guides or similar announcements by Ginnie Mae, provided that this clause (z) shall automatically be deemed amended or modified if and to the extent Ginnie Mae amends the corresponding requirement, whether in its rules, regulations, guides, Servicing Agreements or published announcements. Without limiting the generality of the foregoing, the security interest created by this Agreement is subject to the following provision, which provision shall also be included in each financing statement filed in respect hereof:

Notwithstanding anything to the contrary contained herein:

(1) The property subject to the security interest reflected in this instrument includes all of the right, title and interest of the Debtor in certain mortgages and/or participation interests related to such mortgages ("Pooled Mortgages") and pooled under the mortgage-backed securities program of the Government National Mortgage Association ("Ginnie Mae"), pursuant to section 306(g) of the National Housing Act, 12 U.S.C. § 1721(g);

(2) To the extent that the security interest reflected in this instrument relates in any way to the Pooled Mortgages, such security interest is subject and subordinate to all rights, powers and prerogatives of Ginnie Mae, whether now existing or hereafter arising, under and in connection with: (i) 12 U.S.C. § 1721(g) and any implementing regulations; (ii) the terms and conditions of the Acknowledgment Agreement by and among Ginnie Mae, Guild Mortgage Company (the "Debtor"), and Administrative Agent; (iii) applicable Guaranty Agreements and contractual agreements between Ginnie Mae and the Debtor and (iv) the Ginnie Mae Mortgage-Backed Securities Guide, Handbook 5500.3 Rev. 1, and other applicable guides (items (i), (iii), and (iv), collectively, the "Ginnie Mae Contract");

(3) Such rights, powers and prerogatives of Ginnie Mae include, but are not limited to, Ginnie Mae's right, by issuing a letter of extinguishment to Debtor, to effect and complete the extinguishment of all redemption, equitable, legal or other right, title or interest of the Debtor in the Pooled Mortgages, in which event the security interest as it relates in any way to the Pooled Mortgages shall instantly and automatically be extinguished as well; and

(4) For purposes of clarification, "subject and subordinate" in clause (2) above means, among other things, that any cash held by the Secured Party as collateral and any cash proceeds received by the Secured Party in respect of any sale or other disposition of, collection

from, or other realization upon, all or any part of the collateral may only be applied by the Secured Party to the extent that such proceeds have been received by, or for the account of, the Debtor free and clear of all Ginnie Mae rights and other restrictions on transfer under applicable Ginnie Mae guidelines; provided that this clause (4) shall not be interpreted as establishing rights in favor of Ginnie Mae except to the extent that such rights are reflected in, or arise under, the Ginnie Mae Contract.

Section 4.8 **Limited Pledge of Warehoused Mortgage Loans.** Notwithstanding anything to the contrary herein, the security interest pledged and granted by Borrower to Administrative Agent under this Agreement does not attach to and expressly excludes any and all Warehoused Mortgage Loans, all ancillary rights, including servicing rights relating to such Warehoused Mortgage Loans, all accounts and rights to proceeds relating to such Warehoused Mortgage Loans, all Hedge Agreements relating to such Warehoused Mortgage Loans, and all purchase agreements related to such Warehoused Mortgage Loans, that are subject to a Warehousing Facility with a warehousing party, during such time, but only for such time, as such Warehoused Mortgage Loans are subject to the Warehousing Facility with such warehousing party.

## **Article 5 CONDITIONS PRECEDENT**

Section 5.1 **Initial Extension of Credit.** The obligation of Lenders to make the initial Credit Extension hereunder is subject to the condition precedent that Administrative Agent shall have received all of the following, each dated (unless otherwise indicated or otherwise specified by Administrative Agent) the Closing Date, in form and substance satisfactory to the Required Lenders:

(a) **This Agreement.** Executed counterparts of this Agreement, sufficient in number for distribution to Administrative Agent, each Lender at that time subscribing, and Borrower.

(b) **Resolutions.** Resolutions of the Board of Directors (or other governing body) of Borrower and each other Obligated Party certified by the Secretary or an Assistant Secretary (or a Responsible Officer or other custodian of records) of such Person that authorize the execution, delivery and performance by such Person of this Agreement and the other Loan Documents to which such Person is or is to be a party.

(c) **Incumbency Certificate.** A certificate of incumbency certified by a Responsible Officer of each Obligated Party certifying the names of the individuals or other Persons authorized to sign this Agreement and each of the other Loan Documents to which Borrower and each other Obligated Party is or is to be a party (including the certificates contemplated herein) on behalf of such Person together with specimen signatures of such individual Persons.

(d) **Certificate Regarding Consents and Approvals.** A certificate of a Responsible Officer of each Obligated Party either (I) attaching copies of all consents, licenses and approvals required in connection with the execution, delivery and performance by such Obligated Party and the validity against such Obligated Party of the Loan Documents to which it

is a party, and stating that such consents, licenses and approvals are in full force and effect, or (II) stating that no such consents, licenses or approvals are so required.

(e) **Closing Certificate.** A certificate signed by a Responsible Officer of Borrower certifying that the conditions specified in Section 5.2(b), Section 5.2(c) and Section 5.2(d) have been satisfied.

(f) **Constituent Documents.** The Constituent Documents and all amendments thereto for Borrower and each other Obligated Party that is not a natural person, with the formation documents included in the Constituent Documents being certified as of a date acceptable to Administrative Agent by the appropriate government officials of the state of incorporation or organization of Borrower and each other Obligated Party, and all such Constituent Documents being accompanied by certificates that such copies are complete and correct, given by an authorized representative of the Borrower or the relevant Authorized Party, as the case may be, acceptable to Administrative Agent.

(g) **Governmental Certificates.** Certificates of the appropriate government officials of the state of incorporation or organization of Borrower and each other Obligated Party as to the existence and good standing of Borrower and each other Obligated Party, each dated within thirty (30) days prior to the date of the initial Credit Extension.

(h) **Notes.** The Notes executed by Borrower in favor of each Lender requesting Notes.

(i) **Security Documents.** The Security Documents executed by Borrower and the other Obligated Parties.

(j) **Guaranty.** Guaranties of Guild Mortgage Company, LLC, a Delaware limited liability company, and each of Borrower's existing Subsidiaries, if any.

(k) **Financing Statements.** UCC financing statements reflecting Administrative Agent, as secured party, and Borrower and the other Obligated Parties, as debtors, that are required to grant a Lien to secure the Obligations, and covering such Collateral as Administrative Agent may request.

(l) **Opinions of Counsel.** An opinion of Borrower's legal counsel in form and content satisfactory to Administrative Agent to the effect that (a) each of the Loan Documents has been duly authorized and executed by the Borrower and is the legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms, (b) Borrower is duly formed and in good standing and has all requisite authority to enter into and perform its obligations under the Loan Documents, (c) execution of the Loan Documents will not violate any of Borrower's material agreements with others or any applicable Law, (d) upon the filing of a UCC financing statement with the appropriate office of the Borrower's State of organization, Lender will have a perfected security interest in the Collateral and (e) such other matters incident to the transactions contemplated by the Loan Documents as Administrative Agent may reasonably request.

( m ) **Insurance Matters.** Copies of insurance certificates describing all insurance policies required by Section 7.5, together with loss payable and lender endorsements in favor of Administrative Agent with respect to all insurance policies covering Collateral or as required under the Mortgage Warehousing Agreement.

( n ) **Lien Searches.** (a) Results of UCC and other search reports from one or more commercial search firms acceptable to Administrative Agent, listing all of the effective financing statements and other Liens filed against Borrower in the jurisdiction in which Borrower is incorporated, and (b) evidence reasonably satisfactory to Administrative Agent that the Liens against any of the Collateral indicated by the financing statements (or similar documents) disclosed by the reports described above have been released or will be released or amended to release the Collateral on the Closing Date, including (x) copies of proper UCC termination and/or amendment statements, if any, necessary to release and/or amend such Liens and other rights of any Person and (y) such other termination and/or amendment statements as Administrative Agent may reasonably request from Borrower.

( o ) **Attorneys' Fees and Expenses.** Evidence that the costs and expenses (including reasonable attorneys' fees) referred to in Section 12.1, to the extent invoiced, have been paid in full by Borrower.

( p ) **Closing Fees.** Evidence that any other fees due on or before the Closing Date have been paid.

( q ) **Payoff.** Evidence that any Indebtedness in existence on the Closing Date that is secured by any of the Collateral has been repaid and any Liens securing same have been released.

( r ) **KYC Information; Beneficial Ownership Information.** Borrower and each of the other Obligated Parties shall have provided to Administrative Agent and the Lenders (i) the documentation and other information requested by Administrative Agent as it deems necessary in order to comply with requirements of any Anti-Corruption Laws and Anti-Terrorism Laws, including, without limitation, the Patriot Act and any applicable "know your customer" rules and regulations and (ii) from Borrower, within three (3) Business Days prior to the Closing Date, to the extent Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to Borrower.

For purposes of determining compliance with the conditions set forth in this Section 5.1, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or be satisfied with, each document or other matter required thereunder to be consented to or approved by or be acceptable or satisfactory to a Lender unless Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

**Section 5.2 All Extensions of Credit.** The obligation of Lenders to make any Credit Extension hereunder (including the initial Credit Extension) is subject to the following additional conditions precedent:

(a) **Request for Credit Extension.** Administrative Agent shall have received in accordance with this Agreement a Revolving Credit Borrowing Request pursuant to Administrative Agent's requirements and executed by a Responsible Officer of Borrower.

(b) **No Default.** No Default shall have occurred and be continuing, or would result from or exist after giving effect to such Credit Extension.

(c) **No Material Adverse Event.** No Material Adverse Event shall have occurred and no circumstance shall exist that could reasonably be expected to result in a Material Adverse Event.

(d) **Representations and Warranties.** All of the representations and warranties contained in Article 6 and in the other Loan Documents shall be true and correct on and as of the date of such Revolving Credit Borrowing with the same force and effect as if such representations and warranties had been made on and as of such date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of this Section 5.2, the representations and warranties contained in Section 6.2 shall be deemed to refer to the most recent statements furnished pursuant to Section 7.1(a) and Section 7.1(b), respectively.

(e) **Additional Documentation.** Administrative Agent and the Largest Lender shall have received such additional approvals, opinions or documents as Administrative Agent, the Largest Lender or their respective legal counsel may reasonably request.

(f) **Availability under Revolving Credit Facility.** With respect to any request for a Credit Extension under the Revolving Credit Commitments, after giving effect to the Credit Extension so requested, the total Revolving Credit Exposure of the Revolving Credit Lenders shall not exceed the lesser of (i) the Borrowing Base in effect as of the date of such Credit Extension and (ii) the aggregate Revolving Credit Commitments of the Revolving Credit Lenders in effect as of the date of such Credit Extension.

Each Credit Extension hereunder shall be deemed to be a representation and warranty by Borrower that all of the conditions specified in this Section 5.2 have been satisfied on and as of the date of the applicable Credit Extension.

## **Article 6 REPRESENTATIONS AND WARRANTIES**

To induce Administrative Agent and Lenders to enter into this Agreement and to make Credit Extensions hereunder, Borrower represents and warrants to Administrative Agent and Lenders that:

Section 6.1 **Entity Existence.** Each of Borrower and its Subsidiaries (a) is duly incorporated or organized, as the case may be, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority to own its assets and carry on its business as now being or as proposed to be conducted and (c) is qualified to do business in all jurisdictions in which the nature of its business makes such qualification necessary and where failure to so qualify could reasonably be expected to result in a

Material Adverse Event. Each of Borrower and the other Obligated Parties has the power and authority to execute, deliver and perform its obligations under this Agreement and the other Loan Documents to which it is or may become a party.

**Section 6.2 Financial Statements; Etc.** Borrower has delivered to Administrative Agent audited financial statements of Borrower and its Subsidiaries as of and for the fiscal years ended 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, and 2019. Such financial statements are true and correct, have been prepared in accordance with GAAP, and fairly and accurately present, on a consolidated basis, the financial condition of Borrower and its Subsidiaries as of the respective dates indicated therein and the results of operations for the respective periods indicated therein. Neither Borrower nor any of its Subsidiaries has any material contingent liabilities, liabilities for taxes, unusual forward or long-term commitments or any unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected in such financial statements. No Material Adverse Event has occurred since the effective date of the financial statements referred to in this Section 6.2. All projections delivered by Borrower to Administrative Agent and Lenders have been prepared in good faith, with care and diligence and using assumptions that are reasonable under the circumstances at the time such projections were prepared and delivered to Administrative Agent and Lenders and all such assumptions are disclosed in the projections. Other than the Debt listed on Schedule 8.1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and any other Debt permitted by Section 8.1, Borrower and each Subsidiary have no Debt.

**Section 6.3 Action; No Breach.** The execution, delivery and performance by each of Borrower and each other Obligated Party of this Agreement and the other Loan Documents to which such Person is or may become a party and compliance with the terms and provisions hereof and thereof have been duly authorized by all requisite action on the part of such Person and do not and will not (a) violate or conflict with, or result in a breach of, or require any consent under (i) the Constituent Documents of such Person, (ii) any applicable law, rule, or regulation or any order, writ, injunction, or decree of any Governmental Authority or arbitrator, or (iii) any agreement or instrument to which such Person is a party or by which it or any of its Properties is bound or subject, except in the case of clauses (ii) and (iii), that could reasonably be expected to result in a Material Adverse Event, or (b) constitute a default under any such agreement or instrument that could reasonably be expected to result in a Material Adverse Event, or result in the creation or imposition of any Lien upon any of the revenues or assets of such Person.

**Section 6.4 Operation of Business.** Each of Borrower and its Subsidiaries possesses all licenses, permits, consents, authorizations, franchises, patents, copyrights, trademarks and trade names, or rights thereto, necessary to conduct its respective businesses substantially as now conducted and as presently proposed to be conducted, and neither Borrower nor any of its Subsidiaries is in violation of any valid rights of others with respect to any of the foregoing that could reasonably be expected to result in a Material Adverse Event.

**Section 6.5 Litigation and Judgments.** Except as specifically disclosed in Schedule 6.5 [Omitted pursuant to Item 601(a)(5) of Regulation S-K], as of the date hereof there is no action, suit, investigation, or proceeding before or by any Governmental Authority or arbitrator pending, or to the knowledge of Borrower, threatened against or affecting Borrower, any of its Subsidiaries or any other Obligated Party that could, if adversely determined, reasonably be expected to result in a Material Adverse Event. To



Borrower's knowledge, there are no outstanding judgments against Borrower, any of its Subsidiaries or any other Obligated Party.

**Section 6.6 Rights in Properties; Liens.** Each of Borrower and its Subsidiaries has good and indefeasible title to or valid leasehold interests in its respective Properties, including the Properties reflected in the financial statements described in Section 6.2, and none of the Properties of Borrower or any of its Subsidiaries is subject to any Lien, except Permitted Liens and the rights, powers and prerogatives of the Agencies, as applicable. Borrower is the legal and equitable owner and holder of the Collateral, free and clear of all Liens except the rights, powers and prerogatives of Ginnie Mae, has full power and authority to grant to Administrative Agent the security interest in the Collateral pursuant hereto, and the Collateral is validly pledged or assigned to Administrative Agent, subject to no other Liens except the rights, powers and prerogatives of Ginnie Mae. When financing statements shall have been filed in the appropriate offices against Borrower with respect to any Collateral, Administrative Agent will have a fully perfected first priority security interest in that portion of the Collateral in which a security interest may be perfected by filing a UCC financing statement, subject only to the rights, powers and prerogatives of Ginnie Mae.

**Section 6.7 Enforceability.** This Agreement constitutes, and the other Loan Documents to which Borrower or any other Obligated Party is a party, when delivered, shall constitute legal, valid and binding obligations of such Person, enforceable against such Person in accordance with their respective terms, except as limited by Debtor Relief Laws.

**Section 6.8 Approvals.** No authorization, approval, or consent of, and no filing or registration with, any Governmental Authority or third party is or will be necessary for the execution, delivery or performance by Borrower or any other Obligated Party of this Agreement and the other Loan Documents to which such Person is or may become a party or the validity or enforceability thereof.

**Section 6.9 Taxes.** The Obligated Parties have (a) filed all tax returns (federal, state and local) required to be filed (including all income, franchise, employment, property and sales tax returns) and (b) paid all of their respective liabilities for taxes, assessments, governmental charges and other levies that are due and payable except for (i) taxes, assessments, governmental charges and other levies that are being contested in good faith by appropriate proceedings diligently conducted and for which reserves have been provided to the extent required by GAAP, and (ii) taxes, tax returns, assessments, governmental charges and levies assessed by local authorities and by states (other than the state of an Obligated Party's domicile) that (x) are not overdue by more than [\*\*\*] and (y) could not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Event. Borrower knows of no outstanding assessment or pending investigation of an Obligated Party by any taxing authority. Neither Borrower nor any of its Subsidiaries is party to any tax sharing agreement.

**Section 6.10 Use of Proceeds; Margin Securities.** The proceeds of the Revolving Credit Borrowings shall be used by Borrower for funding the purchase of additional servicing portfolios. Neither Borrower nor any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations T, U, or X of the Board of Governors of the

Federal Reserve System), and no part of the proceeds of any Loan will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying margin stock.

Section 6.11 **ERISA.** Each Plan that is intended to qualify under *Section 401(a)* of the Code has received a favorable determination letter from the IRS or an application for such a letter is currently being processed by the IRS with respect thereto and, to the knowledge of Borrower, nothing has occurred that would prevent, or cause the loss of, such qualification. No application for a funding waiver or an extension of any amortization period pursuant to *Section 412* of the Code has been made with respect to any Plan. There are no pending or, to the knowledge of Borrower, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan. There has been no Prohibited Transaction or violation of the fiduciary responsibility rules with respect to any Plan. No ERISA Event has occurred or is reasonably expected to occur. No Plan has any Unfunded Pension Liability. No Obligated Party or ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Title IV of ERISA with respect to any Plan (other than premiums due and not delinquent under *Section 4007* of ERISA). No Obligated Party or ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred that, with the giving of notice under *Section 4219* of ERISA, would result in such liability) under *Section 4201* or *4243* of ERISA with respect to a Multiemployer Plan. No Obligated Party or ERISA Affiliate has engaged in a transaction that could be subject to *Section 4069* or *4212(c)* of ERISA.

Section 6.12 **Disclosure.** No statement, information, report, representation or warranty made by Borrower or any other Obligated Party in this Agreement or in any other Loan Document or furnished to Administrative Agent or any Lender in connection with this Agreement or any of the transactions contemplated hereby contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements herein or therein not misleading. There is no fact known to Borrower which is a Material Adverse Event, or which might in the future be a Material Adverse Event that has not been disclosed in writing to Administrative Agent and each Lender.

Section 6.13 **Subsidiaries.** As of the date of this Agreement, Borrower has no Subsidiaries other than those listed on Schedule 6.13 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] (and, if subsequent to the Closing Date, such additional Subsidiaries as have been formed and are in compliance with Section 7.13), and Schedule 6.13 sets forth the jurisdiction of incorporation or organization of each such Subsidiary and the percentage of Borrower's ownership interest in such Subsidiary. All of the outstanding capital stock or other equity interests of each Subsidiary described on Schedule 6.13 or that has been so formed subsequent to the Closing Date has been validly issued, is fully paid and is nonassessable. Other than as set forth on Schedule 6.13, there are no outstanding subscriptions, options, warrants, calls, rights or other agreements or commitments of any nature relating to any equity interests of Borrower or any Subsidiary.

Section 6.14 **Agreements.** Neither Borrower nor any of its Subsidiaries is a party to any indenture, loan, or credit agreement, or to any lease or other agreement or instrument, or subject to any charter or corporate or other organizational restriction, in each case which could result in a Material Adverse Event. Neither Borrower nor any of its Subsidiaries is in default in any respect in the performance, observance or fulfillment of any of the obligations, covenants or conditions

contained in any agreement or instrument material to its business to which it is a party that could reasonably be expected to result in a Material Adverse Event.

Section 6.15 **Compliance with Laws.** Neither Borrower nor any of its Subsidiaries is in violation in any material respect of any law, rule, regulation, order or decree of any Governmental Authority or arbitrator material to Borrower or its operations.

Section 6.16 **Accounts.** Each Account represents the valid and legally binding indebtedness of a bona fide account debtor arising from the sale or lease by Borrower of goods or the rendition by Borrower of services and is not subject to contra accounts, setoffs, defenses or counterclaims by or available to account debtors obligated on the Accounts except as disclosed by Borrower to Administrative Agent from time to time in writing. The amount shown as to each Account on Borrower's books is the true and undisputed amount owing and unpaid thereon, subject only to discounts, allowances, rebates, credits and adjustments to which the account debtor has a right.

Section 6.17 **Regulated Entities.** Neither Borrower nor any of its Subsidiaries is (a) an "*investment company*" or a company "controlled" by an "*investment company*" within the meaning of the Investment Company Act of 1940 or (b) subject to regulation under any other federal or state statute, rule or regulation limiting its ability to incur Debt, pledge its assets or perform its obligations under the Loan Documents.

Section 6.18 **Foreign Assets Control Regulations and Anti-Money Laundering.** Each Obligated Party and each Subsidiary of each Obligated Party is and will remain in compliance in all material respects with all United States economic sanctions Laws, Executive Orders and implementing regulations as promulgated by OFAC, and all applicable anti-money laundering and counter-terrorism financing provisions of the Bank Secrecy Act and all regulations issued pursuant to it. No Obligated Party and no Subsidiary or Affiliate of any Obligated Party (a) is a Person designated by the United States government on the list of the Specially Designated Nationals and Blocked Persons (the "SDN List") with which a United States Person cannot deal with or otherwise engage in business transactions, (b) is a Person who is otherwise the target of United States economic sanction Laws such that a United States Person cannot deal or otherwise engage in business transactions with such Person, or (c) is controlled by (including by virtue of such person being a director or owning voting shares or interests), or acts, directly or indirectly, for or on behalf of, any person or entity on the SDN List or a foreign government that is the target of United States economic sanctions prohibitions such that the entry into, or performance under, this Agreement or any other Loan Document would be prohibited under United States law.

Section 6.19 **Patriot Act.** The Obligated Parties, each of their Subsidiaries and each of their Affiliates are in compliance with (a) the Trading with the Enemy Act, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B Chapter V, as amended), and all other enabling legislation or executive order relating thereto, (b) the Patriot Act and (c) all other federal or state Laws relating to "know your customer" and anti-money laundering rules and regulations (collectively, "Anti-Terrorism Laws"). No part of the proceeds of any Loan will be used directly or indirectly for any payments to any government official or employee, political party, official of a political party, candidate for political office or

anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977.

Section 6.20 **Insurance.** The properties of Borrower and its Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of Borrower, in such amounts (after giving effect to any self-insurance compatible with the following standards), with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where Borrower or the applicable Subsidiary operates.

Section 6.21 **Solvency.** Borrower and each Obligated Party are, on a consolidated basis, Solvent and have not entered into any transaction with the intent to hinder, delay or defraud a creditor.

Section 6.22 **Security Documents.** The provisions of the Security Documents are effective to create in favor of Administrative Agent for the benefit of the Secured Parties a legal, valid and enforceable Lien (subject to each relevant Acknowledgment Agreement) on all right, title and interest of the respective Obligated Parties party thereto in the Collateral. Except for filings completed prior to the Closing Date and as contemplated hereby and by the Security Documents, no filing or other action will be necessary to perfect such Liens in Collateral.

Section 6.23 **Businesses.** Borrower is engaged in only the Permitted Businesses.

Section 6.24 **Licensing.** Borrower and the Servicers (if any) of its Mortgage Loans are duly registered as mortgage lenders and servicers in each state in which Mortgage Loans have been or are from time to time originated, to the extent such registration is required by any applicable Laws, except where the failure to register could not reasonably be expected to result in a Material Adverse Event.

Section 6.25 **Material Agreements.** Schedule 6.25 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] sets forth a complete and correct list of all agreements in effect or to be in effect on the Closing Date and on the date of each update of such listing required hereunder, to the extent that a default, breach, termination or other impairment thereof could reasonably be expected to cause a Material Adverse Effect.

Section 6.26 **Not an EEA Financial Institution.** Neither Borrower, nor any Guarantor, nor any other Person affiliated therewith is an EEA Financial Institution.

## **Article 7 AFFIRMATIVE COVENANTS**

Borrower covenants and agrees that, as long as the Obligations or any part thereof are outstanding or any Lender has any Revolving Credit Commitment hereunder:

Section 7.1 **Reporting Requirements.** Borrower will furnish to Administrative Agent (with copies for each Lender):

( a ) **Borrower Annual Financial Statements.** As soon as available, and in any event within ninety (90) days after the last day of each fiscal year of Borrower, beginning

with the fiscal year ending December 31, 2019, a copy of the annual audit report of Borrower and its Subsidiaries for such fiscal year containing, on a consolidated basis, balance sheets and statements of income, retained earnings and cash flow as of the end of such fiscal year and for the twelve (12) month period then ended, in each case setting forth in comparative form the figures for the preceding fiscal year, all in reasonable detail and audited and certified by independent certified public accountants of recognized standing acceptable to Administrative Agent, to the effect that such report has been prepared in accordance with GAAP and containing no material qualifications or limitations on scope.

(b) **Borrower Quarterly Financial Statements.** As soon as available, and in any event within thirty (30) days after the last day of each fiscal quarter of each fiscal year of Borrower, a copy of an unaudited financial report of Borrower and its Subsidiaries as of the end of such fiscal quarter and for the portion of the fiscal year then ended, containing, on a consolidated and consolidating basis, balance sheets and statements of income, retained earnings and cash flow, in each case setting forth in comparative form the figures for the corresponding period of the preceding fiscal year, all in reasonable detail certified by a Responsible Officer of Borrower to have been prepared in accordance with GAAP and to fairly and accurately present (subject to year-end audit adjustments) the financial condition and results of operations of Borrower and its Subsidiaries, on a consolidated and consolidating basis, as of the dates and for the periods indicated therein.

(c) **Borrowing Base Report.** (i) Within five (5) days after the 15<sup>th</sup> day of each calendar month, and (ii) within fifteen (15) days after the last day of each calendar month, a Borrowing Base Report, together with a current listing of all Serviced Ginnie Mae Loans and the current Servicing Advances Report and the current Servicing Appraisal.

(d) **Compliance Certificate.** As soon as available, and in any event within thirty (30) days after the last day of each calendar quarter, and concurrently with the delivery of each of the financial statements referred to in Section 7.1(a) and Section 7.1(b), (1) a Compliance Certificate (i) stating that to the best of the knowledge of the Responsible Officer executing same, no Default has occurred and is continuing, or if a Default has occurred and is continuing, a statement as to the nature thereof and the action that is proposed to be taken with respect thereto, (ii) showing in reasonable detail the calculations demonstrating compliance with the covenants set forth in Article 9 and (iii) containing such other certifications set forth therein, (2) a report describing in reasonable detail the (i) occurrence of any disposition of property or assets for which Borrower is required to make a mandatory prepayment pursuant to Section 2.6(c)(ii), (ii) the amount of the corresponding mandatory prepayment required to be made pursuant to Section 2.6(c), and (3) a report that sets forth a reconciliation (a “Servicing Rights Reconciliation”) detailing the change in the value of the Mortgage Loan servicing rights reported on Borrower’s balance sheet or other financial statements for such calendar quarter and the value of the Mortgage Loan servicing rights reported on Borrower’s balance sheet as of the date of determination.

(e) **Projections.** As soon as available, but in any event at least fifteen (15) days before the end of each fiscal year of Borrower, forecasts prepared by management of Borrower, in form satisfactory to Administrative Agent, of consolidated balance sheets of

income or operations and cash flows of Borrower and its Subsidiaries on a monthly basis for the immediately following fiscal year.

(f) **Management Letters.** Promptly upon receipt thereof, a copy of any management letter or written report submitted to Borrower or any of its Subsidiaries by independent certified public accountants with respect to the business, condition (financial or otherwise), operations, prospects or Properties of Borrower or any of its Subsidiaries.

(g) **Notice of Litigation.** Promptly after the commencement thereof, notice of all actions, suits and proceedings before any court or other Governmental Authority or arbitrator affecting Borrower or any of its Subsidiaries that, if determined adversely to Borrower or such Subsidiary, could reasonably be expected to result in a Material Adverse Event.

(h) **Notice of Default.** As soon as possible and in any event within [\*\*\*] after an Obligated Party obtains knowledge of the occurrence of any Default, a written notice setting forth the details of such Default and the action that Borrower has taken and proposes to take with respect thereto.

(i) **ERISA Reports.** Promptly after the filing or receipt thereof, copies of all reports, including annual reports, and notices that any Borrower or ERISA Affiliate files with or receives from the PBGC, the IRS, or the U.S. Department of Labor under ERISA; as soon as possible and in any event within five days after Borrower or any ERISA Affiliate knows or has reason to know that any ERISA Event or Prohibited Transaction has occurred with respect to any Plan, a certificate of the chief financial officer of Borrower setting forth the details as to such ERISA Event or Prohibited Transaction and the action that Borrower proposes to take with respect thereto; annually, copies of the notice described in *Section 101(f)* of ERISA that Borrower or ERISA Affiliate receives with respect to a Plan or Multiemployer Plan.

(j) **Reports to Other Creditors.** Promptly after the furnishing thereof, copies of any statement or report furnished to any other Person pursuant to the terms of any indenture, loan or credit or similar agreement with or for the benefit of such Person and not otherwise required to be furnished to Administrative Agent pursuant to any other clause of this Section 7.1.

(k) **Notice of Material Adverse Event.** As soon as possible and in any event within five (5) days after an Obligated Party could reasonably be expected to have knowledge of the occurrence thereof, written notice of any event or circumstance that could reasonably be expected to result in a Material Adverse Event.

(l) **Notice of Termination of Servicing Agreement.** As soon as possible and in any event within [\*\*\*] after the occurrence thereof, written notice of (i) the transfer, expiration without renewal, termination or other loss of all or any part of any Servicing Agreement or the right of Borrower to service Serviced Loans thereunder (or the termination or replacement of Borrower thereunder), the reason for such transfer, loss, termination or replacement, if known to Borrower, and the effects that such transfer, loss, termination or replacement will have (or will likely have) on the prospects for full and timely collection of all amounts owing to Borrower under or in respect of that Servicing Agreement, and (ii) any breach

of any of the covenants contained in Article 7, Article 8 and Article 9 and of the occurrence of any Event of Default hereunder, or the filing of any claim, action, suit or proceeding before any Governmental Authority against Borrower in which an adverse decision could reasonably be expected to have a Material Adverse Effect upon Borrower, and will advise Administrative Agent from time to time of the status thereof.

(m) **Servicing Appraisals; Servicing Rights Reconciliations.** (i) Concurrently with the delivery of each Borrowing Base Report, the most recent (x) Servicing Appraisal, and (y) Servicing Rights Reconciliation, and (ii) within fifteen (15) days after the last day of each calendar month, (x) a Servicing Appraisal as of the end of such month, and (y) a Servicing Rights Reconciliation as of the end of the preceding calendar month.

(n) **Servicing Advances Report.** (i) Within five (5) days after the 15<sup>th</sup> day of each calendar month, and (ii) within five (5) days after the last day of each calendar month, a report which, in a form satisfactory to Administrative Agent, (1) sets forth the unpaid balance of Borrower's outstanding Servicing Advances Receivables as of the last day of such semi-monthly reporting period; (2) states the inception date of each corresponding Servicing Advance in respect of the foregoing clause (1); (3) sets forth the aggregate unpaid balances of Borrower's outstanding Servicing Advances Receivables which are attributable to (x) Corporate Advances, (y) P&I Advances, or (z) T&I Advances, certified as true and accurate by a Responsible Officer; and (4) identifies any receivables identified as Servicing Advances Receivables in the last prior report which relate to Non-Recoverable Servicing Advances.

(o) **Guarantor Annual Financial Statements.** To the extent not included in the financial statements delivered by Borrower pursuant to Section 7.1(a), within ninety (90) days after the last day of each fiscal year, beginning with fiscal year ending December 31, 2019, Borrower shall cause each Guarantor to provide a copy of the annual audit report of Guarantor, containing, on a consolidated basis, balance sheets and statements of income, retained earnings and cash flow as of the end of such fiscal year and for the twelve (12) month period then ended, in each case setting forth in comparative form the figures for the preceding fiscal year, all in reasonable detail and audited and certified by independent certified public accountants of recognized standing acceptable to Administrative Agent, to the effect that such report has been prepared in accordance with GAAP and containing no material qualifications or limitations on scope.

( p ) **Guarantor Quarterly Financial Statements.** To the extent not included in the financial statements delivered by Borrower pursuant to Section 7.1(b), within thirty (30) days after the last day of each fiscal quarter of each fiscal year of Guarantor, Borrower shall cause each Guarantor to provide a copy of an unaudited financial report of Guarantor and its Subsidiaries as of the end of such fiscal quarter and for the portion of the fiscal year then ended, containing, on a consolidated and consolidating basis, balance sheets and statements of income, retained earnings and cash flow, in each case setting forth in comparative form the figures for the corresponding period of the preceding fiscal year, all in reasonable detail certified by a Responsible Officer of Guarantor to have been prepared in accordance with GAAP and to fairly and accurately present (subject to year-end audit adjustments) the financial condition and results of operations of Guarantor and its Subsidiaries, as of the dates and for the periods indicated therein.

(q) **Notice of Change in Servicing Provider.** As soon as possible and in any event no later than sixty (60) days in advance thereof, written notice of any change in the Person performing the servicing or subservicing of any Serviced Ginnie Mae Loan, including any change by which Borrower will perform such servicing (as opposed to a subservicer), with such Person Borrower proposes to perform such servicing to be subject to approval in accordance with the Ginnie Mae Contract and also acceptable to Administrative Agent, in its sole discretion.

(r) **General Information.** Promptly, such other information concerning Borrower, any of its Subsidiaries, or any other Obligated Party, as Administrative Agent, or any Lender through Administrative Agent, may from time to time request.

All representations and warranties set forth in the loan documents with respect to any financial information concerning Borrower or any Guarantor shall apply to all financial information delivered to any Lender by Borrower, such Guarantor or any person purporting to be a responsible officer of Borrower or such Guarantor or other representative of Borrower or such Guarantor, regardless of the method of such transmission to Lender or whether or not signed by Borrower, such Guarantor or such responsible officer or other representative, as applicable. Provided, that with respect to financial information furnished that is identified as a projection or forecast, such information will be prepared in good faith based on current assumptions, but neither Borrower nor any Guarantor shall be deemed to have represented or warranted that such projections or forecast will in fact materialize or be achieved.

Section 7.2 **Maintenance of Existence; Conduct of Business.** Borrower shall, and shall cause each of its Subsidiaries to, preserve and maintain its existence and all of its leases, privileges, licenses, permits, franchises, qualifications and rights that are necessary or desirable in the ordinary conduct of its business, except to the extent a failure to so preserve and maintain could not reasonably be expected to result in a Material Adverse Event. Borrower shall, and shall cause each of its Subsidiaries to, conduct its business in accordance with good business practices.

Section 7.3 **Maintenance of Properties.** Except where the failure to do so could not reasonably be expected to result in a Material Adverse Event, Borrower shall, and shall cause each of its Subsidiaries to, maintain, keep and preserve all of its Properties material to the proper conduct of its business in good working order and condition.

Section 7.4 **Taxes and Claims.** Borrower shall, and shall cause each of its Subsidiaries to, pay or discharge at or before maturity or before becoming delinquent (a) all taxes, levies, assessments and governmental charges imposed on it or its income or profits or any of its Property, and (b) all lawful claims for labor, material and supplies, that, if unpaid, might become a Lien upon any of its Property; *provided* that neither Borrower nor any of its Subsidiaries shall be required to pay or discharge any tax, levy, assessment or governmental charge that is being contested in good faith by appropriate proceedings diligently pursued, and for which adequate reserves in accordance with GAAP have been established or that could not reasonably be expected to result in a Material Adverse Event.



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Section 7.5 **Insurance.**

(a) Borrower shall, and shall cause each of its Subsidiaries to, maintain insurance with financially sound and reputable insurance companies in such amounts and covering such risks as is usually carried by corporations engaged in similar businesses and owning similar Properties in the same general areas in which Borrower and its Subsidiaries operate, *provided* that in any event Borrower will maintain and cause each of its Subsidiaries to maintain workmen's compensation insurance, property insurance and comprehensive general liability insurance, reasonably satisfactory to Administrative Agent. Each insurance policy covering Collateral shall name Administrative Agent as loss payee and each insurance policy covering liabilities shall name Administrative Agent as additional insured, and, to the extent obtainable, each such insurance policy shall provide that such policy will not be cancelled, nonrenewed or reduced without thirty (30) days' prior written notice to Administrative Agent.

(b) All proceeds of insurance in respect of Collateral shall be paid over to Administrative Agent for application to the Obligations under the Loan Documents, unless Required Lenders otherwise agree in writing in their sole discretion.

Section 7.6 **Inspection Rights.** At any reasonable time and from time to time, Borrower shall, and shall cause each of its Subsidiaries to, (a) permit representatives of Administrative Agent or any Lender to examine, inspect, review, evaluate and make physical verifications and appraisals of the Collateral in any manner and through any medium that Administrative Agent or such Lender considers reasonable, (b) to examine, copy, and make extracts from its books and records, (c) to visit and inspect its Properties and (d) to discuss its business, operations and financial condition with its officers, employees and independent certified public accountants, in each instance, at Borrower's expense.

Section 7.7 **Keeping Books and Records.** Borrower shall, and shall cause each of its Subsidiaries to, maintain books and records in all material respects in accordance with GAAP.

Section 7.8 **Compliance with Laws.** Borrower shall, and shall cause each of its Subsidiaries to, comply in all respects with all applicable Laws and decrees of any Governmental Authority or arbitrator except to the extent failure to do so could not reasonably be expected to result in a Material Adverse Event.

Section 7.9 **Compliance with Agreements.** Borrower shall, and shall cause each of its Subsidiaries to, comply in all material respects with all agreements, contracts and instruments binding on it or affecting its Properties or business, except to the extent a failure to so comply could not reasonably be expected to result in a Material Adverse Event.

Section 7.10 **Further Assurances.** Borrower shall, and shall cause each of its Subsidiaries and each other Obligated Party to, execute and deliver such further agreements and instruments and take such further action as may be reasonably requested by Administrative Agent or any Lender to carry out the provisions and purposes of this Agreement and the other Loan Documents and to create, preserve and perfect the Liens of Administrative Agent in the Collateral.

Section 7.11 **ERISA.** Borrower shall, and shall cause each of its Subsidiaries to, comply with all minimum funding requirements, and all other material requirements, of ERISA, if applicable, so as not to give rise to any liability thereunder.

Section 7.12 **Escrow Deposits.** Borrower shall maintain with Texas Capital Bank at all times all escrow deposits relating to all Serviced Loans, provided that all escrow deposits relating to Serviced Ginnie Mae Loans shall be subject to the rights of Ginnie Mae and restrictions on transfer set forth in the Servicing Agreement with Ginnie Mae.

Section 7.13 **Guarantors.** Borrower's parent, Guild Mortgage Company, LLC, shall guarantee payment of the Obligations by executing and delivering a Guaranty to Administrative Agent concurrently with Borrower's execution of this Agreement. Borrower shall notify Administrative Agent within three (3) Business Days of any Person becoming a Subsidiary, and promptly thereafter (and any event within ten (10) Business Days) cause such Person to (a) become a Guarantor by executing and delivering to Administrative Agent a Guaranty, (b) execute and deliver all Security Documents requested by Administrative Agent pledging to Administrative Agent for the benefit of the Secured Parties its Ginnie Mae Servicing Rights, and receivables, rights and interests ancillary thereto and proceeds thereof, and take all actions required by Administrative Agent to grant to Administrative Agent for the benefit of Secured Parties a perfected first priority security interest in such property, including the filing of Uniform Commercial Code financing statements in such jurisdictions as may be requested by Administrative Agent, and (c) deliver to Administrative Agent such other documents and instruments as Administrative Agent may require, which may include appropriate favorable opinions of counsel to such Person in form, content and scope reasonably satisfactory to Administrative Agent.

Section 7.14 **Covenants Relating to Collateral.**

(a) **General:**

(i) **Records and Reports.** Borrower will maintain complete and accurate books and records with respect to the Collateral, and furnish to Administrative Agent such reports relating to the Collateral as Administrative Agent shall from time to time reasonably request.

(ii) **Inspection.** Borrower will permit representatives of Administrative Agent, and if the Largest Lender desires it, representatives of the Largest Lender together with such representatives of Administrative Agent, during normal business hours with reasonable advance notice to Borrower (1) to inspect the Collateral, (2) to examine and make copies of the records of Borrower relating to the Collateral, and (3) to discuss the Collateral and the related records of Borrower with, and to be advised as to the same by, Borrower's officers and employees.

(iii) **Taxes.** Borrower will pay when due all taxes, assessments and governmental charges and levies upon the Collateral, except those that are being contested in good faith by appropriate proceedings and with respect to which no Lien exists.

(iv) **Defense of Title.** Borrower will take any and all actions necessary to defend title to the Collateral against all persons and to defend the security interest of Administrative Agent in the Collateral and the priority thereof against any Lien not expressly permitted hereunder.

(v) **Liens.** Except for rights in favor of an Agency under an applicable Acknowledgment Agreement, Borrower will not create, incur or suffer to exist any Lien on the Collateral except (i) the security interest created by the Security Documents, and (ii) the rights and interests of the related Agency.

(vi) **Change in Location, Jurisdiction of Organization or Name.** Borrower will not (1) maintain a principal place of business at a location other than a location previously disclosed to Administrative Agent in writing, in connection with Borrower's application for the Mortgage Warehouse Agreement and/or application for the Loan, (2) change its name or taxpayer identification number, (3) change its mailing address or (4) change its jurisdiction of organization, unless Borrower shall have given Administrative Agent not less than thirty (30) days' prior written notice thereof, and Administrative Agent shall have determined that such change will not adversely affect the validity, perfection or priority of Administrative Agent's security interest in the Collateral.

(vii) **Other Financing Statements.** Borrower will not file or authorize the preparation and filing of any financing statement naming it as debtor covering all or any portion of the Collateral except financing statements naming Administrative Agent as secured party.

(viii) **Further Assurances.** At any time and from time to time, upon the request of Administrative Agent, and at the sole expense of Borrower, Borrower shall promptly execute and deliver all such further instruments and documents and take such further action as Administrative Agent may deem necessary or desirable to preserve and perfect its security interest in the Collateral and carry out the provisions and purposes of this Agreement, including the preparation (and execution, if necessary) and filing of such financing statements as Administrative Agent may require.

(b) **Accounts.**

(i) **Collection of Accounts.** Except as otherwise provided in this Agreement, Borrower will collect and enforce, at Borrower's sole expense, all amounts due or hereafter due to Borrower under the Accounts.

(i i) **Verification of Accounts.** Administrative Agent shall have the right, at any time or times hereafter, in its name or in the name of a nominee of Administrative Agent, to verify the validity, amount or any other matter relating to any Accounts, by mail, telephone, electronic mail or otherwise.

(iii) **Notice to Account Debtor.** Administrative Agent may, in its sole discretion although subject to the terms of the Acknowledgment Agreement, at any time or times prior to or following the occurrence of an Event of Default, and without prior notice to Borrower (1) notify any or all account debtors that the Accounts have been assigned to Administrative

Agent and that Administrative Agent has a security interest therein, and/or (2) direct any or all account debtors to make all payments upon the Accounts directly to Administrative Agent. Administrative Agent will use commercially reasonable efforts to furnish Borrower with a copy of such notice, but failure to do so will not have an adverse effect on Administrative Agent's rights hereunder.

(c) **Instruments, Securities and Chattel Paper.**

(i) **Possession.** Borrower will deliver to Administrative Agent the originals (now and hereafter received by Borrower) of all Chattel Paper, certificated Securities and Instruments that constitute Collateral endorsed or assigned, if required by Administrative Agent, in favor of Administrative Agent; *provided* that this provision shall not apply to any Chattel Paper and Instruments that are pledged to a warehouse lender, or are otherwise subject to a transaction, under a warehouse, purchase, repurchase or other similar financing facility.

(ii) **Control.** If the Collateral that is Investment Property is uncertificated or held by a Securities Intermediary, Borrower will take any actions necessary to cause (1) the issuers of uncertificated securities that are Collateral and (2) any financial intermediary that is the holder of any Investment Property, to cause Administrative Agent to have control over such Collateral, as contemplated by the UCC, through a control agreement or similar arrangement that is satisfactory to Administrative Agent. Borrower will permit any Collateral that is registerable to be registered in Administrative Agent's, or its nominee's, name.

(iii) **Securities.** The issuer of any privately held securities that serve as Collateral shall not dilute Borrower's ownership interest. After an Event of Default occurs and is continuing, with regard to securities that constitute Collateral, (1) Borrower shall authorize and permit Administrative Agent to exercise all voting rights, and (2) Borrower shall promptly pay over and deliver to Administrative Agent all cash and stock dividends that are distributed by the issuer.

(d) **Deposit Accounts.** Borrower will notify each financial institution in which it maintains a deposit account that constitutes Collateral of Administrative Agent's Lien, and cause each such financial institution to acknowledge such Lien in a control agreement in form reasonably acceptable to Administrative Agent.

(e) **Pledged Servicing Rights and Pledged Servicing Receivables.**

(i) **Claims and Demands.** Borrower will warrant and forever defend the right, title and interest of Administrative Agent in and to the Pledged Servicing Rights and Pledged Servicing Receivables against the claims and demands of all Persons whomsoever, subject to the Acknowledgment Agreement and to any restrictions imposed by the relevant Servicing Agreement for the benefit of the party to it on whose behalf the Mortgage Loans are being serviced to the extent (if any) that such restrictions are valid and enforceable under the applicable Uniform Commercial Code and other Laws.

(ii) **Duties and Obligations.** Borrower will diligently fulfill its duties and obligations under each Servicing Agreement, and not be declared by a counterparty to any such Servicing Agreement to be in default; *provided* that Borrower shall not be in breach of this

covenant if a default declared by a counterparty to such Servicing Agreement arose from a failure of the portfolio of Serviced Loans to perform as required by the relevant Servicing Agreement and such counterparty has elected in writing to continue to use Borrower as Servicer thereof and has not rescinded or revoked such election.

(iii) **Collection.** Diligently and timely collect its Pledged Servicing Receivables and its servicing compensation under each Servicing Agreement and cause Borrower's rights to collect Pledged Servicing Receivables under each Servicing Agreement to remain in full force and effect.

(iv) **Compensation.** Borrower will cause its rights to the servicing compensation provided for in each Servicing Agreement to remain in full force and effect until such Servicing Agreement expires in accordance with its terms and without renewal.

(v) **Receivables.** Borrower will cause its rights to collect Pledged Servicing Receivables under each Servicing Agreement to remain in full force and effect.

(f) **Filing Authorization.** Borrower hereby irrevocably reconfirms the filing authorization given in Section 4.3 as to such UCC financing statements and continuation statements as Administrative Agent may reasonably require from time to time (although no such reconfirmation shall be a condition to the filing of any financing statement, including any "in lieu" financing statement, or continuation statement) and execute and deliver to Administrative Agent such further instruments of sale, pledge, assignment or transfer, and such powers of attorney, as shall be reasonably required by Administrative Agent from time to time, and do and perform all matters and things necessary or desirable to be done or observed, for the purpose of effectively creating, maintaining, confirming and preserving the security and benefits intended to be afforded Administrative Agent under this Agreement and the other Loan Documents. Administrative Agent shall have all the rights and remedies of a secured party under the applicable Uniform Commercial Code and any other applicable law, in addition to all rights provided for in this Agreement.

(g) **E&O Insurance and Fidelity Bond.** Borrower will, and will use its best efforts to cause each of its Servicers, if any, to, keep in force throughout the term of this Agreement (i) a policy or policies of insurance covering errors and omissions for failure to maintain insurance as required by this Agreement and (ii) a fidelity bond. Each such policy and fidelity bond shall be in such form and amount as is generally customary among Persons who service a portfolio of Mortgage Loans having an aggregate principal amount comparable to that of the servicing portfolio of Borrower or such Servicer, respectively, and that are generally regarded as servicers acceptable to institutional investors.

(h) **Coordination with Other Financial Institutions/Repo Purchasers and Their Custodians.** Borrower will keep Administrative Agent informed of the current name, address and contact information concerning each of Borrower's other mortgage warehouse credit and repurchase facilities (if any), and each of Borrower's other Servicing Rights secured credit facilities (if any), update such information provided to Administrative Agent as changes occur, and will cooperate and assist Administrative Agent in exchanging information with such others (and their document custodians or trustees) to prevent and promptly correct conflicting claims to

and interests in Collateral between or among lenders or repurchase facilities counterparties. Borrower hereby irrevocably authorizes Administrative Agent to communicate and exchange information with such other debt providers or repo participants.

( i ) **Coordination with Administrative Agent and its Standby Issuers**. Borrower acknowledges that pursuant to the terms of the Acknowledgment Agreement Administrative Agent is required to designate a standby issuer that is an approved Ginnie Mae issuer and that meets certain requirements more particularly set forth in the Acknowledgment Agreement (“**Standby Issuer**”). Borrower will cooperate and assist Administrative Agent in exchanging information with any such standby issuer, which may be Administrative Agent or any Lender, and upon Administrative Agent’s request, shall execute such consents and approvals and shall provide any such standby issuer with a summary of the Servicing Portfolio and providing a daily “tape” of activity on the Servicing Portfolio. Borrower hereby irrevocably authorizes Administrative Agent to communicate and exchange information with any such standby issuer.

## **Article 8 NEGATIVE COVENANTS**

Borrower covenants and agrees that, as long as the Obligations or any part thereof are outstanding or any Lender has any Revolving Credit Commitment hereunder:

Section 8.1 **Debt**. Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, incur, create, assume or permit to exist any Debt, except:

- (a) The Obligations under the Loan Documents and Obligations existing under Bank Product Agreements other than Hedge Agreements;
- (b) Existing Debt described on Schedule 8.1;
- (c) Subordinated Debt;
- (d) purchase money Debt not to exceed [\*\*\*] in the aggregate at any time outstanding;
- (e) Hedge Obligations existing or arising under Hedge Agreements permitted by Section 8.19;
- (f) Debt and other obligations incurred for Warehousing Facilities;
- (g) other Debt incurred to finance Borrower’s acquisitions of Mortgage Loans, not to exceed [\*\*\*] in the aggregate at any time outstanding; and
- (h) other Debt not to exceed [\*\*\*] in the aggregate at any time outstanding.

**Section 8.2 Contingent Liabilities.** Borrower will not, directly or indirectly, assume, guarantee, endorse, contingently agree to purchase or otherwise become liable upon the obligation of any Person (other than Borrower) except (a) by the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business, (b) joint and several liabilities of Borrower with one or more of its Affiliates pursuant to warehouse or aggregation borrowing arrangements, providing for no more than [\*\*\*] recourse liability by Borrower under such arrangements, and (c) contingent liabilities arising out of Borrower's recourse sales to others of the rights to service mortgage loans the aggregate principal amount of which (for which such recourse liability remains in effect) on any day does not exceed an amount equal to [\*\*\*] of the aggregate principal amount of Serviced Ginnie Mae Loans on that day.

**Section 8.3 Pledging or Assignment of Servicing Rights.** Subject to the Agency's rights with respect to the Collateral under its Servicing Agreement and the Acknowledgment Agreement, Borrower shall not pledge, grant a security interest or assign any existing or future rights to service any of the Collateral or to be compensated for servicing any of the Collateral, or pledge or grant to any other Person any security interest in any Pledged Servicing Rights or any Pledged Servicing Receivables.

**Section 8.4 Limitation on Liens.** Borrower shall not, and shall not permit any of its Subsidiaries to, incur, create, assume or permit to exist any Lien upon any of its Property, assets or revenues, whether now owned or hereafter acquired, except:

(a) Liens disclosed on Schedule 8.4 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] securing Debt described in Section 8.1(b), and refinancings, renewals and extensions of such Debt permitted by such Section; *provided that* (i) the Lien does not extend to any additional property other than (A) after-acquired property that is affixed or incorporated into the property covered by such Lien or financed by Debt permitted under Section 8.1, and (B) proceeds and products thereof and (ii) the renewal, extension or refinancing of the obligations secured or benefited by such Liens is permitted by Section 8.1;

(b) Liens in favor of the Secured Parties or Administrative Agent for the benefit of Secured Parties;

(c) encumbrances consisting of minor easements, rights-of-way, restrictions (including zoning restrictions), covenants, licenses, encroachments, protrusions and other similar encumbrances on the use of real property that do not (individually or in the aggregate) materially affect the value of the assets encumbered thereby or materially impair the ability of Borrower or its Subsidiaries to use such assets in their respective businesses, and none of which is violated in any material respect by existing or proposed structures or land use;

(d) Liens for taxes, assessments or other governmental charges that are not delinquent or that are being contested in good faith and for which adequate reserves in accordance with GAAP have been established;

(e) Liens of landlords, repairmen, workmen, suppliers, construction contractors, mechanics, materialmen, warehousemen, carriers or other similar statutory Liens securing obligations that are not yet due and are incurred in the ordinary course of business;

(f) Liens resulting from good faith deposits to secure payments of workmen's compensation, unemployment insurance, social security programs or other forms of governmental insurance or benefits (other than Liens imposed by ERISA) or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, contracts (other than for payment of Debt) or leases made in the ordinary course of business;

(g) purchase money Liens on specific property to secure Debt used to acquire such Property and Liens securing Capitalized Lease Obligations with respect to specific leased property, in each case to the extent permitted in Section 8.1(d);

(h) Liens securing the repayment of any Debt permitted under Section 8.1(e), Section 8.1(f) and Section 8.1(h);

(i) Liens securing Debt permitted by Section 8.1; *provided* that (i) such Lien was not created in contemplation of such acquisition or such Person becoming a Subsidiary and (ii) such Lien does not extend to or cover the Collateral or any other assets (other than the proceeds or products thereof and other than improvements and after-acquired property subjected to a Lien securing Debt and other obligations incurred prior to such time and which Debt and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after-acquired property, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition);

(j) Liens incurred and deposits made in the ordinary course of business securing liability for premiums or reimbursement or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing insurance to Borrower or any Subsidiary;

(k) Liens securing judgments, decrees, attachments or awards for the payment of money that do not otherwise result in an Event of Default under Section 10.1(o);

(l) leases, licenses, subleases or sublicenses granted to others in the ordinary course of business that do not (i) affect the Collateral, (ii) interfere in any material respect with the business of Borrower or any Subsidiary, or (iii) secure any Debt;

(m) Liens (i) of a collection bank arising under Section 4-210 of the UCC on items in the course of collection and (ii) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off);

(n) any interest or title of a lessor under leases entered into by Borrower or any of the Subsidiaries in the ordinary course of business;

(o) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into by Borrower or any of the Subsidiaries in the ordinary course of business permitted by this Agreement;

(p) Liens that are contractual rights of set-off or, in the case of clause (i) or (ii) of this sentence, other bankers' Liens (i) relating to the establishment of depository relations with



banks not given in connection with the issuance of Debt, (ii) relating to pooled deposit or sweep accounts of Borrower or any Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of Borrower and the Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of Borrower or any Subsidiary in the ordinary course of business;

(q) Liens solely on any cash earnest money deposits made by Borrower or any of the Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder;

(r) Liens (i) on cash advances in favor of the seller of any property to be acquired in an investment permitted pursuant to Section 8.7 to be applied against the purchase price for such investment, and (ii) consisting of an agreement to dispose of any property in a disposition permitted under Section 8.10, in each case, solely to the extent such investment or disposition, as the case may be, would have been permitted on the date of the creation of such Lien;

(s) Liens for taxes not at the time delinquent for a period of more than [\*\*\*] or thereafter payable without penalty or being diligently contested in good faith by appropriate proceedings and for which reserves to the extent required by and in accordance with GAAP shall have been set aside on the books of the applicable Person;

(t) Ginnie Mae's rights pursuant to the Ginnie Mae Contract; and

(u) other Liens securing Debt not to exceed [\*\*\*] in the aggregate at any time outstanding.

**Section 8.5 Mergers, Etc.** Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, become a party to a merger or consolidation, or purchase or otherwise acquire all or substantially all of the assets of any Person (other than Borrower in accordance with Section 8.6) or any shares or other evidence of beneficial ownership of any Person, or windup, dissolve or liquidate, except that:

(i) in any twelve-month period, Borrower may acquire equity or assets of one or more other mortgage companies (x) in any single transaction involving payment by Borrower and its Affiliates of (A) no more than [\*\*\*], or (B) more than [\*\*\*] provided that Borrower obtains Administrative Agent's prior written consent to any such proposed larger single transaction, which consent may not be unreasonably withheld, or (y) in multiple transactions involving payments of (A) no more than [\*\*\*] in the aggregate, or (B) more than [\*\*\*] in the aggregate provided that Borrower obtains Administrative Agent's prior written consent to such larger aggregate multiple transactions, which consent may not be unreasonably withheld;

(ii) any Subsidiary may merge or consolidate with Borrower so long as Borrower is the surviving entity;  
and

(iii) any Subsidiary may merge or consolidate with another Subsidiary so long as if a Subsidiary that is a Guarantor is involved in such merger or consolidation, such Guarantor is the surviving entity.

**Section 8.6 Restricted Payments.** Borrower shall not make Restricted Payments; *provided* that Subsidiaries shall be permitted to make payments and Distributions to Borrower or any Guarantors. Notwithstanding the foregoing, provided that both before and after giving effect to the distribution or redemption, no Default or Event of Default exists or will exist, Borrower is and will be in compliance with the financial covenants set forth in Article 9, and Guarantor is and will be in compliance with the financial covenants set forth in the Guaranty, Borrower may (i) with notice to Administrative Agent given on or before [\*\*\*] in advance of each redemption, redeem up to [\*\*\*] of its common equity in any calendar year, (ii) with the prior written consent of Administrative Agent and Required Lenders, which shall not be unreasonably withheld, redeem more than [\*\*\*] of its common equity in any calendar year, and (iii) make such cash Distributions, if any, as shall be approved in writing by Administrative Agent and Required Lenders, who may respectively approve or disapprove any such proposed Distribution in their sole discretion. Other than as set forth on Schedule 8.6 [Omitted pursuant to Item 601(a)(5) of Regulation S-K], Borrower has not made any dividends or Distributions in the [\*\*\*] immediately preceding the Closing Date.

**Section 8.7 Loans and Investments.** Borrower shall not make, and shall not permit any of its Subsidiaries to, directly or indirectly, make, hold or maintain, any advance, loan, extension of credit or capital contribution to or investment in, or purchase any stock, bonds, notes, debentures or other securities of, any Person (other than Borrower, in accordance with Section 8.6) (collectively, an “Investment”), except:

(a) Existing Investments described on Schedule 8.7 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and any modification, replacement, renewal, reinvestment or extension thereof, but not including increases in Existing Investments;

(b) Mortgage Loans made or acquired by Borrower in the ordinary course of business;

(c) Cash and Cash Equivalents provided, that any Investment that when made complies with the requirements of the definition of the term “Cash Equivalent” may continue to be held notwithstanding that such Investment if made thereafter would not comply with such requirements;

(d) Investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and other disputes with, customers and suppliers, in each case in the ordinary course of business;

(e) Investments consisting of any deferred portion of the sales price received by Borrower or any Subsidiary in connection with any disposition permitted under Section 8.10;

(f) Investments in Subsidiaries that are Guarantors;

(g) Investments constituting (i) accounts receivable arising, (ii) trade debt or credits granted, (iii) endorsements for collection or deposit, or (iv) deposits made in connection with the purchase price of goods or services, in each case in the ordinary course of business;

(h) Advances to employees for the payment of expenses in the ordinary course of business;

(i) other Investments in an amount not to exceed the sum of [\*\*\*] over the term of this Agreement;

(j) Investments in hedging obligations permitted under Section 8.1;

(k) advances of payroll payments to employees in the ordinary course of business;

(l) existing Investments of a Subsidiary acquired after the date hereof or of a corporation merged into Borrower or merged or consolidated with a Subsidiary in accordance with Section 8.5 after the Closing Date to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger or consolidation and were in existence on the date of such acquisition, merger or consolidation; and

(m) lease, utility and other similar deposits in the ordinary course of business.

**Section 8.8 Limitation on Issuance of Equity.** Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, issue, sell, assign or otherwise dispose of (a) any of its stock or other equity interests, (b) any securities exchangeable for or convertible into or carrying any rights to acquire any of its stock or other equity interests, or (c) any option, warrant or other right to acquire any of its stock or other equity interests, in each case, other than to Borrower or another Subsidiary.

**Section 8.9 Transactions With Affiliates.** Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, enter into any transaction, including the purchase, sale or exchange of property, the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate of Borrower or such Subsidiary, except (a) in the ordinary course of and pursuant to the reasonable requirements of Borrower's or such Subsidiary's business, pursuant to a transaction that is otherwise expressly permitted under this Agreement, and upon fair and reasonable terms no less favorable to Borrower or such Subsidiary than would be obtained in a comparable arm's-length transaction with a Person not an Affiliate of Borrower or such Subsidiary, (b) transactions between or among Borrower and its Subsidiaries in accordance with market terms and in the ordinary course of business, and (c) the transactions contemplated by clauses (i)–(v) of the definition of "Change of Control". A complete listing of all current transactions with Affiliates is attached as Schedule 8.9 [Omitted pursuant to Item 601(a)(5) of Regulation S-K], and Borrower shall supplement Schedule 8.9 by immediate written notice to Administrative Agent of any future transactions with Affiliates.

**Section 8.10 Disposition of Assets.** Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, make any Disposition except (a) Dispositions of Mortgage Loans in the ordinary course of business, (b) Dispositions of assets other than Mortgage Loans or

Servicing Rights (i) for fair value and, in the case of a Disposition with a purchase price in excess of [\*\*\*], the consideration received consists of no less than [\*\*\*] in cash and Cash Equivalents, (ii) the net cash proceeds received from such Disposition, together with the net cash proceeds of all other assets Disposed of pursuant to this clause (b) since the Closing Date, does not exceed (individually or in the aggregate) [\*\*\*] and (iii) the net cash proceeds from such Disposition are applied to prepay Revolving Credit Borrowings to the extent (if any) required by Section 2.6(c), (c) other Dispositions not to exceed [\*\*\*] in the aggregate in any fiscal year, (d) Dispositions of servicing rights (including Pledged Servicing Rights) in the ordinary course of business, consistent with past practice and subject to the terms and conditions of the Ginnie Mae Contract, provided that the net cash proceeds from such Disposition are applied to prepay Revolving Credit Borrowings to the extent required by Section 2.6(c), (e) Dispositions of obsolete, damaged, worn out or surplus personal property, in each case, Disposed of in the ordinary course of its business, (f) Dispositions of property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are promptly applied to the purchase price of such replacement property, (g) Dispositions of cash and Cash Equivalents, (h) Dispositions of accounts receivable in connection with their collection or compromise in the ordinary course of business, (i) leases, subleases, licenses or sublicenses (including the provision of software under an open source license), in each case in the ordinary course of business and that do not materially interfere with the business of Borrower and its Subsidiaries and (j) transfers of property to the extent subject to casualty events; *provided* that as a condition to all such Dispositions, Borrower must always remain in compliance with the Borrowing Base and Borrower's financial covenants set forth in Article 9, and must apply proceeds from any Disposition to pay down Revolving Credit Borrowings if and as required to remain in compliance with Section 2.6(c). To the extent any Collateral is Disposed of as expressly permitted by this Section 8.10, such Collateral shall be sold free and clear of the Liens created by the Loan Documents, and Administrative Agent shall take such action reasonably requested (including authorizing the filing of UCC-3 financing statements) by Borrower in order to effect the foregoing.

**Section 8.11 Sale and Leaseback.** Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, enter into any arrangement with any Person pursuant to which it leases from such Person real or personal property that has been or is to be sold or transferred, directly or indirectly, by it to such Person.

**Section 8.12 Prepayment of Debt.** Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, make any optional or voluntary payment, prepayment, repurchase or redemption of any Debt, except (a) the Obligations under the Loan Documents, (b) ordinary course of business trade payables and leases, (c) warehousing agreements paid off through run-off of the collateral (including under the Mortgage Warehouse Agreement, any replacement thereof or any similar facility) and (d) prepayments resulting from the refinancing of such Debt, so long as no such prepayment is made following the occurrence and during the continuance of an Event of Default hereunder or if such further prepayment would cause or result in a breach of any of Borrower's covenants hereunder, including the covenants set forth in Article 9.

Section 8.13 **Nature of Business.** Borrower shall not, and shall not permit any of its Subsidiaries to, engage in any business other than the Permitted Business.

Section 8.14 **Accounting.** Borrower shall not, and shall not permit any of its Subsidiaries to, change its fiscal year or make any change (a) in accounting treatment or reporting practices, except as required by GAAP and disclosed to Administrative Agent, or (b) in tax reporting treatment, except as required by law and disclosed to Administrative Agent and Lenders.

Section 8.15 **Burdensome Agreements.** Borrower shall not, and shall not permit any of its Subsidiaries or any Obligated Party to, enter into or permit to exist any arrangement or agreement, other than pursuant to this Agreement or any Loan Document, that (a) directly or indirectly prohibits Borrower, any of its Subsidiaries or any Obligated Party from creating or incurring a Lien on any of its Property, revenues or assets, whether now owned or hereafter acquired, (b) directly or indirectly prohibits any of its Subsidiaries or any Obligated Party to make any payments, directly or indirectly, to Borrower by way of dividends, distributions, advances, repayments of loans, repayments of expenses, accruals or otherwise or (c) in any way would be contravened by such Person's performance of its obligations hereunder or under the other Loan Documents. The foregoing prohibitions shall not apply to (x) warehouse arrangements established by Borrower or any of its Subsidiaries with institutional lenders in the ordinary course of business (except that no such warehouse arrangement shall prohibit or be breached by Borrower's performance of its obligations hereunder or under the other Loan Documents), or (y) restrictions (i) binding on a Subsidiary at the time such Subsidiary first becomes a Subsidiary of Borrower, so long as such restriction was not entered into solely in contemplation of such Person becoming a Subsidiary, or any permitted amendment, renewal, extension or refinancing of any such restriction so long as the terms of any such amendment, renewal, extension or refinancing, taken as a whole, are not materially more restrictive (in the reasonable good faith determination of Borrower) than such restriction, (ii) are customary restrictions in leases, subleases, licenses or asset sale agreements otherwise permitted hereby so long as such restrictions relate to the assets subject thereto, (iii) are customary provisions restricting subletting or assignment of any lease governing a leasehold interest of Borrower or any Subsidiary, (iv) are customary provisions restricting assignment of any agreement entered into in the ordinary course of business, or (v) are restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business; *provided* that for each such exception, Administrative Agent has previously approved in writing Borrower's formation or acquisition of such Subsidiary.

Section 8.16 **Subsidiaries.** Borrower shall not, directly or indirectly, form or acquire any Subsidiary unless Borrower complies with the requirements of [Section 7.13](#).

Section 8.17 **Amendments of Constituent Documents.** Borrower shall not, and shall not permit any of its Subsidiaries to, amend or restate any of their respective Constituent Documents.

Section 8.18 **Special Negative Covenants Concerning Collateral.** Unless required by the Agency pursuant to its Servicing Agreement or the Acknowledgment Agreement, Borrower will not, without Administrative Agent's prior written consent (which Administrative Agent agrees to not unreasonably withhold or delay), execute any amendments to any Servicing Agreement that could reasonably be expected to materially and adversely affect the value of any Collateral or to

reduce or delay payment or collection of amounts due Borrower from or in respect of any Collateral and Borrower will provide a copy of every supplement, amendment, restatement or replacement of any of such Servicing Agreements to Administrative Agent promptly (and in no event later than five (5) Business Days) after the same shall become effective.

**Section 8.19 Hedge Agreements.** Borrower shall not, and shall not permit any of its Subsidiaries to, enter into any Hedge Agreement, except (a) Hedge Agreements entered into to hedge or mitigate risks to which Borrower or any Subsidiary of Borrower has actual exposure (other than those in respect of Equity Interests or Subordinated Debt) which have terms and conditions reasonably acceptable to Administrative Agent and (b) other Hedge Agreements entered into in order to effectively cap, collar or exchange interest rates (from fixed to floating rates, from one floating rate to another floating rate or otherwise) with respect to any Debt of Borrower or any of its Subsidiaries limited to the principal amount of such Debt and which have terms and conditions reasonably acceptable to Administrative Agent.

**Section 8.20 OFAC.** Borrower shall not, and shall not permit any of its Subsidiaries to, fail to comply with the Laws, regulations and executive orders referred to in Section 6.18 and Section 6.19.

## **Article 9 FINANCIAL COVENANTS**

Borrower covenants and agrees that, as long as the Obligations or any part thereof are outstanding or any Lender has any Revolving Credit Commitment hereunder:

**Section 9.1 Servicing Portfolio Delinquency Rate.** From the Closing Date through March 31, 2021, Borrower shall not permit, as of any date, (a) the Servicing Portfolio Delinquency Rate to be greater than [\*\*\*], or (b) the Servicing Portfolio Delinquency Rate to be greater than [\*\*\*], excluding from the calculation thereof, in the case of clause (b) only, any Serviced Loan for which Borrower and Maker have executed a written forbearance agreement under and in accordance with the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), for so long as no default of such forbearance agreement, or any event which would terminate the forbearance period set forth therein, has occurred. Thereafter, Borrower shall not permit, as of any date, the Servicing Portfolio Delinquency Rate to be greater than [\*\*\*].

**Section 9.2 Minimum Ginnie Mae Required Tangible Net Worth.** Borrower shall maintain Tangible Net Worth of not less than the amount required to satisfy the minimum net worth requirement(s) for all program types in which Borrower is approved to participate by Ginnie Mae and/or for Borrower to maintain Ginnie Mae issuer status in Ginnie Mae programs, as set forth in the Ginnie Mae Mortgage-Backed Securities Guide, or as otherwise established or required by Ginnie Mae (the "Ginnie Mae Net Worth Requirement").

**Section 9.3 Minimum Ginnie Mae Required Liquidity.** Borrower shall maintain Liquid Assets of not less than the amount required to satisfy the minimum liquid assets requirements for all program types in which Borrower is approved to participate by Ginnie Mae and/or for

Borrower to maintain Ginnie Mae issuer status in Ginnie Mae programs, as set forth in the Ginnie Mae Mortgage-Backed Securities Guide or as otherwise established by Ginnie Mae (the “Ginnie Mae Liquidity Requirement”).

**Article 10**  
**DEFAULT**

Section 10.1 **Events of Default.** Each of the following shall be deemed an “Event of Default”:

- (a) Borrower shall default in the payment or prepayment when due of any principal of any Loan;
- (b) Borrower shall default in the payment of any interest on any Loan or any fee described in Section 2.2 or any other monetary Obligation, and such default in the payment of interest, fee or other monetary obligation shall continue unremedied for a period of [\*\*\*] after such amount was due;
- (c) (i) Borrower shall fail to timely provide to Administrative Agent and Lenders any notice of Default as required by Section 7.1(h), or (ii) Borrower shall breach any provision of Section 7.2, Section 7.5, Section 7.6, Section 7.13, Section 7.14 or Article 9, or (iii) Guild Mortgage Company, LLC, a Delaware limited liability company, shall breach any provision of Section 1 of the Financial Covenants Rider to its Guaranty.
- (d) Any representation or warranty made or deemed made by Borrower or any other Obligated Party (or any of their respective officers) in any Loan Document or in any certificate, report, notice or financial statement furnished at any time in connection with this Agreement shall be false, misleading or erroneous in any material respect (without duplication of any materiality qualifier contained therein) when made or deemed to have been made;
- (e) Borrower, any of its Subsidiaries or any other Obligated Party shall fail to perform, observe or comply with any covenant, agreement or term contained in this Agreement or any other Loan Document (other than as covered by Section 10.1(a) and Section 10.1(c)), and such failure continues for more than [\*\*\*] following the date such failure first began;
- (f) Borrower, any of its Subsidiaries or any other Obligated Party shall commence a voluntary proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or a substantial part of its Property or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it or shall make a general assignment for the benefit of creditors or shall generally fail to pay its debts as they become due or shall take any corporate action to authorize any of the foregoing;
- (g) An involuntary proceeding shall be commenced against Borrower, any of its Subsidiaries or any other Obligated Party seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other

similar official for it or a substantial part of its Property, and such involuntary proceeding shall remain undismissed and unstayed for a period of [\*\*\*];

(h) Borrower shall fail to timely (i) pay any amount due, or (ii) perform any other obligation, under the Mortgage Warehouse Agreement, and such failure shall continue beyond the expiration of any applicable notice and cure period;

(i) Borrower, any of its Subsidiaries or any other Obligated Party shall fail to timely pay when due any principal of or interest or perform any obligation on any Debt (other than the Obligations under the Loan Documents or the Mortgage Warehouse Agreement) in the amount of [\*\*\*] or more and such failure shall continue beyond the expiration of any applicable notice and cure period, or the maturity of any such Debt shall have been accelerated, or any such Debt shall have been required to be prepaid, repurchased, defeased or redeemed prior to the stated maturity thereof or any cash collateral in respect thereof to be demanded, or any event shall have occurred that permits (or, with the giving of notice or lapse of time or both, would permit) any holder or holders of such Debt or any Person acting on behalf of such holder or holders to declare default or accelerate the maturity thereof or require any such prepayment, repurchase, defeasance or redemption or any cash collateral in respect thereof to be demanded;

(j) This Agreement or any other Loan Document shall cease to be in full force and effect or shall be declared null and void or the validity or enforceability thereof shall be contested or challenged by Borrower, any of its Subsidiaries, any other Obligated Party or any of their respective equity holders, or Borrower or any other Obligated Party shall deny that it has any further liability or obligation under any of the Loan Documents, or any Lien created by the Loan Documents shall for any reason cease to be a valid, first priority perfected Lien upon any of the Collateral purported to be covered thereby;

(k) Any of the following events shall occur or exist with respect to Borrower or any ERISA Affiliate: (i) any ERISA Event occurs with respect to a Plan or Multiemployer Plan, or (ii) any Prohibited Transaction involving any Plan; and in each case above, such event or condition, together with all other events or conditions, if any, have subjected or could in the reasonable opinion of Administrative Agent subject Borrower or any ERISA Affiliate to any tax, penalty or other liability to a Plan, a Multiemployer Plan, the PBGC, the IRS, the U. S. Department of Labor or otherwise (or any combination thereof) which in the aggregate exceed or could reasonably be expected to result in a Material Adverse Event;

(l) A Change of Control shall occur;

(m) Borrower, any of its Subsidiaries or any other Obligated Party, or any of their Properties, revenues or assets, shall become subject to an order of forfeiture, seizure or divestiture (whether under RICO or otherwise) involving assets fairly valued in excess of [\*\*\*], and the same shall not have been discharged within [\*\*\*] from the date of entry thereof;

(n) Borrower, any of its Subsidiaries or any other Obligated Party shall fail to discharge within a period of [\*\*\*] days after the commencement thereof any attachment,



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sequestration or similar proceeding or proceedings involving an aggregate amount in excess of [\*\*\*] against any of its assets or Properties;

(o) A final judgment or judgments for the payment of money in excess of [\*\*\*] in the aggregate (excluding judgments actually covered by insurance, less any applicable deductible) shall be rendered by a court or courts against Borrower, any of its Subsidiaries or any other Obligated Party and the same shall not be satisfied, discharged (or provision shall not be made for such discharge), or a stay of execution thereof shall not be procured, within [\*\*\*] from the date of entry thereof and Borrower, such Subsidiary or such Obligated Party shall not, within such period of [\*\*\*], or such longer period during which execution of the same shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal;

(p) The subordination provisions related to any Subordinated Debt or any other agreement, document or instrument governing any Subordinated Debt shall for any reason be revoked or invalidated, or otherwise cease to be in full force and effect, or Borrower shall contest in writing the validity or enforceability thereof or deny that it has any further liability or obligation thereunder, or the Obligations under the Loan Documents, for any reason shall not have the priority contemplated by this Agreement or any such subordination provisions;

(q) Any Security Document shall cease to create valid perfected first priority liens (subject to the rights, powers and prerogatives of Ginnie Mae) on the Collateral purported to be covered thereby;

(r) The Administrative Agent (and, only if the Largest Lender and its Affiliates hold more than [\*\*\*] of the aggregate Total Credit Exposure of all Lenders, the Largest Lender; otherwise, the Administrative Agent alone) shall determine that a Material Adverse Event has occurred or a circumstance exists that could reasonably be expected to result in a Material Adverse Event;

(s) Borrower shall take or omit to take any act (i) that would result in the suspension or loss of any of its statuses, once achieved or any of such statuses of its subservicer, if any, of any Ginnie Mae, Fannie Mae or Freddie Mac Mortgage Loans pools for which Borrower is Servicer, as a Ginnie Mae, Fannie Mae and Freddie Mac approved servicer, or (ii) after which Borrower or any such relevant subservicer would no longer be in good standing as such, or (iii) after which Borrower or any such relevant subservicer would no longer currently satisfy all applicable Ginnie Mae, Fannie Mae and Freddie Mac net worth requirements, if both (x) all of the material effects of such act or omission shall have not been cured by Borrower or waived by the relevant Person (Ginnie Mae, Fannie Mae or Freddie Mac) before termination of such status and (y) it could reasonably be expected to have a Material Adverse Event;

(t) Borrower's rights to service Mortgage Loans for any one or more investors under Servicing Agreements the value of which rights to Borrower (as reasonably estimated by Administrative Agent) equals or exceeds [\*\*\*] of the aggregate principal amount of Borrower's Servicing Portfolio shall be terminated for cause (i.e., on account of act(s) or omission(s) by Borrower for which the holder, or a trustee for the holder, of the

relevant Serviced Loans has the right under such Servicing Agreement to terminate such servicing rights);

- (u) A Servicer Event has occurred;
- (v) The Agency exercises its rights under the Acknowledgment Agreement; or
- (w) The dissolution of Borrower or Guarantor.

**Section 10.2 Remedies Upon Default.** Subject to any limitations set forth in any Acknowledgment Agreement in favor of an Agency relating to any part of the Collateral, if any Event of Default shall occur and be continuing, then Administrative Agent may, with the consent of Required Lenders, or shall, at the direction of Required Lenders, subject to the provisions of Section 10.9, without notice do either or both of the following: (a) terminate the Revolving Credit Commitments of Lenders and/or (b) declare the Obligations under the Loan Documents or any part thereof to be immediately due and payable, and the same shall thereupon become immediately due and payable, without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest or other formalities of any kind, all of which are hereby expressly waived by Borrower; *provided* that upon the occurrence of an Event of Default under Section 10.1(f) or Section 10.1(g), the Revolving Credit Commitments of Lenders shall automatically terminate and the Obligations under the Loan Documents shall become immediately due and payable, in each case without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest or other formalities of any kind, all of which are hereby expressly waived by Borrower. **Further, any and all rights and remedies in this Article 10 are expressly subject and subordinate to the prior rights of an Agency as to Collateral subject to an Acknowledgment Agreement with such Agency, and in the event the enforcement by Administrative Agent of any of its rights and remedies under this Article 10 could reasonably be expected to materially and adversely conflict with the provisions of the Acknowledgment Agreement with respect to the Collateral subject to the Acknowledgment Agreement, the restrictions imposed under the Acknowledgment Agreement shall control.** Subject to the limitations set forth in the preceding sentence, in addition to the foregoing, if any Event of Default shall occur and be continuing, Administrative Agent may, with the consent of Required Lenders, or shall, at the direction of Required Lenders, subject to the provisions of Section 10.9, exercise all rights and remedies available to it in law or in equity, under the Loan Documents or otherwise, including:

(a) in its discretion, to demand, sue for, collect or receive and receipt for (in its own name, in the name of Borrower or otherwise) any money or property at any time payable or receivable on account of any of the Collateral, in consideration of its transfer or in exchange for it;

(b) direct, and to take any and all other steps necessary to cause, any Servicer of any of the Collateral to pay over directly to Administrative Agent for the account of Borrower (instead of to Borrower or any other Person) all sums from time to time due to Borrower and to take any and all other actions that Borrower or Administrative Agent has the right to take under Borrower's contract with such Servicer;

(c) direct Borrower to pay over to Administrative Agent all sums from time to time due Borrower under or in respect of the Collateral, including any and all fees and other compensation for servicing the Serviced Ginnie Mae Loans and all amounts paid to or collectable by Borrower to pay Pledged Servicing Receivables, whether paid to Borrower or withheld or recovered by Borrower from collections and realizations on such Mortgage Loans or any other source, and to take any and all other actions that, subject to any restrictions imposed by the relevant Servicing Agreement for the benefit of the party to it on whose behalf the Mortgage Loans are being serviced, Borrower or Administrative Agent has the right to take under that Servicing Agreement, and if Administrative Agent does so request, then Borrower shall diligently and continuously thereafter comply with such request. All amounts so received and collected by Administrative Agent pursuant to this Section 10.1 shall be applied in the same order and manner as is specified in Section 10.3;

(d) foreclose upon or otherwise enforce its security interest in and Lien on the Collateral, or on such portions or elements of the Collateral as Administrative Agent shall elect to proceed against from time to time;

(e) at Administrative Agent's option and in its sole discretion, to notify any or all Persons obligated under any or all items of Collateral, that the Collateral has been assigned to Administrative Agent and that all payments thereon are to be made directly to Administrative Agent or such other Person as may be designated by Administrative Agent; settle, compromise or release, in whole or in part, any amounts owing on the Collateral or any portion of the Collateral, on terms acceptable to Administrative Agent; enforce payment and performance and prosecute any action or proceeding with respect to any and all Collateral; and where any such Collateral is in default, foreclose on and enforce Liens or security interests in, such Collateral by any available judicial procedure or without judicial process and sell property acquired as a result of any such foreclosure;

(f) to the extent permitted by, and subject to the terms and conditions of, the Acknowledgment Agreement, act or contract with one or more third Persons to act, as servicer of each item of Collateral requiring servicing and perform all obligations required in connection with any Servicing Agreements to which Borrower is a party, and Borrower hereby agrees to pay such third Persons' fees to the extent (if any) that Administrative Agent is unable, despite reasonable efforts made by Administrative Agent in light of the necessity that there be no material break in the continuity of servicing, to contract for such servicing and performance of such obligations for fees equal to or less than the fees under such Servicing Agreements;

(g) exercise all rights and remedies of a secured creditor under the UCC, including selling the interests of Borrower in the Collateral at public or private sale. Administrative Agent shall give Borrower not less than ten [\*\*\*] notice of any such public sale or of the date after which private sale may be held. Borrower agrees that [\*\*\*] notice shall be reasonable notice. At any such sale any or all of the Collateral may be sold as an entirety or in separate parts, as Administrative Agent may determine in its sole discretion. The Administrative Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned. The Administrative Agent is authorized at any such sale, if Administrative Agent

deems it advisable so to do, to restrict the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or resale of any of the Collateral. Borrower specifically agrees that any such sale, whether public or private, of any Collateral pursuant to the commitment of any investor to purchase such Collateral that was obtained by (or with the approval of) Borrower will be commercially reasonable, and if such sale is for the price provided for in such commitment, then such sale shall be held to be for value reasonably equivalent to the value of the Collateral so sold. Upon any such sale, Administrative Agent shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral so sold. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right of whatsoever kind, including any equity or right of redemption, stay or appraisal, that Borrower has or may have under any rule of law or statute now existing or hereafter adopted. In case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by Administrative Agent until the selling price is paid by the purchaser, but Administrative Agent shall not incur any liability in case of such purchaser's failure to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may again be sold upon like notice. The Administrative Agent may, however, instead of exercising the power of sale herein conferred upon it, proceed by a suit or suits at law or in equity to collect all amounts due upon the Collateral or to foreclose the pledge and sell the Collateral or any portion of it under a judgment or decree of a court or courts of competent jurisdiction, or both. Nothing in this Agreement shall be construed as Borrower's waiver of, or agreement to waive, any requirement imposed by applicable law that any sale of the Collateral be commercially reasonable; and

(h) exercise each of the rights and remedies provided to Administrative Agent in any Acknowledgment Agreement, including making cure payments or otherwise advancing funds under and as required under any Acknowledgment Agreement to preserve and retain the Pledged Servicing Rights covered by such Acknowledgment Agreement; *provided* that as between Administrative Agent and Lenders, Administrative Agent shall be under no obligation to advance any funds under and as required under any Acknowledgment Agreement unless and until each Lender shall have delivered to Administrative Agent its pro rata share of such funds required to preserve and retain such Pledged Servicing Rights.

### Section 10.3 **Rights Relating to Collateral.**

( a ) **Application of Proceeds.** Subject to any limitations set forth in any applicable Acknowledgment Agreement, if any Event of Default shall have occurred and be continuing, Administrative Agent may at its discretion, in accordance and as provided in the UCC and other applicable law, apply or use any cash held by Administrative Agent as Collateral and any cash proceeds received by Administrative Agent in respect of any sale or other disposition of, collection from or other realization upon, all or any part of the Collateral and shall apply it in the following manner:

(i) *First*, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to Administrative Agent) payable to Administrative Agent in its capacity as such;

(ii) *Second*, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (other than principal and interest) payable to Lenders (including fees, charges and disbursements of counsel to the respective Lenders) arising under the Loan Documents, ratably among them in proportion to the respective amounts described in this clause (ii) payable to them;

(iii) *Third*, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans and other Obligations arising under the Loan Documents, ratably among Lenders in proportion to the respective amounts described in this clause (iii) payable to them;

(iv) *Fourth*, to payment of that portion of the Obligations constituting unpaid principal of the Loans, ratably among Lenders in proportion to the respective amounts described in this clause (iv) held by them;

(v) *Fifth*, to payment of the Bank Product Obligations, ratably among the Bank Product Providers in proportion to the respective amounts described in this clause v held by them; and

(vi) Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to Borrower or as otherwise required by law.

(b) **Certain Bank Product Obligations Excluded.** Notwithstanding the provisions of Section 10.3(a)(v), Bank Product Obligations shall be excluded from the application described above if Administrative Agent has not received written notice thereof, together with supporting documentation as Administrative Agent may request from the applicable Bank Product Provider; *provided* that no such notice shall be required for any Bank Product Agreement for which Administrative Agent or any Affiliate of Administrative Agent is the applicable Bank Product Provider. Each Bank Product Provider that is not a party to this Agreement that has given notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of Administrative Agent pursuant to the terms of Article 11 for itself and its Affiliates as if it were a “Lender” party hereto.

(c) **Pro Rata Shares.** In carrying out the provisions of this Section 10.3, each of the Lenders shall receive an amount equal to its pro rata share (based on the Applicable Percentage of its outstanding amounts in each such Section) of amounts available to be applied pursuant to Section 10.3(a)(ii), Section 10.3(a)(iii) and Section 10.3(a)(iv), and each of the Lenders and Bank Product Providers shall receive an amount equal to its pro rata share (based on the Applicable Percentage of its outstanding amounts in each such Section) of amounts available to be applied pursuant to Section 10.3(a)(v).

(d) **Deficiency.** In the event that the proceeds of any sale of, collection from or other realization upon, all or any part of the Collateral by Administrative Agent are insufficient to pay all amounts to which Administrative Agent and any Lender is legally entitled, Borrower and any Obligated Party shall be liable for the deficiency, together with interest thereon as provided in the Loan Documents.

(e) **Non-Judicial Remedies.** In granting to Administrative Agent the power to enforce its rights hereunder without prior judicial process or judicial hearing, Borrower expressly waives, renounces and knowingly relinquishes any legal right that might otherwise require Administrative Agent to enforce its rights by judicial process. Borrower recognizes and concedes that non-judicial remedies are consistent with the usage of trade, are responsive to commercial necessity and are the result of a bargain at arm's length. Nothing herein is intended to prevent Administrative Agent or Borrower from resorting to judicial process at either party's option.

(f) **Other Recourse.** Borrower waives any right to require Administrative Agent to proceed against any third party, exhaust any Collateral or other security for the Obligations or to have any third party joined with Borrower in any suit arising out of the Obligations or any of the Loan Documents, or pursue any other remedy available to Administrative Agent. Borrower further waives any and all notice of acceptance of this Agreement. Borrower further waives any defense arising by reason of any disability or other defense of any third party or by reason of the cessation from any cause whatsoever of the liability of any third party.

(g) **Disclaimer of Warranties, Sales on Credit and Limitation of Liability.** In connection with any foreclosure sale of the Collateral, Administrative Agent may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral. If Administrative Agent sells any of the Collateral upon credit, Borrower will be credited only with payments actually made by the purchaser, received by Administrative Agent and applied to the indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral, Administrative Agent may resell the Collateral and Borrower shall be credited with the proceeds of the sale. Administrative Agent shall not incur any liability as a result of the sale of the Collateral, or any part of it, at any private sale. Borrower hereby waives any claims it may have against Administrative Agent arising by reason of the fact that the price at which the Collateral may have been sold at such private sale was less than the price that might have been obtained at a public sale, less than the price that might have been obtained had the Collateral been sold pursuant to a purchase agreement for it obtained by Borrower, or less than the aggregate amount of the outstanding Revolving Credit Loans and the unpaid interest accrued on them, even if Administrative Agent accepts the first offer received and does not offer the Collateral to more than one offeree.

(h) **License.** Administrative Agent is hereby granted a license or other right to use, following the occurrence and during the continuance of an Event of Default, without charge, Borrower's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks, service marks and advertising matter or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale and selling any Collateral, and, following the occurrence and during the continuance of any Event of Default, Borrower's rights under all licenses and all franchise agreements shall inure to Administrative Agent's benefit.

Section 10.4 **Attorney-in-Fact.** Subject to any limitations set forth in any applicable Acknowledgment Agreement, Administrative Agent or any vice president or more senior officer of Administrative Agent is hereby appointed the attorney-in-fact of Borrower, with full power of

substitution, for the purpose of carrying out the provisions of this Agreement and taking any action and executing any agreements, documents or instruments that Administrative Agent may deem necessary or advisable to accomplish this Agreement's purposes, which appointment as attorney-in-fact is coupled with an interest and irrevocable for so long as any of the Obligations or the Revolving Credit Commitments are outstanding, although Administrative Agent agrees not to exercise its rights under this power of attorney unless, in its opinion or the opinion of its legal counsel, an Event of Default has occurred that Administrative Agent has not declared in writing to have been cured or waived. Without limiting the generality of the foregoing, subject to the terms of the Acknowledgment Agreement, Administrative Agent shall have the right and power, either in the name of Borrower or both, or in its own name, to (a) give notices of its security interest in the Collateral to any Person, (b) endorse in blank, to itself or to a nominee all items of Collateral that are transferable by endorsement and are payable to the order of Borrower, including canceling, completing or supplying any unneeded, incomplete or missing endorsement of Borrower and any related assignment, (c) receive, endorse, collect and receipt for all checks and other orders made payable to the order of Borrower representing any payment of account of the principal of or interest on any Collateral or their proceeds (including any securities), or the proceeds of sale of any of the Collateral, or any payment in respect of any hedging arrangement or device, and to give full discharge for them, (d) to the extent payable to Borrower, request distribution to Administrative Agent of any sale proceeds or any applicable contract termination fees arising from the sale or termination of such servicing rights and remaining after satisfaction of Borrower's relevant obligations to an Agency or such other investor or guarantor (as the case may be), including costs and expenses related to any such sale or transfer of such servicing rights and other amounts due for unmet obligations of Borrower to such Agency or such other investor or guarantor (as the case may be) under applicable Agency Guidelines or such other investor's or guarantor's contract, (e) deal with investors and any and all subservicers and master servicers in respect of any of the Collateral in the same manner and with the same effect as if done by Borrower, (f) submit to Ginnie Mae and request (i) Ginnie Mae's approval of a Transfer Request (as defined in the Acknowledgement Agreement) to transfer the servicing of any or all of the Serviced Ginnie Mae Loans to any Ginnie Mae- approved Standby Issuer (as defined in the Acknowledgement Agreement) and (ii) Ginnie Mae's transfer of such servicing if approved, and (g) take any action and execute any instruments that Administrative Agent deems necessary or advisable to accomplish any of such purposes.

**Section 10.5 Performance by Administrative Agent.** If Borrower shall fail to perform any covenant or agreement contained in any of the Loan Documents, then, subject to the terms of the Acknowledgment Agreement, Administrative Agent may perform or attempt to perform such covenant or agreement on behalf of Borrower. In such event, Borrower shall, at the request of Administrative Agent, promptly pay to Administrative Agent any amount expended by Administrative Agent in connection with such performance or attempted performance, together with interest thereon at the Default Interest Rate from and including the date of such expenditure to but excluding the date such expenditure is paid in full. Notwithstanding the foregoing, it is expressly agreed that Administrative Agent shall not have any liability or responsibility for the performance of any covenant, agreement or other obligation of Borrower under this Agreement or any other Loan Document.

**Section 10.6 Appointment of Receiver.** At any time an Event of Default exists, then, subject to the terms of the Acknowledgment Agreement, Administrative Agent shall be entitled to

exercise the right to appoint or seek appointment of a receiver, custodian or trustee of Borrower or any of the Collateral pursuant to an order by any Governmental Authority, and Borrower consents to such appointment and will not oppose Administrative Agent's efforts to obtain such receiver, custodian or trustee.

**Section 10.7 Diminution in Collateral Value.** Administrative Agent does not assume, and shall never have, any liability or responsibility for any loss or diminution in the value of all or any part of the Collateral.

**Section 10.8 Administrative Agent Not In Control.** None of the covenants or other provisions contained in this Agreement shall, or shall be deemed to, give Administrative Agent the right to exercise control over the affairs and/or management of Borrower, the power of Administrative Agent being limited to the right to exercise the remedies provided in the other Sections of this Article 10; *provided* that if Administrative Agent becomes the owner of any ownership interest of any Person, whether through foreclosure or otherwise, Administrative Agent shall be entitled to exercise such legal rights as it may have by virtue of being an owner of such Person.

**Section 10.9 Right of Administrative Agent to Act.** Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Obligated Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, Administrative Agent in accordance with this Article 10 for the benefit of all the Lenders; *provided* that the foregoing shall not prohibit (a) Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any Lender from exercising setoff rights in accordance with Section 4.2 (subject to the terms of Section 12.25), or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Obligated Party under any Debtor Relief Law; and *provided further* that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to Administrative Agent pursuant to this Article 10 and (ii) in addition to the matters set forth in clauses (b) and (c) of the preceding proviso and subject to Section 12.25, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders. Further, notwithstanding the foregoing or anything to the contrary contained herein, Administrative Agent shall have the right and the option, in Administrative Agent's sole discretion and without the consent of any Lender hereunder and without the requirement of obtaining the approval of the Required Lenders, to (i) exercise, whether prior to or during an Event of Default hereunder, each of the rights and remedies provided to Administrative Agent in any Acknowledgment Agreement, including advancing funds under and as required under any Acknowledgment Agreement to preserve and retain the Pledged Servicing Rights covered by such Acknowledgment Agreement, provided that Administrative Agent shall be under no obligation to undertake any such action and (ii) exercise each of the rights and remedies *provided* for in this Article 10. Any and all contract rights that Administrative Agent shall succeed to pursuant to the rights herein granted and under any Acknowledgment Agreement shall be allocated among Administrative Agent and each Lender in



an equal fashion, and such rights of Administrative Agent and each Lender shall be of equal priority (pari passu) notwithstanding the priorities of any liens or security interests of Administrative Agent and each Lender in any of the Collateral.

## **Article 11 AGENCY**

### **Section 11.1 Appointment and Authority.**

(a) Each of the Lenders hereby irrevocably appoints Texas Capital Bank to act on its behalf as Administrative Agent hereunder, under the other Loan Documents, and each Acknowledgment Agreement and authorizes Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article 11 are solely for the benefit of Administrative Agent and the Lenders, and neither Borrower nor any other Obligated Party shall have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) Administrative Agent shall also act as the “collateral agent” and “secured party” under the Loan Documents and Acknowledgment Agreement, and each of the Lenders (for itself and for its Affiliates that are Bank Product Providers as such) hereby irrevocably appoints and authorizes Administrative Agent to act as the agent of such Lender for purposes of exercising both the mandatory and discretionary rights, duties and obligations under the Acknowledgment Agreement and acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Obligated Parties to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto, including all such powers set forth under any Acknowledgment Agreement. In this connection, Administrative Agent, as collateral agent and any co-agents, sub-agents and attorneys-in-fact appointed by Administrative Agent pursuant to Section 11.5 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Security Documents, or for exercising any rights and remedies thereunder at the direction of Administrative Agent), shall be entitled to the benefits of all provisions of this Article 11 and Article 12 (including Section 12.1(b), as though such co-agents, sub-agents and attorneys-in-fact were the “collateral agent” under the Loan Documents) as if set forth in full herein with respect thereto.

**Section 11.2 Rights as a Lender.** The Person serving as Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not Administrative Agent, and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of

business with, Borrower or any Subsidiary or other Affiliate thereof as if such Person were not Administrative Agent hereunder and without any duty to account therefor to Lenders.

### Section 11.3 Exculpatory Provisions.

(a) Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that Administrative Agent is required to exercise as directed in writing by the Largest Lender, the Required Lenders or such other number or percentage of Lenders as shall be expressly provided for herein or in the other Loan Documents, as applicable; *provided* that Administrative Agent shall not be required to take any action that, in its opinion or upon the advice of its counsel, may expose Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law;

(iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as Administrative Agent or any of its Affiliates in any capacity;

(iv) shall be fully justified in failing or refusing to take any action hereunder or under any other Loan Document unless it shall first be indemnified to its satisfaction by Lenders pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action; and

(v) does not warrant or accept responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of "Eurodollar Rate".

(b) Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request or direction of the Largest Lender, the Required Lenders or such other number or percentage of Lenders as shall be necessary, as applicable, or as Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 10.2 and Section 11.9), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. **SUCH LIMITATION OF LIABILITY SHALL APPLY REGARDLESS OF WHETHER THE LIABILITY ARISES FROM THE SOLE, CONCURRENT, CONTRIBUTORY OR COMPARATIVE NEGLIGENCE OF ADMINISTRATIVE AGENT.** Administrative Agent shall be deemed not to have knowledge of any Default unless

and until notice describing such Default is given to Administrative Agent in writing by Borrower or a Lender.

(c) Neither Administrative Agent nor any Related Party thereof shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article 5 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to Administrative Agent.

**Section 11.4 Reliance by Administrative Agent.** Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Credit Extension, that by its terms must be fulfilled to the satisfaction of a Lender, Administrative Agent may presume that such condition is satisfactory to such Lender unless Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. Administrative Agent may consult with legal counsel (who may be counsel for Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

**Section 11.5 Delegation of Duties.** Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub agents appointed by Administrative Agent. Administrative Agent and any such sub agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article 11 shall apply to any such sub agent and to the Related Parties of Administrative Agent and any such sub agent, and shall apply to their respective activities in connection with the syndication of this facility as well as activities as Administrative Agent. Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub agents.

**Section 11.6 Resignation of Administrative Agent.**

(a) Administrative Agent may at any time give notice of its resignation to Lenders and Borrower. Upon receipt of any such notice of resignation (the "Resignation Notice Date"), the Appointing Party shall have the right, in consultation with Borrower (so long as no Event of Default has occurred and is continuing), to appoint a successor. If no such successor

shall have been so appointed by Appointing Party and shall have accepted such appointment within thirty (30) days after the Resignation Notice Date, then the retiring Administrative Agent may (but shall not be obligated to), on behalf of Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above. The resignation of the retiring Administrative Agent shall only become effective on the date that a successor has been appointed and has entered into the Acknowledgment Agreement or any replacement thereof (the “Resignation Effective Date”). After the Resignation Effective Date, the provisions of this Article 11 relating to or indemnifying or releasing Administrative Agent shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement and the other Loan Documents.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Appointing Party may, to the extent permitted by applicable law, by notice in writing to Borrower and such Person remove such Person as Administrative Agent and, in consultation with Borrower, appoint a successor. If no such successor shall have been so appointed by the Appointing Party and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Appointing Party) (the “Removal Effective Date”), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Removal Effective Date or thirty (30) days following the Resignation Notice Date (as applicable) (i) the removed or retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any Collateral held by Administrative Agent on behalf of Secured Parties under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such Collateral until such time as a successor Administrative Agent is appointed) and (ii) except for any indemnity, fee or expense payments owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through Administrative Agent shall instead be made by or to each Lender, directly, until such time, if any, as a successor Administrative Agent is appointed as provided for above. Upon the acceptance of a successor’s appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Administrative Agent (other than any rights to indemnity payments owed to the retiring or removed Administrative Agent), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between Borrower and such successor. After the retiring or removed Administrative Agent’s resignation or removal hereunder and under the other Loan Documents, the provisions of this Article 11, Section 12.1 and Section 12.2 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent.

**Section 11.7 Non-Reliance on Administrative Agent and Other Lenders.** Each Lender expressly acknowledges that neither Administrative Agent nor any other Lender nor any Related Party thereto has made any representation or warranty to such Person and that no act by

Administrative Agent or any other Lender hereafter taken, including any review of the affairs of Borrower, shall be deemed to constitute any representation or warranty by Administrative Agent or any Lender to any other Lender. Each Lender acknowledges that it has, independently and without reliance upon Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder. Except for notices, reports and other documents expressly required to be furnished to the Lenders by Administrative Agent hereunder, Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), or creditworthiness of Borrower or the value of the Collateral or other Properties of Borrower or any other Person that may come into the possession of Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

**Section 11.8 Administrative Agent May File Proofs of Claim.** In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Obligated Party, Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether Administrative Agent shall have made any demand on Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations under the Loan Documents that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of Lenders and Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of Lenders and Administrative Agent and their respective agents and counsel and all other amounts due Lenders and Administrative Agent under Section 12.1 and Section 12.2) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to Administrative Agent and, in the event that Administrative Agent shall consent to the making of such payments directly to Lenders, to pay to Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of Administrative Agent and its agents and counsel, and any other amounts due Administrative Agent under Section 12.1 and Section 12.2.

Section 11.9 **Collateral and Guaranty Matters.**

(a) The Secured Parties irrevocably authorize Administrative Agent, at its option and in its discretion:

(i) to release any Lien on any property granted to or held by Administrative Agent under any Loan Document (x) upon termination of all Revolving Credit Commitments and payment in full of all Obligations (other than (A) contingent indemnification obligations and (B) obligations and liabilities under Bank Product Agreements as to which arrangements satisfactory to the applicable Bank Product Provider shall have been made), (y) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted under the Loan Documents, or (z) if approved, authorized or ratified in writing by Required Lenders or all Lenders, as applicable, under Section 12.12;

(ii) to subordinate any Lien on any property granted to or held by Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 8.4;

(iii) to release any Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents; and

(iv) to appoint a Standby Issuer in accordance with the terms and conditions of the Acknowledgment Agreement.

Upon request by Administrative Agent at any time, Required Lenders will confirm in writing Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this Section 11.9.

(b) Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of Administrative Agent's Lien thereon, or any certificate prepared by any Obligated Party in connection therewith, nor shall Administrative Agent be responsible or liable to Lenders for any failure to monitor or maintain any portion of the Collateral.

**Section 11.10 Bank Product Agreements.** No Bank Product Provider who obtains the benefits of Section 10.3, any Guaranty Agreements or any Collateral by virtue of the provisions hereof or of any Guaranty Agreement or any Security Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) (or to notice of or to consent to any amendment, waiver or modification of the provisions hereof or of the Guaranty or any Security Document) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article 11 to the contrary, Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been

made with respect to, Bank Product Obligations unless Administrative Agent has received written notice of such Bank Product Obligations, together with such supporting documentation as Administrative Agent may request, from the applicable Bank Product Provider. Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Bank Product Obligations arising under Bank Product Agreements upon termination of all Commitments and payment in full of all Obligations under the Loan Documents (other than contingent indemnification obligations).

## **Article 12** **MISCELLANEOUS**

### **Section 12.1 Expenses.**

(a) Borrower hereby agrees to pay on demand: (i) all costs and expenses of Administrative Agent, the Largest Lender and their respective Related Parties in connection with the preparation, negotiation, execution and delivery of this Agreement and the other Loan Documents and any and all amendments, modifications, renewals, extensions, supplements, waivers, consents and ratifications thereof and thereto, including the reasonable fees and expenses of legal counsel, advisors, consultants and auditors for Administrative Agent, the Largest Lender and their respective Related Parties; (ii) all costs and expenses of Administrative Agent and each Lender in connection with any Default and the enforcement of this Agreement or any other Loan Document, including court costs and fees and expenses of legal counsel, advisors, consultants and auditors for Administrative Agent and each Lender; (iii) all transfer, stamp, documentary or other similar taxes, assessments or charges levied by any Governmental Authority in respect of this Agreement or any of the other Loan Documents; (iv) all costs, expenses, assessments and other charges incurred in connection with any filing, registration, recording or perfection of any Lien contemplated by this Agreement or any other Loan Document; and (v) all other costs and expenses incurred by Administrative Agent and any Lender in connection with this Agreement or any other Loan Document, any litigation, dispute, suit, proceeding or action, the enforcement of its rights and remedies and the protection of its interests in bankruptcy, insolvency or other legal proceedings, including all costs, expenses and other charges (including Administrative Agent's and such Lender's internal charges) incurred in connection with evaluating, observing, collecting, examining, auditing, appraising, selling, liquidating or otherwise disposing of the Collateral or other assets of Borrower. Borrower shall be responsible for all expenses described in this Section 12.1(a) whether or not any Credit Extension is ever made. Any amount to be paid under this Section 12.1 shall be a demand obligation owing by Borrower and if not paid within [\*\*\*] of demand shall bear interest, to the extent not prohibited by and no in violation of applicable Law, from the date of expenditure until paid at a rate per annum equal to the Default Interest Rate. The obligations of Borrower under this Section 12.1 shall survive payment of the Notes and other obligations hereunder and the assignment of any right hereunder.

(b) To the extent that Borrower for any reason fails to indefeasibly pay any amount required under Section 12.1(a) or Section 12.1(b) to be paid by it to Administrative Agent (or any sub-agent thereof) or any Related Party of Administrative Agent (or any sub-agent thereof), each Lender severally agrees to pay to Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's Applicable Percentage (determined as of

the time that the applicable unreimbursed expense or indemnity payment is sought based each Lender's Applicable Percentage of the Total Credit Exposure at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender); *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against Administrative Agent (or any such sub-agent) or against any Related Party of Administrative Agent (or any sub-agent thereof) acting for Administrative Agent (or any such sub-agent) in connection with such capacity. EACH LENDER ACKNOWLEDGES THAT SUCH PAYMENTS MAY BE IN RESPECT OF LOSSES, CLAIMS, DAMAGES, LIABILITIES OR RELATED EXPENSES ARISING OUT OF OR RESULTING FROM THE SOLE, CONTRIBUTORY, COMPARATIVE, CONCURRENT OR ORDINARY NEGLIGENCE OF THE PERSON (OR THE REPRESENTATIVES OF THE PERSON) TO WHOM SUCH PAYMENTS ARE TO BE MADE.

Section 12.2 **INDEMNIFICATION**. BORROWER SHALL INDEMNIFY ADMINISTRATIVE AGENT, EACH LENDER AND EACH RELATED PARTY THEREOF FROM, AND HOLD EACH OF THEM HARMLESS AGAINST, ANY AND ALL LOSSES, LIABILITIES, CLAIMS, DAMAGES, PENALTIES, JUDGMENTS, DISBURSEMENTS, COSTS AND EXPENSES (INCLUDING ATTORNEY'S FEES) TO WHICH ANY OF THEM MAY BECOME SUBJECT THAT DIRECTLY OR INDIRECTLY ARISE FROM OR RELATE TO (A) THE NEGOTIATION, EXECUTION, DELIVERY, PERFORMANCE, ADMINISTRATION, OR ENFORCEMENT OF ANY OF THE LOAN DOCUMENTS, (B) ANY OF THE TRANSACTIONS CONTEMPLATED BY THE LOAN DOCUMENTS, (C) ANY BREACH BY BORROWER OF ANY REPRESENTATION, WARRANTY, COVENANT OR OTHER AGREEMENT CONTAINED IN ANY OF THE LOAN DOCUMENTS, (D) THE PRESENCE, RELEASE, THREATENED RELEASE, DISPOSAL, REMOVAL OR CLEANUP OF ANY HAZARDOUS MATERIAL LOCATED ON, ABOUT, WITHIN OR AFFECTING ANY OF THE PROPERTIES OR ASSETS OF BORROWER OR ANY OF ITS SUBSIDIARIES OR ANY OTHER OBLIGATED PARTY, (E) ANY LOAN OR USE OR PROPOSED USE OF THE PROCEEDS THEREFROM OR (F) ANY INVESTIGATION, LITIGATION OR OTHER PROCEEDING, INCLUDING ANY THREATENED INVESTIGATION, LITIGATION OR OTHER PROCEEDING, RELATING TO ANY OF THE FOREGOING. WITHOUT LIMITING ANY PROVISION OF THIS AGREEMENT OR OF ANY OTHER LOAN DOCUMENT, **IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO THAT EACH PERSON TO BE INDEMNIFIED UNDER THIS SECTION SHALL BE INDEMNIFIED FROM AND HELD HARMLESS AGAINST ANY AND ALL LOSSES, LIABILITIES, CLAIMS, DAMAGES, PENALTIES, JUDGMENTS, DISBURSEMENTS, COSTS AND EXPENSES (INCLUDING ATTORNEY'S FEES) ARISING OUT OF RESULTING FROM THE SOLE, CONTRIBUTORY, COMPARATIVE, CONCURRENT OR ORDINARY NEGLIGENCE OF SUCH PERSON (OR THE REPRESENTATIVES OF SUCH PERSON)**. Any amount to be paid under this Section 12.2 shall be a demand obligation owing by Borrower and if not paid within [\*\*\*] of demand shall bear interest, to the extent not prohibited by and not in violation of applicable Law, from the date of expenditure until paid at a rate per annum equal to the Default Interest Rate. The obligations of Borrower under this Section 12.2 shall survive payment of the Notes and other obligations hereunder and the assignment of any right hereunder.



Section 12.3 **Limitation of Liability.** None of Administrative Agent or any Lender, or any Affiliate, officer, director, employee, attorney or agent of any of the foregoing, shall have any liability with respect to, and Borrower hereby waives, releases and agrees not to sue any of them upon, any claim for any special, indirect, incidental or consequential damages suffered or incurred by Borrower or any other Obligated Party in connection with, arising out of or in any way related to, this Agreement or any of the other Loan Documents, or any of the transactions contemplated by this Agreement or any of the other Loan Documents. Borrower hereby waives, releases and agrees not to sue Administrative Agent or any Lender, or any Affiliates, officers, directors, employees, attorneys or agents of any of the foregoing for punitive damages in respect of any claim in connection with, arising out of or in any way related to, this Agreement or any of the other Loan Documents, or any of the transactions contemplated by this Agreement or any of the other Loan Documents.

Section 12.4 **No Duty.** All attorneys, accountants, appraisers and other professional Persons and consultants retained by Administrative Agent or any Lender shall have the right to act exclusively in the interest of Administrative Agent or such Lender and shall have no duty of disclosure, duty of loyalty, duty of care or other duty or obligation of any type or nature whatsoever to Borrower or any of Borrower's equity holders, Affiliates, officers, employees, attorneys, agents or any other Person.

Section 12.5 **Lenders Not Fiduciary.** The relationship between Borrower and Administrative Agent, Arranger and each Lender is solely that of debtor and creditor, and none of Administrative Agent, Arranger or any Lender has any fiduciary or other special relationship with Borrower, and no term or condition of any of the Loan Documents shall be construed so as to deem the relationship between Borrower and Administrative Agent, Arranger and each Lender to be other than that of debtor and creditor.

Section 12.6 **Equitable Relief.** Borrower recognizes that in the event Borrower fails to pay, perform, observe or discharge any or all of the Obligations, any remedy at law may prove to be inadequate relief to Administrative Agent or Lenders. Borrower therefore agrees that Administrative Agent or any Lender, if Administrative Agent or such Lender so requests, shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

Section 12.7 **No Waiver; Cumulative Remedies.** No failure on the part of Administrative Agent or any Lender to exercise and no delay in exercising, and no course of dealing with respect to, any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights and remedies provided for in this Agreement and the other Loan Documents are cumulative and not exclusive of any rights and remedies provided by law.

Section 12.8 **Exclusive Enforcement Right.** Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Obligated Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such

enforcement shall be instituted and maintained exclusively by, Administrative Agent in accordance with Section 10.2 for the benefit of all the Lenders; *provided* that the foregoing shall not prohibit (a) Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any Lender from exercising setoff rights in accordance with Section 4.2 (subject to the terms of Section 12.25) or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Obligated Party under any Debtor Relief Law; and *provided further* that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Appointing Party shall have the rights otherwise ascribed to Administrative Agent pursuant to Section 10.2 and (ii) in addition to the matters set forth in clauses (b) and (c) of the preceding proviso and subject to Section 12.25, any Lender may, with the consent of the Appointing Party, enforce any rights and remedies available to it and as authorized by the Appointing Party.

#### Section 12.9 **Successors and Assigns.**

(a) **Successors and Assigns Generally.** The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that Borrower may not assign or transfer any of its rights, duties or obligations under this Agreement or the other Loan Documents without the prior written consent of Administrative Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of Section 12.9(b), (ii) by way of participation in accordance with the provisions of Section 12.9(d), or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 12.9(e) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 12.9(d) and, to the extent expressly contemplated hereby, the Related Parties of each of Administrative Agent and Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) **Assignments by Lenders.** Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Revolving Credit Commitment(s) and the Loans at the time owing to it); *provided* that any such assignment shall be subject to the following conditions:

(i) **Minimum Amounts.** (A) in the case of an assignment of the entire remaining amount of the assigning Lender's Revolving Credit Commitment(s) and/or the Loans at the time owing to it or contemporaneous assignments to related Approved Funds that equal at least the amount specified in Section 12.9(b)(i)(B) in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and (B) in any case not described in Section 12.9(b)(i)(A), the aggregate amount of the Revolving Credit Commitment(s) (which for this purpose includes Loans outstanding hereunder) or, if the applicable Revolving Credit Commitment is not then in effect, the Outstanding Amount of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is

delivered to Administrative Agent or, if “Trade Date” is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than [\*\*\*], in the case of any assignment in respect of the Revolving Credit Facility, unless each of Administrative Agent and, so long as no Event of Default has occurred and is continuing, Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

( i i ) **Proportionate Amounts.** Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender’s rights and obligations under this Agreement with respect to the Loan or the Revolving Credit Commitment(s) assigned, except that this Section 12.9(b)(ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate facilities on a non-pro rata basis.

(iii) **Required Consents.** No consent shall be required for any assignment except to the extent required by Section 12.9(b)(i)(B) and, in addition: (A) the consent of Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; *provided* that Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to Administrative Agent within five (5) Business Days after having received notice thereof; and (B) the consent of Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of any Revolving Credit Commitment or Revolving Credit Loans if such assignment is to a Person that is not a Lender with a Revolving Credit Commitment, an Affiliate of such Lender or an Approved Fund with respect to such Lender.

( i v ) **Assignment and Assumption.** The parties to each assignment shall execute and deliver to Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of [\*\*\*]; *provided* that Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to Administrative Agent an Administrative Questionnaire.

(v) **No Assignment to Certain Persons.** No such assignment shall be made to (A) Borrower, or an of Borrower’s Affiliates or Subsidiaries or any other Obligated Party or (B) any Defaulting Lender or any of its Affiliates, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing persons described in this clause (B).

(vi) **No Assignment to Natural Persons.** No such assignment shall be made to a natural Person.

(vii) **Certain Additional Payments.** In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to such assignment shall make such additional payments to Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations or other compensating actions, including funding, with the consent of Borrower and Administrative Agent, the

applicable pro rata share of Loans previously requested but not funded by such Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to: (A) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to Administrative Agent or any Lender hereunder (and interest accrued thereon) and (B) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this Section 12.9, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(viii) **Approved Assignee is a Lender.** Subject to acceptance and recording thereof by Administrative Agent pursuant to Section 12.9(c), from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Section 12.1 and Section 12.2 with respect to facts and circumstances occurring prior to the effective date of such assignment; *provided* that, except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any party hereunder arising from that Lenders' having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.9(b)(viii) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.9(d). Upon the consummation of any assignment pursuant to this Section 12.9(b), if requested by the transferor or transferee Lender, the transferor Lender, Administrative Agent and Borrower shall make appropriate arrangements so that replacement Notes are issued to such transferor Lender (if applicable) and new Notes or, as appropriate, replacement Notes, are issued to the assignee.

(c) **Register.** Administrative Agent, acting solely for this purpose as an agent of Borrower, shall maintain at one of its offices in Dallas, Texas a copy of each Assignment and Assumption delivered to it and a Register. The entries in the Register shall be conclusive absent manifest error, and Borrower, Administrative Agent and Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

( d ) **Participations.** Subject to the restrictions, if any, imposed by the Agency pursuant to the Acknowledgment Agreement, any Lender may at any time, without the consent of, or notice to, Borrower or Administrative Agent, sell participations to a Participant in all or a portion of such Lender's rights and /or obligations under this Agreement (including all or a portion of its Revolving Credit Commitment and/or the Loans owing to it); *provided* that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain

solely responsible to the other parties hereto for the performance of such obligations, and (iii) Borrower, Administrative Agent, and Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 12.1(b) without regard to the existence of any participation. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section 12.12 that requires the consent of all Lenders and affects such Participant. Borrower agrees that each Participant shall be entitled to the benefits of Section 3.1 and Section 3.2 (subject to the requirements and limitations therein, including the requirements under Section 3.2(g) (it being understood that the documentation required under Section 3.2(g) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 12.9(b); *provided* that such Participant (A) agrees to be subject to the provisions of Section 3.3 as if it were an assignee under Section 12.9(b); and (B) shall not be entitled to receive any greater payment under Section 3.1 or Section 3.2, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at Borrower's request and expense, to use reasonable efforts to cooperate with Borrower to effectuate the provisions of Section 3.3 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 4.2 as though it were a Lender; *provided* that such Participant agrees to pay to Administrative Agent any amount set-off for application to the Obligations under the Loan Documents as required pursuant to Section 4.2; *provided further* that such Participant agrees to be subject to Section 12.25 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of Borrower, maintain a Participant Register; *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under *Section 5f.103-1(c)* of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) **Certain Pledges.** Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or a Federal Home Loan Bank; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

( f ) **Dissemination of Information.** Borrower and each other Obligated Party authorizes Administrative Agent and each Lender to disclose to any actual or prospective purchaser, assignee or other recipient of a Lender's Revolving Credit Commitment, any and all information in Administrative Agent's or such Lender's possession concerning Borrower, the other Obligated Parties and their respective Affiliates.

Section 12.10 **Survival.** All representations and warranties made in this Agreement or any other Loan Document or in any document, statement or certificate furnished in connection with this Agreement shall survive the execution and delivery of this Agreement and the other Loan Documents, and no investigation by Administrative Agent or any Lender or any closing shall affect the representations and warranties or the right of Administrative Agent or any Lender to rely upon them. Without prejudice to the survival of any other obligation of Borrower hereunder, the obligations of Borrower under Section 12.1 and Section 12.2 shall survive repayment of the Obligations and termination of the Revolving Credit Commitments.

Section 12.11 **Amendment and Restatement of Prior Loan Agreement.** This Agreement is in renewal, extension, modification, increase and restatement of, and is intended to carry forward the liens and security interests of (i) the Loan and Security Agreement dated January 22, 2014 by and between Borrower and Texas Capital Bank, (ii) the First Amended and Restated Loan and Security Agreement dated April 15, 2015, also by and between Borrower and Texas Capital Bank, (iii) the Second Amended and Restated Loan and Security Agreement dated April 9, 2016 also by and between Borrower and Texas Capital Bank, (iv) the Third Amended and Restated Loan and Security Agreement dated May 10, 2017, also by and between Borrower and Texas Capital Bank, and (v) the Fourth Amended and Restated Loan and Security Agreement dated June 6, 2018, also by and between Borrower and Texas Capital Bank as affected by the (x) Joinder and Assumption Agreement, dated June 18, 2018, by and among Borrower, Administrative Agent, and Pinnacle Bank, in respect thereof, (y) First Amendment thereto, dated February 25, 2019, and (z) Second Amendment thereto, dated February 25, 2019, (collectively, the "Prior Loan Agreement") (collectively, the "Prior Loan Agreement"). Borrower acknowledges and confirms that the liens and security interests of the Prior Loan Agreement are renewed, extended and continued (but not extinguished or released) by this Agreement and are in full force and effect to secure payment of the Notes and the Obligations.

Section 12.12 **Amendment.** The provisions of this Agreement and the other Loan Documents to which Borrower is a party may be amended or waived only by an instrument in writing signed by Required Lenders (or by Administrative Agent with the consent of Required Lenders) and Borrower and acknowledged by Administrative Agent; *provided* that no such amendment or waiver shall:

- (a) waive any condition set forth in Section 5.1 (other than Section 5.1(o)), without the written consent of each Lender;
- (b) extend or increase any Revolving Credit Commitment of any Lender (or reinstate any Revolving Credit Commitment terminated pursuant to Section 10.2) without the written consent of such Lender;

(c) postpone any date fixed by this Agreement or any other Loan Document for any payment (excluding mandatory prepayment) of principal, interest, fees or other amounts due to Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan, or any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby; *provided* that only the consent of Required Lenders shall be necessary to adjust the Default Interest Rate or to waive any obligation of Borrower to pay interest at such rate;

(e) change any provision of this Section 12.12 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender;

(f) change Section 10.3 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender; or

(g) release any Guaranty or all or substantially all of the Collateral (in each case, except as provided herein) without the written consent of each Lender;

and, *provided further* that (i) no amendment, waiver or consent shall, unless in writing and signed by Administrative Agent in addition to Lenders required above, affect the rights or duties of Administrative Agent under this Agreement or any other Loan Document and (ii) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that (and any amendment, waiver or consent that by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Revolving Credit Commitment(s) of any Defaulting Lender may not be increased or extended without the consent of such Lender; and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender.

#### Section 12.13 Notices.

a ) **Notices Generally.** Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in Section 12.13(b)), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as set forth in this Section 12.13 to the recipient's address stated or as referenced on Schedule 12.12. Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received. Notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business

hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications shall be effective as, and to the extent, provided in Section 12.13(b).

(b) **Electronic Communications.** Notices and other communications to Lenders and hereunder may be delivered or furnished by electronic communication (including e-mail to the recipient's email address stated or as referenced on Schedule 12.12, and Internet or intranet websites) pursuant to procedures approved by Administrative Agent, *provided* that the foregoing shall not apply to notices to any Lender pursuant to Article 2 if such Lender has notified Administrative Agent that it is incapable of receiving notices under Article 2 by electronic communication. Administrative Agent or Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications. Unless Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; *provided* that, for both clauses (i) and (ii) of this sentence, if such facsimile, email or other electronic communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) **Change of Address, etc.** Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto, Schedule 12.12 shall be deemed to be amended by each such change and Administrative Agent is authorized, in its discretion, from time to time to reflect each such change in an amended Schedule 12.12 provided by Administrative Agent to each party hereto.

(d) **Platform.**

(i) Borrower agrees that Administrative Agent may, but shall not be obligated to, make the Communications available to the Lenders by posting the Communications on the Platform.

(ii) The Platform is provided "as is" and "as available." The Agent Parties do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Agent Parties have any liability to Borrower, any Lender or any other Person or entity for damages of any kind, including direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of Borrower's or Administrative Agent's transmission of communications through the Platform, or arising from the use by others of



information or other materials obtained through the Platform, other electronic communications or other information transmission system.

(iii) Borrower and each other Obligated Party (by its, his or her execution of a Loan Document) hereby authorizes Administrative Agent, each Lender and their respective counsel and agents to communicate and transfer documents and other information (including confidential information) concerning this transaction or Borrower or any other Loan Party and the business affairs of Borrower and such other Loan Parties via the Internet or other electronic communication without regard to the lack of security of such communications.

**Section 12.14 Governing Law; Venue; Service of Process.**

(a) **Governing Law.** This Agreement and the other Loan Documents and any claims, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or any other Loan Document (except, as to any other Loan Document, as expressly set forth therein) and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of Texas (without reference to applicable rules of conflicts of Laws), except to the extent the Laws of any jurisdiction where Collateral is located require application of such Laws with respect to such Collateral.

(b) **Jurisdiction.** Borrower irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against Administrative Agent, any Lender or any Related Party of the foregoing in any way relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of Texas sitting in Dallas County, and of the United States District Court of the Northern District of Texas and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such Texas State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against Borrower or its properties in the courts of any jurisdiction.

(c) **Waiver of Venue.** Borrower irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in [Section 12.14\(b\)](#). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

( d ) **Service of Process.** Each party hereto irrevocably consents to service of process in the manner provided for notices in [Section 12.13](#). Nothing in this Agreement will

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affect the right of any party hereto to serve process in any other manner permitted by applicable law.

Section 12.15 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of that together shall constitute one and the same instrument. Except as provided in Section 5.1, this Agreement shall become effective when it shall have been executed by Administrative Agent and when Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means (e.g. “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 12.16 **Severability.** Any provision of this Agreement or any other Loan Document held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Agreement and the effect thereof shall be confined to the provision held to be invalid or illegal. Furthermore, in lieu of such invalid or unenforceable provision there shall be added as a part of this Agreement or the other Loan Documents a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

Section 12.17 **Headings.** The headings, captions and arrangements used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

Section 12.18 **Construction.** Borrower, Administrative Agent and each Lender acknowledge that each of them has had the benefit of legal counsel of its own choice and has been afforded an opportunity to review this Agreement and the other Loan Documents with its legal counsel and that this Agreement and the other Loan Documents shall be construed as if jointly drafted by Borrower, Administrative Agent and each Lender.

Section 12.19 **Independence of Covenants.** All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or be otherwise within the limitations of, another covenant shall not avoid the occurrence of a Default if such action is taken or such condition exists.

Section 12.20 **WAIVER OF JURY TRIAL .** EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN

Section 12.21 **Additional Interest Provision.** It is expressly stipulated and agreed to be the intent of Borrower, Administrative Agent and each Lender at all times to comply strictly with the applicable law governing the maximum rate or amount of interest payable on the indebtedness evidenced by any Note, any Loan Document and the Related Indebtedness (or applicable United States federal law to the extent that it permits any Lender to contract for, charge, take, reserve or receive a greater amount of interest than under applicable law). If the applicable law is ever judicially interpreted so as to render usurious any amount (a) contracted for, charged, taken, reserved or received pursuant to any Note, any of the other Loan Documents or any other communication or writing by or between Borrower and any Lender related to the transaction or transactions that are the subject matter of the Loan Documents, (b) contracted for, charged, taken, reserved or received by reason of Administrative Agent's or any Lender's exercise of the option to accelerate the maturity of any Note and/or the Related Indebtedness, or (c) Borrower will have paid or Administrative Agent or any Lender will have received by reason of any voluntary prepayment by Borrower of any Note and/or the Related Indebtedness, then it is Borrower's, Administrative Agent's and Lenders' express intent that all amounts charged in excess of the Maximum Rate shall be automatically canceled, ab initio, and all amounts in excess of the Maximum Rate theretofore collected by Administrative Agent or any Lender shall be credited on the principal balance of any Note and/or the Related Indebtedness (or, if any Note and all Related Indebtedness have been or would thereby be paid in full, refunded to Borrower), and the provisions of any Note and the other Loan Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder; *provided* that if any Note or Related Indebtedness has been paid in full before the end of the stated term thereof, then Borrower, Administrative Agent and each Lender agree that Administrative Agent or any Lender, as applicable, shall, with reasonable promptness after Administrative Agent or such Lender discovers or is advised by Borrower that interest was received in an amount in excess of the Maximum Rate, either refund such excess interest to Borrower and/or credit such excess interest against such Note and/or any Related Indebtedness then owing by Borrower to Administrative Agent or such Lender. Borrower hereby agrees that as a condition precedent to any claim seeking usury penalties against Administrative Agent or such Lender, Borrower will provide written notice to Administrative Agent or any Lender, advising Administrative Agent or such Lender in reasonable detail of the nature and amount of the violation, and Administrative Agent or such Lender shall have sixty (60) days after receipt of such notice in that to correct such usury violation, if any, by either refunding such excess interest to Borrower or crediting such excess interest against the Note to that the alleged violation relates and/or the Related Indebtedness then owing by Borrower to Administrative Agent or such Lender. All sums contracted for, charged, taken, reserved or received by Administrative Agent or any Lender for the use, forbearance or detention of any debt evidenced by any Note and/or the Related Indebtedness shall, to the extent permitted by applicable law, be amortized or spread, using the actuarial method, throughout the stated term of such Note and/or the Related Indebtedness (including any and all renewal and extension periods) until payment in full so that the rate or amount of interest on account of any Note and/or the Related Indebtedness does not exceed the Maximum Rate from time to time in effect and applicable to such Note and/or the

Related Indebtedness for so long as debt is outstanding. In no event shall the provisions of Chapter 346 of the Texas Finance Code (which regulates certain revolving credit loan accounts and revolving triparty accounts) apply to the Notes and/or any of the Related Indebtedness. Notwithstanding anything to the contrary contained herein or in any of the other Loan Documents, it is not the intention of Administrative Agent or any Lender to accelerate the maturity of any interest that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration.

**Section 12.22 Ceiling Election.** To the extent that any Lender is relying on Chapter 303 of the Texas Finance Code to determine the Maximum Rate payable on any Note and/or any other portion of the Obligations under the Loan Documents, such Lender will utilize the weekly ceiling from time to time in effect as provided in such Chapter 303. To the extent United States federal law permits any Lender to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law, such Lender will rely on United States federal law instead of such Chapter 303 for the purpose of determining the Maximum Rate. Additionally, to the extent permitted by applicable law now or hereafter in effect, any Lender may, at its option and from time to time, utilize any other method of establishing the Maximum Rate under such Chapter 303 or under other applicable law by giving notice, if required, to Borrower as provided by applicable law now or hereafter in effect.

**Section 12.23 USA Patriot Act Notice.** Administrative Agent and the Lenders each hereby notifies Borrower that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies Borrower and each other Obligated Party, which information includes the name and address of Borrower and each other Obligated Party and other information that will allow Administrative Agent and such Lender to identify Borrower and each other Obligated Party in accordance with the Patriot Act. In addition, Borrower agrees to (a) ensure that no Person who owns a controlling interest in or otherwise controls Borrower or any Subsidiary of Borrower is or shall be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the OFAC, the Department of the Treasury or included in any Executive Order, (b) not to use or permit the use of proceeds of the Obligations to violate any of the foreign asset control regulations of the OFAC or any enabling statute or Executive Order relating thereto or Anti-Corruption Laws or Anti-Terrorism Laws, and (c) comply, or cause its Subsidiaries to comply, with the applicable Laws.

**Section 12.24 Defaulting Lenders.**

( a ) **Adjustments.** Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

( i ) **Waivers and Amendments.** Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and in Section 12.12.

(ii) **Defaulting Lender Waterfall.** Any payment of principal, interest, fees or other amounts received by Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article 10 or otherwise) or

received by Administrative Agent from a Defaulting Lender shall be applied at such time or times as may be determined by Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to Administrative Agent hereunder; second, with respect to a Defaulting Lender that is a Revolving Credit Lender, as Borrower may request (so long as no Default or Event of Default exists), to the funding of any Revolving Credit Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by Administrative Agent; third, with respect to a Defaulting Lender that is a Revolving Credit Lender, if so determined by Administrative Agent and Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Revolving Credit Loans under this Agreement; fourth, to the payment of any amounts owing to Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; fifth, so long as no Default or Event of Default exists, to the payment of any amounts owing to Borrower as a result of any judgment of a court of competent jurisdiction obtained by Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and sixth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that, if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in Section 5.2 were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by Lenders pro rata in accordance with the Revolving Credit Commitments under the Revolving Credit Facility.

(iii) **Certain Fees.** No Defaulting Lender shall be entitled to receive any fee payable under Section 2.2(b) for any period during which that Lender is a Defaulting Lender (and Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(b) **Defaulting Lender Cure.** If Borrower and Administrative Agent agree in writing that a Lender is no longer a Defaulting Lender, Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as Administrative Agent may determine to be necessary to cause the Loans to be held on a pro rata basis by Lenders in accordance with their Applicable Percentages, whereupon such Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of Borrower while that Lender was a Defaulting Lender; and *provided further* that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

**Section 12.25 Sharing of Payments by Lenders.** If any Lender or any of its Related Parties shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it or other obligations hereunder,

resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall:

(a) notify Administrative Agent of such fact; and

(b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, *provided* that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section 12.25 shall not be construed to apply to: (A) any payment made by or on behalf of Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender); or (B) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than an assignment to Borrower or any Affiliate thereof (as to which the provisions of this Section 12.25 shall apply).

Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of Borrower in the amount of such participation.

If any Lender (or any Related Party of any Lender) shall receive any payments in contravention of Section 8.12, such Lender shall deliver (and cause any applicable Related Party to deliver) such amounts to the Administrative Agent for application to the Obligations under the Loan Documents in the order set forth in Section 10.3.

**Section 12.26 Payments Set Aside.** To the extent that any payment by or on behalf of Borrower is made to Administrative Agent or any Lender, or Administrative Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per

annum equal to the Federal Funds Rate from time to time in effect. The obligations of Lenders under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

**Section 12.27 Confidentiality.** Each of Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners) or any Governmental Authority, quasi-Governmental Authority or legislative committee, (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement or any other Loan Document, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to its being under a duty of confidentiality no less restrictive than this Section 12.27, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement, (ii) any actual or prospective counterparty (or its Related Parties) to any Hedge Agreement relating to Borrower and its obligations, (iii) any actual or prospective purchaser of a Lender or its holding company, (iv) any rating agency or any similar organization in connection with the rating of Borrower or the facilities or (v) the CUSIP Service Bureau or any similar organization in connection with the issuance and monitoring of CUSIP numbers with respect to the facilities, (g) with the consent of Borrower, or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section 12.27 or (ii) becomes available to Administrative Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than Borrower. For purposes of this Section 12.27, “**Information**” means all information received from Borrower or any Subsidiary relating to Borrower or any Subsidiary or any of their respective businesses that is clearly identified as confidential, other than any such information that is available to Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by Borrower or a Subsidiary; *provided* that, in the case of information received from Borrower or any Subsidiary after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 12.27 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

**Section 12.28 Electronic Execution of Assignments and Certain Other Documents.** The words “execute,” “execution,” “signed,” “signature,” and words of like import in any Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New

York State Electronic Signatures and Records Act, or any other similar state Laws based on the Uniform Electronic Transactions Act.

Section 12.29 **Independence of Covenants.** All covenants under the Loan Documents shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or be otherwise within the limitations of, another covenant shall not avoid the occurrence of a Default if such action is taken or such condition exists.

Section 12.30 **Acknowledgement and Consent to Bail-In of EEA Financial Institutions.** Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

Section 12.31 **NOTICE OF FINAL AGREEMENT.** THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

*(The remainder of this page is intentionally blank; counterpart signature pages follow.)*



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EXECUTED to be effective as of the date first written above.

BORROWER:

GUILD MORTGAGE COMPANY,  
a California corporation

By: /s/ Amber Elwell,  
Amber Elwell,  
Chief Financial Officer



LENDERS:

TEXAS CAPITAL BANK, NATIONAL  
ASSOCIATION

By: /s/ Aric Crouch  
Aric Crouch  
Vice President

AMERIS BANK

By: /s/ Gino Vezzani  
Name: Gino Vezzani  
Title: Senior Vice President

PINNACLE BANK

By: /s/ Scott Williams  
Name: Scott Williams  
Title: Senior Vice President

COMMUNITY NATIONAL BANK

By: /s/ Chris Hart  
Name: Chris Hart  
Title: Sr. Vice Pres.

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**MASTER LOAN PURCHASE AND SERVICING AGREEMENT  
(EBO PROGRAM)**

THIS MASTER LOAN PURCHASE AND SERVICING AGREEMENT for residential FHA-insured mortgage loans, dated as of December 21, 2018, between TEXAS CAPITAL BANK, NATIONAL ASSOCIATION (“Purchaser”), whose address is 2000 McKinney Avenue, Suite 700, Dallas, Texas 75201, and GUILD MORTGAGE COMPANY, a California corporation, as seller (“Seller”), whose address is 5898 Copley Drive, 3rd, 4th & 5th Floor, San Diego, California 92111 (sometimes hereinafter individually a “Party” or collectively the “Parties”).

WHEREAS, Seller currently services and intends to affect an early buyout of certain fixed-rate, fully amortizing FHA-insured residential mortgage loans currently in Ginnie Mae mortgage-backed securities;

WHEREAS, simultaneously with such early buyout of the Mortgage Loans, Seller wishes to sell the Mortgage Loans to Purchaser on a servicing retained basis;

WHEREAS, Purchaser wishes to buy the Mortgage Loans and to have the Servicer service, and the Subservicer subservice, the related Mortgage Loans as so indicated on the Loan Purchase Data File, but on its behalf;

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter set forth, the parties hereto hereby agree as follows:

**ARTICLE I**

**DEFINITIONS**

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

“Accepted Servicing Practices”: With respect to any Mortgage Loan or REO Property, those mortgage servicing practices utilized by a substantial portion of mortgage servicing institutions which service mortgage loans and REO properties of the same type as such Mortgage Loans or REO properties in the jurisdiction where the related Mortgaged Property or REO Property is located and comply with applicable state and federal law, and FHA Regulations.

“Act”: The National Housing Act of 1934, as amended.

“Agreement”: This Master Loan Purchase and Servicing Agreement, including all exhibits and annexes hereto or incorporated herein, and all amendments hereof and supplements hereto, including the Guide.

“Aggregate Pool Principal Balance”: The aggregate unpaid principal balance, as of the applicable Settlement Date, of the Mortgage Loans delivered pursuant to the relevant Commitment Letter and this Agreement.

“Appraised Value”: With respect to any Mortgaged Property, the value thereof as determined by an appraisal made for the originator of the related Mortgage Loan at the time of origination of the related Mortgage Loan by a qualified appraiser.

“Assignment of Mortgage”: With respect to any Mortgage Loan, an assignment of the related Mortgage, notice of transfer or equivalent instrument, in recordable form, sufficient under the laws of the jurisdiction wherein the related Mortgaged Property is located to effect the assignment and pledge of the related Mortgage or, in the case of a MERS Mortgage Loan, a confirmed electronic transmission to MERS, identifying a transfer of ownership of the related Mortgage to Purchaser or its designee.

“Bailee Letter”: With respect to each relevant Seller Custodian, a bailee letter from Seller and such Seller Custodian in favor of Purchaser that provides that upon payment by Purchaser to Seller of the Purchase Price as described in Section 2.3, Seller’s interest in such Mortgage Loans and the related Mortgage Files shall be deemed released and such Seller Custodian shall thereupon be deemed to act as Custodian for Purchaser, which letter shall be in the form mutually agreed by Seller and Purchaser.

“Bankruptcy Loan”: Any mortgage loan with respect to which a proceeding shall have been instituted prior to the Settlement Date in a court having jurisdiction in the premises seeking a decree or order for relief in respect of any Mortgagor under any applicable bankruptcy, insolvency, liquidation, reorganization or other similar requirement of law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of such Mortgagor or for the Mortgaged Property.

“Business Day”: Any day which is not (i) a Saturday, (ii) a Sunday, (iii) a day on which banking institutions in Texas are permitted or required by law or executive order to be closed or (iv) a day on which the Federal Reserve Bank of New York is closed.

“Collateral File”: The mortgage submission package pertaining to a particular Mortgage Loan and including the documents set forth in Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K] related thereto; provided, that, if any of the documents referred to in Exhibit A has been delivered to Servicer, Subservicer or their respective designees for the purpose of servicing a Mortgage Loan, then the related Collateral File shall contain, in lieu of such documents, a copy of the related trust receipt (or a copy of the related request for release of documents or related bailee letter) from Servicer, Subservicer or their respective designees or the relevant Seller Custodian.

“Commitment Letter”: A commitment letter prepared by Seller and delivered to Purchaser proposing the terms of a sale of one or more Mortgage Loans hereunder, in a form reasonably acceptable to Purchaser and Seller.

“Condemnation Proceeds”: All awards or settlements in respect of a taking of a Mortgaged Property, whether 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.

“Confidential Information”: Any non-public written information or data provided to or disclosed by one Party to the other Party or on its behalf, either directly or indirectly, by any medium whatsoever, including, without limitation, any business information, trade or business services, financial information, legal information, licenses, ideas, concepts, know how, techniques, strategies, specifications, flow-charts, data, computer programs, marketing plans, customer names, employee data, customer files or customer data that are identified as secret, confidential and/or proprietary to the other Party or a third party to whom either or both Parties have a duty of confidentiality.

“Confirmation Documentation”: As defined in Section 2.3(i), which shall be in the form mutually agreed by Seller and Purchaser.

“Confirmed FHA Mortgage Loan”: An FHA Mortgage Loan purchased by Purchaser from Seller hereunder in which (i) continues to qualify as a Mortgage Loan hereunder, (ii) Purchaser’s status as the beneficiary under the FHA Insurance has been confirmed on the books and records of the FHA in a manner satisfactory to Purchaser, (iii) all payments and premiums required to maintain the FHA Insurance have been timely paid, and (iv) the FHA Insurance is in full force and effect, and no fact, circumstance or event exists or has occurred which would cause Purchaser to deem itself insecure that Purchaser would timely receive payment equal to the FHA Claim Settlement Amount with respect to any Mortgage Loan purchased by Purchaser hereunder.

“Custodial Agreement”: The Tri-Party Custodial Agreements by and between Purchaser, Seller, and the Seller Custodian pursuant to which Seller Custodian agrees to act as Custodian of the Mortgage Files on behalf of Purchaser.

“Custodian”: Each custodian under a Custodial Agreement, or any successor.

“Debenture Rate”: For purposes of calculating a claim shall be the monthly average yield, for the month in which the default on the Mortgage Loan occurred, on United States Treasury Securities adjusted to a constant maturity of 10 years, and as provided in the relevant Commitment Letter.

“Debenture Interest Advance”: The amount of debenture interest funded by Purchaser as provided in the relevant Commitment Letter calculated as the aggregate accrued interest at the respective Debenture Rate under applicable FHA Regulations for the period from the 61st day of delinquency through the Settlement Date.

“Default”: An Event of Default or an event that with notice or lapse of time or both would become an Event of Default.

“Due Date”: With respect to any Mortgage Loan, any date on which the related scheduled payment of principal and interest thereon is due, as set forth in the related Mortgage Note, exclusive of any days of grace.

“EBO Remittance Account”: The meaning set forth in Section 2.3(j) hereof.

“ETA Agreement”: An Electronic Tracking Agreement; Whole Loan Sale Agreement, in form and substance approved by Purchaser, by and between Purchaser, Seller, MERSCORP, and MERS pursuant to which, among other things, (a) the mortgagee of record under MERS Loans will be identified as MERS, (b) MERSCORP will act as Electronic Agent of Purchaser and Seller with respect to MERS Loans, and (c) upon the occurrence of certain events, MERSCORP will take such action as is necessary to reflect Purchaser as the investor, and/or Purchaser or its designee as servicer, on the MERS System with respect to certain MERS Loans.

“Event of Default”: The meaning set forth in Section 3.6 hereof.

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

“FHA”: The Federal Housing Administration, which is a subdivision of HUD, or any successor, including the Federal Housing Commissioner and the Secretary of Housing and Urban Development where appropriate under the FHA Regulations.

“FHA Claim Proceeds”: The amount of insurance proceeds received from FHA under FHA Insurance in the event of a default with respect to an FHA Mortgage Loan.

“FHA Claim Settlement Amount”: The remainder of (i) the sum of the Purchase Price less any principal previously received by Purchaser on the underlying Mortgage Loan plus the aggregate accrued interest calculated at the Pass-through Rate, minus (ii) the sum of the aggregate interest paid by Seller to Purchaser at the Mortgage Loan Remittance Rate plus the FHA Claim Proceeds.

“FHA Insurance”: An insurance policy granted by FHA with respect to each FHA Mortgage Loan under the applicable section of the Act.

“FHA Mortgage Loan”: At any time, any Mortgage Loan that is subject to FHA Insurance and eligible for reimbursement thereunder.

“FHA Regulations”: The regulations promulgated by HUD under the Act, codified in 24 Code of Federal Regulations and other HUD written interpretative issuances, which in each case relate to FHA Mortgage Loans, including, without limitation, related handbooks, circulars, notices and mortgagee letters, all as may be amended from time to time.

“Final Certification”: The Custodian certification of receipt of all required documents contained in the Collateral File within the timeframe defined in the Ginnie Mae MBS Guide.

“Foreclosure Loan”: Any mortgage loan with respect to which a foreclosure sale has occurred on or prior to the Settlement Date.

“Four-Year Aged Loan”: Any Mortgage Loan that remains subject to this Agreement for more than four years.

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

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“Ginnie Mae”: The Government National Mortgage Association and its successors.

“Ginnie Mae MBS Guide”: The Ginnie Mae Mortgage-Backed Securities Guide, as it may be amended, restated, or replaced from time to time.

“Guide”: Any guide and manual prepared by Purchaser relating to FHA Mortgage Loans, Purchaser’s eligibility criteria, policies, procedures and requirements for the purchase of Loans, as the same may be amended from time to time, in accordance with Section 4.10, which Guide is incorporated into this Agreement by reference.

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

“Initial Certification”: The Custodian certification of receipt of the minimum documents required to allow a Ginnie Mae security to be issued contained in the Collateral File as defined in the Ginnie Mae MBS Guide.

“Insurance Proceeds”: With respect to each Mortgage Loan, proceeds of insurance policies insuring the Mortgage Loan or the related Mortgaged Property, including any FHA Claim Proceeds.

“Liquidation Proceeds”: Amounts received in connection with the partial or complete liquidation of a defaulted Mortgage Loan, whether through the sale or assignment of such Mortgage Loan, trustee’s sale, foreclosure sale or otherwise.

“Loan Purchase Data File”: The schedule of Mortgage Loans attached to the Confirmation Documentation and other electronic or written data containing the fields required by the Guide or otherwise required by Purchaser.

“Make Whole Price”: shall mean, with respect to any Mortgage Loan, an amount equal to the Purchase Price paid by Purchaser for the Mortgage Loan, plus accrued, unpaid interest, at the Pass Through Rate, and the Premium Expense (if any), less any principal payments received by Purchaser and less any interest payments received by Purchaser at the Mortgage Loan Remittance Rate.

“Material Adverse Effect”: shall mean an act or failure to act, according to the terms of the Purchase Documents, by any party to this Agreement, which has a material adverse effect on (a) the property, business, operations, condition (financial or otherwise) or prospects of Seller, Servicer, or any Subservicer, or the validity or enforceability of any of the Purchase Documents, or (b) the rights and remedies of Purchaser under any of the Purchase Documents, or (c) the timely payment of any amounts payable under the Purchase Documents or (d) the Mortgage Loans taken as a whole and, which affects the value or marketability of the Mortgage Loans or which affects any party’s ability to perform its obligations under the Purchase Documents.

“MBS”: A mortgage pass-through security, collateralized mortgage obligation, REMIC or other security that (a) is based on and backed by an underlying pool of Mortgage Loans and (b) provides for payment by its issuer to its holder of specified principal installments and/or a



fixed or floating rate of interest on the unpaid balance and for prepayments to be passed through to the holder, whether issued in certificated or book-entry form and whether or not issued, guaranteed, insured or bonded by Ginnie Mae, Fannie Mae, Freddie Mac, an insurance company, a private issuer or any other Person.

“MERS”: Mortgage Electronic Registration Systems, Inc., a corporation organized and existing under the laws of the State of Delaware, or any successor thereto.

“MERSCORP”: MERSCORP Holdings, Inc., a corporation organized and existing under the laws of the State of Delaware, or any successor thereto.

“MERS Loan”: Any Mortgage Loan registered with MERS on the MERS System.

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

“Monthly Payment”: The scheduled monthly payment on a Mortgage Loan due on any Due Date allocable to principal and/or interest on such Mortgage Loan pursuant to the terms of the related Mortgage Note.

“Mortgage”: The mortgage, deed of trust, deed to secure debt or other instrument of security creating a first lien on, or a first priority ownership interest in, the real property securing a Mortgage Note.

“Mortgagee Neglect”: With respect to a Mortgaged Property, Seller’s failure to take actions to preserve and protect a Mortgaged Property after the time it is determined, or should have been determined, by Seller or its Servicer to be vacant or abandoned, including, by way of illustration but not limitation, failure to adequately and accurately verify the occupancy status, obtain timely and accurate property inspections, promptly secure and protect abandoned or vacant property, promptly initiate foreclosure of a Mortgaged Property, or promptly notify HUD or its contractors of code violations or demolition notices and/or take appropriate action.

“Mortgage File”: With respect to each Mortgage Loan, the Loan Purchase Data File, Collateral File and the Servicing File, referred to collectively.

“Mortgage Interest Rate”: The annual rate at which interest accrues on any Mortgage Loan in accordance with the provisions of the related Mortgage Note, as may be modified in accordance with applicable FHA Regulations.

“Mortgage Loan”: An FHA Mortgage Loan that is the subject of this Agreement, as identified on the Loan Purchase Data File, including, without limitation, the Mortgage File, Monthly Payments, Principal Prepayments, Liquidation Proceeds, Condemnation Proceeds, Insurance Proceeds, all escrow accounts and all other rights (other than the servicing rights), benefits, proceeds and obligations arising from or in connection with such Mortgage Loan; provided, that “Mortgage Loan” shall not include any mortgage loan (i) which is a Foreclosure Loan or (ii) for which the related Mortgaged Property as of the Settlement Date is damaged or is subject to damage (other than de minimis damage) by fire, flood, windstorm, earthquake,

tornado, hurricane or any other similar casualty (and which physical damage would adversely affect (x) the value or marketability of such Mortgage Loan or Mortgaged Property, (y) the eligibility of the related Mortgage Loan for the applicable FHA Insurance or (z) the full principal recovery of the insurance or guaranty benefits under the applicable the FHA Insurance or the conveyance of the related Mortgaged Property in accordance with applicable FHA Regulations.

“Mortgage Loan Remittance Rate”: With respect to a Mortgage Loan, the interest rate utilized to calculate the interest payment payable to Purchaser on each remittance date relating to such Mortgage Loan, as set forth in the Commitment Letter.

“Mortgage Note”: With respect to a Mortgage Loan, the original executed note or other evidence of indebtedness evidencing the indebtedness of the related Mortgagor under the related Mortgage Loan.

“Mortgage Warehouse Agreement”: That certain Mortgage Warehouse Agreement between Purchaser and Seller wherein Purchaser agrees from time to time to purchase Participation Interests from Seller in Mortgage Loans originated or acquired by Seller, as said Mortgage Warehouse Agreement may be amended from time to time.

“Mortgaged Property”: The underlying property, including real property and improvements thereon, securing a Mortgage Loan.

“Mortgagor”: The obligor or obligors under a Mortgage Note (including without limitation, any guarantor with respect to obligations under such Mortgage Note).

“Non-Public Personal Information”: Any personal consumer information for each Mortgagor (including, without limitation, the names, addresses and social security numbers of the Mortgagors) that either Party receives from the other Party in connection with the implementation of the terms and conditions of this Agreement, or as otherwise specifically permitted under the Gramm-Leach-Bliley Act (P.L. 106-102) (15 U.S.C. Section 6801 et seq.) or its implementing regulations (“Gramm-Leach-Bliley”).

“OCC”: The Office of the Comptroller of the Currency.

“Pass Through Rate”: The agreed upon rate of interest that Seller is required to pay on the Purchase Price of each Mortgage Loan less any Principal Prepayment received by Purchaser from and after the Settlement Date, as specified in the relevant Commitment Letter.

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

“Power of Attorney”: A Power of Attorney in the form attached hereto as Exhibit D [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

“Premium Expense”: The meaning set forth in Section 3.5(cc) hereof.

“Prime Rate” shall mean the minimum interest rate charged by a commercial bank on short term business loans to large, best-rated customers or corporations.

“Principal Prepayment”: Any payment or other recovery of principal on a Mortgage Loan which is received in advance of its scheduled Due Date and which is not accompanied by an amount of interest representing scheduled interest due on any date or dates in any month or months subsequent to the month of prepayment.

“Purchase Documents”: This Agreement, the Guide, the Servicing Agreement, (if any), the Servicer Notice, the Confirmation Documentation, the Power of Attorney, the Custodial Agreement, the Commitment Letters, the Assignments of Mortgage, the Bailee Letters, the ETA Agreement, and each other document, instrument or agreement executed by Seller in connection herewith or therewith, as any of the same may be amended, extended or replaced from time to time.

“Purchase Price”: The amount equal to the sum of (a) the product of (i) the Purchase Price Percentage and (ii) the Aggregate Pool Principal Balance, plus (b) with respect to each Mortgage Loan, the Debenture Interest Advance.

“Purchase Price Percentage”: [\*\*\*] of the Aggregate Pool Principal Balance as of the Settlement Date, or par.

“Purchaser Clearing Account”: The deposit account at Purchaser established, owned and controlled by Purchaser into which all payments, proceeds and disbursements with respect to Mortgage Loans purchased by Purchaser hereunder shall be collected, received and held in accordance with the terms of this Agreement.

“Repurchase Price”: With respect to any Mortgage Loan, the sum of (i) the Purchase Price less any Principal Prepayments, plus (ii) the aggregate accrued interest at the Pass Through Rate minus (iii) the aggregate accrued interest paid at the Mortgage Loan Remittance Rate; provided, however, that the Repurchase Price shall never be less than the Make Whole Price. With respect to any Mortgage Loan that has become a reinstated or re-performing Mortgage Loan, regardless of whether such Mortgage Loan has been modified or otherwise, the Repurchase Price shall include an amount equal to [\*\*\*] of any gain realized on the sale of any such Mortgage Loan to a new investor and/or the re-securitization thereof and such payment to Purchaser of [\*\*\*] of the gain shall be above and beyond and not an offset against Seller’s obligation to pay Purchaser not less than the Make Whole Price for any Mortgage Loan); provided, that with respect to any re-securitized Mortgage Loan, the maximum difference between the Mortgage Loan interest rate and the coupon rate on the related security may not be more than [\*\*\*]. Notwithstanding the foregoing, Seller shall bear all losses with respect to any such reinstated or re-performing Mortgage Loan.

“Seller Custodian”: With respect to each Mortgage Loan, the custodian holding the related Collateral File on behalf of Seller on the relevant Settlement Date.

“Seller’s Depository Account”: Unless Seller directs Purchaser to wire the Purchase Price to a third party, the deposit account established and maintained by Seller at Purchaser for the sole

and limited purpose of receiving and holding the Purchase Price payable by Purchaser to Seller for each Mortgage Loan.

“Servicer”: Seller, in its capacity as servicer of the Mortgage Loans hereunder.

“Servicer Notice”: A servicer notice in the form attached hereto as Exhibit C [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

“Servicing Agreement”: A subservicing agreement by and between Seller (as Servicer) and Subservicer, if any, and if no subservicing agreement exists, the servicing provisions of this Agreement.

“Servicing File”: Any and all documents customarily retained in a servicing or origination file, including, but not limited to, those documents listed on Exhibit B [Omitted pursuant to Item 601(a)(5) of Regulation S-K] to this Agreement pertaining to any Mortgage Loan.

“Settlement Date”: As provided in the relevant Commitment Letter or such other date as may be agreed upon in writing by the parties.

“Subservicer”: the subservicer under the Servicing Agreement, if any; provided, that Purchaser acknowledges that Seller, as of the date of this Agreement, intends to service the Mortgage Loans directly and does not engage any subservicer, and that any subservicer that Seller may subsequently engage shall be subject to the approval of Purchaser, not to be unreasonably withheld.

“Surchargeable Damage”: Damage to a Mortgaged Property related to a Mortgage Loan, which damage is caused by fire, flood, earthquake, tornado, boiler explosion (for condominiums only) or Mortgagee Neglect, or as the term “Surchargeable Damage” is otherwise defined by HUD.

“Three-Year Aged Loan”: Any Mortgage Loan that remains subject to this Agreement for more than three years.

“Uncovered Losses”: Mortgagor default losses on a Mortgage Loan that are attributable to any and all losses associated with the liquidation of the Mortgage Loan, including, but not limited to, standard FHA claim disallowances and any reduction or curtailment of any payment of principal, interest or fees, costs or expenses otherwise payable by the under the applicable FHA Insurance (including without limitation, FHA Claim Proceeds).

## ARTICLE II

### BASIC AGREEMENT

2.1 Basic Agreement. From time to time in accordance with the terms hereof and the Guide and Purchaser’s other requirements, Seller may offer to sell Mortgage Loans to Purchaser on a designated Settlement Date on a servicing retained basis, with servicing provided by the

Seller as Servicer in accordance with the terms hereof and of the Servicing Agreement. Purchaser may accept or reject any such offer in its sole and absolute discretion, and Seller specifically acknowledges that Purchaser may decline to purchase a Mortgage Loan for any reason or for no reason. Seller shall compensate the Subservicer, if any, for the performance of its servicing and administrative duties in accordance with the terms hereof and the terms of the Servicing Agreement.

2.2 Purchase Price. Purchaser shall pay to Seller the Purchase Price on the designated Settlement Date by internal transfer to Seller's Depository Account or by wire transfer of funds to an account designated by Seller in exchange for delivery of the Collateral Files relating to the purchased Mortgage Loans in accordance with Sections 3.2 and 3.3 hereof.

2.3 Closing. The closing for each purchase and sale of Mortgage Loans shall take place on the Settlement Date. The closing for the Mortgage Loans to be purchased on each Settlement Date shall be subject to each of the following conditions precedent:

- (a) Purchaser and Seller shall have executed a Commitment Letter;
- (b) Seller shall have delivered to Purchaser a Loan Purchase Data File as required by the Guide;
- (c) All of the representations and warranties of each party under this Agreement shall be true and correct in all material respects as of the Settlement Date and no Default or Event of Default shall have occurred and be continuing;
- (d) Each of Purchaser and Seller shall have performed their respective obligations under this Agreement and the other Purchase Documents required to be performed prior to the Settlement Date;
- (e) Purchaser shall have received an executed Bailee Letter from each relevant Seller Custodian, in form and substance satisfactory to Purchaser;
- (f) Purchaser shall have received an executed Servicer Notice from Subservicer;
- (g) Seller shall have executed and delivered a Power of Attorney to Purchaser;
- (h) Purchaser shall have received a Trust Receipt from each relevant Custodian with respect to the relevant Mortgage Loans;
- (i) Purchaser shall have countersigned the Commitment Letter and have paid the Purchase Price to Seller by internal transfer to Seller's Depository Account or by wire transfer of immediately available funds to the account designated by Seller, and Seller shall deliver to Purchaser an original bill of sale and notice of receipt and release (the "Confirmation Documentation") and shall deliver a copy thereof to each Seller Custodian.

(j) Seller shall have established a demand deposit account with Purchaser, referred to herein as the "EBO Remittance Account", and agrees to maintain a minimum balance therein as established in the most recent Commitment Letter.

### ARTICLE III

#### ADDITIONAL TERMS

For the purposes of this Agreement, Seller and Purchaser agree to the following additional terms and conditions:

3.1. Conveyance of Mortgage Loans.

(a) On the Settlement Date, upon the payment of the Purchase Price by Purchaser, and pursuant to a Commitment Letter prepared by Seller and approved and executed by Purchaser, Seller does hereby sell, transfer, assign, set over and convey to Purchaser, free and clear of any liens, security interests or other encumbrances, but subject to the terms of this Agreement, all right, title and interest in and to the Mortgage Loans subject to the Commitment Letter other than servicing rights related thereto, which shall be retained by the Servicer subject to the terms hereof. From and after the Settlement Date, the ownership of each Mortgage Loan, including the related Mortgage Note, the related Mortgage, the contents of the related Mortgage File and all rights, benefits, proceeds and obligations arising therefrom or in connection therewith (other than the servicing rights related thereto, which shall be retained by the Seller subject to the terms hereof and the Servicing Agreement) shall be vested in Purchaser. From the Settlement Date, all rights (other than the servicing rights related thereto) arising out of the Mortgage Loans including, but not limited to, all funds received after the Settlement Date on or in connection with the Mortgage Loans and all records or documents with respect to the Mortgage Loans prepared by or that come into the possession of Seller, shall be received and held by Seller in trust for the benefit of Purchaser as the owner of the Mortgage Loans.

(b) Upon the payment of the Purchase Price, each Seller Custodian will hold the Collateral Files solely for and on behalf of Purchaser pursuant to the relevant Custodial Agreement and subject to the exclusive direction and control of Purchaser. Each Seller Custodian shall update its records to reflect ownership by Purchaser and the Mortgage Loans shall be segregated from Seller's Mortgage Loans.

(c) Within three (3) Business Days following the Settlement Date, Seller's books and records for the Mortgage Loans shall be appropriately identified to clearly reflect the sale of the Mortgage Loans to Purchaser and Purchaser's ownership of the Mortgage File. Seller shall cause Servicer to transfer all escrow balances into segregated accounts held in Trust for Purchaser and for the benefit of the Mortgagor.

(d) Within three (3) Business Days following the Settlement Date, Seller shall execute and submit to the FHA an FHA notification of mortgagee record change in the name of Purchaser to reflect Purchaser as holder of the FHA Insurance with respect to the Mortgage Loans and shall confirm such notification with Purchaser, and within three (3) Business Days

following the Settlement Date, Seller shall provide Purchaser with satisfactory evidence that the books and records of the FHA properly reflect that Purchaser is the owner and holder of the Mortgage Loans and the mortgagee of record and that the Mortgage Loans are confirmed FHA Mortgage Loans.

(e) Each of Purchaser and Seller shall provide to any supervisory agents or examiners that regulate such Person, including but not limited to, the OCC, the FDIC and other similar entities, access, during normal business hours, upon reasonable advance notice to such Person, to any documentation regarding the Mortgage Loans that may be required by any applicable regulator.

### 3.2. Delivery of Mortgage Loans and Collateral Files.

(a) At least ten (10) Business Days prior to the Settlement Date, each Custodian shall provide Purchaser with a data file listing all documents held by such Custodian in its capacity as Seller Custodian with respect to each Mortgage Loan listed on the relevant Loan Purchase Data File. Seller, Purchaser and each Custodian shall agree to the form and content of such data file, but such data file shall at a minimum contain a listing of any exceptions that such Custodian would be required to list as an exception on a Trust Receipt issued in accordance with the relevant Custodial Agreement. No more than one (1) Business Day following the Settlement Date, Seller shall cause an executed Request for Release of Documents (HUD Form 11708) to effectuate the repurchase of each Mortgage Loan from the applicable Ginnie Mae MBS pool to be delivered to the relevant Seller Custodians. On the Settlement Date, each Custodian shall deliver to Purchaser a Trust Receipt in accordance with the terms of the relevant Custodial Agreement with respect to the documents held by such Custodian on behalf of Purchaser, and such certifications regarding the Collateral File or the documents contained therein as Purchaser may reasonably require.

(b) Purchaser may, at its option and without notice to Seller, purchase the Mortgage Loans without conducting any partial or complete examination thereof. The fact that Purchaser, its designee or any Custodian has conducted or has failed to conduct any partial or complete examination of the Collateral Files shall not affect Purchaser's (or any of its successor's) rights to demand repurchase, indemnity or other relief as provided herein.

(c) With respect to each Mortgage Loan, Seller shall at Seller's expense prepare or ensure the preparation of, in recordable form, all Assignments of Mortgage necessary to assign such Mortgage Loans to Purchaser, or its designee. In connection with the transfer of any MERS Loan, Seller agrees that within three (3) Business Days after the Settlement Date it will, at Seller's expense, (i) take all such action as is necessary to comply with its obligations regarding designation of the mortgagee of record, servicer, and/or subservicer, and of Purchaser as an "Associated Member," in the MERS System with respect to each related Mortgage Loan in accordance with this Agreement. Within one (1) Business Day after it receives notice of completion from MERS, Seller shall provide written evidence of the ownership status change to Purchaser.

(d) Seller shall bear its own costs and expenses in connection with the purchase and sale of the Mortgage Loans including, without limitation, the legal fees and expenses of their respective attorneys and any due diligence expenses. Notwithstanding the foregoing, Seller shall bear any and all costs and expenses incurred in connection with transferring title to the Mortgage Loans from Seller to Purchaser, including, without limitation, any reasonable out of pocket preparation costs and recordation fees for the Assignments of Mortgages, and any expenses related to the transfer of servicing.

(e) Seller acknowledges that Purchaser generally will not purchase Mortgage Loans for which a document exception would be noted on the Trust Receipt by the relevant Custodian. If, however, Purchaser chooses to proceed with the purchase of a Mortgage Loan notwithstanding any such exception, Seller shall have 120 days (or such shorter period as Purchaser may specify when it agrees to purchase such Mortgage Loan) to cure such defect. If the Seller does not cure such defect within such timeframe, then at Purchaser's request, Seller shall repurchase such Mortgage Loan at the Repurchase Price.

3.3. Amounts Received on the Mortgage Loans; Aggregate Principal Balance of Mortgage Loans; Proceeds and Repurchase Amount.

(a) With respect to each Mortgage Loan, Purchaser shall be entitled to, and Seller shall pay (or shall cause Subservicer to pay) directly to Purchaser (i) the principal portion of all Monthly Payments collected with respect such Mortgage Loan after the Settlement Date, (ii) all other recoveries of principal collected with respect to such Mortgage Loan after the Settlement Date, and (iii) interest at the Mortgage Loan Remittance Rate. The unpaid principal balance of a Mortgage Loan as of the Settlement Date is determined after application of payments of principal collected on such Mortgage Loan on or before the Settlement Date, together with any unscheduled Principal Prepayments collected thereon prior to the Settlement Date.

(b) With respect to each Mortgage Loan, Purchaser shall be entitled to, and Seller shall pay (or shall cause Subservicer to pay) directly to Purchaser (except in the case of FHA Claim Proceeds that are paid directly to Purchaser), (i) in the case of a Part A FHA Claim, the FHA Claim Proceeds and the FHA Claim Settlement Amount, and (ii) in the case of a loan repurchased by Seller, the Repurchase Price; provided, however, in no event shall Purchaser receive in the aggregate, with respect to each Mortgage Loan, an amount less than the Make Whole Price, and Seller shall be liable for and shall pay to Purchaser, upon demand at such time as a Mortgage Loan becomes a Four-Year Aged Loan, an amount equal to any deficiency between amounts actually received by Purchaser with respect to such Mortgage Loan and the Make Whole Price. Following the payment to Purchaser of the amounts required pursuant to Section 3.3(b)(i), provided that no Event of Default shall have occurred and be continuing, and subject to the other terms of this Agreement, Purchaser shall, at Seller's sole cost and expense, execute and deliver such instruments of transfer or assignment as shall be prepared by, and delivered to it by, Seller and necessary to reassign to Seller the rights to any FHA Claim Proceeds for any Part B FHA Claim with respect to the relevant Mortgage Loan.

(c) Any payments to Purchaser required under this Agreement shall be accomplished by wire transfer of immediately available funds into the Purchaser Clearing Account (unless



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Purchaser shall have designated otherwise in writing). Purchaser shall have the right to offset any amounts in the EBO Remittance Account and any amounts to be deposited therein by Purchaser in order to affect the FHA Claim Settlement Amount or satisfy the Make Whole Price.

3.4. Representations and Warranties of Seller. As of each Settlement Date and at all times while Purchaser owns any Mortgage Loans hereunder, Seller hereby represents and warrants to Purchaser as follows:

(a) Seller is a corporation, duly formed, validly existing and in good standing under the laws of the State of California. Seller has all licenses necessary to carry out its business as now being conducted, and is licensed and qualified to transact business in and is in good standing under the laws of each state in which any Mortgaged Property is located, to the extent necessary to ensure the enforceability of each Mortgage Loan;

(b) Immediately preceding the payment of the Purchase Price, Seller is the sole beneficial owner of the Mortgage Loans and the related servicing rights and has the full power and authority and legal right to hold, transfer and convey to Purchaser each Mortgage Loan and to execute, deliver and perform, and to enter into and consummate, all transactions contemplated by this Agreement, the Servicing Agreement and the other Purchase Documents, and to conduct its business as presently conducted. Seller has duly authorized the execution, delivery and performance of this Agreement, the other Purchase Documents and all other instruments, documents and agreements contemplated hereby, has duly executed and delivered this Agreement, and all other instruments, documents and agreements contemplated hereby, and this Agreement and the other Purchase Documents (assuming due authorization, execution and delivery by the parties thereto other than Seller) is binding upon and enforceable against Seller, in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights and to the application of equitable principles in any proceeding, whether at law or in equity;

(c) Neither the execution and delivery of this Agreement and the other Purchase Documents, the sale of the Mortgage Loans to Purchaser as contemplated herein, the servicing of the Mortgage Loans hereunder or under the Servicing Agreement nor the consummation of the transactions contemplated hereby will conflict with any of the terms, conditions or provisions of Seller's organizational documents, or constitute a default under or result in a breach or acceleration of, any material contract, agreement or other instrument to which Seller is a party or which may be applicable to Seller or any of its properties or assets, or result in the violation of any law, rule, regulation, order, judgment or decree to which Seller or any of its properties or assets (including without limitation the Mortgage Loans) is subject, or impair the ability of Purchaser to realize on any Mortgage Loan or the related FHA Insurance;

(d) Seller is not in violation of any order or decree of any court or any order or regulation of any federal, state, municipal or governmental agency or authority, or any tax, licensing, accounting or regulatory body or other body having jurisdiction over Seller or any of its properties or assets, which violation might have consequences that would materially and adversely affect the performance of its obligations and duties hereunder;

(e) Seller does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant contained in this Agreement and the other Purchase Documents. Seller is solvent and the sale of the Mortgage Loans will not cause Seller to become insolvent. The sale of the Mortgage Loans is not undertaken with the intent to hinder, delay or defraud any of Seller's creditors;

(f) Seller has been and will continue to service and cause any applicable Subservicer to subservice such Mortgage Loans in accordance with the Servicing Agreement and Accepted Servicing Practices prior to the Settlement Date and at all times thereafter;

(g) Immediately preceding the payment of the Purchase Price for the Mortgage Loans, Seller was the owner of the related Mortgage and the indebtedness evidenced by the related Mortgage Note, and owned the related servicing rights as indicated on the Loan Purchase Data File, subject to no claims, liens, pledges or interests of any other Person;

(h) There are no actions or proceedings against, or investigations of, Seller pending, or to Seller's knowledge, threatened before any court, administrative or other tribunal that might prohibit or materially and adversely affect the performance by Seller of its obligations under, or the validity or enforceability of, this Agreement and the other Purchase Documents;

(i) No consent, approval, authorization or order of any court or governmental agency or authority, or any tax, licensing, accounting or regulatory body or other body, is required for the execution, delivery and performance by Seller of, or compliance by Seller with, this Agreement and the other Purchase Documents or the sale of the Mortgage Loans and delivery of the Collateral Files to Purchaser (or the relevant Custodian on its behalf) as evidenced by, or the consummation of, the transactions contemplated by this Agreement and the other Purchase Documents, except for such consents, approvals, authorizations or orders, if any, that have been obtained prior to the Settlement Date and except for any notice required to be given to FHA pursuant to the applicable FHA Regulations;

(j) The consummation of the transactions contemplated by this Agreement and the other Purchase Documents are in the ordinary course of business of Seller, and the transfer, assignment and conveyance of the Mortgage Notes and the Mortgages by Seller pursuant to this Agreement and the other Purchase Documents are not subject to the bulk transfer or any similar statutory provisions in effect in any applicable jurisdiction;

(k) Seller is registered and in good standing with MERS;

(l) Seller is an FHA approved mortgagee and a Ginnie Mae approved lender. Seller is also approved by Fannie Mae as an approved lender or Freddie Mac as an approved seller/servicer, and, to the extent necessary, approved by the Secretary of HUD pursuant to Sections 203 and 211 of the Act. In each such case, Seller is in good standing, with no event having occurred or Seller having any reason whatsoever to believe or suspect will occur that would either make Seller unable to comply with the eligibility requirements for maintaining all such applicable approvals or require notification to the relevant agency or to HUD or the FHA. Should Seller for any reason cease to possess all such applicable approvals, or should

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notification to the relevant agency or to HUD or FHA be required, Seller shall so notify Purchaser immediately in writing;

(m) Seller has not dealt with any broker, investment banker, agent or other person that may be entitled to any commission or compensation from Purchaser in connection with the sale of the Mortgage Loans;

(n) Each Mortgage Loan sold by Seller to Purchaser under this Agreement is, and until payment in full of such Mortgage Loan in accordance with Section 3.3(b) of this Agreement shall continue to be, a Confirmed FHA Mortgage Loan; and

(o) No Default or Event of Default has occurred.

3.5. Representations and Warranties Regarding Individual Mortgage Loans. As of each Settlement Date and at all times while this Agreement is in force and effect or Purchaser owns any Mortgage Loans (or related real-estate owned properties) hereunder, Seller hereby represents and warrants to Purchaser as follows with respect to each Mortgage Loan:

(a) The information set forth in the Loan Purchase Data File is complete, true and correct in all material respects;

(b) With respect to each Mortgage Loan, the FHA Insurance is in full force and effect. All necessary steps have been taken to keep such insurance valid, binding and enforceable as of the Settlement Date and such FHA Insurance is the binding, valid and enforceable obligation of the FHA as of the Settlement Date to the full extent thereof, without surcharge, set-off or defense, all actions that are necessary to ensure that such FHA Insurance remains so valid, binding and enforceable have been or will be taken, and the Mortgage Loan is and shall continue to be a Confirmed FHA Mortgage Loan;

(c) There is no valid offset, defense or counterclaim to any Mortgage Note, nor will the operation of any of the terms of any Mortgage Note and the related Mortgage, or the exercise of any right thereunder, render such Mortgage Note or the related 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 with respect to any Mortgage or Mortgage Note. There are no defenses, counterclaims, or rights of setoff, or other facts or circumstances affecting the eligibility of the Mortgage Loans for insurance by an insurer, or affecting the validity or enforceability of any mortgage insurance or mortgage guaranty with respect to the Mortgage Loan as a result of any act, error or omission of Seller or of any other Person including, but not limited to, the FHA insurance. The related FHA policy calls for the assignment of the Mortgage Loan to FHA as opposed to the co-insurance option. The entire amount of the insurance premium has been paid to FHA in accordance with the FHA Regulations and no portion of such premium is shared with or by Seller or, if the monthly premium option has been chosen for such Mortgage Loan, all such premiums due on or before the related Settlement Date have been duly and timely paid;

(d) Each Mortgage Loan at origination complied in all material respects with applicable local, state and federal laws, including, without limitation, usury laws, truth-in-lending laws, consumer protection laws, licensing laws and regulations, real estate settlement procedures laws, predatory lending laws, abusive lending laws, and equal credit opportunity and disclosure laws, in each case as amended;

(e) Each Mortgage Note and the related Mortgage are genuine, and each is the legal, valid and binding obligation of the related Mortgagor enforceable against such Mortgagor by the mortgagee in accordance with its terms, except only as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. All parties to each Mortgage Note and the related Mortgage had full legal capacity to execute all Mortgage Loan documents and to convey the estate purported to be conveyed by such Mortgage, and each Mortgage Note and Mortgage have been duly and validly executed by such parties;

(f) No Mortgage Loan is a (A) Foreclosure Loan or (B) mortgage loan whose related Mortgaged Property is, as of the Settlement Date, either damaged, or subject to damage (other than de minimis damage), by fire, flood, windstorm, earthquake, tornado, hurricane or any other similar casualty (and which physical damage could adversely affect (i) the value or marketability of such mortgage loan or Mortgaged Property, (ii) the eligibility of the related Mortgage Loan for FHA Insurance, or (iii) the full principal and interest recovery of the insurance or guaranty benefits under FHA Insurance or the conveyance of the related Mortgaged Property in accordance with FHA Regulations);

(g) Neither Seller nor anyone acting on its behalf has offered, transferred, pledged, sold or otherwise disposed of the Mortgage Loans or any interest in the Mortgage Loans;

(h) As of the Settlement Date and at all times thereafter as applicable, the origination, servicing and collection practices used by Seller, Servicer, Subservicer and any prior originator or servicer since origination with respect to each Mortgage Note and Mortgage (including, without limitation, the establishment, maintenance and servicing of escrow accounts and escrow payments, if any), have complied with applicable state and federal law, FHA Regulations, Ginnie Mae requirements and regulations and the documents relating to the related Mortgage Loan;

(i) The prior servicing of the escrow accounts and escrow payments for each Mortgage have complied with applicable state and federal law, FHA Regulations, Accepted Servicing Practices and the provisions of the related Mortgage Note and Mortgage.

(j) Seller has not advanced funds, or induced, solicited or knowingly received any advance of funds from a party other than the owner of the related Mortgaged Property subject to the related Mortgage, directly or indirectly, for the payment of any amount required by a Mortgage Loan;

(k) Except as disclosed on the Loan Purchase Data File (including without limitation any payment default based on the delinquency status of the Mortgage Loan), or except as provided in paragraph (u) below, there is no other default, breach, violation or event of

acceleration existing under any Mortgage or the related Mortgage Note and, to the best of Seller's knowledge, there is no event that, 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. Except as provided in paragraph (u) below, no such default, breach, violation or event of acceleration has been waived by Seller or, to the best of Seller's knowledge, by any other entity involved in originating or servicing a Mortgage Loan;

(l) There is no delinquent tax or assessment lien against any Mortgaged Property;

(m) There is no proceeding pending for the total or partial condemnation of, or eminent domain with respect to, any Mortgaged Property;

(n) Seller has complied in all material respects with all rules and procedures of MERS in connection with all Mortgage Loans registered with MERS;

(o) Each Mortgage has not been satisfied, canceled or subordinated, in whole or, except as permitted under FHA Regulations, in part, and the related Mortgaged Property has not been released from the lien of the related Mortgage, in whole or in part, nor has any instrument been executed that would affect any such release, cancellation, subordination;

(p) With respect to each Mortgage Loan, the related Mortgage Note contains a customary provision for the acceleration of the payment of the unpaid principal balance of such Mortgage Loan in the event the related Mortgaged Property is sold without the prior consent of the mortgagee thereunder;

(q) Each Collateral File contains the documents necessary for Custodian to provide Final Certification, or if Settlement Date is within one year of initial Ginnie Mae pooling date, the documents necessary for Custodian to provide Initial Certification, and any further intervening assignments necessary to perfect title in the name of Purchaser;

(r) According to surveys of public record, all improvements subject to a Mortgage that were considered in determining the Appraised Value of the related Mortgaged Property lie wholly within the boundaries and building restriction lines of such Mortgaged Property (and wholly within the related project, with respect to a condominium unit) and no improvements on adjoining properties encroach upon the related Mortgaged Property except those that are insured against by title insurance;

(s) None of the Mortgage Loans is a loan that, under the Home Ownership and Equity Protection Act of 1994 or any other applicable state, federal or local law in effect at the time of origination of such loan, is referred to as a (1) "high cost," "covered" loan, "high risk home" or "predatory" loan or (2) any other similar designation if the law imposes greater restrictions, heightened regulatory scrutiny or additional legal liability for residential mortgage loans having high interest rates, points and/or fees;

(t) Each Mortgage Loan is covered by either (i) an attorney's opinion of title and abstract of title the form and substance of which is acceptable to the FHA, or (ii) an ALTA mortgagee title insurance policy or other generally acceptable form of policy or

insurance acceptable to the FHA, issued by a title insurer acceptable to the FHA and qualified to do business in the jurisdiction where the related Mortgaged Property is located, insuring Seller and its successors and assigns, as to the first priority lien of the related Mortgage in the original principal amount of the related Mortgage Loan, subject only to (1) the lien of 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 acceptable to mortgage lending institutions generally and specifically referred to in the lender's title insurance policy delivered to the originator of the related Mortgage Loan and (A) referred to or to otherwise considered in the appraisal made for the originator of the related Mortgage Loan or (B) which do not adversely affect the Appraised Value of the Mortgaged Property 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. Such lender's title insurance policy affirmatively insures ingress and egress and insures against encroachment by or upon the related Mortgaged Property or any interest therein. No claims have been made under any such lender's title insurance policy, and no prior holder of the related Mortgage, including Seller, has done, by act or omission, anything that would impair the coverage of any such lender's title insurance policy;

(u) All taxes, governmental assessments, insurance premiums and water, sewer and municipal charges that previously became due and owing with respect to the related Mortgage Loan and Mortgaged Property have been paid. All hazard, flood and other insurance and escrow requirements with respect to the Mortgage Loan and the Mortgaged Property are, and have been maintained, in compliance with all FHA Regulations and FHA Insurance requirements;

(v) The terms of each Mortgage Note and the related Mortgage have not been impaired, waived, altered or modified in any respect (including any forbearance), except by written instruments (i) which if necessary to maintain the lien priority of such Mortgage, have been recorded in the applicable public recording office and (ii) which complied with FHA Regulations and have been included in the related Collateral File (with the recorded copy to be included promptly following return from the public recording office). The Loan Purchase Data File reflects the terms of any loan modification. No Mortgagor has been released, in whole or in part, from the terms thereof except in connection with any assumption agreement entered into in compliance with FHA Regulations and which is included as part of the related Collateral File;

(w) Each Mortgage is a valid lien on the related Mortgaged Property securing the related Mortgage Note's original principal balance, subject only to (i) the lien of non-delinquent current real property taxes and assessments not yet due and payable, (ii) covenants, conditions and restrictions, rights of way, easements and other matters of the public record as of the date of recording that are acceptable to mortgage lending institutions generally and either (1) are referred to or otherwise considered in the appraisal made for the originator of the related Mortgage Loan, or (2) do not adversely affect the Appraised Value of the related Mortgaged Property as set forth in such appraisal, and (iii) other matters to which like properties are commonly subject that do not materially interfere with the benefits of the security intended to be

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provided by the related Mortgage or the use, enjoyment, value or marketability of the related Mortgaged Property;

(x) No violation of any environmental law, rule or regulation exists or existed with respect to any Mortgaged Property, and Seller has no reasonable grounds to suspect the presence of any toxic materials or other environmental hazards on, in or that could affect any Mortgaged Property. Neither Seller nor, to the best of Seller's knowledge, the related Mortgagor has received any notice of any violation or potential violation of any such law, rule or regulation;

(y) No Mortgagor has notified Seller with respect to, and Seller has no knowledge of any relief granted to any Mortgagor under, the Service members Civil Relief Act, as amended, or any similar state or local law or regulation;

(z) No error, omission, misrepresentation or fraud in respect of a Mortgage Loan has taken place on the part of the originator, any prior servicer, any prior mortgagee, Seller, Servicer, Subservicer or any other Person in connection with the origination and servicing of such Mortgage Loan;

(aa) None of the Mortgaged Properties are mobile homes. No Mortgage Loan is a Foreclosure Loan on or as of the relevant Settlement Date or a mortgage loan made pursuant to any provisions of the Act other than Sections 203(b) and 234(c);

(bb) Any lender placed insurance has been placed in accordance with all applicable laws, rules and regulations;

(cc) At all times prior to the payment of such FHA Claim Proceeds, Seller will be and remain responsible for paying all premiums related to the FHA Insurance, and will pay or cause Subservicer to timely pay all such premiums. Should Seller fail to timely pay, or cause Subservicer to timely pay, all premiums related to the FHA Insurance, Purchaser has the right (but not the obligation) to pay all such premiums on behalf of Seller, in which event the costs and expenses expended by Purchaser (collectively, with respect to any Mortgage Loan, the "Premium Expense") shall be due and payable by Seller to Purchaser on demand or, if not earlier demanded, at such time as the related Mortgage Loan becomes a Four-Year Aged Loan. IF SELLER FAILS TO MAINTAIN THE FHA INSURANCE REQUIRED UNDER THIS AGREEMENT, SELLER WILL RELEASE, HOLD HARMLESS AND INDEMNIFY PURCHASER AND EACH OTHER INDEMNIFIED PARTY FROM AND AGAINST ANY AND ALL DAMAGE, LOSS, LIABILITY, CLAIM, COST AND EXPENSE TO PURCHASER OR ANY OTHER INDEMNIFIED PARTY WHICH ARE RELATED TO OR RESULTING FROM THE CESSATION OR TERMINATION OF FHA INSURANCE WITH RESPECT TO ANY RELATED MORTGAGE LOAN.

(dd) No Mortgage Loan is, as of the Settlement Date, subject to an indemnification to HUD;

(ee) Seller is an eligible seller in accordance with the requirements of the Guide, including without limitation meeting the financial requirements set forth in the Guide; and

(ff) The representations and warranties of Seller contained herein shall survive delivery of the Mortgage Loans on the Settlement Date and the transfer of a Mortgage Loan by Purchaser to another Person following the Settlement Date.

3.6 Events of Default. If any of the following events (each an “Event of Default”) occur, Purchaser shall have the rights set forth in Section 3.7 hereof and as otherwise set forth herein and in the other Purchase Documents, as applicable. An Event of Default shall be deemed continuing unless specifically waived or deemed cured by Purchaser in writing:

(a) Seller, Servicer or Subservicer shall fail to make when due any payment obligations under this Agreement or any other Purchase Document; or

(b) Any representation or warranty made or deemed made by Seller, Servicer or Subservicer in this Agreement or any other Purchase Document shall be inaccurate or incomplete in any material respect on or as of the date made or deemed made; or

(c) Seller, Servicer or Subservicer shall default in the observance or performance of any covenant or agreement contained in this Agreement or any other Purchase Document; or

(d) Seller shall default in the observance or performance of any covenant or condition of any other agreement (whether now or hereafter existing) between Seller and Purchaser (including, without limitation, the Mortgage Warehouse Agreement), or in the due and punctual payment of any present or future indebtedness, obligation, or liability owed by Seller to Purchaser, and such default shall have continued beyond any period of grace or cure provided with respect thereto;

(e) Seller shall default in the payment of any material indebtedness owed to any third party; or

(f) (1) Seller, Servicer or Subservicer shall commence any case, proceeding or other action (i) relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to Seller, Servicer or Subservicer, or seeking to adjudicate Seller, Servicer or Subservicer a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to Seller, Servicer or Subservicer or their respective debts, or (ii) seeking appointment of a receiver, trustee, custodian or other similar official for Seller, Servicer or Subservicer or for all or any part of their respective assets, or Seller, Servicer or Subservicer shall make a general assignment for the benefit of its creditors; or (2) there shall be commenced against Seller, Servicer or Subservicer any case, proceeding or other action of a nature referred to in clause (1) above which (i) results in the entry of an order for relief or any such adjudication or appointment, or (ii) remains undismissed, undischarged or unbonded for a period of [\*\*\*]; or (3) there shall be commenced against Seller, Servicer or Subservicer any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or substantially all of the assets of Seller, Servicer or Subservicer that results in the entry of an order for any such relief which shall not have been vacated, discharged, stayed, satisfied or bonded pending appeal within [\*\*\*] from the entry thereof; or (4) Seller, Servicer or Subservicer shall take any action in furtherance of, or indicating its consent to, approval of, or



acquiescence in (other than in connection with a final settlement), any of the acts set forth in clauses (1), (2) or (3) above; or (5) Seller, Servicer or Subservicer shall generally not, or shall be unable to, or shall admit in writing its, his, her or their inability to pay its, his, her or their debts as they become due; or

(g) One or more judgments or decrees in an aggregate amount in excess of the amount provided in the Mortgage Warehouse Agreement shall be entered against Seller and all such judgments or decrees shall not have been vacated, discharged, stayed, satisfied or bonded pending appeal within [\*\*\*] after the entry thereof and notice to Seller; or

(h) For any reason, any Purchase Document at any time shall not be in full force and effect in all material respects or shall not be enforceable in all material respects in accordance with its terms, or any party thereto (other than Purchaser) shall seek to disaffirm, terminate, limit or reduce its obligations thereunder; or

(i) Seller, Servicer or Subservicer shall grant, or suffer to exist, any lien on any Mortgage Loan or the servicing rights relating thereto; or

(j) Purchaser shall have determined that a Material Adverse Effect has occurred with respect to Seller, Servicer or Subservicer or, subject to Section 3.7(c) hereof, with respect to any Mortgage Loan; or

(k) There shall occur the initiation of any investigation, audit, examination or review of Seller or Servicer by any governmental authority or government-sponsored enterprise relating to the origination, sale or servicing of Mortgage Loans by Seller or Servicer or the business operations of Seller or Servicer, if Purchaser believes that such investigation, audit, examination, or review is likely to result in a Material Adverse Effect; or

(l) Any Mortgage Loan shall no longer be a Confirmed FHA Mortgage Loan; or

(m) Any Mortgage Loan shall become a Four-Year Aged Loan.

### 3.7. Repurchase; Remedies.

(a) Purchaser and Seller each promptly give the other notice of the occurrence of any Default or Event of Default.

(b) Purchaser agrees that, in the event that any Event of Default arises from acts and/or omissions by the Subservicer, Seller shall have the right, with the written consent and approval of Purchaser, to substitute and/or replace said Subservicer with a Subservicer and a Servicing Agreement acceptable to Seller in its reasonable discretion, and shall be allowed to cure any of the alleged Events of Default within the time specified in Section 3.7(c) below. Such substitute Subservicer shall meet the requirements set forth in the FHA Regulations and the Guide. Provided that Seller meets the requirements set forth in this Section 3.7(b) and 3.7(c), the necessity for and the action of Seller's assumption of the Subservicer's duties and obligations in this regard, and in this Agreement, shall not be deemed an Event of Default.

(c) Following the delivery of notice of breach (as set forth in Section 3.7(a)), Seller shall correct or cure such breach. If Seller has not corrected or cured such breach within thirty (30) days after receipt of notice of any such breach, then Seller shall, at Purchaser's option, promptly repurchase any affected Mortgage Loan at the Repurchase Price relating to such Mortgage Loan. Purchaser acknowledges and agrees that any Event of Default arising from a breach of the representations and warranties contained in Section 3.5 hereof shall be deemed to affect, for repurchase purposes, only those Mortgage Loans that were negatively and materially impacted by the breach. Any repurchase under this Agreement shall be accomplished by wire transfer of immediately available funds, in an amount equal to the Repurchase Price relating to such Mortgage Loan, into the Purchaser Clearing Account (unless Purchaser shall have designated otherwise in writing). In the event Seller fails to repurchase any Mortgage Loan in accordance with the provisions of this Section 3.7, then, in addition to all rights and remedies available to Purchaser hereunder or at law or equity, Purchaser shall have the right to terminate Seller as Servicer and Servicer's servicing rights, to deal directly with Subservicer and to retain all recoveries (including any FHA Claim Proceeds) relating to such servicing rights.

(d) Provided that no Default or Event of Default shall have occurred and be continuing (unless Purchaser otherwise agrees in writing), Seller shall have the right, upon request to Purchaser (which consent shall not be unreasonably withheld), to repurchase at the Repurchase Price any Mortgage Loan that has been modified or become a re-performing Mortgage Loan. In addition to the foregoing, Seller shall have the right, upon request to Purchaser, to repurchase at the Repurchase Price any Mortgage Loan immediately prior to the submission under FHA Regulations of a claim for Part A proceeds under FHA Insurance. Seller's request to Purchaser to repurchase any Mortgage Loan under this Section 3.7(d) shall be deemed Seller's representation and warranty that Seller has a pending sale or re-securitization of, or a pending Part A FHA Claim filing with respect to, such Mortgage Loan and that Seller does not intend to retain such Mortgage Loan for its own portfolio.

(e) Upon a repurchase of a Mortgage Loan pursuant to this Agreement (i) the Loan Purchase Data File shall be deemed amended to reflect the withdrawal of the repurchased Mortgage Loan from this Agreement, (ii) Purchaser shall, at the sole cost and expense of Seller, deliver (or cause the relevant Custodian to deliver) the Collateral File relating to such repurchased Mortgage Loan to Seller and (iii) Purchaser shall, at Seller's sole cost and expense, execute and deliver such instruments of transfer or assignment as shall be prepared by, and delivered to it by, Seller and necessary to (A) vest in Seller title to such repurchased Mortgage Loan on a servicing retained basis and (B) reassign to Seller all of Purchaser's right, title and interest in and to the Servicing Agreement with respect to such repurchased Mortgage Loan, including without limitation the FHA Insurance.

3 . 8 . Representations and Warranties of Purchaser. As of the date hereof and as of the Settlement Date, Purchaser hereby represents and warrants to Seller as follows:

(a) Purchaser is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America;

(b) Purchaser has the full power and authority and legal right to execute, deliver and perform, and to enter into and consummate, all transactions contemplated by this Agreement, and to conduct its business as presently conducted. Purchaser has duly authorized the execution, delivery and performance of this Agreement and all other instruments documents and agreements contemplated hereby and thereby, has duly executed and delivered this Agreement and all other instruments, documents and agreements contemplated hereby and thereby, and this Agreement (assuming due authorization, execution and delivery by the parties thereto other than Purchaser) is binding upon and enforceable against Purchaser in accordance with its respective terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights and to the application of equitable principles in any proceeding, whether at law or in equity;

(c) Purchaser does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant of Purchaser contained in this Agreement;

(d) There are no actions or proceedings against, or investigations of, Purchaser pending, or to Purchaser's knowledge, threatened before any court, administrative or other tribunal that might prohibit or materially and adversely affect the performance by Purchaser of its obligations under, or the validity or enforceability of, this Agreement;

(e) No consent, approval, authorization or order of any court or governmental agency or authority, or any tax, licensing, accounting or regulatory body or other body, is required for the execution, delivery and performance by Purchaser of, or compliance by Purchaser with, this Agreement, except for such consents, approvals, authorizations or orders, if any, that have been obtained prior to the Settlement Date;

(f) Purchaser is approved and is in good standing as a mortgagee by FHA under applicable FHA Regulations; and

(g) Purchaser is registered and in good standing with MERS.

The representations and warranties of Purchaser contained herein shall survive delivery of the Mortgage Loans on the Settlement Date.

3.9. Seller's Affirmative Covenants. At all times prior to the termination of this Agreement (and thereafter if expressly required hereunder), Seller covenants and agrees with Purchaser that:

( a ) Financial Statements and Reports. Seller shall furnish to Purchaser the following, all in form and detail satisfactory to Purchaser:

(i) From time to time such financial statements, reporting, and financial information of Seller at the times and the format in which Seller is obligated to provide such statements and information to Purchaser as set forth in the Mortgage Warehouse Agreement, regardless of whether the Mortgage Warehouse Agreement is sooner terminated. Accordingly, Section 7.1 of the Mortgage Warehouse Agreement and any

other provisions of the Mortgage Warehouse Agreement providing for financial statements, reporting and financial information of Seller is incorporated herein by reference as if fully set forth.

(ii) On or before the tenth (10th) day of any calendar month, a statement, in form and content acceptable to Purchaser, setting forth the status, as of the last day of the prior calendar month, of the following matters with respect to each purchased Mortgage Loan: (i) default or collection status, i.e., the date of the Borrower's last payment whether the Borrower is in bankruptcy, whether foreclosure proceedings have been initiated and the status of such bankruptcy or foreclosure proceedings, (ii) any modification or remediation; (iii) Mortgage Loans pending repurchase by Seller pursuant to the terms of this Agreement; (iv) Mortgage Loans repurchased by Seller pursuant to the terms of this Agreement since the last prior statement; (v) Mortgage Loans which no longer qualify as Confirmed FHA Mortgage Loans since the last statement; (vi) submission status and/or pendency of Part A FHA Claim or Part B FHA Claim; (vii) Mortgage Loans which are either Two-Year Aged Loans, Three-Year Aged Loans or Four-Year Aged Loans; and (viii) all such other matters as may be reasonably required by the Purchaser and/or as provided or contemplated by the Guide;

(iii) A copy of the results of Seller's annual quality control review of any Subservicer as required by HUD; and

(iv) Such other information concerning the business, properties or financial condition of Seller, or regarding any purchased Mortgage Loan, as Purchaser may reasonably request.

( b ) Further Assurances. Seller shall, at its expense, promptly execute and deliver to Purchaser, upon Purchaser's reasonable request, all such other and further documents, agreements and instruments in compliance with or accomplishment of the covenants and agreements of Seller in this Agreement, the Guide, or any other documents executed in connection herewith. In addition, Seller will provide Purchaser with any and all documentation and other information required by Purchaser relating to the business and background of Seller and its directors, officers, employees and representatives, and any certifications reasonably required by Purchaser to verify Seller's compliance with any applicable laws or FHA, HUD, or Ginnie Mae rules, regulations, guides, guidelines and similar announcements.

( c ) Use of Electronic Platform. Purchaser may require Seller to use the Internet-based electronic platform established by Purchaser (as modified, replaced, enhanced or upgraded by Purchaser from time to time, the "Electronic Platform") in connection with the purchase and sale of Mortgage Loans and the other transactions contemplated in this Agreement, subject to the following:

(i) Purchaser hereby grants to Seller a revocable, non-exclusive, non-transferable license to access and use the Electronic Platform solely for the limited purpose of facilitating the sale by Seller to Purchaser of Mortgage Loans and the other transactions contemplated by this Agreement. Seller shall not permit any person to

utilize the Electronic Platform other than employees of Seller who have been approved in advance by Purchaser in writing (each an "Authorized User"). Seller shall immediately notify Purchaser of any unauthorized use of the Electronic Platform.

(ii) Seller shall take all reasonable precautions to prevent unauthorized persons from obtaining access to or use of the Electronic Platform. Purchaser shall have the right to rely upon any information received in the Electronic Platform from any person using a password assigned to an Authorized User, and will incur no liability for such reliance. Seller shall be responsible for securing such passwords and shall be responsible for any actions taken using such passwords. In the event of any breach of the security measures established by Purchaser, including use of the Electronic Platform by any unauthorized Person, Purchaser shall have the right to immediately terminate or suspend access to the affected portion of the Electronic Platform by Seller and their Authorized Users until such time such breach has been secured to Purchaser's satisfaction.

(iii) Purchaser shall not be required to perpetually license, maintain, service or support the Electronic Platform. Purchaser may at any time discontinue the Electronic Platform by providing written notice thereof to Seller. In addition, Purchaser may at any time terminate the license granted to Seller to use, and Seller's access to, the Electronic Platform by providing written notice thereof to Seller. Purchaser reserves the right to modify, replace, enhance or upgrade the Electronic Platform from time to time in Purchaser's sole discretion.

(iv) SELLER UNDERSTANDS AND AGREES THAT THE ELECTRONIC PLATFORM IS BEING LICENSED, DELIVERED AND MADE AVAILABLE "AS IS", "WHERE IS", "WITH ALL FAULTS", AND WITH ANY AND ALL LATENT AND PATENT DEFECTS, WITHOUT ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY BY PURCHASER, AND PURCHASER HEREBY DISCLAIMS AND SELLER HEREBY WAIVES ANY AND ALL IMPLIED REPRESENTATIONS, WARRANTIES AND COVENANTS. EXCEPT AS EXPRESSLY STATED HEREIN, PURCHASER HAS NOT MADE AND DOES NOT HEREBY MAKE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR CHARACTER WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND PURCHASER HEREBY DISCLAIMS AND RENOUNCES ANY AND ALL SUCH REPRESENTATIONS AND WARRANTIES.

(v) Seller is fully aware of the inherent security risks of any Internet-based application (such as the Electronic Platform) and, in particular, the risk that unauthorized third-parties may through unauthorized use, "hacking", "Trojan horses", viruses or otherwise be able to access and manipulate the use of the Electronic Platform and the data made available thereby without Purchaser in any way being aware that the user is not Seller. Seller voluntarily assumes all such risks. Accordingly, SELLER WILL RELEASE, HOLD HARMLESS AND INDEMNIFY EACH INDEMNIFIED PARTY

FROM AND AGAINST ANY AND ALL LOSSES WHICH ARE RELATED TO ANY UNAUTHORIZED PARTY'S ACCESS THAT RESULTS IN THE DIVERSION, MISAPPROPRIATION OR USE OF THE INFORMATION MADE AVAILABLE THROUGH THE ELECTRONIC PLATFORM OR SELLER'S FUNDS AT PURCHASER OR OTHERWISE, UNLESS THE LOSSES WERE CAUSED SOLELY BY PURCHASER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

( e ) Reimbursement of Expenses. Seller shall pay, upon demand by Purchaser, any and all out of pocket fees and expenses incurred by Purchaser in negotiating or entering into, or in administering or enforcing its rights or remedies, under this Agreement in connection with the transactions contemplated hereby, which amounts shall include all court costs, attorneys' fees (including for trial, appeal or other proceedings), fees of auditors and accountants, and investigation expenses reasonably incurred by Purchaser in connection with any such matters, together with interest at the highest rate allowed by applicable law on each such amount from the date of written demand or request for reimbursement until the date of reimbursement. Seller shall also bear any and all costs and expenses incurred in connection with transferring title to the purchased Mortgage Loans, related Mortgage Loan Documents, and Mortgage Loan File from Seller to Purchaser, including, without limitation, any reasonable out of pocket preparation costs and recordation fees for the Assignments of Mortgages, and any expenses related to the transfer of servicing. Seller and Purchaser shall otherwise each be responsible for their own out of pocket expenses unless expressly provided otherwise in this Agreement or any other related document.

( f ) Insurance. Seller shall at all time maintain in force and effect such insurance required under the Guide. Without limiting the generality of the foregoing, such insurance shall be issued by such insurers, insure against such risks, be in such form, have such coverage amounts, deductibles, limits and retentions, contain such endorsements and otherwise be in such form, as required under the Guide.

( g ) Accounts and Records. Seller shall keep books of record and account in which full, true and correct entries will be made of all dealings or transactions in relation to its business and activities, including the sale of any Mortgage Loans to Purchaser, in accordance with GAAP.

( h ) Books and Records. Seller agrees to maintain customary books and records relating to the purchased Mortgage Loans. Seller shall properly reflect in its books and records the sale by Seller to Purchaser of all purchased Mortgage Loans. Upon request, Seller shall furnish to Purchaser copies of any of Seller's books and records and financial statements relating to the purchased Mortgage Loans.

( i ) Mortgage Loan Files. Except as expressly permitted or required hereunder, at all times after the Settlement Date for any purchased Mortgage Loan, Seller shall have and maintain in its direct custody and possession the Mortgage File for such purchased Mortgage Loan.

( j ) Document Retention. With respect to each purchased Mortgage Loan, Seller will maintain in its files all records relating to such purchased Mortgage Loan for the period of time required by applicable law, but in no event for less than forty-nine (49) months from the Settlement Date for such purchased Mortgage Loan. Within forty-eight (48) hours following any

demand therefor, Seller will supply Purchaser with certified copies and/or originals of any such records.

(k) Right of Inspection. Seller shall permit any officer, employee, agent or representative of Purchaser: (a) with at least twenty-four (24) hours written notice, to examine (at any office of Seller selected by Purchaser) Seller's books and records, accounts and any and all files, records and documents relating to the Mortgage Loans Purchaser has purchased or will purchase (including any in-file credit reports), and to make copies and extracts of any and all of the foregoing; and (b) to discuss the affairs, finances, books and records, and accounts of Seller with Seller's officers, accountants and auditors and other representatives.

(l) Audit. Seller shall permit any third-party consultant engaged by Purchaser (each an "Auditor"), at the expense of Seller, to inspect and conduct an audit of Seller's business operations and records related thereto; provided, however, if such audit is conducted by Purchaser more than once during any fiscal year, and such additional audit is not the result of the occurrence of an Event of Default, Purchaser shall be responsible for the fee payable to the Auditor that performed such additional audit. In connection with each audit, Seller shall cooperate with the Auditor and will cause Seller's employees, agents and contractors to cooperate with the Auditor, and Seller shall furnish or cause to be furnished to the Auditor such information and documentation the Auditor may consider necessary or useful in connection with the performance of the audit.

(m) Notice from Seller of Certain Events. Seller shall promptly, but in any event within ten (10) days of obtaining knowledge thereof (or by such earlier time if expressly required hereunder), notify Purchaser in writing of any event or circumstance or notice thereof which has had, or could reasonably be expected to have, a Material Adverse Effect upon Seller. Without limiting the generality of the foregoing:

(i) Seller shall promptly, but in any event within ten (10) days of obtaining knowledge thereof, notify Purchaser in writing of: (A) any proceeding by any governmental authority pending, or to the knowledge of Seller, threatened against Seller; and (B) any other proceeding pending, or to the knowledge of Seller, threatened against Seller which, if determined adversely to Seller, may have a Material Adverse Effect upon Seller or the Mortgage Loans or Purchaser's rights as beneficiary under the FHA Insurance. Seller shall immediately notify Purchaser in writing upon obtaining any knowledge thereof of any judgment, decision, order, finding, determination or other disposition in connection with a proceeding that has resulted in a Material Adverse Effect upon Seller.

(ii) Seller shall promptly, but in any event within ten (10) days of receipt, deliver to Purchaser copies of all notices and other documents and correspondence from any governmental authority regarding any alleged non-compliance or potential non-compliance with the Dodd-Frank Act or any other applicable law related to the financing and sale of Mortgage Loans.

(iii) If there is any pending or threatened audit, examination, or investigation of Seller by any agency, or any other proceeding involving Seller, which could reasonably be expected to result in any agency approval being suspended or terminated (including due to the failure of Seller to comply with the results or findings of any such audit or investigation) or other Material Adverse Effect, then Seller shall provide written notice thereof to Purchaser within ten (10) days of Seller obtaining any knowledge thereof. If any agency approval is not in good standing or is otherwise suspended or terminated, then Seller shall provide immediate written notice thereof to Purchaser.

(iv) Seller shall furnish to Purchaser immediately upon becoming aware of the existence of any Event of Default, a written notice specifying the nature and period of existence thereof and the action which Seller is taking or proposes to take with respect thereto.

(n) Compliance with Mortgage Warehouse Agreement. Seller shall promptly and fully perform, observe and comply with and not be in default under the terms and provisions of the Mortgage Warehouse Agreement, as same may be amended from time to time.

(o) Guaranty. Seller shall have obtained and delivered to Purchaser one or more guaranty agreements executed by any of the shareholders, partners, members, managers and/or principals of Seller and/or other Persons required by Purchaser in consideration of Purchaser executing this Agreement and/or to induce Purchaser to consider purchasing Mortgage Loans.

(r) INDEMNIFICATION. SELLER SHALL INDEMNIFY, DEFEND, PROTECT AND HOLD HARMLESS PURCHASER, PURCHASER'S PARENTS, SUBSIDIARIES AND AFFILIATES, AND ALL DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES AND AGENTS, SUCCESSORS AND ASSIGNS OF ANY OF THE FOREGOING (EACH AN "INDEMNIFIED PARTY") FROM AND AGAINST ANY AND ALL LOSSES, LIABILITIES, DAMAGES, CLAIMS, PENALTIES, JUDGMENTS, OBLIGATIONS, DISBURSEMENTS, COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES), ACTIONS, PROCEEDINGS OR DISPUTES (COLLECTIVELY, "LOSSES") INCURRED BY ANY INDEMNIFIED PARTY OR TO WHICH ANY INDEMNIFIED PARTY MAY BECOME SUBJECT WHICH DIRECTLY OR INDIRECTLY ARISE FROM OR RELATE TO THIS AGREEMENT, ANY PURCHASED MORTGAGE LOAN OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, INCLUDING ANY AND ALL LOSSES DUE TO: (A) ANY NEGLIGENT OR FRAUDULENT ACT OR OMISSION OF SELLER OR ANY OF ITS AGENTS, REPRESENTATIVES OR EMPLOYEES; (B) ANY BREACH BY SELLER OF ANY REPRESENTATION OR WARRANTY CONTAINED HEREIN; (C) ANY BREACH BY SELLER OF ANY PROVISION OF THIS AGREEMENT; (D) ANY EVENT OF DEFAULT; (E) SELLER'S USE FOR ANY MORTGAGE LOAN OF ANY FORM OR DOCUMENT NOT PROVIDED OR APPROVED BY PURCHASER; (F) ANY MISCALCULATIONS OR OTHER ERRORS WHICH RESULT FROM SELLER'S INDEPENDENT PROCESSING PROCEDURES OR ITS MISUSE OR ALTERATION OF ANY FORMS OR DOCUMENTS PROVIDED OR APPROVED BY PURCHASER; (G) ANY FAILURE BY SELLER TO COMPLY WITH ANY LAW; (H) THE CANCELLATION OR TERMINATION OF FHA INSURANCE FOR ANY



PURCHASED MORTGAGE LOAN OR DENIAL OF FULL RECOVERY OF INSURANCE OR GUARANTY BENEFITS UNDER FHA INSURANCE WITH RESPECT TO ANY PURCHASED MORTGAGE LOAN RESULTING FROM ANY MATTER DESCRIBED IN CLAUSES (A) THROUGH (G) OF THIS SENTENCE OR OTHERWISE; (I) ANY UNAUTHORIZED ACCESS TO OR USE OF THE ELECTRONIC PLATFORM OR THE INFORMATION MADE AVAILABLE THEREBY DUE TO ANY ACT OR OMISSION OF SELLER; (J) THE NON-DELIVERY TO PURCHASER OR THE RELEVANT DOCUMENT CUSTODIAN OF ANY DOCUMENT RELATING TO A MORTGAGE LOAN THAT IS REQUIRED TO BE DELIVERED PURSUANT TO THIS AGREEMENT OR THE SERVICING AGREEMENT IN ORDER FOR THE SERVICER TO PROPERLY SERVICE OR CAUSE THE PROPER SERVICING OF SUCH MORTGAGE LOAN IN ACCORDANCE WITH THE SERVICING AGREEMENT, OR THE DELIVERY TO PURCHASER OR THE RELEVANT DOCUMENT CUSTODIAN OF ANY MORTGAGE LOAN DOCUMENTATION THAT IS INCOMPLETE, ERRONEOUS OR INCONSISTENT WITH OTHER DOCUMENTATION RELATING TO THE RELATED MORTGAGE LOAN AND THAT IS REQUIRED TO BE COMPLETE, CORRECT OR CONSISTENT WITH OTHER DOCUMENTATION RELATING TO SUCH MORTGAGE LOAN IN ORDER FOR THE SERVICER TO PROPERLY SERVICE OR CAUSE THE PROPER SERVICING OF SUCH MORTGAGE LOAN IN ACCORDANCE WITH THE SERVICING AGREEMENT, OR ANY MISSING OR DEFECTIVE DOCUMENT REQUIRED TO BE INCLUDED IN THE MORTGAGE LOAN FILE FOR A MORTGAGE LOAN; (K) ANY BREACH OF A MATERIAL REPRESENTATION OR WARRANTY BY SELLER, OR THE NON-FULFILLMENT OF ANY COVENANT OF SELLER, CONTAINED IN THIS AGREEMENT; (L) ANY IMPROPER OR INADEQUATE ACT OR OMISSION IN CONNECTION WITH THE ORIGINATION OR SERVICING OR EARLY BUY-OUT OF A MORTGAGE LOAN PRIOR TO THE SETTLEMENT DATE; (M) ANY UNCOVERED LOSS; (N) SELLER'S SALE TO PURCHASER OF A MORTGAGE LOAN WHOSE RELATED MORTGAGED PROPERTY HAS, AS OF THE SETTLEMENT DATE, BEEN DAMAGED OR IS SUBJECT TO DAMAGE (OTHER THAN DE MINIMIS DAMAGE) BY FIRE, FLOOD, WATER, EARTH MOVEMENT, WINDSTORM, EARTHQUAKE, TORNADO, HURRICANE OR ANY OTHER SIMILAR CASUALTY (AND WHICH PHYSICAL DAMAGE WOULD ADVERSELY AFFECT THE VALUE OR MARKETABILITY OF SUCH MORTGAGE LOAN OR MORTGAGED PROPERTY OR THE ELIGIBILITY OF THE RELATED MORTGAGE LOAN FOR THE APPLICABLE FHA INSURANCE OR THE FULL RECOVERY OF INSURANCE OR GUARANTY BENEFITS UNDER THE APPLICABLE FHA INSURANCE); AND (O) ANY DEFAULT OR EVENT OF DEFAULT. IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO THAT EACH INDEMNIFIED PARTY TO BE INDEMNIFIED UNDER THIS SECTION OR ANY OTHER SECTION OF THIS AGREEMENT OR UNDER ANY OTHER RELATED DOCUMENT SHALL BE INDEMNIFIED FROM AND HELD HARMLESS AGAINST ANY AND ALL LOSSES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF, OR ARE CLAIMED TO BE CAUSED BY OR ARISE OUT OF, THE NEGLIGENCE (WHETHER SOLE, COMPARATIVE OR CONTRIBUTORY) OR STRICT LIABILITY OF SUCH INDEMNIFIED PARTY; PROVIDED, HOWEVER, THAT SUCH INDEMNITIES SHALL NOT APPLY TO A PARTICULAR INDEMNIFIED PARTY WITH REGARD TO, AND TO THE EXTENT OF THE AMOUNT OF, THOSE CERTAIN LOSSES (IF ANY) WHICH ARE

DETERMINED BY A FINAL NON-APPEALABLE ORDER OF A COURT OF COMPETENT JURISDICTION TO HAVE BEEN PROXIMATELY CAUSED SOLELY BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNIFIED PARTY. Each Indemnified Party may employ an attorney or attorneys to protect or enforce its respective rights, remedies and recourses under this Agreement and any other Purchase Documents, and to advise and defend it with respect to any such actions and other matters. Seller shall reimburse each Indemnified Party for its respective reasonable attorneys' fees and expenses (including expenses and costs for experts) immediately upon receipt of a written demand therefor, whether on a monthly or other time interval, and whether or not an action is actually commenced or concluded. All other reimbursement and indemnity obligations hereunder shall become due and payable when actually incurred by such Indemnified Party. Any payments not made within ten (10) days after written demand therefor shall bear interest at the highest rate permitted under applicable law (but not exceeding [\*\*\*] per annum) from the date of such demand until fully paid.

The provisions of this Section and the other indemnity and hold harmless provisions of this Agreement and the other Purchase Documents shall survive the Settlement Date and the termination of this Agreement. In the event Purchaser terminates Seller as the holder of the related servicing rights, Seller shall continue to have full responsibility for any Uncovered Losses arising after the effective date of termination except for any portion of such Uncovered Losses that results from the failure of the successor servicer (or the Servicer if Purchaser retains the Servicer as the successor servicer) to service the related Mortgage Loan in accordance with FHA Regulations, provided, however, that such failure was not a perpetuation of the Seller's breach or failure hereunder or under the Servicing Agreement.

( s )  Servicing. Seller, as Servicer, shall or shall require each Subservicer, if any, to, service the Mortgage Loans (and pay expenses incident to servicing) consistent with the degree of skill and care that Seller customarily requires with respect to similar Mortgage Loans and REO Properties owned, serviced or managed by it and in accordance with Accepted Servicing Practices, and as may be required to (i) retain FHA insurance on the Mortgage Loans, (ii) preserve the first priority security interest or, following any foreclosure, the fee simple interest in the collateral for the Mortgage Loans and (iii) preserve Purchaser's interest in the Mortgage Loans. Seller as Servicer, shall or shall cause each Subservicer to (i) comply with all applicable Federal, State and local laws and regulations, and (ii) maintain all state and federal licenses necessary for it to perform its servicing responsibilities hereunder. Except as is otherwise agreed to in writing by Purchaser, Seller shall be responsible for any and all acts of each Subservicer, and Seller's utilization of a Subservicer shall in no way relieve the liability of Seller under this Agreement. Purchaser may terminate the servicing of any Mortgage Loan or REO Property by Seller or any Subservicer upon the occurrence and during the continuation of an Event of Default beyond any period for cure provided in this Agreement. Seller shall or shall cause each Subservicer to, hold or cause to be held all escrow funds collected by Seller or such Subservicer with respect to any Mortgage Loan or REO Property in trust accounts and shall apply the same for the purposes for which such funds were collected.

3.11.  Notices to Third Parties. Seller shall be responsible for preparing and delivering at its expense, on the Settlement Date, (a) letters notifying HUD as to the change of the mortgagee

of record and the transfer of the ownership of the Mortgage Loans to Purchaser and shall confirm such notification with Purchaser

3.12 Relationship with Servicer: Eligibility. Purchaser and Seller acknowledge that Seller is retaining the servicing rights with respect to the Mortgage Loans and Purchaser has retained Seller to service the Mortgage Loans. As a result, Seller hereby retains Servicer as servicer of the Mortgage Loans and Servicer agrees to cause Subservicer, if any, to subservice the Mortgage Loans in accordance with the terms of the Servicing Agreement. Seller agrees with Purchaser that:

(a) Seller has provided Purchaser with true, correct and complete copies of the Servicing Agreement, as amended, revised or restated, if any, together with all reports and correspondence related thereto. Seller is not aware of any default by Seller or Servicer under the Servicing Agreement and Seller has not waived any such default. Seller will not amend, revise or restate the Servicing Agreement, if any, or provide any waiver thereunder to Servicer without the prior written consent of Purchaser;

(b) Seller shall cause Servicer and Subservicer, if any, to service the Mortgage Loans in strict compliance with the terms of the Servicing Agreement. Seller and Servicer shall direct Subservicer that any and all payments received by Subservicer with respect to any Mortgage Loan shall be held by Subservicer in trust for, and shall be delivered directly to, Purchaser;

(c) Notwithstanding anything to the contrary contained herein or in the Servicing Agreement, Purchaser shall have no responsibility for any principal and interest, corporate, servicing, escrow or maintenance advances. To the extent required by the Servicing Agreement, Seller shall remain fully responsible for funding all such advances and for bearing the risk of recovery thereof. No such advances shall be recoverable from the principal and interest portion of any FHA Insurance;

(d) Seller shall cause Servicer to acknowledge the provisions of this Section 3.12 and shall cause Servicer to execute and deliver to Purchaser a Servicer Notice; and

(e) Seller acknowledges and agrees that Seller, Servicer and Subservicer, if any, shall have no right to grant any person any claim, lien, pledge or other interest in the servicing rights relating to the Mortgage Loans or the proceeds of such servicing rights.

3.13 Rate Increases on Three-Year Aged Loans. Seller agrees with Purchaser that:

(a) Purchaser's intention hereunder is the use of its capital to purchase assets that are likely to resolve within two years. In connection therewith, Seller agrees that with respect to each Three-Year Aged Loan, on the Business Day such Mortgage Loan becomes a Three-Year Aged Loan (or if the day such Mortgage Loan becomes a Three-Year Aged Loan is not a Business Day, on the first Business Day immediately following the day such Mortgage Loan becomes a Three-Year Aged Loan), notwithstanding anything to the contrary contained in the Commitment Letter, the Mortgage Loan Remittance Rate and the Pass Through Rate shall each be increased to, and fixed at, the greater of [\*\*\*] plus the then-current Prime Rate or [\*\*\*] over the respective rate(s) provided in the Commitment Letter.

(b) Seller shall at all times be and remain an eligible seller in accordance with the terms of the Guide, including without limitation meeting the financial requirements set forth therein.

3.14 Protection, Preservation, and Condition of Mortgaged Property.

(a) Seller shall at all times, with respect to Mortgaged Property related to Mortgage Loans, (i) preserve and protect such Mortgaged Property in accordance with all applicable FHA Regulations, (ii) comply with all FHA Regulations regarding performing preservation and protection services with respect to such Mortgaged Property, (iii) bear all responsibility for the cost of any Surchargeable Damage, and (iv) prior to conveyance, satisfy all conveyance conditions required by HUD, including but not limited to repairing all Surchargeable Damage or otherwise obtaining prior written permission from HUD to convey such Mortgaged Property.

(b) SELLER WILL RELEASE, HOLD HARMLESS AND INDEMNIFY PURCHASER AND EACH OTHER INDEMNIFIED PARTY FROM AND AGAINST ANY AND ALL DAMAGE, LOSS, LIABILITY, CLAIM, COST AND EXPENSE TO PURCHASER OR ANY OTHER INDEMNIFIED PARTY WHICH ARE RELATED TO OR RESULTING FROM (I) ANY SURCHARGEABLE DAMAGE WITH RESPECT TO ANY MORTGAGED PROPERTY RELATING TO A MORTGAGE LOAN, (II) ANY AND ALL Claims or demands by HUD for repayment of amounts reimbursed to Seller for any preservation and protection services on SUCH Mortgaged Property, (III) ANY HUD enforcement action in connection with preservation and protection services RENDERED BY OR ON BEHALF OF SELLER with respect to any Mortgaged Property or otherwise, AND (IV) ANY OTHER CONDITION WITH RESPECT TO SUCH MORTGAGED PROPERTY WHICH, AT ANY TIME, BARS, REDUCES, OR OTHERWISE ADVERSELY AFFECTS THE FULL PRINCIPAL RECOVERY OF THE INSURANCE OR GUARANTY BENEFITS UNDER THE APPLICABLE THE FHA INSURANCE OR THE CONVEYANCE OF THE RELATED MORTGAGED PROPERTY IN ACCORDANCE WITH APPLICABLE FHA REGULATIONS.

**ARTICLE IV**

**MISCELLANEOUS PROVISIONS**

4.1. Amendment. This Agreement shall not be amended, changed, or modified, in whole or in part, except by an instrument in writing signed by all parties hereto, or their respective successors or assigns, or otherwise as expressly provided herein.

4.2. Governing Law. THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT, AND/OR THE INTERPRETATION AND ENFORCEMENT OF THE RIGHTS AND DUTIES OF THE PARTIES TO THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS AND DECISIONS OF THE STATE OF TEXAS.

4.3. Arbitration. In the event a dispute arises regarding this Agreement, the parties agree that such dispute shall be submitted to final and binding arbitration before the American Arbitration Association (“AAA”). The parties to this Agreement shall initially agree on the arbitrator to hear the dispute. If the parties cannot agree, AAA will appoint an arbitrator for such purpose. The arbitration will proceed in accordance with the Commercial Arbitration Rules of the AAA unless all parties agree to a different procedure. The parties shall share equally in the costs of the arbitration, except that each party shall be responsible for its own attorneys’ fees and costs. Any such arbitration shall be conducted in Dallas County, Texas. Any party that fails to submit to binding arbitration following a lawful demand by the other party shall bear all costs and expenses, including reasonably attorneys’ fees (including those incurred in any trial, bankruptcy proceeding or an appeal), incurred by the other party or parties in obtaining a stay of any pending judicial proceeding and compelling arbitration of any dispute. Judgment on any award rendered by arbitration may be entered in any court having jurisdiction thereof. THE PARTIES UNDERSTAND THAT BY THIS AGREEMENT THEY HAVE DECIDED THAT THEIR DISPUTE SHALL BE RESOLVED BY BINDING ARBITRATION RATHER THAN IN COURT, AND ONCE DECIDED BY ARBITRATION NO DISPUTE CAN LATER BE BROUGHT, FILED OR PURSUED IN COURT.

4 . 4 . Notices. All notices, requests, and other communications permitted or required hereunder, other than any permitted electronic transmissions referred to herein or in the Guide, shall be in writing, addressed as provided below, and shall be deemed to have been duly given if such notice is mailed by certified mail, postage prepaid, or hand-delivered to the address of such party as provided below or if sent by facsimile transmission to the fax numbers set forth below promptly confirmed by first class mail to the addresses set forth below.

If to Purchaser, to:

Texas Capital Bank, N.A.  
2350 Lakeside Blvd., Suite 610  
Richardson, Texas 75082  
Attn: Donnie Martin  
Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Email: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

With a copy to:

Higier Allen & Lautin, P.C.  
2711 N. Haskell Avenue, Suite 2400  
Dallas, Texas 75204  
Attn: Thomas Higier  
Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Email: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

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If to Seller, to:

Guild Mortgage  
5989 Copley Drive  
3rd, 4th & 5th Floor  
San Diego, California 92111  
Attn: Dan Korman  
Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Email: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

With a copy to:

Incorvaia & Associates  
1947 Camino Vida Roble, Suite 230  
Carlsbad, CA 92008  
Attn: Joel L. Incorvaia  
Phone: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Email: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

Any such fax number or address may be changed by giving the other party notice thereof as provided in this Section 4.4.

4.5. Successors and Assigns. This Agreement shall inure to the benefit of, and be binding upon, the successors and affiliated assigns of each of Seller and Purchaser. This Agreement shall not be assigned by Seller without the prior written consent of Purchaser.

4.6. Headings. The section headings hereof have been inserted for convenience of reference only and shall not be construed to affect the meaning, construction, or effect of this Agreement.

4.7. Counterparts. This Agreement may be executed in counterparts, each of which when so executed shall together constitute but one and the same agreement. A facsimile signature shall be deemed an original for purposes of execution and delivery of this Agreement in the absence of the original ink signature of a party.

4.8. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

4.9. Further Assurances. Seller agrees, upon the reasonable request of Purchaser, to do, execute, acknowledge and deliver or to cause to be done executed, acknowledged and delivered, all such further acts, assignments, transfers and assurances as may be reasonably required to carry out the terms and conditions of this Agreement.

4.10 Modification of Agreement; Binding Effect; Setoff. Notwithstanding the provisions of Section 4.1 hereof, Seller agrees that Purchaser has the right to amend the Guide from time to time in its sole and absolute discretion without the consent or agreement of, or signature from, Seller. All updates, amendments and supplements to the Guide and the effective date of such updates, amendments and supplements shall be sent to Seller in writing via e-mail. Upon Seller's receipt of a written copy of such amendments, any such amendments shall apply immediately to all new Mortgage Loan applications and any Mortgage Loan applications in Seller's pipeline for which an interest rate has not been locked. By submitting any qualifying Mortgage Loan to Purchaser following receipt of any such notice, Seller agrees that it shall be deemed to have accepted the amendment described therein. In the event of any conflict between the provisions of this Agreement (other than the Guide) and the Guide, the provisions of this Agreement shall control. This Agreement shall bind and inure to the benefit of and be enforceable by the Purchaser and Seller and their respective permitted successors and assigns.

In addition to any rights and remedies of Purchaser provided by law, Purchaser shall have the right, without prior notice to Seller, any such notice being expressly waived by Seller to the extent permitted by applicable law, upon any amount becoming due and payable by Seller hereunder (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, and any other property of Seller, at any time held or owing by Purchaser or any affiliate, branch or agency thereof to or for the credit or the account of Seller.

4.11 Nature of Transactions. If any court of competent jurisdiction shall deem any transaction involving Seller, Purchaser, or any Mortgage Loan governed by this Agreement to be a loan, extension of credit or a secured financing, or if any court of competent jurisdiction shall determine that any Mortgage Loan is the property of Seller or shall otherwise not have been sold by Seller to, and purchased by, Purchaser, as contemplated herein, then notwithstanding anything herein or in any other Purchase Document to the contrary, (i) as of the date hereof, Purchaser shall have (and Seller shall have been deemed to have pledged, assigned and granted to Purchaser) a first priority security interest in and to each Mortgage Loan to secure the prompt and complete payment and performance of any and all of Seller's indebtedness and obligations to Purchaser under this Agreement and the other Purchase Documents, as well as all other present and future indebtedness, obligations, and liabilities of Seller to Purchaser; and (ii) any and all amounts received by Purchaser with respect to any Mortgage Loan may be applied in such order and priority as Purchaser may determine. For this purpose, this Agreement shall constitute a security agreement in accordance with the Uniform Commercial Code of the State of Texas, and Purchaser shall have all the rights of a secured creditor with respect to such security.

4.12 Confidentiality. The Parties agree to use the Confidential Information and Non-Public Personal Information, as defined herein, that either Party receives from the other Party in connection with the implementation and management of the terms and conditions of this Agreement. The Parties further agree that each will use reasonable precautions and exercise due care to maintain the confidentiality of the Confidential Information. Each Party agrees to be responsible for any breach of this Section 4.12 that results from the actions or omissions of any

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of its authorized representatives. Each Party agrees to advise the other Party in writing of any misappropriation or misuse by any person of Confidential Information of which that Party may become aware. The Parties further acknowledge and agree that each will, maintain policies and procedures designed to (i) ensure the security and confidentiality of such Non-Public Personal Information pursuant to all applicable provisions of the Gramm-Leach-Bliley Act, as amended from time to time, (ii) protect against any anticipated threats or hazards to the security or integrity of such Non-Public Personal Information, and (iii) protect against unauthorized access to or use of such Non-Public Personal Information that could result in substantial harm or inconvenience to any borrower. Each Party further agrees that in safeguarding such Non-Public Personal Information from unauthorized use and unauthorized disclosure, each shall use at least the same degree of care as it uses to protect its own confidential or proprietary information of like nature, but in no event less than reasonable care. Notwithstanding the foregoing, a Party may disclose Confidential Information if: (a) it is necessary to do so in working with legal counsel, auditors, taxing authorities or other governmental agencies or regulatory bodies or in order to comply with any applicable federal or state laws; (b) any of the Confidential Information is in the public domain other than due to a breach of this covenant or due to a breach of any other confidentiality obligation of which either party had knowledge or (c) in the event of an Event of Default Purchaser determines such information to be necessary or desirable to disclose in connection with the marketing and sales of the Mortgage Loans or otherwise to enforce or exercise Purchaser's rights hereunder. The provisions set forth in this Section 4.12 shall survive the termination of this Agreement.

[Signature Page Follows]



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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their respective officers hereunder duly authorized, as of the day and year first above written.

SELLER:

GUILD MORTGAGE COMPANY,  
a California corporation

By: /s/ Terry Schmidt

Name: Terry Schmidt

Title: EVP, CFO

PURCHASER:

TEXAS CAPITAL BANK,  
NATIONAL ASSOCIATION

By: /s/ Stephen H. Petersen

Name: Stephen H. Petersen

Title: Vice President

Signature Page

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

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**MASTER REPURCHASE AGREEMENT**

Between:

**EVERBANK, as Buyer**

and

**GUILD MORTGAGE COMPANY, as Seller**

Dated as of July 29, 2015

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**SCHEDULES AND EXHIBITS**

SCHEDULE 1	Schedule of Representations and Warranties with Respect to the Mortgage Loans [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
EXHIBIT A	Form of Opinion Letter [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
EXHIBIT B	Form of Servicer Notice [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
EXHIBIT C	Form of Power of Attorney [Omitted pursuant to Item 601(a)(5) of Regulation S-K]

## MASTER REPURCHASE AGREEMENT

This is a MASTER REPURCHASE AGREEMENT (this “Agreement”), dated as of July 29, 2015, by and between GUILD MORTGAGE COMPANY, a California corporation (“Seller”), and EVERBANK, a federal savings association (“Buyer”).

### SECTION 1. APPLICABILITY; INCORPORATION OF EVERBANK WAREHOUSE CUSTOMER GUIDE AND PRICING LETTER

From time to time the parties hereto may enter into transactions in which Seller agrees to transfer to Buyer Eligible Mortgage Loans on a servicing released basis against the transfer of funds by Buyer, with a simultaneous agreement by Buyer to transfer to Seller such Eligible Mortgage Loans on a servicing released basis at a date certain after the related Purchase Date, against the transfer of funds by Seller. Each such transaction shall be referred to herein as a “Transaction” and shall be governed by this Agreement (including any supplemental terms or conditions contained in any annexes identified herein, as applicable hereunder), unless otherwise agreed in writing.

The EverBank Warehouse Customer Guide is one of the Facility Documents as defined below. The EverBank Warehouse Customer Guide is incorporated by reference into this Agreement and Seller agrees to adhere to all terms, conditions and requirements of the EverBank Warehouse Customer Guide. Buyer may amend the EverBank Warehouse Customer Guide from time to time as provided in Section 35(e). In the event of a conflict or inconsistency between this Agreement and the EverBank Warehouse Customer Guide, the terms of this Agreement shall govern. Seller’s execution and delivery of this Agreement constitutes Seller’s acknowledgment of receipt of the EverBank Warehouse Customer Guide and Seller’s agreement to the terms and conditions set forth therein and herein with respect thereto.

The Pricing Letter is one of the Facility Documents as defined below. The Pricing Letter is incorporated by reference into this Agreement and Seller agrees to adhere to all terms, conditions and requirements of the Pricing Letter as incorporated herein. In the event of a conflict or inconsistency between this Agreement and the Pricing Letter, the terms of the Pricing Letter shall govern.

### SECTION 2. DEFINITIONS

Capitalized terms used but not defined herein shall have the respective meanings set forth in the Pricing Letter. As used herein, the following terms shall have the following meanings (all terms defined in this Section 2 or in other provisions of this Agreement in the singular to have the same meanings when used in the plural and vice versa):

“1934 Act” shall have the meaning set forth in Section 34 hereof.

“Accepted Servicing Practices” shall mean, with respect to any Mortgage Loan, those mortgage servicing practices of prudent 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.

“Adjustable Rate Loan” shall mean a Mortgage Loan that provides for the adjustment of the Mortgage Interest Rate payable in connection with such Mortgage Loan.

“Adjusted Tangible Net Worth” shall mean, with respect to any Person at any date, the Net Worth of such Person plus (a) (i) all unpaid principal of all Subordinated Debt of such Person at such date; and (ii) the MSR Value at such date; minus: (b) (i) the aggregate book value of all intangible assets of such Person (as determined in accordance with GAAP), including, without limitation, goodwill;

trademarks, trade names, service marks, copyrights, patents, licenses and franchises; capitalized Servicing Rights; organizational expenses; deferred expenses; (ii) receivables from equity owners, Affiliates or employees; (iii) advances of loans to Affiliates; (iv) investments in Affiliates; (v) assets pledged to secure any liabilities not included in the Indebtedness of such Person; and (vi) any other assets which would be deemed by HUD to be unacceptable in calculating adjusted tangible net worth; in all cases, calculated on a consolidated basis and determined in accordance with GAAP consistent with those applied in the preparation of the Financial Statements referred to herein.

“Affiliate” shall mean with respect to any Person, any “affiliate” of such Person, as such term is defined in the Bankruptcy Code.

“Agency” shall mean Freddie Mac, Fannie Mae or Ginnie Mae, as applicable.

“Aging Limit” shall have the meaning specified in the Pricing Letter.

“Agreement” shall mean this Master Repurchase Agreement between Buyer and Seller, dated as of the date hereof, as the same may be amended, supplemented or otherwise modified in accordance with the terms hereof.

“ALTA” shall mean the American Land Title Association, or any successors thereto.

“Annual Financial Statement Date” shall have the meaning set forth in the Pricing Letter.

“Anti-Money Laundering Laws” shall have the meaning set forth in Section 11(z) hereof.

“Appraisal” shall mean an appraisal by a licensed appraiser selected in accordance with Agency guidelines and not identified to Seller as an unacceptable appraiser by an Agency, and who is experienced in estimating the value of property of that same type in the community where it is located, and who — unless approved by Buyer on a case-by-case basis — is not, and is not a Relative of or a Relative of a spouse of, an owner, director, officer or employee of Seller or any of its Affiliates, a signed copy of the written report of which Appraisal is in the possession of Seller or the Subservicer.

“Appraised Value” shall mean 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.

“Appropriate Federal Banking Agency” shall have the meaning ascribed to it by Section 1813(q) of Title 12 of the United States Code, as amended from time to time.

“Approved CPA” shall mean a certified public accountant approved by Buyer in writing in its sole discretion.

“Approved Flood Policy Insurer” shall mean any of the insurers approved by Buyer in its sole and absolute discretion.

“Approved Hedging Manager” shall mean a hedging consultant acceptable to Buyer in its sole and absolute discretion. If (and only for so long as) approved by Buyer, in its sole and absolute discretion, Seller may act as its own hedging manager, in which event, while so approved, Seller shall be an Approved Hedging Manager for purposes of this Agreement.

“Approved Mortgage Product” shall have the meaning specified in the Pricing Letter.

“Approved Servicing Appraiser” shall mean an independent appraiser that is nationally known as expert in the evaluation of Servicing Rights, and is pre-approved in writing by Buyer from time to time, in its sole and absolute discretion.

“Approved Tax Service Contract Provider” shall mean any tax service contract provider as approved from time to time by Buyer, in its sole and absolute discretion.

“Asset Value” shall mean with respect to each Purchased Mortgage Loan that is:

(a) an Eligible Mortgage Loan, the applicable Purchase Price Percentage for such Purchased Mortgage Loan multiplied by the least of (i) the Market Value of such Mortgage Loan, (ii) the outstanding principal balance of such Mortgage Loan, and (iii) the purchase price for such Mortgage Loan set forth in the related Takeout Commitment; and

(b) not an Eligible Mortgage Loan, zero.

(c) Notwithstanding and without limiting the generality of the foregoing, Seller acknowledges that the Asset Value of a Purchased Mortgage Loan may be reduced to zero by Buyer, in its sole commercially reasonable discretion, without notice, if:

(i) such Purchased Mortgage Loan ceases to be an Eligible Mortgage Loan;

(ii) the Purchased Mortgage Loan has been released from the possession of Buyer (other than to a Takeout Investor pursuant to a Bailee Letter) for a period in excess of [\*\*\*];

(iii) the Purchased Mortgage Loan has been released from the possession of Buyer to a Takeout Investor pursuant to a Bailee Letter for a period in excess of [\*\*\*];

(iv) the Purchased Mortgage Loan is a Wet Mortgage Loan for which the related Mortgage File has not been received by Buyer by the Wet Delivery Deadline for such Purchased Mortgage Loan;

(v) such Purchased Mortgage Loan is rejected by the related Takeout Investor;

(vi) such Purchased Mortgage Loan is or becomes a Defective Mortgage Loan or a Delinquent Mortgage Loan;

(vii) such Purchased Mortgage Loan has been subject to a Transaction hereunder for a period of greater than the applicable Transaction Term Limitation;

(viii) Buyer has determined in its sole commercially reasonable discretion that the Purchased Mortgage Loan is not eligible for whole loan sale or securitization in a transaction consistent with the prevailing sale and securitization industry with respect to substantially similar Mortgage Loans; or

(xi) such Purchased Mortgage Loan contains a breach of a representation or warranty made by Seller in this Agreement.



The aggregate Asset Value of Mortgage Loans included in any Concentration Category shall not exceed the Concentration Limit applicable to such Concentration Category.

“Assignment and Acceptance” shall have the meaning set forth in Section 18 hereof.

“Assignment of Mortgage” shall mean an assignment of the Mortgage, notice of transfer or equivalent instrument in recordable form, sufficient under the laws of the jurisdiction wherein the related Mortgaged Property is located to reflect the sale of the Mortgage.

“Assignment of Proprietary Lease” shall mean the specific agreement creating a first Lien on and pledge of the Co-op Shares and appurtenant Proprietary Lease securing a Co-op Loan.

“Bailee Letter” shall mean the bailee letter, in the set forth in the EverBank Warehouse Customer Guide, for use by Buyer in connection with the release of Mortgage Loans to a Takeout Investor pursuant to Section 10(c) hereof.

“Bankruptcy Code” shall mean the United States Bankruptcy Code of 1978, as amended from time to time.

“Business Day” shall mean a day other than (i) a Saturday or Sunday, (ii) any day on which banking institutions are authorized or required by law, executive order or governmental decree to be closed in the State of New York or the State of Florida, or (iii) any day on which the Federal Reserve is closed.

“Buyer” shall mean EverBank, its successors in interest and assigns and, with respect to Section 7, its participants.

“Capital Lease Obligations” shall mean, for any Person, all obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) Property to the extent such obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under GAAP, and, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with GAAP.

“Cash Equivalents” shall mean (a) securities with maturities of 90 days or less from the date of acquisition issued or fully guaranteed or insured by the United States Government or any agency thereof, (b) certificates of deposit and eurodollar time deposits with maturities of 90 days or less from the date of acquisition and overnight bank deposits of Buyer or its Affiliates or of any commercial bank having capital and surplus in excess of [\*\*\*], (c) repurchase obligations of Buyer or its Affiliates or of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than seven days with respect to securities issued or fully guaranteed or insured by the United States Government, (d) commercial paper of a domestic issuer rated at least A-1 or the equivalent thereof by S&P or P-1 or the equivalent thereof by Moody’s and in either case maturing within 90 days after the day of acquisition, (e) securities with maturities of 90 days or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody’s, (f) securities with maturities of 90 days or less from the date of acquisition backed by standby letters of credit issued by Buyer or any commercial bank satisfying the requirements of clause (b) of this definition, or (g) shares of money market mutual or similar funds which invest exclusively in assets satisfying the requirements of clauses (a) through (f) of this definition.

“Change in Control” shall have the meaning specified in the Pricing Letter.

“Closing Protection Letter” shall mean a letter of indemnification from a title insurer addressed to Seller and/or Buyer or for which Buyer is a third party beneficiary, with coverage that is customarily acceptable to Persons engaged in the origination of mortgage loans, identifying the Settlement Agent covered thereby and indemnifying Seller and/or Buyer (directly or as a third party beneficiary) against losses incurred due to malfeasance or fraud by the Settlement Agent or the failure of the Settlement Agent to follow the specific escrow instructions specified by Seller to the Settlement Agent or otherwise by Buyer with respect to the closing of the Mortgage Loan. The Closing Protection Letter shall be either with respect to the individual Mortgage Loan being purchased pursuant hereto or a blanket Closing Protection Letter which covers closings conducted by the Settlement Agent in the jurisdiction in which the closing of such Mortgage Loan takes place.

“CLTA” shall mean the California Land Title Association, or any successors thereto.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Concentration Category” shall have the meaning specified in the Pricing Letter.

“Concentration Limit” shall mean, for each Concentration Category, the applicable limitation set forth in the Pricing Letter.

“Confidential Terms” shall have the meaning set forth in Section 30 hereof.

“Conforming Mortgage Loan” shall have the meaning set forth in the Pricing Letter.

“Conventional Mortgage Loan” shall mean a Conforming Mortgage Loan other than a Government Mortgage Loan.

“Co-op Corporation” shall mean, with respect to any Co-op Loan, the cooperative apartment corporation that holds legal title to the related Co-op Project and grants occupancy rights to units therein to stockholders through Proprietary Leases or similar arrangements.

“Co-op Loan” shall mean a Mortgage Loan secured by the pledge of stock allocated to a dwelling unit in a residential cooperative housing corporation and the collateral assignment of the related Proprietary Lease.

“Co-op Project” shall mean, with respect to any Co-op Loan, all real property and improvements thereto and rights therein and thereto owned by a Co-op Corporation including without limitation the land, separate dwelling units and all common elements.

“Co-op Shares” shall mean, with respect to any Co-op Loan, the shares of stock issued by a Co-op Corporation and allocated to a Co-op Unit and represented by a stock certificate or certificates.

“Co-op Unit” shall mean, with respect to any Co-op Loan, a specific unit in a Co-op Project.

“Costs” shall have the meaning set forth in Section 15(a) hereof.

“Credit File” shall mean with respect to each Mortgage Loan, the documents and instruments relating to the origination and administration of such Mortgage Loan.

“Daily Activity Report” shall mean for each Business Day, the daily activity pursuant to this Agreement reflected on the EverBank Warehouse Electronic System, including without limitation, any purchases of Mortgage Loans, any repurchases of Mortgage Loans, any payments received by Buyer or in the Inbound Account with respect to the Purchased Mortgage Loans, and the activity in each of the Inbound and Haircut Accounts.

“Debt for Borrowed Money Arrangements” shall have the meaning set forth in Section 11(o) hereof.

“Debt Service” shall mean, for any period, the sum of a Person’s (a) Interest Expense for such period, plus (b) the aggregate amount of regularly scheduled or mandatory principal payments of Indebtedness for such period (but excluding (i) principal payments required under Warehouse Facilities upon the ordinary course sale of a Mortgage Loan financed thereunder to an investor, and (ii) balloon principal payments due on maturity required to be made during such period).

“Default” shall mean an Event of Default or an event that with notice or lapse of time or both would become an Event of Default.

“Defective Mortgage Loan” shall mean a Mortgage Loan (a) which is in foreclosure, has been foreclosed upon or has been converted to real estate owned property, (b) for which the Mortgagor is in bankruptcy, (c) that is not either (i) subject to a valid and binding Takeout Commitment or (ii) unless a Takeout Commitment is required for the applicable Approved Mortgage Product type, covered within Seller’s hedging program, as approved by Buyer, (d) that is subject to a Takeout Commitment with respect to which Seller or Takeout Investor is in default, (e) that is rejected or excluded for any reason from the related Takeout Commitment by the Takeout Investor, (f) that is not purchased by the Takeout Investor in compliance with the Takeout Commitment at or prior to the expiration or termination of the Takeout Commitment for any reason, or (g) that is not repurchased by Seller in compliance with the provisions of Section 3(d), or (h) which was, but ceases to be, an Eligible Mortgage Loan, including if the representations and warranties set forth in Schedule 1 to this Agreement cease to be true, correct, and complete with respect to such Mortgage Loan.

“Delinquent Mortgage Loan” shall mean any Mortgage Loan as to which any Monthly Payment, or part thereof, remains unpaid for [\*\*\*] or more following the original Due Date for such Monthly Payment.

“Dollars” and “\$” shall mean lawful money of the United States of America.

“Due Date” shall mean the day of the month on which the Monthly Payment is due on a Mortgage Loan, exclusive of any days of grace.

“Due Diligence Costs” shall have the meaning set forth in Section 17 hereof.

“Due Diligence Review” shall mean the performance by Buyer of any or all of the reviews permitted under Section 17 hereof with respect to any Seller Party, any or all of the Purchased Mortgage Loans, or any Mortgage Loans submitted for purchase hereunder, as desired by Buyer from time to time.

“E-Sign” shall mean the federal Electronic Signatures in Global and National Commerce Act, as amended from time to time.

“EBITDA” shall mean for any Person for any period, Net Income of such Person and its Subsidiaries for such period plus, without duplication and to the extent reflected as a charge in the statement of such Net Income for such period, the sum of (a) income tax expense, (b) Interest Expense of such Person and its Subsidiaries, amortization or write off of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness, (c) depreciation and amortization expense and (d) amortization of intangibles (including, but not limited to, goodwill) and organization costs.

“Effective Date” shall mean the date upon which the conditions precedent set forth in Section 3(a) shall have been satisfied.

“Electronic Record” shall mean “Record” and “Electronic Record,” both as defined in E-Sign, and shall include, but not be limited to, recorded telephone conversations, fax copies or electronic transmissions, including, without limitation, those involving the EverBank Warehouse Electronic System.

“Electronic Signature” shall have the meaning set forth in E-Sign.

“Electronic Tracking Agreement” shall mean an Electronic Tracking Agreement among Buyer, Seller, MERS and MERSCORP, Inc., as the same may be amended from time to time.

“Electronic Transactions” shall mean transactions conducted using Electronic Records and/or Electronic Signatures or fax copies of signatures.

“Eligible Mortgage Loan” shall mean a Mortgage Loan which (a) is an Approved Mortgage Product, (b) complies with the representations and warranties set forth on Schedule 1 hereto, (c) is not a Defective Mortgage Loan, and (d) is not a Delinquent Mortgage Loan.

“EO13224” shall have the meaning set forth in Section 11(aa) hereof.

“ERISA” shall, with respect to any Person, mean the Employee Retirement Income Security Act of 1974, as amended from time to time and any successor thereto, and the regulations promulgated and rulings issued thereunder.

“ERISA Affiliate” shall, with respect to any Person, mean any Person which is treated as a single employer under Section 414(b) or (c) of the Code, or solely for purposes of Section 302 of ERISA and Section 412 of the Code is treated as a single employer described in Section 414 of the Code.

“ERISA Liability Threshold” shall have the meaning specified in the Pricing Letter.

“Escrow Amount” shall mean any amounts paid by the Mortgagor or retained by Seller with respect to the Mortgage Loan that constitute escrowed funds, which shall include any amounts representing Escrow Payments or unapplied principal prepayments.

“Escrow Payments” shall mean, with respect to any Mortgage Loan, the amounts constituting ground rents, taxes, assessments, water rates, sewer rents, municipal charges, mortgage insurance premiums, fire and hazard insurance premiums, condominium charges, and any other payments required to be escrowed by the Mortgagor with the mortgagee pursuant to the Mortgage or any other document.

“Existing Subordinated Debt” shall mean all Subordinated Debt, if any, existing as of the Effective Date, as set forth on Schedule 6 to the Pricing Letter.

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“Event of Default” shall have the meaning specified in Section 13 hereof.

“Event of ERISA Termination” shall, with respect to any Person, mean (i) with respect to any Plan, a reportable event, as defined in Section 4043 of ERISA, as to which the PBGC has not by regulation waived the reporting of the occurrence of such event, or (ii) the withdrawal of such Person or any ERISA Affiliate thereof from a Plan during a plan year in which it is a substantial employer, as defined in Section 4001(a)(2) of ERISA, or (iii) the failure by such Person or any ERISA Affiliate thereof to meet the minimum funding standard of Section 412 of the Code or Section 302 of ERISA with respect to any Plan, including, without limitation, the failure to make on or before its due date a required installment under Section 430(j) of the Code or Section 303(j) of ERISA, or (iv) the distribution under Section 4041 of ERISA of a notice of intent to terminate any Plan or any action taken by such Person or any ERISA Affiliate thereof to terminate any Plan, or (v) the failure to meet the requirements of Section 436 of the Code resulting in the loss of qualified status under Section 401(a)(29) of the Code, or (vi) the institution by the PBGC of proceedings under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or (vii) the receipt by such Person or any ERISA Affiliate thereof of a notice from a Multiemployer Plan that action of the type described in the previous clause (vi) has been taken by the PBGC with respect to such Multiemployer Plan, or (viii) any event or circumstance exists which may reasonably be expected to constitute grounds for such Person or any ERISA Affiliate thereof to incur liability under Title IV of ERISA or under Sections 412(b) or 430 (k) of the Code with respect to any Plan.

“EverBank Warehouse Customer Guide” shall mean the guidelines and other information provided to Seller by Buyer from time to time, setting forth the policies and procedures to be followed by Seller when utilizing the facility contemplated under this Agreement, including without limitation information and parameters input into the EverBank Warehouse Electronic System regarding LTV limitations as established by Buyer from time to time.

“EverBank Warehouse Electronic System” shall mean the system utilized by Buyer either directly, or through its vendors, and which may be accessed by Seller in connection with delivering and obtaining information and requests as described further in the EverBank Warehouse Customer Guide.

“Excess Proceeds” shall mean the excess, if any, of the proceeds received in the Inbound Account with respect to a purchase or repurchase of a Purchased Mortgage Loan over the Repurchase Price for such Purchased Mortgage Loan.

“Expenses” shall mean all present and future expenses incurred by or on behalf of Buyer in connection with this Agreement or any of the other Facility Documents and any amendment, supplement or other modification or waiver related hereto or thereto, whether incurred heretofore or hereafter, which expenses shall include the cost of title, lien, judgment and other record searches; attorneys’ fees; and costs of preparing and recording any UCC financing statements or other filings necessary to perfect the security interest created hereby.

“Facility Documents” shall mean this Agreement, the Pricing Letter, the Facility Guaranty (if any), the EverBank Warehouse Customer Guide, the Electronic Tracking Agreement, each Servicer Notice, if any, the Power of Attorney, and each Subordination Agreement, if any.

“Facility Guaranty” shall mean the Guaranty made by Guarantor (if any) in favor of Buyer, dated as of the date of this Agreement, as amended from time to time.

“Facility Termination Threshold” shall have the meaning specified in the Pricing Letter. “Fannie Mae” shall mean Fannie Mae, or any successor thereto. “FDIA” shall have the meaning set forth in Section 31 hereof. “FDICIA” shall have the meaning set forth in Section 31 hereof.

“FHA” shall mean the Federal Housing Administration, an agency within the United States Department of Housing and Urban Development, or any successor thereto, and including the Federal Housing Commissioner and the Secretary of Housing and Urban Development where appropriate under the FHA Regulations.

“FHA Loan” shall mean a Mortgage Loan which is the subject of an FHA Mortgage Insurance Certificate.

“FHA Mortgage Insurance Certificate” shall mean the certificate evidencing the contractual obligation of the FHA respecting the insurance of a Mortgage Loan.

“FHA Regulations” shall mean the regulations promulgated by the Department of Housing and Urban Development under the National Housing Act, as amended from time to time and codified in 24 Code of Federal Regulations, and other Department of Housing and Urban Development issuances relating to FHA Loans, including the related handbooks, circulars, notices and mortgagee letters.

“FICO” shall mean Fair Isaac Corporation, or any successor thereto.

“Fidelity Insurance” shall mean, collectively, whether or not provided in the same policy or policies, insurance coverage with respect to employee errors, omissions, dishonesty, forgery, theft, disappearance and destruction, robbery and safe burglary, property (other than money and securities) and computer fraud in an aggregate amount acceptable to Buyer.

“Fidelity Insurance Requirement” shall have the meaning specified in the Pricing Letter.

“Financial Condition Covenants” shall mean each of the covenants set forth in Section 3 of the Pricing Letter.

“Financial Reporting Party” shall have the meaning specified in the Pricing Letter.

“Financial Statements” shall mean the consolidated financial statements of the Financial Reporting Party prepared in accordance with GAAP for the year or other period then ended. Such financial statements will be audited, in the case of annual statements, by an Approved CPA.

“Fitch” shall mean Fitch Ratings, Inc., or any successor thereto.

“Freddie Mac” shall mean Freddie Mac, or any successor thereto.

“GAAP” shall mean generally accepted accounting principles in the United States of America, applied on a consistent basis and applied to both classification of items and amounts, and shall include, without limitation, the official interpretations thereof by the Financial Accounting Standards Board, its predecessors and successors.

“Ginnie Mae” shall mean the Government National Mortgage Association, or any successor thereto.

“Government Mortgage Loan” shall mean a first Lien Mortgage Loan that is (a) eligible for FHA mortgage insurance and is so insured, is subject to, or an application has been or will be submitted for, a binding and enforceable commitment for such insurance pursuant to the provisions of the National Housing Act, as amended, and is originated in strict compliance with the requirements of Ginnie Mae and is eligible for inclusion in a Ginnie Mae mortgage-backed security pool; or (b) eligible to be guaranteed by the VA and is so guaranteed, is subject to, or an application has been or will be submitted for, a binding and enforceable commitment for such guarantee pursuant to the provisions of the Servicemen’s Readjustment Act, as amended, and is otherwise eligible for inclusion in a Ginnie Mae mortgage-backed security pool.

“Governmental Authority” shall mean any nation or government, any state, county, municipality or other political subdivision thereof or any governmental body, agency, authority, department or commission (including, without limitation, any taxing authority) or any instrumentality or officer of any of the foregoing (including, without limitation, any court or tribunal) exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation, partnership or other entity directly or indirectly owned by or controlled by the foregoing (including without limitation the Appropriate Federal Banking Agency).

“Guarantee” shall mean, as to any Person, any obligation of such Person directly or indirectly guaranteeing any Indebtedness of any other Person or in any manner providing for the payment of any Indebtedness of any other Person or otherwise protecting the holder of such Indebtedness against loss (whether by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, or to take-or-pay or otherwise); provided that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Guarantee of a Person shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith. The terms “Guarantee” and “Guaranteed” used as verbs shall have correlative meanings.

“Guarantor” shall mean any person delivering a Facility Guaranty to Buyer and their respective heirs, representatives, successors, and assigns.

“Haircut Account” shall mean the account established pursuant to Section 9(e) hereof.

“Haircut Amount” shall mean the excess of the outstanding principal balance of the Purchased Mortgage Loan being purchased on the Purchase Date over the Purchase Price for such Purchased Mortgage Loan.

“HECM” shall mean at any time, any reverse mortgage loan that meets the requirements for FHA insurance, and is subject of an FHA Mortgage Insurance Certificate, in each case under the FHA’s Home Equity Conversion Mortgage program and eligible for reimbursement thereunder. In order to be an Eligible Mortgage Loan hereunder a HECM must be subject to a Takeout Commitment.

“Hedge Agreement” shall mean, with respect to any Mortgage Loans, any short sale of a United States Treasury Security, or futures contract, or mortgage related security, or Eurodollar futures contract, or options related contract, or interest rate swap, cap or collar agreement, or similar arrangement providing for protection against fluctuations in interest rates or the exchange of nominal or notional interest obligations, either generally or under specific contingencies, entered into by Seller with a party and with terms, both acceptable to Buyer in its sole and absolute discretion.

“High Cost Mortgage Loan” shall mean a mortgage loan classified as (a) a “high cost” or “higher priced” loan under the Home Ownership and Equity Protection Act of 1994 or (b) a “high cost,” “high risk,” “high rate,” “threshold,” “covered,” or “predatory” loan under any other applicable state, federal or local law (or a similarly classified loan using different terminology under a law, regulation or ordinance imposing heightened regulatory scrutiny or additional legal liability for residential mortgage loans having high interest rates, points and/or fees).

“HUD” shall mean the Department of Housing and Urban Development.

“Inbound Account” shall mean the account established pursuant to Section 9(d) hereof.

“Income” shall mean, with respect to any Mortgage Loan at any time, any principal thereof then payable, and all interest, dividends or other distributions payable thereon and all proceeds thereof.

“Indebtedness” shall mean, with respect to any Person, total liabilities, as reported on that Person’s balance sheet, and calculated in accordance with GAAP.

“Indemnified Party” shall have the meaning set forth in Section 15(a) hereof.

“Initial Haircut Account Funded Amount” shall mean, with respect to any Purchased Mortgage Loan, the amount deposited by Seller into the Haircut Account on or prior to the related Purchase Date, which amount shall equal the Haircut Amount plus any Escrow Amount related to the Purchased Mortgage Loan.

“Insolvency Event” shall mean, for any Person:

- (a) that such Person or any Affiliate shall discontinue or abandon operation of its business; or
- (b) that such Person or any Affiliate shall fail generally to, or admit in writing its inability to, pay its debts as they become due; or
- (c) a proceeding shall have been instituted in a court having jurisdiction in the premises seeking a decree or order for relief in respect of such Person or any Affiliate in an involuntary case under any applicable bankruptcy, insolvency, liquidation, reorganization or other similar Requirement of Law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of such Person or any Affiliate, or for any substantial part of its property, or for the winding-up or liquidation of its affairs; or
- (d) the commencement by such Person or any Affiliate of a voluntary case under any applicable bankruptcy, insolvency or other similar Requirement of Law now or hereafter in effect, or such Person’s or any Affiliate’s consent to the entry of an order for relief in an involuntary case under any such Requirement of Law, or consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator, conservator or other similar official of such Person, or for any substantial part of its property, or any general assignment for the benefit of creditors; or
- (e) that such Person or any Affiliate shall become insolvent; or



(f) if such Person or any Affiliate is a corporation, such Person or any Affiliate, or any of their Subsidiaries, shall take any corporate action in furtherance of, or the action of which would result in, any of the actions set forth in the preceding clauses (a), (b), (c), (d) or (e).

“Interest Expense” shall mean, for any period, total interest expense (including that attributable to Capital Lease Obligations) of such Person and its Subsidiaries for such period with respect to all outstanding Indebtedness of such Person and its Subsidiaries (including, without limitation, all commissions, discounts and other fees and charges owed by such Person with respect to letters of credit and bankers’ acceptance financing and net costs of such Person under Hedge Agreements in respect of interest rates to the extent such net costs are allocable to such period in accordance with GAAP).

“LIBOR Floor” shall have the meaning set forth in the Pricing Letter.

“LIBOR Rate” shall mean, with respect to each day a Transaction is outstanding, the rate per annum equal to the greater of (a) the rate appearing at Reuters Screen LIBOR01 Page (or such other page as may replace the Reuters LIBOR01 Page on such service or such other service as may be designated by Buyer for the purpose of displaying London interbank offered rates for U.S. Dollar deposits) as one month LIBOR on such date (and if such date is not a Business Day, the LIBOR Rate in effect on the Business Day immediately preceding such date), and if such rate shall not be so quoted, the rate per annum at which Buyer or its Affiliate is offered dollar deposits at or about 10:00 a.m., New York City time, on such date, by prime banks in the interbank eurodollar market where the eurodollar and foreign currency exchange operations in respect of its Transactions are then being conducted for delivery on such day for a period of one month and in an amount comparable to the amount of the Transactions outstanding on such day, and (b) the LIBOR Floor.

“Lien” shall mean any lien, claim, charge, restriction, pledge, security interest, mortgage, deed of trust or other encumbrance.

“Litigation Threshold” shall have the meaning specified in the Pricing Letter.

“Loan-to-Value Ratio” or “LTV” shall mean with respect to any Mortgage Loan, the ratio of the original outstanding principal amount of the Mortgage Loan to the Appraised Value of the Mortgaged Property at origination.

“Manufactured Housing Mortgage Loan” shall have the meaning specified in the Pricing Letter.

“Margin Call” shall have the meaning specified in Section 4. “Margin Deficit” shall have the meaning specified in Section 4.

“Market Value” shall mean, as of any date with respect to any Purchased Mortgage Loan, the price at which such Mortgage Loan could readily be sold as determined by Buyer in its sole discretion, provided, however, that the “Market Value” of any Mortgage Loan that is not an Eligible Mortgage Loan is zero.

“Material Adverse Effect” shall mean a material adverse effect on (a) the Property, business, operations, financial condition or prospects of any Seller Party or any Affiliate, (b) the ability of any Seller Party or any Affiliate to perform its obligations under any of the Facility Documents to which it is a party, (c) the validity or enforceability of any of the Facility Documents, (d) the rights and remedies of Buyer or any Affiliate under any of the Facility Documents, (e) the timely payment of any amounts

payable under the Facility Documents, or (f) the Asset Value of the Purchased Mortgage Loans taken as a whole.

“Maturity Event” shall mean with respect to a Mortgage Loan, the earliest to occur of: (a) the Mortgaged Property is sold or transferred; (b) the death of the last remaining Mortgagor; (c) the Mortgaged Property ceases to be the principal residence of a Mortgagor for reasons other than death and the Mortgaged Property is not the principal residence of at least one other Mortgagor, together with the required FHA approval; (d) for a period of longer than [\*\*\*], a Mortgagor fails to occupy the Mortgaged Property because of physical or mental illness and the Mortgaged Property is not the principal residence of at least one other Mortgagor, together with the required FHA approval; or (e) Mortgagor violates any other covenant of the Mortgage or Mortgage Note and is unable (or refuses) to correct the violation, together with the required FHA approval.

“Maximum Claim Amount” shall mean, with respect to any HECM, the maximum claim amount under the related FHA insurance and the related FHA Mortgage Insurance Certificate for such Mortgage Loan as determined pursuant to FHA Regulations.

“Maximum Purchase Amount” shall have the meaning specified in the Pricing Letter.

“MERS” shall mean Mortgage Electronic Registration Systems, Inc., a corporation organized and existing under the laws of the State of Delaware, or any successor thereto.

“MERS System” shall mean the system of recording transfers of mortgages electronically maintained by MERS.

“Monthly Payment” shall mean the scheduled monthly payment of principal and interest on a Mortgage Loan.

“Moody’s” shall mean Moody’s Investor’s Service, Inc. or any successors thereto.

“Mortgage” shall mean each mortgage, assignment of rents, security agreement and fixture filing, deed of trust, deed to secure debt, or similar instrument creating and evidencing a lien on real property and other property and rights incidental thereto, unless such Mortgage is granted in connection with a Co-op Loan, in which case the first lien position is in the Co-op Shares of the subject Co-op Corporation and in the tenant’s rights in the Proprietary Lease relating to such Co-op Shares.

“Mortgage File” shall mean, with respect to a Mortgage Loan, the documents and instruments relating to such Mortgage Loan and set forth in the EverBank Warehouse Customer Guide.

“Mortgage Interest Rate” shall mean the rate of interest borne on a Mortgage Loan from time to time in accordance with the terms of the related Mortgage Note.

“Mortgage Loan” shall mean any first lien, one-to-four-family residential mortgage loan evidenced by a Mortgage Note and secured by a Mortgage.

“Mortgage Loan Schedule” shall mean with respect to any Transaction as of any date, a mortgage loan schedule in the form of a computer tape or other electronic medium generated by Seller and delivered to Buyer via the EverBank Warehouse Electronic System which provides information (including, without limitation, the information required pursuant to the EverBank Warehouse Customer Guide relating to the Purchased Mortgage Loans in a format required pursuant to the EverBank Warehouse Customer Guide.

“Mortgage Note” shall mean the promissory note or other evidence of the indebtedness of a Mortgagor secured by a Mortgage.

“Mortgaged Property” shall mean the real property securing repayment, or other Co-op Loan collateral, of the debt evidenced by a Mortgage Note.

“Mortgagor” shall mean the obligor or obligors on a Mortgage Note, including any Person who has assumed or guaranteed the obligations of the obligor thereunder.

“MSR Appraised Value” means, as of any date of determination, the fair market value of Seller’s Servicing Rights at such time, calculated as a percentage (using the mid-point if expressed as a range) of the then unpaid principal balances of each category of Mortgage Loan then being serviced, as set forth in a Servicing Rights Appraisal. For the avoidance of doubt, in order to take into account changes in the unpaid principal balances of Mortgage Loans from the date of a particular appraisal to the date of any later determination of MSR Value for purposes of calculating Adjusted Tangible Net Worth at any time, the applicable value percentage shall be applied to the then (updated) unpaid principal balance of Mortgage Loans then included in Seller’s capitalized Servicing Rights within each applicable category of Mortgage Loans of the date of such later determination of MSR Value.

“MSR Value” shall mean, as of any date of determination, the lesser of (a) Seller’s capitalized Servicing Rights at such time, and (b) as applicable, and with respect to the same Servicing Rights (i) the MSR Appraised Value, at such time, with respect to those Mortgage Loans then included in Seller’s capitalized Servicing Rights, or (ii) if the applicable Servicing Rights Appraisal has not been timely delivered to Buyer, such amount as Buyer shall determine in its sole and absolute discretion, using such means of valuation as it deems appropriate under the circumstances.

“Multiemployer Plan” shall mean, with respect to any Person, a “multiemployer plan” as defined in Section 3(37) of ERISA which is or was at any time during the current year or the immediately preceding five years contributed to (or required to be contributed to) by such Person or any ERISA Affiliate thereof on behalf of its employees and which is covered by Title IV of ERISA.

“Net Account Funded Amount” shall mean, for each Purchased Mortgage Loan, the Initial Haircut Account Funded Amount minus the Haircut Amount withdrawn from the Haircut Account by Buyer plus all additional amounts received in the Haircut Account related to the applicable Purchased Mortgage Loan, including amounts on account of Repurchase Price (including, without duplication, Excess Proceeds) minus any Shortfall Proceeds withdrawn by Buyer on account of the applicable Purchased Mortgage Loan, minus all Warehouse Fees withdrawn by Buyer on account of the applicable Purchased Mortgage Loan minus any additional amounts withdrawn by Buyer as permitted under Section 9(e) or otherwise, and attributed (in the sole discretion of Buyer) to such Purchased Mortgage Loan.

“Net Income” shall mean for any Person for any period, the net income of such Person for such period as determined in accordance with GAAP, excluding the effect of fair market value adjustments to MSR Value with respect to Servicing Rights retained by Seller (but not the effect of gain or loss upon the sale of any such Servicing Rights).

“Net Worth” shall mean, with respect to any Person, an amount equal to, on a consolidated basis, such Person’s stockholder equity (determined in accordance with GAAP).

“Non-Excluded Taxes” shall have the meaning set forth in Section 7(a) hereof.

“Obligations” shall mean: (a) any amounts owed by Seller to Buyer in connection with a Transaction hereunder, together with interest thereon (including interest which would be payable as post-petition interest in connection with any bankruptcy or similar proceeding) and all other fees or expenses which are payable hereunder or under any of the Facility Documents; (b) all other obligations or amounts owed to Buyer under the Facility Guaranty; and (c) all other obligations or amounts owed by Seller to Buyer or an Affiliate of Buyer under any other contract or agreement, in each case, whether such amounts or obligations owed are direct or indirect, absolute or contingent, matured or unmatured.

“OFAC” shall have the meaning set forth in Section 11(aa) hereof.

“Operating Cash Flow” shall mean for any Person, such Person’s EBITDA plus any non-cash expenses less any non-cash income.

“Other Taxes” shall have the meaning set forth in Section 7(b) hereof.

“PBGC” shall mean the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

“Pension Protection Act” shall mean the Pension Protection Act of 2006.

“Person” shall mean any individual, corporation, company, voluntary association, partnership, joint venture, limited liability company, trust, unincorporated association or government (or any agency, instrumentality or political subdivision thereof).

“Plan” shall mean, with respect to any Person, any employee benefit or similar plan that is or was at any time during the current year or immediately preceding five years established, maintained or contributed to by such Person or any ERISA Affiliate thereof and that is covered by Title IV of ERISA, other than a Multiemployer Plan.

“Pledge Instruments” shall mean the Assignment of Proprietary Lease and the stock power related to the Co-op Shares.

“Post-Default Rate” shall have the meaning specified in the Pricing Letter.

“Power of Attorney” shall mean a Power of Attorney substantially in the form of Exhibit C hereto.

“Price Differential” shall mean, with respect to any Transaction hereunder as of any date, the aggregate amount obtained by daily application of the Pricing Rate (or, during the continuation of an Event of Default, by daily application of the Post-Default Rate) for such Transaction to the Purchase Price for such Transaction on a 360 day per year basis for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the Repurchase Date (reduced by any amount of such Price Differential previously paid by Seller to Buyer with respect to such Transaction).

“Pricing Letter” shall mean that certain letter agreement between Buyer and Seller, dated as of the date hereof, as the same may be amended from time to time.

“Pricing Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate plus (b) the Pricing Spread.

“Pricing Spread” shall have the meaning specified in the Pricing Letter.

“Prohibited Person” shall have the meaning set forth in Section 11(aa) hereof.

“Property” shall mean any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

“Property Value” shall mean, with respect to each Mortgage Loan, the value of the related Mortgaged Property, as determined in accordance with FHA Regulations, provided that the Property Value shall not be greater than the Appraised Value of such Mortgaged Property.

“Proprietary Lease” shall mean the lease of a Co-op Unit evidencing the possessory interest of the owner of the Co-op Shares in such Co-op Unit.

“Purchase Date” shall mean the date on which Purchased Mortgage Loans are transferred by Seller to Buyer or its designee.

“Purchase Price” shall have the meaning specified in the Pricing Letter.

“Purchase Price Percentage” shall have the meaning specified in the Pricing Letter.

“Purchased Mortgage Loan” shall mean each Mortgage Loan sold by Seller to Buyer in a Transaction, as reflected in the EverBank Warehouse Electronic System and as evidenced by the Daily Activity Report, prior to the time repurchased by Seller in accordance with the terms hereof.

“Qualified Insurer” shall mean a mortgage guaranty insurance company duly authorized and licensed where required by law to transact mortgage guaranty insurance business and acceptable under the Underwriting Guidelines.

“Rating Agency” shall mean any of S&P, Moody’s or Fitch.

“Recognition Agreement” shall mean an agreement among a Co-op Corporation, a lender, and a Mortgagor with respect to a Co-op Loan whereby such parties (i) acknowledge that such lender may make, or intends to make, such Co-op Loan, and (ii) make certain agreements with respect to such Co-op Loan.

“Records” shall mean all instruments, agreements and other books, records, and reports and data generated by other media for the storage of information maintained by Seller or any other person or entity with respect to a Mortgage Loan. Records shall include the Mortgage Notes, any Mortgages, the Mortgage Files, the credit files related to a Mortgage Loan and any other instruments necessary to document or service a Mortgage Loan.

“Register” shall have the meaning set forth in Section 19(b) hereof.

“Regulations T, U and X” shall mean Regulations T, U and X of the Board of Governors of the Federal Reserve System (or any successor), as the same may be modified and supplemented and in effect from time to time.

“Relative” shall have the meaning specified in the Pricing Letter.

“Repair Set Aside Account” shall mean funds held by Seller with respect to a Mortgage Loan necessary for disbursement after closing in order to pay for required repairs to the Mortgaged

Property pursuant to the Requirements of Law, contractual obligations of either party (including those contained in this Agreement), or Takeout Investor or insurer requirements.

“Reportable Event” shall mean any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the thirty day notice period is waived under subsections .21, .22, .24, .26, .27 or .28 of PBGC Reg. § 4043.

“Reporting Date” shall have the meaning set forth in the Pricing Letter .

“Repurchase Assets” shall have the meaning provided in Section 8(a) hereof.

“Repurchase Date” shall mean the date on which Seller is to repurchase the Purchased Mortgage Loans, or any particular Purchased Mortgage Loan, subject to a Transaction from Buyer, which shall be the earliest of (a) the date specified in the related Transaction Request, (b) the date specified pursuant to Section 3(d)(i), (c) a date no later than the applicable Aging Limit, (d) [\*\*\*] after such Purchased Mortgage Loan is no longer an Eligible Mortgage Loan, (e) the Termination Date, or (f) any date determined by application of the provisions of Sections 3(d) or 14.

“Repurchase Price” shall mean the price at which Purchased Mortgage Loans are to be transferred from Buyer or its designee to Seller upon termination of a Transaction, which will be determined in each case as to any Purchased Mortgage Loan as the sum of (a) the Purchase Price for such Purchased Mortgage Loan as of the date of such determination, plus (b) any accrued and unpaid Price Differential with respect to such Purchased Mortgage Loan as of the date of such determination, plus (c) any other accrued and unpaid fees, expenses, indemnities, and other amounts then due and owing to Buyer with respect to such Purchased Mortgage Loan.

“Requirement of Law” shall mean as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law, treaty, rule, regulation, procedure or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its Property is subject.

“Responsible Officer” shall mean, as to Buyer and Seller, respectively, an officer or other authorized representative of such Person listed on Schedule 3 to the Pricing Letter, as such Schedule 3 may be amended from time to time.

“Restricted Cash” shall mean for any Person, any amount of cash or Cash Equivalents of such Person that is contractually required to be set aside, segregated or otherwise reserved.

“S&P” shall mean Standard & Poor’s Ratings Services, or any successor thereto. “SEC” shall have the meaning set forth in Section 32 hereof.

“Seller” is defined in the introductory paragraph of this Agreement, and includes any permitted successor in interest thereto.

“Seller Party” shall mean each of Seller and Guarantor (if any), and “Seller Parties” shall mean such parties collectively.

“Servicer Notice” shall mean a notice acknowledged by each Subservicer, if any, substantially in the form of Exhibit B hereto.

“Servicing Agreement” shall have the meaning set forth in Section 16(c) hereof.

“Servicing Rights” shall mean the rights of any Person to administer, service or subservice Mortgage Loans, to collect Income thereon, or to possess related Records.

“Servicing Rights Appraisal” shall mean a written appraisal or evaluation by an Approved Servicing Appraiser evaluating the MSR Appraised Value of all of the Servicing Rights as of a date stated in the written report of such evaluation, each such evaluation and report to be made at Seller’s expense, to be addressed to Buyer and to be in form and substance acceptable to Buyer in its sole and absolute discretion.

“Settlement Agent” shall mean, with respect to any Transaction, the entity approved by Buyer, in its sole discretion, which may be a title company, escrow company or attorney in accordance with local law and practice in the jurisdiction where the proceeds of the related Mortgage Loan are being disbursed.

“Shortfall Proceeds” shall mean the shortfall, if any, between the proceeds received in the Inbound Account with respect to a purchase or repurchase of a Purchased Mortgage Loan and the Repurchase Price for such Purchased Mortgage Loan.

“Single-Employer Plan” shall mean a single-employer plan as defined in Section 4001(a)(15) of ERISA which is subject to the provisions of Title IV of ERISA.

“SIPA” shall have the meaning set forth in Section 32 hereof.

“State Agency Program Loan” shall have the meaning specified in the Pricing Letter.

“Subordinated Debt” means, Indebtedness of Seller (i) which is unsecured, (ii) no part of the principal of such Indebtedness is required to be paid (whether by way of mandatory sinking fund, mandatory redemption, mandatory prepayment or otherwise) prior to the date which is one year following the Termination Date and (iii) the payment of the principal of and interest on such Indebtedness and other obligations of Seller in respect of such Indebtedness is subordinated to the prior payment in full of the principal of and interest (including post-petition obligations) on the Transactions and all other obligations and liabilities of Seller to Buyer hereunder on terms and conditions approved in writing by Buyer and all other terms and conditions of which are satisfactory in form and substance to Buyer in its sole and absolute discretion. Subordinated Debt, if any, outstanding as of the Effective Date is as set forth on Schedule 6 to the Pricing Letter.

“Subordination Agreement” shall mean an agreement among Buyer, Seller, and all applicable third parties which satisfies the requirements of clause (iii) of the definition of “Subordinated Debt.”

“Subservicer” shall have the meaning set forth in Section 16(c) hereof, and includes the permitted successors and assigns of each such Person, including any Successor Servicer. The Subservicer, if any, on the Effective Date is identified on Schedule 5 to the Pricing Letter.

“Subsidiary” shall mean, with respect to any Person, any corporation, partnership or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership

or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person.

“Successor Servicer” shall have the meaning set forth in Section 16(h) hereof.

“Surplus Amount” shall have the meaning specified in the Pricing Letter.

“Takeout Commitment” shall mean a commitment of Seller to sell one or more Mortgage Loans to a Takeout Investor, and the corresponding Takeout Investor’s commitment back to Seller to effectuate the foregoing.

“Takeout Investor” shall mean any institution which has made a Takeout Commitment and has been approved by Buyer, in its sole and absolute discretion.

“Takeout Investor Purchase Advice” shall mean a summary of the purchase and sale of a Purchased Mortgage Loan to a Takeout Investor, which shall be in form and substance acceptable to Buyer and shall specify the proceeds to be paid by the Takeout Investor and shall direct such proceeds to be paid into the Inbound Account.

“Taxes” shall have the meaning set forth in Section 7(a) hereof.

“Termination Date” shall have the meaning specified in the Pricing Letter. “Test Date” shall have the meaning specified in the Pricing Letter.

“Transaction” shall have the meaning set forth in Section 1.

“Transaction Request” shall mean a request from Seller to Buyer to enter into a Transaction, which shall be submitted electronically through the EverBank Warehouse Electronic System in accordance with the EverBank Warehouse Customer Guide.

“Transaction Term Limitation” shall have the meaning specified in the Pricing Letter.

“Underwriting Guidelines” shall mean the standards, procedures and guidelines of the Seller for underwriting and acquiring Mortgage Loans, which are set forth in the written policies and procedures of the Seller, as in effect from time to time, a copy of which shall have been provided to Buyer as required hereunder and such other guidelines as are identified and approved in writing by Buyer.

“Uniform Commercial Code” shall mean the Uniform Commercial Code as in effect from time to time in the State of New York; provided that if by reason of mandatory provisions of law, the perfection or the effect of perfection or nonperfection of the security interest in any Repurchase Assets or the continuation, renewal or enforcement thereof is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “Uniform Commercial Code” shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or nonperfection.

“USPAP Guidelines” shall mean the Uniform Standards of Professional Appraisal Practice, as approved by the Appraisal Standards Board of The Appraisal Foundation, as revised, interpreted and amended from time to time.

“VA” shall mean the Department of Veterans Affairs, or any successors thereto.



“Warehouse Facility” shall mean any loan, repurchase or other arrangement for incurring Indebtedness secured by Seller’s Mortgage Loans.

“Warehouse Fees” shall have the meaning specified in the Pricing Letter.

“Wet Delivery Deadline” shall have the meaning specified in the Pricing Letter.

“Wet File” shall mean, with respect to a Wet Mortgage Loan, the documents and instruments relating to such Mortgage Loan and set forth in the EverBank Warehouse Customer Guide for Wet Mortgage Loans.

“Wet Mortgage Loan” shall mean an Eligible Mortgage Loan which Seller is selling to Buyer simultaneously with the origination thereof and for which the Mortgage File has not been delivered to Buyer.

### **SECTION 3. INITIATION; TERMINATION**

(a) Conditions Precedent to Initial Transaction. Buyer’s agreement to enter into the initial Transaction hereunder is subject to the satisfaction, immediately prior to or concurrently with the making of such Transaction, of the condition precedent that Buyer shall have received from Seller any fees and expenses payable hereunder, and all of the following documents, each of which shall be satisfactory to Buyer and its counsel in form and substance:

(i) The following Facility Documents, duly executed and delivered to Buyer:

(A) Agreement. This Agreement, duly executed by the parties thereto.

(B) Facility Guaranty. The Facility Guaranty (if any), duly executed by Guarantor.

(C) Electronic Tracking Agreement. An Electronic Tracking Agreement entered into, duly executed and delivered by the parties thereto, in full force and effect, free of any modification, breach or waiver.

(D) Pricing Letter. The Pricing Letter, duly executed by the parties thereto in form and substance acceptable to Buyer.

(E) Power of Attorney. The Power of Attorney, duly executed and acknowledged by Seller.

(F) Subordination Agreements. Subordination Agreements with respect to any Existing Subordinated Debt.

(G) Intercreditor Agreement. Such intercreditor agreements as requested by Buyer, in form and substance acceptable to Buyer.

(H) Servicing Agreement(s). The Servicing Agreement(s) (including the corresponding Servicer Notice) with respect to any current Subservicer, duly executed by the parties thereto.

(ii) Organizational Documents. A certificate of corporate or other applicable entity existence of each Seller Party that is not an individual and certified copies of the charter and

bylaws (or equivalent documents) of each such Seller Party and of all corporate or other applicable authority documents for each such Seller Party with respect to the execution, delivery and performance of the Facility Documents and each other document to be delivered by each such Seller Party from time to time in connection herewith.

(iii) Good Standing Certificate. A certified copy of a good standing certificate from the jurisdiction of organization of each Seller Party, dated as of no earlier than the date 10 Business Days prior to the Purchase Date with respect to the initial Transaction hereunder.

(iv) Incumbency Certificate. An incumbency certificate of the corporate secretary of each Seller Party, certifying the names, true signatures and titles of the representatives duly authorized to request transactions hereunder and to execute the Facility Documents.

(v) Opinion of Counsel. An opinion of each Seller Party's counsel, in form and substance substantially as set forth in Exhibit A attached hereto.

(vi) Security Interest. Evidence that all other actions necessary or, in the opinion of Buyer, desirable to perfect and protect Buyer's interest in the Purchased Mortgage Loans and other Repurchase Assets have been taken, including, without limitation, UCC searches and duly authorized and filed Uniform Commercial Code financing statements on Form UCC-1.

(vii) Insurance. Evidence that Seller has added Buyer as an additional loss payee under Seller's Fidelity Insurance.

(viii) Fees. Payment of any fees due to Buyer hereunder.

(ix) Other Documents. Such other documents as Buyer may reasonably request, in form and substance reasonably acceptable to Buyer.

(b) Conditions Precedent to all Transactions. Upon satisfaction of the conditions set forth in Section 3(a), Buyer shall enter into a Transaction with Seller. Buyer's entering into each Transaction (including the initial Transaction) is subject to the satisfaction of the following further conditions precedent, both immediately prior to entering into such Transaction and also after giving effect thereto to the intended use thereof:

(i) Due Diligence Review. Without limiting the generality of Section 17 hereof, Buyer shall have completed, to its satisfaction, its due diligence review of the related Mortgage Loans and Seller Parties.

(ii) No Default. No Default or Event of Default shall have occurred and be continuing under, and such Transaction is in full compliance with all applicable terms and conditions of, the Facility Documents.

(iii) Representations and Warranties. Both immediately prior to the Transaction and also after giving effect thereto and to the intended use thereof, the representations and warranties made by Seller in Section 11 hereof and by Seller Parties in any other Facility Document to which they respectively are a party, shall be true, correct and complete on and as of such Purchase Date in all material respects with the same force and effect as if made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date).

(iv) Maximum Purchase Price. After giving effect to the requested Transaction, the aggregate outstanding Purchase Price for all Purchased Mortgage Loans subject to then outstanding Transactions under this Agreement shall not exceed the Maximum Purchase Amount.

(v) No Margin Deficit. Both immediately prior to, and after giving effect to, the requested Transaction, there shall be no Margin Deficit.

(vi) Transaction Request. On or prior to the times set forth in the EverBank Warehouse Customer Guide, on the related Purchase Date, Seller shall have delivered to Buyer a Transaction Request via the EverBank Warehouse Electronic System, and the pre-funding documents specified in the EverBank Warehouse Customer Guide.

(vii) Delivery of Wet File and Mortgage File. Seller shall have delivered to Buyer (A) with respect to each Purchased Mortgage Loan which is not a Wet Mortgage Loan by 2:00 p.m. (New York Time) on the Purchase Date, the Mortgage File and (B) with respect to each Wet Mortgage Loan, (y) by no later than 2:00 p.m. (New York Time) on the Purchase Date, the Wet File, and (z) on or prior to the Wet Delivery Deadline, the Mortgage File.

(viii) Fees and Expenses. Buyer shall have received all reasonable fees and expenses of counsel to Buyer as contemplated by Sections 9 and 15(b) which amounts, at Buyer's option, may be withheld from the proceeds remitted by Buyer to Seller pursuant to any Transaction hereunder.

(ix) No Material Adverse Change. None of the following shall have occurred and/or be continuing:

(A) an event or events shall have occurred in the good faith determination of Buyer resulting in the effective absence of a "repo market" or comparable "lending market" for financing debt obligations secured by securities or an event or events shall have occurred resulting in Buyer not being able to finance Purchased Mortgage Loans through the "repo market" or "lending market" with traditional counterparties at rates which would have been reasonable prior to the occurrence of such event or events; or

(B) an event or events shall have occurred resulting in the effective absence of a "securities market" for securities backed by mortgage loans or an event or events shall have occurred resulting in Buyer not being able to sell securities backed by mortgage loans at prices which would have been reasonable prior to such event or events; or

(C) there shall have occurred a material adverse change in the financial condition of Buyer which affects (or can reasonably be expected to affect) materially and adversely the ability of Buyer to fund its obligations under this Agreement; or

(D) there shall have occurred (i) a material change in financial markets, an outbreak or escalation of hostilities or a material change in national or international political, financial or economic conditions; (ii) a general suspension of trading on major stock exchanges; or (iii) a disruption in or moratorium on commercial banking activities or securities settlement services.

Each Transaction Request delivered by Seller hereunder shall constitute a certification by Seller that all the conditions set forth in this Section 3(b) (other than clauses (i) and (ix) hereof) have been satisfied (both as of the date of such notice or request and as of Purchase Date).

(c) Initiation.

(i) Seller shall deliver a Transaction Request through the EverBank Warehouse Electronic System to Buyer on or prior to the date and time set forth in Section 3(b)(vi) prior to entering into any Transaction. Such Transaction Request shall include all information required by Buyer pursuant to the EverBank Warehouse Customer Guide. Following receipt of such request, Buyer may in its sole discretion agree to enter into such requested Transaction, in which case it will fund the Purchase Price therefor as contemplated in this Agreement. Buyer's funding the Purchase Price of the Transaction, and Seller's acceptance thereof, will constitute the parties agreement to enter into such Transaction. Buyer shall confirm the terms of each Transaction on the EverBank Warehouse Electronic System, including information that sets forth (A) the Purchase Date, (B) the Purchase Price, (C) the Repurchase Date, (D) the Pricing Rate applicable to the Transaction, (E) the applicable Purchase Price Percentages, and (F) additional terms or conditions not inconsistent with this Agreement; provided that Buyer's failure to enter the information into the EverBank Warehouse Electronic System shall not affect the obligations of Seller with respect to such Transaction. **This Agreement is not a commitment by Buyer to enter into Transactions with Seller but rather sets forth the procedures to be used in connection with periodic requests for Buyer to enter into Transactions with Seller. Seller hereby acknowledges that Buyer is under no obligation to agree to enter into, or to enter into, any Transaction pursuant to this Agreement.**

(ii) The information entered into the EverBank Warehouse Electronic System with respect to any Transaction, together with this Agreement, shall be conclusive evidence of the terms of the Transaction(s) covered thereby unless objected to in writing by Seller no more than two (2) Business Days after the Purchase Date of the Transaction. An objection sent by Seller must state specifically that such writing is an objection, must specify the provision(s) being objected to by Seller, must set forth such provision(s) in the manner that Seller believes they should be stated, and must be received by Buyer no more than two (2) Business Days after the Purchase Date for the Transaction. Notwithstanding the foregoing, to the extent that Seller accepts funding of the Transaction, Seller shall be deemed to have consented to the terms of the Transaction as set forth in the EverBank Warehouse Electronic System. All Transactions entered into on any Business Day shall be reflected in the Daily Activity Report on such Business Day.

(iii) Except as otherwise provided in the definition of Termination Date, the Repurchase Date for each Transaction shall not be later than the Termination Date.

(iv) Subject to the terms and conditions of this Agreement, prior to the Termination Date Seller may sell, repurchase and resell Eligible Mortgage Loans hereunder.

(v) No later than the date and time set forth in Section 3(b)(vii), Seller shall deliver to Buyer (x) the Mortgage Loan File pertaining to each Eligible Mortgage Loan (other than Wet Mortgage Loans) to be purchased by Buyer, and (y) the Wet File for each Wet Mortgage Loan to be purchased by Buyer.

(vi) Subject to the provisions of this Section 3, the Purchase Price will then be made available to Seller by Buyer transferring, via wire transfer, in the aggregate amount of such Purchase Price in funds immediately available, as provided in Section 9(b).

(vii) In addition to the other payment and performance obligations of the Seller Parties under this Agreement and the other Facility Documents, in the event that Buyer transfers any amounts for the purchase of a Mortgage Loan as provided herein, Seller Parties, jointly and

severally, shall be fully, absolutely, and unconditionally obligated and liable to repay to Buyer the full amount thereof if (x) on the related scheduled Purchase Date such Mortgage Loan does not close, or (y) such Mortgage Loan otherwise fails to become a Purchased Mortgage Loan. Any amounts due pursuant to this Section 3(c)(vii) shall be payable on demand, and the unpaid amount thereof shall accrue interest at the Post-Default Rate from the date so transferred until paid in full.

(d) Repurchase: Purchase by a Takeout Investor.

(i) Seller may repurchase Purchased Mortgage Loans without penalty or premium on any date. Such repurchase may occur simultaneously with a sale of the Purchased Mortgage Loan to a Takeout Investor. If Seller intends to make such a repurchase, Seller shall give written notice thereof to Buyer through the EverBank Warehouse Electronic System and in accordance with the EverBank Warehouse Customer Guide, designating the Purchased Mortgage Loans to be repurchased and providing such other information required pursuant thereto, including, without limitation, delivery of a Takeout Investor Purchase Advice to the extent that such Purchased Mortgage Loan shall be purchased by a Takeout Investor. If such notice is given, the amount specified in such notice shall be due and payable on the date specified therein, and, on receipt, such amount shall be applied to the Repurchase Price for the designated Purchased Mortgage Loans.

(ii) On the Repurchase Date, termination of the Transaction will be effected by reassignment to Seller or its designee of the Purchased Mortgage Loans (including the related Servicing Rights and any Income in respect thereof received by Buyer not previously credited or transferred to, or applied to the Obligations of, Seller) against the simultaneous transfer of the Repurchase Price to an account of Buyer. Such obligation to repurchase exists without regard to any prior or intervening liquidation or foreclosure with respect to any Purchased Mortgage Loan (but liquidation or foreclosure proceeds received by Buyer shall be applied to reduce the Repurchase Price for such Purchased Mortgage Loan except as otherwise provided herein). Seller shall comply with all of the provisions of the EverBank Warehouse Customer Guide in order to effectuate a repurchase hereunder. Seller is obligated to obtain the Mortgage Files from Buyer or its designee at Seller's expense on the Repurchase Date. All repurchases effected on any Business Day shall be reflected in the Daily Activity Report for such Business Day.

**SECTION 4. MARGIN AMOUNT MAINTENANCE**

(a) Buyer shall determine the Asset Value of each Purchased Mortgage Loan at such intervals as determined by Buyer in its sole discretion.

(b) If at any time the Asset Value of any Purchased Mortgage Loans subject to a Transaction is less than the Purchase Price for such Transaction, or any applicable Concentration Limit has been exceeded (a "Margin Deficit"), then Buyer may by notice to Seller (as such notice is more particularly set forth below, a "Margin Call"), require Seller to transfer to Buyer or its designee cash so that, as applicable, (i) the Asset Value of the Purchased Mortgage Loans will thereupon equal or exceed the Purchase Price for such Transaction, and (ii) no Concentration Limit will be exceeded.

(c) Notice delivered pursuant to Section 4(b) may be given by any written or electronic means. Any notice given before 10:00 a.m. (New York City time) on a Business Day shall be met, and the related Margin Call satisfied, no later than 5:00 p.m. (New York City time) on such Business Day; notice given after 10:00 a.m. (New York City time) on a Business Day shall be met, and the related

Margin Call satisfied, no later than 5:00 p.m. (New York City time) on the following Business Day (the foregoing time requirements for satisfaction of a Margin Call are referred to as the “Margin Deadlines”).

(d) The failure of Buyer, on any one or more occasions, to exercise its rights hereunder, shall not change or alter the terms and conditions to which this Agreement is subject or limit the right of Buyer to do so at a later date. Seller and Buyer each agree that a failure or delay by Buyer to exercise its rights hereunder shall not limit or waive Buyer’s rights under this Agreement or otherwise existing by law or in any way create additional rights for Seller.

(e) Any cash transferred to Buyer pursuant to Section 4(b) above shall be credited to the Repurchase Price of the Related Transactions.

## **SECTION 5. COLLECTIONS; INCOME PAYMENTS**

(a) All Income, and all rights to Income, of, on, or otherwise with respect to all Purchased Mortgage Loans is the sole and exclusive property of Buyer as the owner thereof, pending repurchase on the related Purchased Date. Notwithstanding the foregoing, and provided no Default has occurred and is continuing, Buyer agrees that Seller shall be entitled to receive, solely from such Income, an amount equal to all Income received in respect of the Purchased Assets; provided, however, that any Income received by or on behalf of Seller while the related Transaction is outstanding shall be deemed held by Seller solely in trust for Buyer pending the repurchase on the related Repurchase Date.

(b) In the event that a Default has occurred and is continuing, notwithstanding any provision set forth herein, Seller shall remit to Buyer, by wire transfer in accordance with wire transfer instructions previously given to Seller by Buyer, all Income received with respect to each Purchased Mortgage Loan on such date or dates as Buyer notifies Seller in writing.

(c) All amounts required to be paid or remitted by Seller to Buyer which are not made when due shall bear interest from the due date until the remittance, transfer or payment is made, payable by Seller, at the lesser of the Post-Default Rate or the maximum rate of interest permitted by law. If there is no maximum rate of interest specified by applicable law, interest on such sums shall accrue at the Post-Default Rate.

## **SECTION 6. REQUIREMENTS OF LAW**

(a) If any Requirement of Law (other than with respect to any amendment made to Buyer’s certificate of incorporation and bylaws or other organizational or governing documents) or any change in the interpretation or application thereof or compliance by Buyer with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the date hereof:

(i) shall subject Buyer to any Tax or increased Tax of any kind whatsoever with respect to this Agreement or any Transaction or change the basis of taxation of payments to Buyer in respect thereof;

(ii) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, or other extensions of credit by, or any other acquisition of funds by, any office of Buyer which is not otherwise included in the determination of the LIBOR Rate hereunder; or

(iii) shall impose on Buyer any other condition;

and the result of any of the foregoing is to increase the cost to Buyer, by an amount which Buyer deems to be material, of entering, continuing or maintaining any Transaction or to reduce any amount due or owing hereunder in respect thereof, then, in any such case, Seller shall promptly pay Buyer such additional amount or amounts as calculated by Buyer in good faith as will compensate Buyer for such increased cost or reduced amount receivable.

(b) If Buyer shall have determined that the adoption of or any change in any Requirement of Law (other than with respect to any amendment made to Buyer's certificate of incorporation and bylaws or other organizational or governing documents) regarding capital adequacy or in the interpretation or application thereof or compliance by Buyer or any corporation controlling Buyer with any request or directive regarding capital adequacy (whether or not having the force of law) from any Governmental Authority made subsequent to the date hereof shall have the effect of reducing the rate of return on Buyer's or such corporation's capital as a consequence of its obligations hereunder to a level below that which Buyer or such corporation could have achieved but for such adoption, change or compliance (taking into consideration Buyer's or such corporation's policies with respect to capital adequacy) by an amount deemed by Buyer to be material, then from time to time, Seller shall promptly pay to Buyer such additional amount or amounts as will compensate Buyer for such reduction.

(c) If Buyer becomes entitled to claim any additional amounts pursuant to this Section, it shall promptly notify Seller of the event by reason of which it has become so entitled. A certificate as to any additional amounts payable pursuant to this Section submitted by Buyer to Seller shall be conclusive in the absence of manifest error.

## **SECTION 7. TAXES**

(a) Any and all payments by Seller under or in respect of this Agreement or any other Facility Documents to which Seller is a party shall be made free and clear of, and without deduction or withholding for or on account of, any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities (including penalties, interest and additions to tax) with respect thereto, whether now or hereafter imposed, levied, collected, withheld or assessed by any taxation authority or other Governmental Authority (collectively, "Taxes"), unless required by law. If Seller shall be required under any applicable Requirement of Law to deduct or withhold any Taxes from or in respect of any sum payable under or in respect of this Agreement or any of the other Facility Documents to Buyer, (i) Seller shall make all such deductions and withholdings in respect of Taxes, (ii) Seller shall pay the full amount deducted or withheld in respect of Taxes to the relevant taxation authority or other Governmental Authority in accordance with any applicable Requirement of Law, and (iii) the sum payable by Seller shall be increased as may be necessary so that after Seller has made all required deductions and withholdings (including deductions and withholdings applicable to additional amounts payable under this Section 7) Buyer receives an amount equal to the sum it would have received had no such deductions or withholdings been made in respect of Non-Excluded Taxes. For purposes of this Agreement the term "Non-Excluded Taxes" are Taxes other than, in the case of Buyer, Taxes that are imposed on its overall Net Income (and franchise taxes imposed in lieu thereof) by the jurisdiction under the laws of which Buyer is organized or of its applicable lending office, or any political subdivision thereof, unless such Taxes are imposed as a result of Buyer having executed, delivered or performed its obligations or received payments under, or enforced, this Agreement or any of the other Facility Documents (in which case such Taxes will be treated as Non-Excluded Taxes).

(b) In addition, Seller hereby agrees to pay any present or future stamp, recording, documentary, excise, property or value-added taxes, or similar taxes, charges or levies that arise from any

payment made under or in respect of this Agreement or any other Facility Document or from the execution, delivery or registration of, any performance under, or otherwise with respect to, this Agreement or any other Facility Document (collectively, “Other Taxes”).

(c) Seller hereby agrees to indemnify Buyer for, and to hold it harmless against, the full amount of Non-Excluded Taxes and Other Taxes, and the full amount of Taxes of any kind imposed by any jurisdiction on amounts payable under this Section 7 imposed on or paid by Buyer and any liability (including penalties, additions to tax, interest and expenses) arising therefrom or with respect thereto. The indemnity by Seller provided for in this Section 7(c) shall apply and be made whether or not the Non-Excluded Taxes or Other Taxes for which indemnification hereunder is sought have been correctly or legally asserted. Amounts payable by Seller under the indemnity set forth in this Section 7(c) shall be paid within ten (10) days from the date on which Buyer makes written demand therefor.

(d) Within thirty (30) days after the date of any payment of Taxes, Seller (or any Person making such payment on behalf of Seller) shall furnish to Buyer for its own account a certified copy of the original official receipt evidencing payment thereof.

(e) Without prejudice to the survival of any other agreement of Seller hereunder, the agreements and obligations of Seller contained in this Section 7 shall survive the termination of this Agreement. Nothing contained in this Section 7 shall require Buyer to make available any of its tax returns or any other information that it deems to be confidential or proprietary.

(f) Each party to this Agreement acknowledges that it is its intent for purposes of U.S. federal, state and local income and franchise taxes, to treat the Transaction as indebtedness of Seller that is secured by the Purchased Mortgage Loans and the Purchased Mortgage Loans as owned by Seller for federal income tax purposes in the absence of a Default by Seller. All parties to this Agreement agree to such treatment and agree to take no action inconsistent with this treatment, unless required by law.

## **SECTION 8. SECURITY INTEREST; BUYER’S APPOINTMENT AS ATTORNEY-IN-FACT**

(a) Security Interest. On each Purchase Date, Seller hereby sells, assigns and conveys all rights, title, and interests in, to, and under the Purchased Mortgage Loans identified on the related Mortgage Loan Schedule or as to which Buyer otherwise pays the Purchase Price as provided herein, including the related Mortgage File and Servicing Rights and all Income therefrom. Although the parties intend that all Transactions hereunder be sales and purchases and not loans, in the event any such Transactions are deemed to be loans, and, in any event, as security for the performance by Seller of its Obligations, Seller hereby pledges to Buyer and hereby grants, assigns and pledges to Buyer a fully perfected first priority security interest in all of the Seller’s right, title, and interest in, to, and under the following, in all instances whether now owned or hereafter acquired, now existing or hereafter created and wherever located (collectively, the “Repurchase Assets”):

- (i) the Purchased Mortgage Loans;
- (ii) the Mortgage File and Records related to the Purchased Mortgage Loans;
- (iii) all Servicing Rights related to the Purchased Mortgage Loans;
- (iv) the Facility Documents (to the extent such Facility Documents and Seller’s rights thereunder relate to the Purchased Mortgage Loans);



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- (v) any Property relating to any Purchased Mortgage Loan or the related Mortgaged Property;
  - (vi) any Takeout Commitments relating to any Purchased Mortgage Loan;
  - (vii) any Closing Protection Letter relating to any Purchased Mortgage Loan;
  - (viii) all insurance policies and insurance proceeds relating to any Purchased Mortgage Loan or the related Mortgaged Property, including, but not limited to, any payments or proceeds under any related primary insurance or hazard insurance;
  - (ix) all Income relating to any Purchased Mortgage Loan;
  - (x) Intentionally Omitted;
  - (xi) Intentionally Omitted;
  - (xii) the Inbound Account;
  - (xiii) the Haircut Account;
  - (xiv) any Hedge Agreements relating to any Purchased Mortgage Loan;
  - (xv) any other contract rights, accounts, deposit accounts (including any interest of Seller in escrow accounts), payments, rights to payment (including payments of interest or finance charges), and general intangibles to the extent that any of the foregoing relates to any Purchased Mortgage Loan,
  - (xvi) any other assets relating to the Purchased Mortgage Loans (including, without limitation, any other deposit accounts) or any interest in the Purchased Mortgage Loans;
  - (xvii) all collateral under any other secured debt facility (including, without limitation, any facility documented as a repurchase agreement or similar purchase and sale agreement) between Seller or its Affiliates on the one hand and Buyer or Buyer's Affiliates on the other;
  - (xviii) any and all replacements or substitutions for, proceeds (including the related securitization proceeds) of, and distributions on or with respect to any of the foregoing; and
  - (xix) any other property, rights, title or interests as are specified on a Mortgage Loan Schedule and/or Transaction Request and/or in the EverBank Warehouse Electronic System.

Seller acknowledges that it has no rights to service the Purchased Mortgage Loans. Without limiting the generality of the foregoing and in the event that Seller is deemed to retain any residual Servicing Rights, and for the avoidance of doubt, Seller grants, assigns and pledges to Buyer a security interest in the Servicing Rights and proceeds related thereto and in all instances, whether now owned or hereafter acquired, now existing or hereafter created. The foregoing provision is intended to constitute a security agreement or other arrangement or other credit enhancement related to the Agreement and Transactions hereunder as defined under Sections 101(47)(v) and 741(7)(x) of the Bankruptcy Code.

Seller hereby authorizes Buyer to file such financing statement or statements relating to the Repurchase Assets and the Servicing Rights as Buyer, at its option, may deem appropriate, without

the signature of Seller thereon. Seller shall pay the filing costs for any financing statement or statements prepared pursuant to this Section 8.

( b ) Buyer's Appointment as Attorney in Fact. Seller hereby irrevocably constitutes and appoints Buyer and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Seller and in the name of Seller or in its own name, from time to time in Buyer's discretion, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be reasonably necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, Seller hereby gives Buyer the power and right, on behalf of Seller, without assent by, but with notice to, Seller, if an Event of Default shall have occurred and be continuing, to do the following:

(i) in the name of Seller, or in its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due with respect to any other Repurchase Assets and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Buyer for the purpose of collecting any and all such moneys due with respect to any other Repurchase Assets whenever payable;

(ii) to pay or discharge taxes and Liens levied or placed on or threatened against the Repurchase Assets;

(iii) (A) to direct any party liable for any payment under any Repurchase Assets to make payment of any and all moneys due or to become due thereunder directly to Buyer or as Buyer shall direct; (B) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Repurchase Assets; (C) to sign and endorse any invoices, assignments, verifications, notices and other documents in connection with any Repurchase Assets; (D) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Repurchase Assets or any proceeds thereof and to enforce any other right in respect of any Repurchase Assets; (E) to defend any suit, action or proceeding brought against Seller with respect to any Repurchase Assets; (F) to settle, compromise or adjust any suit, action or proceeding described in clause (E) above and, in connection therewith, to give such discharges or releases as Buyer may deem appropriate; and (G) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any Repurchase Assets as fully and completely as though Buyer were the absolute owner thereof for all purposes, and to do, at Buyer's option and Seller's expense, at any time, and from time to time, all acts and things which Buyer deems necessary to protect, preserve or realize upon the Repurchase Assets and Buyer's Liens thereon and to effect the intent of this Agreement, all as fully and effectively as Seller might do;

(iv) for the purpose of carrying out the transfer of servicing with respect to the Mortgage Loans from Seller to a successor servicer appointed by Buyer in its sole discretion and to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish such transfer of servicing, and, without limiting the generality of the foregoing, Seller hereby gives Buyer the power and right, on behalf of Seller, without assent by Seller, to, in the name of Seller or its own name, or otherwise, prepare and send or cause to be sent "good-bye" letters to all mortgagors under the Mortgage Loans, transferring the servicing of the Mortgage Loans to a successor servicer appointed by Buyer in its sole discretion;

(v) for the purpose of delivering any notices of sale to Mortgagors or other third parties, including without limitation, those required by law.

Seller hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable. In addition to the foregoing, Seller agrees to execute a Power of Attorney to be delivered on the date hereof.

Seller also authorizes Buyer, if an Event of Default shall have occurred, from time to time, to execute, in connection with any sale provided for in Section 14 hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Repurchase Assets.

The powers conferred on Buyer hereunder are solely to protect Buyer's interests in the Repurchase Assets and shall not impose any duty upon it to exercise any such powers. Buyer shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to Seller for any act or failure to act hereunder, except for its or their own gross negligence or willful misconduct.

Upon an Event of Default, Buyer shall be entitled to all remedies available to a secured creditor under the Uniform Commercial Code and shall have the right to apply the Repurchase Assets or any proceeds therefrom to all Obligations.

## **SECTION 9. PAYMENT, TRANSFER; ACCOUNTS AND CUSTODY**

( a ) Buyer's Account. Unless otherwise mutually agreed in writing, all transfers of funds to be made by Seller hereunder shall be made in Dollars, in immediately available funds, without deduction, set off or counterclaim, to Buyer at the account maintained and indicated by Buyer not later than 3:00 p.m. New York City time, on the date on which such payment shall become due (and each such payment made after such time shall be deemed to have been made on the next succeeding Business Day). Seller acknowledges that it has no rights of withdrawal from the foregoing account.

( b ) Remittance of Purchase Price. On the Purchase Date for each Transaction, ownership of the Purchased Mortgage Loans shall be transferred to Buyer or its designee against the simultaneous transfer of the Purchase Price to the applicable Settlement Agent. With respect to the Purchased Mortgage Loans being sold by Seller on a Purchase Date, Seller hereby sells, transfers, conveys and assigns to Buyer or its designee without recourse, but subject to the terms of this Agreement, all of the right, title and interest of Seller in and to the Purchased Mortgage Loans, including the related Mortgage File and Servicing Rights and all Income thereon, and all right, title, and interest of Seller in and to the proceeds of any related Repurchase Assets. Buyer may confirm that the Initial Haircut Account Funded Amount has been deposited into the Haircut Account prior to its remittance of any amounts in accordance herewith. Subject to Buyer's verification of necessary cleared funds in the Haircut Account, Buyer shall remit to the Settlement Agent the full amount of the outstanding principal balance of such Purchased Mortgage Loan and shall withdraw and retain from the Haircut Account, the Haircut Amount.

(c) Intentionally Omitted.

(d) Inbound Account. Seller shall establish and maintain an Inbound Account identified in the Pricing Letter, in the form of a deposit account. The Inbound Account shall be established with EverBank. Buyer shall have exclusive withdrawal rights from such Inbound Account. Funds deposited in the Inbound Account may be transferred as set forth herein. Any interest or other earnings on the investment of funds held in the Inbound Account shall be deposited in the Inbound Account, subject to withdrawal pursuant hereto. All amounts on deposit in the Inbound Account shall be

held as cash margin and collateral for all Obligations under this Agreement (such amount, to the extent not applied to Obligations under the Agreement, the “Repurchase Proceeds”). In connection with any repurchase or purchase by a Takeout Investor of a Purchased Mortgage Loan, Seller shall direct remittance of the proceeds therefor into the Inbound Account. Seller shall be required to comply with all requirements in connection with any repurchase and remittance into the Inbound Account. Upon receipt of any Repurchase Proceeds in the Inbound Account, Buyer shall apply such Repurchase Proceeds to the Repurchase Price for the related Purchased Mortgage Loans. Any Repurchase Proceeds in excess of the Repurchase Price for the related Purchased Mortgage Loans shall be remitted to the Haircut Account, for application as contemplated pursuant to Section 9(e). Without limiting the generality of the foregoing, in the event that a Margin Call or other Default exists, Buyer shall be entitled to use any or all of the Repurchase Proceeds to cure such circumstance or otherwise exercise remedies available to Buyer without prior notice to, or consent from, Seller.

(e) Haircut Account. Seller shall establish and maintain a Haircut Account identified in the Pricing Letter, in the form of a deposit account. The Haircut Account shall be established with EverBank. Buyer shall have exclusive withdrawal rights from such Haircut Account. Any interest or other earnings on the investment of funds held in the Haircut Account shall be deposited in the Haircut Account, subject to withdrawal pursuant hereto. Buyer is hereby authorized and instructed by Seller to withdraw from the Haircut Account any and all amounts contemplated herein. On each Purchase Date, Seller shall deposit the Initial Haircut Account Funded Amount into the Haircut Account. Upon purchase by Buyer of the related Purchased Mortgage Loan, Buyer shall withdraw the Haircut Amount to reimburse itself for the difference between the actual amount remitted by Buyer on the Purchase Date on account of the Purchased Mortgage Loan and the Purchase Price for such Purchased Mortgage Loan. Upon repurchase by Seller, or purchase by a Takeout Investor, of any Purchased Mortgage Loan, if there remain on deposit in the Inbound Account Excess Proceeds with respect to such Mortgage Loan, then Buyer shall remit the Excess Proceeds to the Haircut Account and such Excess Proceeds shall be added to the Net Account Funded Amount for such Mortgage Loan. Upon repurchase by Seller, or purchase by a Takeout Investor, of any Purchased Mortgage Loan, if there exists in the Inbound Account Shortfall Proceeds with respect to such Mortgage Loan, then Buyer may withdraw from the Haircut Account the amount of any Shortfall Proceeds and such amount shall be deducted from the Net Account Funded Amount. In addition to the foregoing, Buyer shall be entitled to deduct and withdraw from the Haircut Account all Warehouse Fees. To the extent that, following application of all deposits and withdrawals as contemplated herein with respect to a Purchased Mortgage Loan that is repurchased by Seller or purchased by a Takeout Investor, (i) the Net Account Funded Amount for any such Mortgage Loan is a positive number, then such Net Account Funded Amount for such Mortgage Loan shall, subject to this section, be available for remittance to Seller upon written request therefor; and (ii) the Net Account Funded Amount for any such repurchased Mortgage Loan is a negative number, then Seller shall promptly remit to Buyer the amount of such Net Account Funded Amount for such Mortgage Loan. Without limiting the foregoing, to the extent that the Net Account Funded Amount for any repurchased Mortgage Loan is a negative number, Buyer shall be entitled to withdraw, retain and apply any amounts on deposit in the Haircut Account up to the amount of such negative Net Account Funded Amount. To the extent that the aggregate Net Account Funded Amounts (net of any amounts withdrawn as contemplated herein) for all repurchased Mortgage Loans exceeds the Surplus Amount, then Seller may, no more than once per Business Day, deliver a written request prior to 2:00 p.m. (New York Time) for Buyer to remit any amount in excess of the Surplus Amount to Seller. To the extent that there exists no Default, Buyer shall, upon receipt of such written request, remit any such amount in excess of the Surplus Amount to Seller. Any interest or other earnings on the investment of funds deposited in the Haircut Account shall be deposited in the Haircut Account, subject to withdrawal pursuant hereto. Without limiting the generality of the foregoing, in the event that a Margin Call or other Default exists, Buyer shall be entitled to use any or all of the amounts on deposit in the Haircut Account to cure such circumstance or otherwise exercise remedies available to Buyer without prior notice to, or consent from, Seller.

( f ) Fees. Seller shall pay in immediately available funds to Buyer all fees, including without limitation, the Warehouse Fees, as and when required hereunder. All such payments shall be made in Dollars, in immediately available funds, without deduction, set-off or counterclaim, to Buyer at such account designated by Buyer. Without limiting the generality of the foregoing or any other provision of this Agreement, Buyer may withdraw and retain from the Haircut Account any Warehouse Fees due and owing to Buyer.

#### **SECTION 10. DELIVERY OF DOCUMENTS**

( a ) Custody of Mortgage Files. In connection with the sale, transfer, conveyance and assignment of Purchased Mortgage Loans, on or prior to each Purchase Date, Seller shall deliver or cause to be delivered and released to Buyer or its designee the Mortgage File or Wet File, as applicable for the related Purchased Mortgage Loans.

Seller shall be solely responsible for providing each and every document required for each Mortgage File to Buyer in a timely manner and for completing or correcting any missing, incomplete or inconsistent documents, and Buyer shall not be responsible or liable for taking any such action, causing Seller or any other person or entity to do so or notifying any Person that any such action has or has not been taken.

(b) Release of Mortgage Files. From time to time as appropriate for the sale or repurchase of any of the Purchased Mortgage Loans, Buyer shall, upon receipt of a request for release through the EverBank Warehouse Electronic System and compliance with the requirements of the EverBank Warehouse Customer Guide, release or cause to be released to Seller the related Mortgage File or the documents of the related Mortgage File set forth in such request for release. All Mortgage Files or documents from Mortgage Files so released by Buyer to Seller shall be held by Seller in trust for the benefit of Buyer.

Upon the payment in full, sale or repurchase of any Mortgage Loan, and upon receipt by Buyer of such information through the EverBank Warehouse Electronic System, and subject to Buyer receiving all amounts due on account of the Repurchase Price hereunder, and there existing no Event of Default, Buyer shall promptly release the related Mortgage File to Seller.

(c) Purchase By Takeout Investor. Seller shall provide to Buyer a completed request for release of documents with respect to the related Mortgage Loans to be purchased by a Takeout Investor through the EverBank Warehouse Electronic System and comply with all other requirements set forth in the EverBank Warehouse Customer Guide. The Mortgage Files relating to the Mortgage Loans included in a request for release shall be sent for delivery by Buyer to the applicable Takeout Investor specified by Seller to Buyer in the EverBank Warehouse Electronic System; provided that such Mortgage File shall be accompanied by a fully completed Bailee Letter. Buyer shall not deliver any Mortgage File to any potential Takeout Investor unless such Takeout Investor was identified by Seller to Buyer in the EverBank Warehouse Electronic System.

In the event that a Takeout Investor rejects a Mortgage Loan for purchase pursuant to a Takeout Commitment for any reason whatsoever, Seller shall promptly notify Buyer via the EverBank Warehouse Electronic System upon receipt of notification from the Takeout Investor.

(d) Written Instructions as to the method of shipment and shipper(s) that Buyer is directed to utilize in connection with transmission of Mortgage Files shall be delivered by Seller to Buyer prior to any shipment of any Mortgage Files hereunder. Buyer will arrange for the provision of such services at the sole cost and expense of Seller, the fees of which shall be billed to Seller and paid by Seller

as part of the Warehouse Fees. In the absence of Written Instructions from Seller, Buyer shall not ship the related Mortgage Files.

## SECTION 11. REPRESENTATIONS

Seller represents and warrants to Buyer that as of the Purchase Date for any Purchased Mortgage Loans by Buyer from Seller and as of the date of this Agreement and any Transaction hereunder and at all times while the Facility Documents are in full force and effect and/or any Transaction hereunder is outstanding:

(a) Acting as Principal. Seller will engage in such Transactions as principal (or, if agreed in writing in advance of any Transaction by the other party hereto, as agent for a disclosed principal).

(b) No Broker. Seller has not dealt with any broker, investment banker, agent, or other person, except for Buyer, who may be entitled to any commission or compensation based on or arising from the sale of Purchased Mortgage Loans by Seller to Buyer pursuant to this Agreement. The foregoing representation and warranty does not relate to third party mortgage brokers to whom compensation may be payable by Seller for the origination of a Purchased Mortgage Loan, such payments being the sole responsibility of Seller.

( c ) Financial Statements. The Financial Reporting Party has heretofore furnished to Buyer a copy of its (a) consolidated balance sheet and the consolidated balance sheets of its consolidated Subsidiaries for the fiscal year ended the Annual Financial Statement Date and the related consolidated statements of income and retained earnings and of cash flows for the Financial Reporting Party and its consolidated Subsidiaries for such fiscal year, setting forth in each case in comparative form the figures for the previous year, with the opinion thereon of an Approved CPA and (b) consolidated balance sheet and the consolidated balance sheets of its consolidated Subsidiaries for each of the monthly period(s) of the Financial Reporting Party up until Monthly Financial Statement Date, and the related consolidated statements of income and retained earnings and of cash flows for the Financial Reporting Party and its consolidated Subsidiaries for such monthly period(s), setting forth in each case in comparative form the figures for the previous year. All such Financial Statements are complete and correct and fairly present, in all material respects, the consolidated financial condition of the Financial Reporting Party and its Subsidiaries and the consolidated results of their operations as at such dates and for such monthly periods, all in accordance with GAAP applied on a consistent basis. Since the Annual Financial Statement Date, there has been no material adverse change in the consolidated business, operations or financial condition of the Financial Reporting Party and its consolidated Subsidiaries taken as a whole from that set forth in said Financial Statements nor is Seller aware of any state of facts which (without notice or the lapse of time) would or could result in any such material adverse change or could have a Material Adverse Effect. The Financial Reporting Party does not have, on the Annual Financial Statement Date, any liabilities, direct or indirect, fixed or contingent, matured or unmatured, known or unknown, or liabilities for taxes, long-term leases or unusual forward or long-term commitments not disclosed by, or reserved against in, said balance sheet and related statements, and at the present time there are no material unrealized or anticipated losses from any loans, advances or other commitments of the Financial Reporting Party except as heretofore disclosed to Buyer in writing.

( d ) Organization, Etc. Seller (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) has all requisite corporate or other power, and has all governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being or as proposed to be conducted, except where the lack of such licenses, authorizations, consents and approvals would not be reasonably likely to have a Material

Adverse Effect; (iii) is qualified to do business and is in good standing in all other jurisdictions in which the nature of the business conducted by it makes such qualification necessary, except where failure so to qualify would not be reasonably likely (either individually or in the aggregate) to have a Material Adverse Effect; and (iv) has full power and authority to execute, deliver and perform its obligations under the Facility Documents. Schedule 4 to the Pricing Letter lists all holders of stock of and other equity interests in each Seller Party which is not an individual, and the amounts and types of shares held by each of them. Except as set forth on Schedule 4 to the Pricing Letter, there are no agreements of any kind relating to the issuance of any shares of any Seller Party which is not an individual, or any convertible or exchangeable securities or any options, warrants or other rights relating to the stock of or other equity interests in any such Seller Party.

( e ) Authorization, Compliance, Approvals. The execution and delivery of, and the performance by Seller of its obligations under, the Facility Documents to which it is a party (a) are within Seller's powers, (b) have been duly authorized by all requisite action, (c) do not violate any provision of any applicable Requirement of Law, rule or regulation, or any order, writ, injunction or decree of any court or other Governmental Authority, or its organizational documents, (d) do not violate any indenture, agreement, document or instrument to which Seller or any of its Subsidiaries is a party, or by which any of them or any of their properties, any of the Repurchase Assets is bound or to which any of them is subject and (e) are not in conflict with, do not result in a breach of, or constitute (with due notice or lapse of time or both) a default under, or except as may be provided by any Facility Document, result in the creation or imposition of any Lien upon any of the property or assets of Seller or any of its Subsidiaries pursuant to, any such indenture, agreement, document or instrument. Seller is not required to obtain any consent, approval or authorization from, or to file any declaration or statement with, any Governmental Authority in connection with or as a condition to the consummation of the Transactions contemplated herein and the execution, delivery or performance of the Facility Documents to which it is a party. With respect to any and all Records or Electronic Records submitted or transmitted to Buyer including, but not limited to, fax copies of Records or Electronic Records, Seller represents and warrants that any party who submitted or transmitted Records or Electronic Records or who submitted or transmitted Records or Electronic Records containing Seller's signature or Seller's Electronic Signature was authorized to do so.

( f ) Litigation. Except as described in Schedule 7 to the Pricing Letter, there are no actions, suits, arbitrations, investigations (including, without limitation, any of the foregoing which are pending or threatened) or other legal or arbitrable proceedings affecting Seller Party or any of its Subsidiaries or affecting any of the Repurchase Assets or any of the other properties of Seller Party before any Governmental Authority which (i) questions or challenges the validity or enforceability of the Facility Documents or any action to be taken in connection with the transactions contemplated hereby, (ii) makes a claim or claims in an aggregate amount greater than the Litigation Threshold, (iii) individually or in the aggregate, if adversely determined, would have a Material Adverse Effect, or (iv) requires filing with the SEC in accordance with its regulations or (v) relates to any violation of the Home Ownership and Equity Protection Act or any state, city or district high cost home mortgage or predatory lending law.

(g) Purchased Mortgage Loans.

(i) With respect to each Mortgage Loan to be sold hereunder by Seller to Buyer, such Mortgage Loan is an Eligible Mortgage Loan, including that all applicable representations and warranties set forth in Schedule 1 hereto are true, correct, and complete.

(ii) Seller has not assigned, pledged, or otherwise conveyed or encumbered to or in favor of any Person other than Buyer any Mortgage Loan to be sold to Buyer hereunder, and immediately prior to the sale of such Mortgage Loan to Buyer, Seller was the sole owner of such

Mortgage Loan and had good and marketable title thereto, free and clear of all Liens, in each case except for Liens to be released simultaneously with the sale to Buyer hereunder.

(iii) The provisions of this Agreement are effective to either constitute a sale of Repurchase Assets to Buyer or to create in favor of Buyer a valid security interest in all right, title and interest of Seller in, to and under the Repurchase Assets.

(h) Proper Names; Chief Executive Office/Jurisdiction of Organization. Seller does not operate in any jurisdiction under a trade name, division name or name other than those names previously disclosed in writing by Seller to Buyer. On the Effective Date, Seller's chief executive office is, and has been, located as specified on the signature page hereto. Each Seller Party's (if any, besides Seller, and if not an individual) jurisdiction of organization is as set forth in the Pricing Letter.

(i) Location of Books and Records. The location where Seller keeps its books and records, including all computer tapes and records related to the Repurchase Assets, is its chief executive office.

(j) Enforceability. This Agreement and all of the other Facility Documents respectively executed and delivered by a Seller Party in connection herewith are legal, valid and binding obligations of each such Seller Party and are enforceable against each such Seller Party in accordance with their terms, except as such enforceability may be limited by (i) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar Requirements of Law affecting creditors' rights generally, and (ii) general principles of equity.

(k) Ability to Perform. Seller does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant contained in the Facility Documents to which it is a party on its part to be performed.

(l) No Default. No Default or Event of Default has occurred and is continuing.

(m) No Adverse Selection. Seller has not selected the Purchased Mortgage Loans in a manner so as to adversely affect Buyer's interests.

(n) Adjusted Tangible Net Worth. On the initial Purchase Date, the Adjusted Tangible Net Worth of Seller is not less than the Adjusted Tangible Net Worth required of Seller in the Pricing Letter.

(o) Debt for Borrowed Money. All credit facilities, repurchase facilities or substantially similar facilities or other debt for borrowed money of Seller (the "Debt for Borrowed Money Arrangements") which are presently in effect and/or outstanding are listed on Schedule 2 to the Pricing Letter and no defaults or events of default exist thereunder.

(p) Accurate and Complete Disclosure. The information, reports, Financial Statements, exhibits and schedules furnished in writing by or on behalf of each Seller Party to Buyer in connection with the negotiation, preparation or delivery of this Agreement or performance hereof and the other Facility Documents or included herein or therein or delivered pursuant hereto or thereto, when taken as a whole, do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they were made, not misleading. There is no fact known to Seller, after due inquiry, that would reasonably be expected to have a Material Adverse Effect that has not been disclosed herein, in the other Facility



Documents or in a report, Financial Statement, exhibit, schedule, disclosure letter or other writing furnished to Buyer for use in connection with the transactions contemplated hereby or thereby.

( q ) Margin Regulations. The use of all funds acquired by Seller under this Agreement will not conflict with or contravene any of Regulations T, U or X promulgated by the Board of Governors of the Federal Reserve System as the same may from time to time be amended, supplemented or otherwise modified.

( r ) Investment Company. No Seller Party and none of their respective Subsidiaries is an “investment company” or a company “controlled” by an “investment company” within the meaning of the Investment Company Act of 1940, as amended.

( s ) Solvency. As of the date hereof and immediately after giving effect to each Transaction, the fair value of the assets of Seller is greater than the fair value of the liabilities (including, without limitation, contingent liabilities if and to the extent required to be recorded as a liability on the Financial Statements of Seller in accordance with GAAP) of Seller and Seller is solvent and, after giving effect to the transactions contemplated by this Agreement and the other Facility Documents, will not be rendered insolvent or left with an unreasonably small amount of capital with which to conduct its business and perform its obligations. Seller does not intend to incur, nor does it believe that it has incurred, debts beyond its ability to pay such debts as they mature. Seller is not contemplating the commencement of an insolvency, bankruptcy, liquidation, or consolidation proceeding or the appointment of a receiver, liquidator, conservator, trustee, or similar official in respect of itself or any of its property.

( t ) ERISA.

( i ) No liability under Section 4062, 4063, 4064 or 4069 of ERISA has been or is expected by Seller to be incurred by any Seller Party or any ERISA Affiliate thereof with respect to any Plan which is a Single-Employer Plan in an amount that could reasonably be expected to have a Material Adverse Effect.

( ii ) No Plan which is a Single Employer Plan had an accumulated funding deficiency, whether or not waived, as of the last day of the most recent fiscal year of such Plan ended prior to the date hereof, and no such plan which is subject to Section 412 of the Code failed to meet the requirements of Section 436 of the Code as of such last day. Neither Seller nor any ERISA Affiliate thereof is subject to a Lien in favor of such a Plan as described in Section 430(k) of the Code or Section 303(k) of ERISA.

( iii ) Each Plan of Seller, each of its Subsidiaries and each of its ERISA Affiliates is in compliance with the applicable provisions of ERISA and the Code, except where the failure to comply would not result in any Material Adverse Effect.

( iv ) Neither Seller nor any of its Subsidiaries has incurred a tax liability under Chapter 43 of the Code or a penalty under Section 502 of ERISA which has not been paid in full, except where the incurrence of such tax or penalty would not result in a Material Adverse Effect.

( v ) Neither Seller nor any of its Subsidiaries nor any ERISA Affiliate thereof has incurred or reasonably expects to incur any withdrawal liability under Section 4201 of ERISA as a result of a complete or partial withdrawal from a Multiemployer Plan in an amount that could reasonably be expected to have a Material Adverse Effect.

(u) Taxes. Seller and its Subsidiaries have timely filed all tax returns that are required to be filed by them and have timely paid all Taxes due, except for any such Taxes as are being appropriately contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves have been provided. There are no Liens for Taxes, except for statutory liens for Taxes not yet due and payable.

(v) No Reliance. Seller has made its own independent decisions to enter into the Facility Documents and each Transaction and as to whether such Transaction is appropriate and proper for it based upon its own judgment and upon advice from such advisors (including without limitation, legal counsel and accountants) as it has deemed necessary. Seller is not relying upon any advice from Buyer as to any aspect of the Transactions, including without limitation, the legal, accounting or tax treatment of such Transactions.

(w) Plan Assets. Seller is not an employee benefit plan as defined in Section 3 of Title I of ERISA, or a plan described in Section 4975(e)(1) of the Code, and the Purchased Mortgage Loans are not “plan assets” within the meaning of 29 CFR §2510.3-101, as modified by Section 3(42) of ERISA, in Seller’s hands and transactions by or with Seller are not subject to any state or local statute regulating investments of, or fiduciary obligations with respect to governmental plans within the meaning of Section 3(32) of ERISA.

(x) Agency and Governmental Authority Approvals. Seller is approved by those Agencies and Governmental Authorities set forth on Schedule 8 to the Pricing Letter for the origination, sale, and/or servicing of Mortgage Loans as set forth on Schedule 8 to the Pricing Letter. In each such case, Seller is in good standing, with no event having occurred or Seller having any reason whatsoever to believe or suspect will occur, including, without limitation, a change in insurance coverage, which would either make Seller unable to comply with the eligibility requirements for maintaining all such applicable approvals or require notification to the relevant Agency or Governmental Authority.

(y) Ability to Service Mortgage Loans; Servicing Agreements. Seller has adequate financial standing, servicing facilities, procedures and experienced personnel necessary for the sound servicing of mortgage loans of the same types as may from time to time constitute Purchased Mortgage Loans and in accordance with Accepted Servicing Practices. Seller is not a party to any servicing agreements with respect to any of its Mortgage Loans except as set forth on Schedule 5 to the Pricing Letter, true and complete copies of which servicing agreements have been furnished to Buyer. Except as set forth on Schedule 5 of the Pricing Letter, no Purchased Mortgage Loans will be subject to any such servicing agreements.

(z) Anti-Money Laundering Laws. Seller has complied with all applicable anti-money laundering laws and regulations, including without limitation the USA Patriot Act of 2001 (collectively, the “Anti-Money Laundering Laws”); Seller has established an anti-money laundering compliance program as required by the Anti-Money Laundering Laws, has conducted the requisite due diligence in connection with the origination of each Mortgage Loan for purposes of the Anti-Money Laundering Laws, including with respect to the legitimacy of the applicable Mortgagor and the origin of the assets used by the said Mortgagor to purchase the property in question, and maintains, and will maintain, sufficient information to identify the applicable Mortgagor for purposes of the Anti-Money Laundering Laws.

(a a) No Prohibited Persons. No Seller Party, and, as applicable, none of their respective Affiliates, officers, directors, partners or members, is an entity or person (or to the Seller’s knowledge, owned or controlled by an entity or person): (i) that is listed in the Annex to, or is otherwise subject to the provisions of Executive Order 13224 issued on September 24, 2001 (“EO13224”); (ii)

whose name appears on the United States Treasury Department's Office of Foreign Assets Control ("OFAC") most current list of "Specifically Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, <http://www.treas.gov/ofac/t11sdn.pdf>); (iii) who commits, threatens to commit or supports "terrorism", as that term is defined in EO13224; or (iv) who is otherwise affiliated with any entity or person listed above (any and all parties or persons described in clauses (i) through (iv) above are herein referred to as a "Prohibited Person").

(b b) Hedging. Seller has established a formal hedging policy and program, which is managed by an Approved Hedging Manager, with respect to all of its Mortgage Loans, other than those in respect of which Seller has entered into a Takeout Commitment.

(c c) Subordinated Debt. If Seller has any Subordinated Debt, Seller has provided Buyer with true and complete copies of all documents evidencing such Subordinated Debt.

(d d) MERS. Seller shall and shall cause each Subservicer to (i) be a member in good standing with MERS, and (ii) comply in all material respects with the rules and regulations of MERS in connection with all Purchased Mortgage Loans.

## **SECTION 12. COVENANTS**

On and as of the date of this Agreement and each Purchase Date and at all times until this Agreement is no longer in force, Seller covenants as follows:

(a) Preservation of Existence; Compliance with Law. Seller shall:

(i) Preserve and maintain its legal existence and all of its material rights, privileges, licenses and franchises necessary for the operation of its business;

(ii) Comply with the requirements of all applicable Requirements of Law, rules, regulations and orders, whether now in effect or hereafter enacted or promulgated by any applicable Governmental Authority (including, without limitation, all environmental laws);

(iii) Maintain all licenses, permits or other approvals necessary for Seller to conduct its business and to perform its obligations under the Facility Documents, and conduct its business strictly in accordance with applicable Requirements of Law;

(iv) Keep adequate records and books of account, in which complete entries will be made in accordance with GAAP consistently applied; and

(v) Permit representatives of Buyer, upon reasonable notice (unless an Event of Default shall have occurred and is continuing, in which case, no prior notice shall be required), during normal business hours, to examine, copy and make extracts from its books and records, to inspect any of its Properties, and to discuss its business and affairs with its officers, all to the extent reasonably requested by Buyer, subject to the provisions set forth in Section 17 hereof.

(b) Taxes. Seller shall timely file all tax returns that are required to be filed by it and shall timely pay all Taxes due, except for any such Taxes as are being appropriately contested in good faith by appropriate proceedings diligently conducted with respect to which adequate reserves have been provided.

(c) Notice of Proceedings or Adverse Change. Seller shall give notice to Buyer of any of the following within the specified time:

(i) Immediately after a Responsible Officer of Seller has any knowledge of:

(A) the occurrence of any Default or Event of Default;

(B) any (x) default or event of default under any Indebtedness of a Seller Party, (y) litigation, investigation, regulatory action or proceeding that is pending or threatened by or against a Seller Party in any federal or state court or before any Governmental Authority which, if not cured or if adversely determined, would reasonably be expected to have a Material Adverse Effect or constitute a Default or Event of Default, or (z) Material Adverse Effect with respect to any Seller Party;

(C) any litigation or proceeding that is pending or threatened (x) against any Seller Party in which the amount involved exceeds the Litigation Threshold, in which injunctive or similar relief is sought, or which, if adversely determined, would reasonably be expected to have a Material Adverse Effect, and (y) in connection with any of the Repurchase Assets, which, if adversely determined, would reasonably be expected to have a Material Adverse Effect; or

(D) any Lien or security interest (other than security interests created hereby or under any other Facility Document) on, or claim asserted against, any of the Repurchase Assets.

(ii) As soon as reasonably possible, notice of any of the following events:

(A) a change in the insurance coverage of Seller, with a copy of evidence of same attached;

(B) any material change in accounting policies or financial reporting practices of Seller;

(C) the termination or nonrenewal of any debt facilities of Seller which have a maximum principal amount (or equivalent) available of more than the Facility Termination Threshold;

(D) any (x) Change in Control or any change in direct or indirect ownership or controlling interest of the direct or indirect owners of any Seller Party that is not an individual, or (y) person obtaining a direct or indirect ownership interest (or right to obtain a direct or indirect ownership interest) of 10% or more in any Seller Party that is not an individual;

(E) any event, circumstance or condition that has resulted, or has a possibility of resulting, in a Material Adverse Effect; or

(F) any Purchased Mortgage Loan has become a Defective Mortgage Loan, including that any applicable representations and warranties set forth on Schedule 1 hereto ceases to be true, correct, and complete (and providing all applicable details thereof).

(iii) Promptly, but no later than two (2) Business Days after Seller receives any of the same, deliver to Buyer a true, complete, and correct copy of any schedule, report, notice, or any other document delivered to Seller by any Person pursuant to, or in connection with, any of the Repurchase Assets.

(iv) Promptly, but no later than two (2) Business Days after Seller receives notice of the same, (A) any Mortgage Loan submitted for inclusion into an Agency security and rejected by that Agency for inclusion in such Agency security or (B) any Mortgage Loan submitted to a Takeout Investor (whole loan or securitization) and rejected for purchase by such Takeout Investor.

(d) Financial Reporting. Seller shall maintain a system of accounting established and administered in accordance with GAAP, and furnish, or cause to be furnished, to Buyer:

(i) Within ninety (90) days after the close of each fiscal year, Financial Statements, including a statement of income and changes in shareholders' equity of the Financial Reporting Party for such year, and the related balance sheet as at the end of such year, all in reasonable detail and accompanied by an opinion of an Approved CPA as to said Financial Statements;

(ii) Within thirty (30) days after the end of each calendar month, including the last month of Seller's fiscal year, the unaudited balance sheets of the Financial Reporting Party as at the end of such period and the related unaudited consolidated statements of income and retained earnings and of cash flows for the Financial Reporting Party for such period and the portion of the fiscal year through the end of such period, subject, however, to year-end adjustments. Such reports shall include, without limitation, in clearly delineated line items, the results of Seller's hedging activities for the applicable period;

(iii) Simultaneously with the furnishing of each of the Financial Statements to be delivered pursuant to subsections (i) and (ii) above, (x) a certificate in the form of Exhibit A to the Pricing Letter and certified by an executive officer of the Financial Reporting Party, and (y) when the end of the subject reporting period coincides with the end of a fiscal quarter, a Servicing Rights Appraisal. All Servicing Rights Appraisals shall be delivered to Buyer no later than thirty (30) days after the applicable "as of" date therefor. Buyer reserves the right to require at any time that Seller obtain and deliver current Servicing Rights Appraisals during the pendency of a Default or an Event of Default;

(iv) If applicable, copies of any 10-Ks, 10-Qs, registration statements and other "corporate finance" SEC filings (other than 8-Ks) by a Seller Party within 5 Business Days after their filing with the SEC; provided, that, Seller will provide Buyer with a copy of the annual 10-K filed with the SEC by a Seller Party or its Affiliates no later than 90 days after the end of the year; and

(v) Within ninety (90) days after calendar year-end, the annual personal financial statement of Guarantor;

(vi) Within forty-five (45) days after filing, Guarantor's completed annual tax return (or a copy of any extension documents filed in lieu thereof, with a copy of such Guarantor's completed annual tax return to be delivered to the Buyer when filed); and

(vii) Promptly, from time to time, such other information regarding the business affairs, operations and financial condition of any Seller Party as Buyer may reasonably request.

(e) Visitation and Inspection Rights. Seller shall permit Buyer to inspect and take all other actions permitted under Section 17 hereof.

(f) Reimbursement of Expenses. Seller shall promptly reimburse Buyer for all expenses as the same are incurred by Buyer as required by Sections 15(b) and 17 hereof.

(g) Further Assurances. Seller shall execute and deliver to Buyer all further documents, financing statements, agreements and instruments, and take all further actions that may be required under applicable Requirements of Law, or that Buyer may reasonably request, in order to effectuate the transactions contemplated by this Agreement and the Facility Documents or, without limiting any of the foregoing, to grant, preserve, protect and perfect the validity and first priority of the security interests created or intended to be created hereby. Seller shall do all things necessary to preserve the Repurchase Assets so that they remain subject to a first priority perfected security interest hereunder. Without limiting the foregoing, Seller will comply with all applicable Requirements of Law and cause the Repurchase Assets to comply with all Requirements of Law. Seller will not allow any default for which Seller is responsible to occur under any Repurchase Assets or any Facility Document and Seller shall fully perform or cause to be performed when due all of its obligations under any Repurchase Assets or the Facility Documents.

(h) True and Correct Information. All information, reports, exhibits, schedules, Financial Statements or certificates of any Seller Party or any of the Affiliates thereof or any of their officers furnished to Buyer hereunder and during Buyer's diligence of Seller Parties will be true and complete and will not omit to disclose any material facts necessary to make the statements therein or therein, in light of the circumstances in which they are made, not misleading. All required Financial Statements, information and reports delivered by a Seller Party to Buyer pursuant to this Agreement shall be prepared in accordance with GAAP, or as applicable, to SEC filings, the appropriate SEC accounting requirements.

(i) ERISA Events.

(i) Promptly upon becoming aware of the occurrence of any Event of ERISA Termination which together with all other Events of ERISA Termination occurring within the prior 12 months involve a payment of money by or a potential aggregate liability of a Seller Party or any ERISA Affiliate thereof or any combination of such entities in excess of the ERISA Liability Threshold, Seller shall give Buyer a written notice specifying the nature thereof, what action Seller Party or any ERISA Affiliate thereof has taken and, when known, any action taken or threatened by the Internal Revenue Service, the Department of Labor or the PBGC with respect thereto;

(ii) Promptly upon receipt thereof, Seller shall furnish to Buyer copies of (i) all notices received by Seller or any ERISA Affiliate thereof of the PBGC's intent to terminate any Plan or to have a trustee appointed to administer any Plan; (ii) all notices received by Seller or any ERISA Affiliate thereof from the sponsor of a Multiemployer Plan pursuant to Section 4202 of ERISA involving withdrawal liability in excess of the ERISA Liability Threshold; and (iii) all funding waiver requests filed by Seller or any ERISA Affiliate thereof with the Internal Revenue Service with respect to any Plan, the accrued benefits of which exceed the present value of the plan assets as of the date the waiver request is filed, and all communications received by Seller or any ERISA Affiliate thereof from the Internal Revenue Service with respect to any such funding waiver request.

(j) Financial Condition Covenants. The Seller shall comply with the Financial Condition Covenants.

(k) Hedging. Seller shall at all times maintain, implement, and adhere to a formal hedging policy and program, acceptable to Buyer, using appropriate Hedge Agreements, covering all of Seller's Mortgage Loans, other than those subject to a Takeout Commitment, which is managed by an Approved Hedging Manager. Seller shall hedge all of its Mortgage Loans in accordance with Seller's hedging policies. Seller shall review its hedging policies periodically to confirm that they are being complied with in all material respects and are adequate to meet Seller's business objectives. In the event Seller makes any material amendment or material modification to its hedging policies, Seller shall promptly notify Buyer of such amendment or modification, and within 30 days after such amendment or modification shall deliver to Buyer a complete copy of the amended or modified hedging policies. Additionally, Buyer may in its reasonable discretion request a current copy of its hedging policies at any time. By Wednesday of each week, Seller shall furnish Buyer with a hedging report as of the end of the immediately preceding week, to be in such form and to contain such information as shall be specified from time to time by Buyer, including, without limitation, Seller's then locked pipeline, notional hedge positions, and historical pull-throughs.

(l) No Adverse Selection. Seller shall not select Eligible Mortgage Loans to be sold to Buyer as Purchased Mortgage Loans using any type of adverse selection or other selection criteria which would adversely affect Buyer.

(m) Servicer Approval. Seller shall not cause or permit the Purchased Mortgage Loans to be serviced by any servicer other than a servicer expressly approved in writing by Buyer, which approval shall be deemed granted by Buyer with respect to Seller and any Subservicer identified on Schedule 5 to the Pricing Letter (subject to revocation of such approval as provided in this Agreement) with the execution of this Agreement.

(n) Insurance. Seller shall maintain Fidelity Insurance in an aggregate amount at least equal to the Fidelity Insurance Requirement. Seller shall maintain Fidelity Insurance in respect of its officers, employees and agents, with respect to any claims made in connection with all or any portion of the Repurchase Assets. Seller shall notify Buyer of any material change in the terms of any such Fidelity Insurance.

(o) Books and Records. Seller shall, to the extent practicable, maintain and implement administrative and operating procedures (including, without limitation, an ability to recreate records evidencing the Repurchase Assets in the event of the destruction of the originals thereof), and keep and maintain or obtain, as and when required, all documents, books, records and other information reasonably necessary or advisable for the collection of all Repurchase Assets.

(p) Illegal Activities. Seller shall not engage in any conduct or activity that could subject its assets to forfeiture or seizure.

(q) Material Change in Business. Seller shall not make any material change in the nature of its business as carried on at the date hereof.

(r) Limitation on Dividends and Distributions. Seller shall not make any payment on account of, or set apart assets for, a sinking or other analogous fund for the purchase, redemption, defeasance, retirement or other acquisition of any equity interest of Seller or for the payment of Subordinated Debt, whether now or hereafter outstanding, or make any other distribution or dividend in respect of any of the foregoing or to any shareholder or equity owner of Seller, either directly or

indirectly, whether in cash or property or in obligations of Seller or any of Seller's consolidated Subsidiaries at any time (i) following the occurrence and during the continuation of a Default, (ii) in violation of any applicable Subordination Agreement, or (iii) if, on a pro forma basis giving effect thereto, a Default or Event of Default would then exist or result therefrom.

(s) Disposition of Assets; Liens. Seller shall not create, incur, assume or suffer to exist any mortgage, pledge, Lien, charge or other encumbrance of any nature whatsoever on any of the Repurchase Assets, whether real, personal or mixed, now or hereafter owned, other than the Liens created in connection with the transactions contemplated by this Agreement; nor shall Seller cause any of the Purchased Mortgage Loans to be sold, pledged, assigned or transferred.

( t ) Transactions with Affiliates. Seller shall not enter into any transaction, including, without limitation, the purchase, sale, lease or exchange of property or assets or the rendering or accepting of any service with any Affiliate unless such transaction is (i) not otherwise prohibited in this Agreement, (ii) in the ordinary course of Seller's business, and (iii) upon fair and reasonable terms no less favorable to Seller than it would obtain in a comparable arm's length transaction with a Person which is not an Affiliate.

(u) ERISA Matters.

(i) Seller shall not permit any event or condition which is described in the definition of "Event of ERISA Termination" to occur or exist with respect to any Plan or Multiemployer Plan if such event or condition, together with all other events or conditions described in the definition of Event of ERISA Termination occurring within the prior 12 months, involves the payment of money by or an incurrence of liability of Seller or any ERISA Affiliate thereof, or any combination of such entities in an amount in excess of the ERISA Liability Threshold.

(ii) Seller shall not be an employee benefit plan as defined in Section 3 of Title I of ERISA, or a plan described in Section 4975(e)(1) of the Code, and Seller shall not use "plan assets" within the meaning of 29 CFR §2510.3-101, as modified by Section 3(42) of ERISA, to engage in this Agreement or the Transactions hereunder and transactions by or with Seller are not subject to any state or local statute regulating investments of, or fiduciary obligations with respect to any governmental plans within the meaning of Section 3(32) of ERISA.

( v ) Consolidations, Mergers and Sales of Assets. Seller shall not (i) consolidate or merge with or into any other Person, or (ii) sell, lease or otherwise transfer all or substantially all of its assets to any other Person. Seller shall not (i) cause or permit any change to be made in its name, organizational identification number, identity or corporate structure, each as described in Section 11(h), or (ii) change its jurisdiction of organization, unless it shall have provided Buyer thirty (30) days' prior written notice of such change and shall have first taken all action required by Buyer for the purpose of perfecting or protecting the lien and security interest of Buyer established hereunder.

(w) Mortgage Loan Reports. On the Reporting Date or with such greater frequency as requested by Buyer, Seller will furnish to Buyer monthly electronic Mortgage Loan performance data, including, without limitation, a Mortgage Loan Schedule, delinquency reports, pool analytic reports and static pool reports (i.e., delinquency, foreclosure and net charge off reports) and monthly stratification reports summarizing the characteristics of the Mortgage Loans.

( x ) Underwriting Guidelines. Without the prior written consent of Buyer, Seller shall not deviate from the Underwriting Guidelines, as in effect from time to time, in connection with its origination of Purchased Mortgage Loans. Seller shall provide Buyer prompt written notice of any



material changes to Seller's then Underwriting Guidelines, including therewith a complete copy of Seller's updated Underwriting Guidelines and a summary of the changes from the then most recent Underwriting Guidelines.

( y ) No Amendment or Compromise. Without Buyer's prior written consent Seller or those acting on behalf of Seller shall not amend or modify, or waive any term or condition of, or settle or compromise any claim in respect of, any item of the Purchased Mortgage Loans, provided that a Purchased Mortgage Loan may be amended or modified if such amendment or modification does not affect the amount or timing of any payment of principal or interest, extend its scheduled maturity date, modify its interest rate, or constitute a cancellation or discharge of its outstanding principal balance and does not materially and adversely affect the security afforded the Mortgaged Property securing the Mortgage Loan.

(z) Agency Approvals; Servicing. Seller shall maintain its status and approvals as set forth in Section 11(x), in each case in good standing (each such approval, an "Approval"). Should Seller, for any reason, cease to possess all such applicable Approvals to the extent necessary, or should notification to the relevant Agency or Governmental Authority be required, Seller shall so notify Buyer immediately in writing. Notwithstanding the preceding sentence, Seller shall take all necessary action to maintain all of its applicable Approvals at all times during the term of this Agreement and each outstanding Transaction.

(aa) Sharing of Information. Seller hereby allows and consents to Buyer exchanging information related to Seller, its credit, and the Transactions hereunder with third party lenders or facility providers and Seller shall permit, and hereby authorizes, each third party lender or facility provider to share such information with Buyer.

(bb) Indebtedness. Seller shall provide prior written notice to Buyer of the incurrence of any additional Indebtedness (other than (i) existing Indebtedness in amounts not to exceed the amounts set forth on Schedule 2 to the Pricing Letter and (ii) usual and customary accounts payable for a mortgage company).

### **SECTION 13. EVENTS OF DEFAULT**

If any of the following events (each an "Event of Default") occur, Buyer shall have the rights set forth in Section 14, as applicable:

(a) Payment Default. (i) Seller shall default in the payment of (A) any amount payable by it hereunder or under any other Facility Document, including, without limitation, the failure to satisfy any Margin Call by the applicable Margin Deadline, (B) Expenses (and such failure to pay Expenses shall continue for more than [\*\*\*]) or (C) any other Obligations, when the same shall become due and payable, whether at the due date thereof, or by acceleration or otherwise, or (ii) any other Seller Party shall default in the payment of (A) any amount payable by such Seller Party under any Facility Document to which it is a party or (B) any other Obligations of such Seller Party when the same shall become due and payable, whether at the due date thereof, or by acceleration or otherwise (but after any applicable grace periods); or

( b ) Representation and Warranty Breach. Any representation, warranty or certification made or deemed made herein or in any other Facility Document by a Seller Party or any certificate furnished to Buyer pursuant to the provisions hereof or thereof or any information with respect to the Mortgage Loans furnished in writing by on behalf of a Seller Party shall prove to have been untrue or misleading in any material respect as of the time made or furnished; provided, however, unless such

breach is knowing and intentional, a breach of the representation or warranty set forth in Section 11(g)(i) shall result in the subject Mortgage Loan being a Defective Mortgage Loan and shall not in and of itself constitute an Event of Default; or

(c) Immediate Covenant Default. The failure of Seller to perform, comply with or observe any term, covenant or agreement applicable to Seller contained in any of Sections 12(a)(Preservation of Existence; Compliance with Law); 12(c) (Notice of Proceedings and Adverse Change); 12(h)(True and Correct Information); 12(j)(Financial Condition Covenants); 12(l)(No Adverse Selection); 12(p)(Illegal Activities); 12(q)(Material Change in Business); 12(r)(Limitation on Dividends and Distributions); 12(s) (Disposition of Assets; Liens); 12(v) (Consolidations, Mergers and Sales of Assets); 12(z)(Agency Approvals; Servicing); or 12(bb) (Indebtedness); or

(d) Additional Covenant Defaults. Seller shall fail to observe or perform any other covenant or agreement contained in this Agreement (and not identified in clause (c) of Section 13), or any other Seller Party shall fail to observe or perform any covenant or agreement contained in any other Facility Document to which such Seller Party is a party, and if such default shall be capable of being remedied, such failure to observe or perform shall continue unremedied for a period of 1 Business Day; or

(e) Judgments. A judgment or judgments for the payment of money in excess of the Litigation Threshold in the aggregate shall be rendered against a Seller Party or a Seller Party's Affiliates by one or more courts, administrative tribunals or other bodies having jurisdiction and the same shall not be satisfied, discharged (or provision shall not be made for such discharge) or bonded, or a stay of execution thereof shall not be procured, within [\*\*\*] after the date of entry thereof, and such Seller Party or any such Affiliate shall not, within said period of [\*\*\*], or such longer period during which execution of the same shall have been stayed or bonded, appeal therefrom and cause the execution thereof to be stayed during such appeal; or

(f) Cross Default. Any "event of default" or any other default which permits a demand for, or requires, the early repayment of obligations due by a Seller Party or a Seller Party's Affiliates under any agreement (after the expiration of any applicable grace period under any such agreement) relating to any Indebtedness of such Seller Party or any Affiliate, as applicable, or any default under any Obligation not described in Section 13(a) (after the expiration of any applicable grace period); or

(g) Insolvency Event. An Insolvency Event shall have occurred with respect to a Seller Party or any Affiliate; or

(h) Enforceability. For any reason, any Facility Document at any time shall not be in full force and effect in all material respects or shall not be enforceable in all material respects in accordance with its terms, or any Lien granted pursuant thereto shall fail to be perfected and of first priority, or any Person (other than Buyer) shall contest the validity, enforceability, perfection or priority of any Lien granted pursuant thereto, or any party thereto (other than Buyer) shall seek to disaffirm, terminate, limit or reduce its obligations thereunder; or

(i) Liens. (i) Seller shall grant, or suffer to exist, any Lien on any Repurchase Asset (except any Lien in favor of Buyer); or (ii) neither one of the following is true (A) the Repurchase Assets shall have been sold to Buyer, or (B) the Liens contemplated hereby are first priority perfected Liens on the Repurchase Assets in favor of Buyer and are not Liens in favor of any Person other than Buyer; or

(j) Material Adverse Effect. Buyer shall have determined that a Material Adverse Effect has occurred; or

(k) ERISA. (i) any Seller Party shall engage in any “prohibited transaction” (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan, (ii) any “accumulated funding deficiency” (as defined in Section 304 of ERISA), whether or not waived, shall exist with respect to any Plan or any Lien in favor of the PBGC or a Plan shall arise on the assets of a Seller Party or any ERISA Affiliate, (iii) a Reportable Event shall occur with respect to, or proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Seller Party’s Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is, in the reasonable opinion of Buyer, likely to result in the termination of such Plan for purposes of Title IV of ERISA, (iv) any Seller Party’s Plan shall terminate for purposes of Title IV of ERISA, (v) any Seller Party or any ERISA Affiliate shall, or in the reasonable opinion of Buyer is likely to, incur any liability in connection with a withdrawal from, or the insolvency or reorganization of, a Multiemployer Plan, or (vi) any other event or condition shall occur or exist with respect to a Seller Party’s Plan; and in each case in clauses (i) through (vi) above, such event or condition, together with all other such events or conditions, if any, could reasonably be expected to have a Material Adverse Effect; or

(l) Change in Control. A Change in Control shall have occurred; or

( m ) Going Concern. Any Financial Reporting Party’s audited Financial Statements or notes thereto or other opinions or conclusions stated therein shall be qualified or limited by reference to the status of such Financial Reporting Party as a “going concern” or reference of similar import; or

( n ) Defective Mortgage Loans. One or more Purchased Mortgage Loans shall be Defective Mortgage Loans and Seller fails to repurchase such Defective Mortgage Loans within one Business Day; or

( o ) Investigations. There shall occur the initiation of any investigation, audit, examination or review of a Seller Party by an Agency, any Governmental Authority, any trade association or consumer advocacy group relating to the origination, sale or servicing of Mortgage Loans by such Seller Party or the business operations of such Seller Party, with the exception of normally scheduled audits or examinations by such Seller Party’s regulators, if Buyer believes that such investigation, audit, examination, or review is likely to result in a Material Adverse Effect.

#### **SECTION 14. REMEDIES**

(a) If an Event of Default occurs, the following rights and remedies are available to Buyer; provided that an Event of Default shall be deemed to be continuing unless expressly waived by Buyer in writing:

(i) At the option of Buyer, exercised by written notice to Seller (which option shall be deemed to have been exercised, even if no notice is given, immediately upon the occurrence of an Insolvency Event of a Seller Party), the Repurchase Date for each Transaction hereunder, if it has not already occurred, shall be deemed immediately to occur. Buyer shall (except upon the occurrence of an Insolvency Event of a Seller Party) give notice to Seller of the exercise of such option as promptly as practicable.

(ii) If Buyer exercises or is deemed to have exercised the option referred to in subsection (a)(i) of this Section,

(A) Seller’s obligations in such Transactions to repurchase all Purchased Mortgage Loans, at the Repurchase Price therefor on the Repurchase Date determined in accordance with subsection (a)(i) of this Section, (1) shall thereupon become immediately

due and payable and (2) all Income paid after such exercise or deemed exercise shall be retained by Buyer and applied to the aggregate unpaid Repurchase Price and any other amounts owed by Seller hereunder;

(B) to the extent permitted by applicable Requirements of Law, the Repurchase Price with respect to each such Transaction shall be increased by the aggregate amount obtained by daily application of, on a 360 day per year basis for the actual number of days during the period from and including the date of the exercise or deemed exercise of such option to but excluding the date of payment of the Repurchase Price as so increased, (x) the Post-Default Rate in effect following an Event of Default to (y) the Repurchase Price for such Transaction as of the Repurchase Date as determined pursuant to subsection (a)(i) of this Section (decreased as of any day by (i) any amounts actually in the possession of Buyer pursuant to clause (C) of this subsection, and (ii) any proceeds from the sale of Purchased Mortgage Loans applied to the Repurchase Price pursuant to subsection (a)(iv) of this Section); and

(C) all Income actually received by Buyer pursuant to Section 5 shall be applied to the aggregate unpaid Obligations owed by Seller Parties.

(iii) Upon the occurrence of one or more Events of Default, Buyer shall have the right to obtain physical possession of all files of Seller relating to the Purchased Mortgage Loans and the Repurchase Assets and all documents relating to the Purchased Mortgage Loans which are then or may thereafter come into the possession of Seller or any third party acting for Seller and Seller shall deliver to Buyer such assignments as Buyer shall request. Buyer shall be entitled to specific performance of all agreements of Seller contained in the Facility Documents.

(iv) At any time on the Business Day following notice to Seller (which notice may be the notice given under subsection (a)(i) of this Section), in the event Seller has not repurchased all Purchased Mortgage Loans, Buyer may (A) immediately sell, without demand or further notice of any kind, at a public or private sale and at such price or prices as Buyer may deem satisfactory any or all Purchased Mortgage Loans and the Repurchase Assets subject to a such Transactions hereunder and apply the proceeds thereof to the aggregate unpaid Repurchase Prices and any other amounts owing by Seller hereunder or (B) in its sole discretion elect, in lieu of selling all or a portion of such Purchased Mortgage Loans, to give Seller credit for such Purchased Mortgage Loans and the Repurchase Assets in an amount equal to the Market Value of the Purchased Mortgage Loans against the aggregate unpaid Repurchase Price and any other amounts owing by Seller hereunder. The proceeds of any disposition of Purchased Mortgage Loans and the Repurchase Assets shall be applied as determined by Buyer in its sole discretion.

(v) Seller shall be liable to Buyer for (i) the amount of all reasonable legal or other expenses (including, without limitation, all costs and expenses of Buyer in connection with the enforcement of this Agreement or any other agreement evidencing a Transaction, whether in action, suit or litigation or bankruptcy, insolvency or other similar proceeding affecting creditors' rights generally, further including, without limitation, the reasonable fees and expenses of counsel (including the costs of internal counsel of Buyer) incurred in connection with or as a result of an Event of Default, (ii) damages in an amount equal to the cost (including all reasonable fees, expenses and commissions) of entering into replacement transactions and entering into or terminating hedge transactions in connection with or as a result of an Event of Default, and (iii) any other loss, damage, cost or expense directly arising or resulting from the occurrence of an Event of Default in respect of a Transaction.

(vi) Whether or not Buyer has exercised any one or more of its other rights and remedies, Buyer may, at its option, elect to increase the Pricing Rate to equal the Post-Default Rate.

(vii) Buyer shall have, in addition to its rights hereunder, any rights otherwise available to it under any other agreement or applicable Requirements of Law.

(b) Buyer may exercise one or more of the remedies available hereunder immediately upon the occurrence of an Event of Default and at any time thereafter without notice to Seller. All rights and remedies arising under this Agreement as amended from time to time hereunder are cumulative and not exclusive of any other rights or remedies which Buyer may have.

(c) Buyer may enforce its rights and remedies hereunder without prior judicial process or hearing, and Seller hereby expressly waives any defenses Seller might otherwise have to require Buyer to enforce its rights by judicial process. Seller also waives any defense (other than a defense of payment or performance) Seller might otherwise have arising from the use of nonjudicial process, enforcement and sale of all or any portion of the Repurchase Assets, or from any other election of remedies. Seller recognizes that nonjudicial remedies are consistent with the usages of the trade, are responsive to commercial necessity and are the result of a bargain at arm's length.

(d) To the extent permitted by applicable Requirements of Law, Seller shall be liable to Buyer for interest on any amounts owing by Seller hereunder, from the date Seller becomes liable for such amounts hereunder until such amounts are (i) paid in full by Seller or (ii) satisfied in full by the exercise of Buyer's rights hereunder. Interest on any sum payable by Seller to Buyer under this paragraph 14(d) shall be at a rate equal to the Post-Default Rate.

(e) Without limiting the rights of Buyer hereto to pursue all other legal and equitable rights available to Buyer for Seller's failure to perform its obligations under this Agreement, Seller acknowledges and agrees that the remedy at law for any failure to perform obligations hereunder would be inadequate and Buyer shall be entitled to specific performance, injunctive relief, or other equitable remedies in the event of any such failure. The availability of these remedies shall not prohibit Buyer from pursuing any other remedies for such breach, including the recovery of monetary damages.

#### **SECTION 15. INDEMNIFICATION AND EXPENSES; RECOURSE**

(a) Seller agrees to hold Buyer, its Affiliates, and its and their respective officers, directors, employees, agents and advisors (each an "Indemnified Party") harmless from and indemnify any Indemnified Party against all liabilities, losses, damages, judgments, costs and expenses of any kind which may be imposed on, incurred by or asserted against such Indemnified Party (collectively, "Costs"), relating to or arising out of this Agreement, any other Facility Document or any transaction contemplated hereby or thereby, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, any other Facility Document or any transaction contemplated hereby or thereby, that, in each case, results from anything other than the Indemnified Party's gross negligence or willful misconduct. Without limiting the generality of the foregoing, Seller agrees to hold any Indemnified Party harmless from and indemnify such Indemnified Party against all Costs with respect to all Mortgage Loans relating to or arising out of any taxes incurred or assessed in connection with the ownership of the Mortgage Loans, that, in each case, results from anything other than the Indemnified Party's gross negligence or willful misconduct. In any suit, proceeding or action brought by an Indemnified Party in connection with any Mortgage Loan for any sum owing thereunder, or to enforce any provisions of any Mortgage Loan, Seller will save, indemnify and hold harmless such Indemnified Party from and against all expense, loss or damage suffered by reason of any defense, set off,

counterclaim, recoupment or reduction or liability whatsoever of the account debtor or obligor thereunder, arising out of a breach by Seller of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account debtor or obligor or its successors from Seller. Seller also agrees to reimburse an Indemnified Party as and when billed by such Indemnified Party for all the Indemnified Party's costs and expenses incurred in connection with the enforcement or the preservation of Buyer's rights under this Agreement, any other Facility Document or any transaction contemplated hereby or thereby, including, without limitation, the reasonable fees and disbursements of its counsel.

(b) Seller agrees to pay as and when billed by Buyer all of the reasonable out-of-pocket costs and expenses incurred by Buyer in connection with any amendment, supplement or modification to this Agreement, any other Facility Document or any other documents prepared in connection herewith or therewith. Seller agrees to pay as and when billed by Buyer all of the reasonable out-of-pocket costs and expenses incurred in connection with the consummation and administration of the transactions contemplated hereby and thereby including, without limitation, filing fees and all the reasonable fees, disbursements and expenses of counsel to Buyer. Seller agrees to pay Buyer all the reasonable out of pocket due diligence, inspection, testing and review costs and expenses incurred by Buyer with respect to Mortgage Loans submitted by Seller for purchase under this Agreement, including, but not limited to, those out of pocket costs and expenses incurred by Buyer pursuant to Sections 15(a) and 17 hereof.

(c) The obligations of Seller from time to time to pay the Repurchase Price (including all Price Differential) and all other amounts due under this Agreement shall be full recourse obligations of Seller.

(d) The obligations of Seller under this Section 15 hereof shall survive the termination of this Agreement.

## **SECTION 16. SERVICING**

(a) As a condition of purchasing a Mortgage Loan, Buyer may require Seller to service such Mortgage Loan as agent for Buyer for a term of [\*\*\*] (the "Servicing Term"), which is renewable as provided in clause (d) below, on the following terms and conditions:

(b) Seller shall service and administer the Purchased Mortgage Loans on behalf of Buyer in accordance with Accepted Servicing Practices, and in accordance with all applicable requirements of the Agencies, Requirements of Law, the provisions of any applicable servicing agreement, and the requirements of any applicable Takeout Commitment and the Takeout Investor, so that the eligibility of the Purchased Mortgage Loan for purchase under such Takeout Commitment is not voided or reduced by such servicing and administration.

(c) If any Mortgage Loan that is proposed to be sold on a Purchase Date is serviced by a servicer other than Seller or any of its Affiliates (a "Subservicer"), or if the servicing of any such Mortgage Loan is to be transferred to a Subservicer, Seller shall provide a copy of the related servicing agreement and a Servicer Notice executed by such Subservicer (collectively, the "Servicing Agreement") to Buyer prior to such Purchase Date or servicing transfer date, as applicable. Each such Servicing Agreement shall be in form and substance acceptable to Buyer. In addition, Seller shall have obtained the prior written consent of Buyer for such Subservicer to subservice the Purchased Mortgage Loans, which consent may be withheld in Buyer's sole discretion. In no event shall Seller's use of a Subservicer relieve Seller of its obligations hereunder, and Seller shall remain liable under this Agreement as if Seller were servicing such Mortgage Loans directly.

(d) Seller shall deliver the physical and contractual master servicing of each Purchased Mortgage Loan, together with all of the related Records in its possession, to Buyer's designee upon the earliest of (w) the occurrence of a Default or Event of Default hereunder, (x) the termination of Seller as servicer by Buyer pursuant to this Agreement, (y) the expiration (and non-renewal) of the Servicing Term, or (z) the transfer of servicing to any entity approved by Buyer and the assumption thereof by such entity. Buyer shall have the right to terminate Seller as master servicer (and any Subservicer as subservicer) of any of the Purchased Mortgage Loans, which right shall be exercisable at any time in Buyer's sole discretion, upon written notice. In addition, Seller shall deliver the physical and contractual master servicing of each Purchased Mortgage Loan, together with all of the related Records in its possession to Buyer's designee, upon expiration of the Servicing Term; provided that the Servicing Term and such delivery requirement will be deemed renewed for a like period on the last day of the Servicing Term, and on the last day of each such renewed Servicing Term, in the absence of directions to the contrary from Buyer; provided further that such delivery requirement will no longer apply to any Mortgage Loan, and Seller shall have no further obligation to service such Mortgage Loan as agent for Buyer, upon receipt by Buyer of the Repurchase Price therefor. Seller's transfer of the Records and the physical and contractual servicing under this Section shall be in accordance with customary standards in the industry and such transfer shall include the transfer of the gross amount of all escrows held for the related mortgagors (without reduction for unreimbursed advances or "negative escrows").

(e) During the period Seller is servicing the Purchased Mortgage Loans as agent for Buyer, Seller agrees that Buyer is the owner of the related Credit Files and Records and Seller shall at all times maintain and safeguard and cause any Subservicer to maintain and safeguard the Credit File for the Mortgage Loan (including photocopies or images of the documents delivered to Buyer), and accurate and complete records of its servicing of the Mortgage Loan; Seller's possession of the Credit Files and Servicing Records being for the sole purpose of master servicing such Mortgage Loans and such retention and possession by Seller being in a custodial capacity only. Seller hereby grants Buyer a security interest in all servicing fees to secure the obligations of Seller and any Subservicer to service in conformity with this Section and any related Servicing Agreement.

(f) At Buyer's request, Seller shall promptly deliver to Buyer reports regarding the status of any Mortgage Loan being serviced by Seller, which reports shall include, but shall not be limited to, a description of any default thereunder for more than [\*\*\*] or such other circumstances that could cause a material adverse effect on such Mortgage Loan, Buyer's title to such Mortgage Loan or the collateral securing such Mortgage Loan; Seller may be required to deliver such reports until the repurchase of the Mortgage Loan by Seller. Seller shall immediately notify Buyer if it becomes aware of any payment default that occurs under the Mortgage Loan or any default under any Servicing Agreement that would materially and adversely affect any Mortgage Loan subject thereto.

(g) Seller shall release its custody of the contents of any Credit File or Mortgage File only (i) in accordance with the written instructions of Buyer, (ii) upon the consent of Buyer when such release is required as incidental to Seller's servicing of the Mortgage Loan, is required to complete the Takeout Commitment or comply with the Takeout Commitment requirements, or (iii) as required by Requirements of Law.

(h) Buyer reserves the right to appoint a successor servicer at any time to service any Mortgage Loan (each a "Successor Servicer") in its sole discretion. If Buyer elects to make such an appointment due to a Default or Event of Default, Seller shall be assessed all costs and expenses incurred by Buyer associated with transferring the Mortgage Loans to the Successor Servicer. In the event of such an appointment, Seller shall perform all acts and take all action so that any part of the Credit File and related Records held by Seller, together with all Income and other receipts relating to such Mortgage Loan, are promptly delivered to Successor Servicer, and shall otherwise reasonably cooperate with Buyer

in effectuating such transfer. Seller shall have no claim for lost servicing income, lost profits or other damages if Buyer appoints a Successor Servicer hereunder and the servicing fee is reduced or eliminated.

(i) For the avoidance of doubt, Seller retains no economic rights to the servicing of the Purchased Mortgage Loans provided that Seller shall continue to service the Purchased Mortgage Loans hereunder as part of its Obligations hereunder. As such, Seller expressly acknowledges that the Purchased Mortgage Loans are sold to Buyer on a “servicing released” basis.

#### **SECTION 17. DUE DILIGENCE**

Seller acknowledges that Buyer or any third party designated by Buyer (including Buyer’s regulators) has the right to perform continuing due diligence reviews with respect to the Mortgage Loans and Seller Parties, for purposes of verifying compliance with the representations, warranties and specifications made hereunder, or otherwise, and Seller agrees that upon reasonable prior notice unless an Event of Default shall have occurred, in which case no notice is required, to Seller, Buyer or its authorized representatives will be permitted during normal business hours to examine, inspect, and make copies and extracts of, the Mortgage Files and any and all documents, records, agreements, instruments or information relating to such Mortgage Loans in the possession or under the control of Seller. Seller also shall make available to Buyer a knowledgeable financial or accounting officer for the purpose of answering questions respecting the Mortgage Files and the Mortgage Loans. Without limiting the generality of the foregoing, Seller acknowledges that Buyer may purchase Mortgage Loans from Seller based solely upon the information provided by Seller to Buyer in the Purchased Mortgage Loan Schedule and the representations, warranties and covenants contained herein, and that Buyer, at its option, has the right at any time to conduct a partial or complete due diligence review on some or all of the Mortgage Loans purchased in a Transaction, including, without limitation, ordering broker’s price opinions, new credit reports and new appraisals on the related Mortgaged Properties and otherwise regenerating the information used to originate such Mortgage Loan. Buyer may underwrite such Mortgage Loans itself or engage a mutually agreed upon third party underwriter to perform such underwriting. Seller agrees to cooperate with Buyer and any third party underwriter in connection with such underwriting, including, but not limited to, providing Buyer and any third party underwriter with access to any and all documents, records, agreements, instruments or information relating to such Mortgage Loans in the possession, or under the control, of Seller. Seller further agrees that Seller shall pay all out-of-pocket costs and expenses incurred by Buyer in connection with Buyer’s activities pursuant to this Section 17 (“Due Diligence Costs”); provided, however, that Seller shall not be responsible for Buyer’s due diligence costs incurred in connection with the initial due diligence conducted by Buyer prior to the date hereof.

#### **SECTION 18. ASSIGNABILITY**

The rights and obligations of the parties under this Agreement and under any Transaction shall not be assigned by Seller without the prior written consent of Buyer. Subject to the foregoing, this Agreement and any Transactions shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. Nothing in this Agreement express or implied, shall give to any Person, other than the parties to this Agreement and their successors hereunder, any benefit of any legal or equitable right, power, remedy or claim under this Agreement. Buyer may from time to time assign all or a portion of its rights and obligations under this Agreement and the Facility Documents pursuant to an executed assignment and acceptance by Buyer and assignee (“Assignment and Acceptance”), specifying the percentage or portion of such rights and obligations assigned. Upon such assignment, (a) such assignee shall be a party hereto and to each Facility Document to the extent of the percentage or portion set forth in the Assignment and Acceptance, and shall succeed to the applicable rights and obligations of Buyer hereunder, and (b) Buyer shall, to the extent that such rights and obligations have been so assigned



by it be released from its obligations hereunder and under the Facility Documents. Unless otherwise stated in the Assignment and Acceptance, Seller shall continue to take directions solely from Buyer unless otherwise notified by Buyer in writing. Buyer may distribute to any prospective assignee any document or other information delivered to Buyer by Seller.

Buyer may sell participations to one or more Persons in or to all or a portion of its rights and obligations under this Agreement; provided, however, that (i) Buyer's obligations under this Agreement shall remain unchanged, (ii) Buyer shall remain solely responsible to the other parties hereto for the performance of such obligations; and (iii) Seller shall continue to deal solely and directly with Buyer in connection with Buyer's rights and obligations under this Agreement and the other Facility Documents except as provided in Section 7.

Buyer may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 18, disclose to the assignee or participant or proposed assignee or participant, as the case may be, any information relating to Seller or any of its Subsidiaries or to any aspect of the Transactions that has been furnished to Buyer by or on behalf of Seller or any of its Subsidiaries; provided that such assignee or participant agrees to hold such information subject to the confidentiality provisions of this Agreement.

In the event Buyer assigns all or a portion of its rights and obligations under this Agreement, the parties hereto agree to negotiate in good faith an amendment to this Agreement to add agency provisions similar to those included in Agreements for similar syndicated repurchase facilities.

#### **SECTION 19. TRANSFER AND MAINTENANCE OF REGISTER**

(a) Subject to acceptance and recording thereof pursuant to paragraph (b) of this Section 19, from and after the effective date specified in each Assignment and Acceptance the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of Buyer under this Agreement. Any assignment or transfer by Buyer of rights or obligations under this Agreement that does not comply with this Section 19 shall be treated for purposes of this Agreement as a sale by such Buyer of a participation in such rights and obligations in accordance with Section 19(b) hereof.

(b) Seller shall maintain a register (the "Register") on which it will record Buyer's rights hereunder, and each Assignment and Acceptance and participation. The Register shall include the names and addresses of Buyer (including all assignees, successors and participants) and the percentage or portion of such rights and obligations assigned. Failure to make any such recordation, or any error in such recordation shall not affect Seller's obligations in respect of such rights. If Buyer sells a participation in its rights hereunder, it shall provide Seller, or maintain as agent of Seller, the information described in this paragraph and permit Seller to review such information as reasonably needed for Seller to comply with its obligations under this Agreement or under any applicable Requirements of Law.

#### **SECTION 20. HYPOTHECATION OR PLEDGE OF PURCHASED MORTGAGE LOANS**

Title to all Purchased Mortgage Loans and Repurchase Assets shall pass to Buyer and Buyer shall have free and unrestricted use of all Purchased Mortgage Loans. Nothing in this Agreement shall preclude Buyer from engaging in repurchase transactions with the Purchased Mortgage Loans or otherwise pledging, repledging, transferring, hypothecating, or rehypothecating the Purchased Mortgage Loans to any Person, including without limitation, the Federal Home Loan Bank. Nothing contained in this Agreement shall obligate Buyer to segregate any Purchased Mortgage Loans delivered to Buyer by Seller.

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**SECTION 21. TAX AND ACCOUNTING TREATMENT**

Each party to this Agreement acknowledges that it is its intent for purposes of U.S. federal, state and local income and franchise taxes, and for accounting purposes, to treat each Transaction as indebtedness of Seller that is secured by the Purchased Mortgage Loans and that the Purchased Mortgage Loans are owned by Seller in the absence of a Default by Seller. All parties to this Agreement agree to such treatment and agree to take no action inconsistent with this treatment, unless required by applicable Requirements of Law or GAAP.

**SECTION 22. SET-OFF**

In addition to any rights and remedies of Buyer hereunder and by law, Buyer shall have the right, without prior notice to Seller, any such notice being expressly waived by Seller to the extent permitted by applicable law, to set-off and appropriate and apply against any Obligation from Seller, or any Affiliate thereof to Buyer or any of its Affiliates any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other obligation (including to return excess margin), credits, indebtedness or claims or cash, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by or due from Buyer or any Affiliate thereof to or for the credit or the account of Seller or any Affiliate thereof. Buyer agrees promptly to notify Seller after any such set off and application made by Buyer; provided that the failure to give such notice shall not affect the validity of such set off and application.

Buyer shall at any time have the right, in each case until such time as Buyer determines otherwise, to retain, to suspend payment or performance of, or to decline to remit, any amount or property that Buyer would otherwise be obligated to pay, remit or deliver to Seller hereunder if an Event of Default or Default has occurred.

**SECTION 23. TERMINABILITY**

Each representation and warranty made or deemed to be made by entering into a Transaction, herein or pursuant hereto shall survive the making of such representation and warranty, and Buyer shall not be deemed to have waived any Default that may arise because any such representation or warranty shall have proved to be false or misleading, notwithstanding that Buyer may have had notice or knowledge or reason to believe that such representation or warranty was false or misleading at the time the Transaction was made. Notwithstanding any such termination or the occurrence of an Event of Default, all of the representations and warranties and covenants hereunder shall continue and survive.

**SECTION 24. NOTICES AND OTHER COMMUNICATIONS**

Except as otherwise expressly permitted by this Agreement, all notices, requests and other communications provided for herein (including without limitation any modifications of, or waivers, requests or consents under, this Agreement) shall be given or made in writing (including without limitation by electronic transmission) delivered to the intended recipient at the "Address for Notices" specified below its name on the signature pages hereof or thereof); or, as to any party, at such other address as shall be designated by such party in a written notice to each other party. In all cases, to the extent that the related individual set forth in the respective "Attention" line is no longer employed by the respective Person, such notice may be given to the attention of a Responsible Officer of the respective Person or to the attention of such individual or individuals as subsequently notified in writing by a Responsible Officer of the respective Person. Except as otherwise provided in this Agreement and except for notices given under Section 3 (which shall be effective only on receipt), all such communications shall be deemed to have been duly given (a) when transmitted during business hours at the recipient's place of

business by email (if an email address for such purpose is provided for such Person), (b) when delivered, if delivered by hand (including by courier or overnight delivery service), or (c) in the case of a mailed notice, upon receipt, in each case given or addressed as aforesaid.

**SECTION 25. USE OF THE EVERBANK WAREHOUSE ELECTRONIC SYSTEM AND OTHER ELECTRONIC MEDIA**

Seller acknowledges and agrees that Buyer may require or permit certain transactions with Buyer be conducted electronically using Electronic Records and/or Electronic Signatures. Seller consents to the use of Electronic Records and/or Electronic Signatures whenever expressly required or permitted by Buyer and acknowledges and agrees that Seller shall be bound by its Electronic Signature and by the terms, conditions, requirements, information and/or instructions contained in any such Electronic Records.

Seller agrees to adopt as its Electronic Signature its user identification codes, passwords, personal identification numbers, access codes, a facsimile image of a written signature and/or other symbols or processes as provided or required by Buyer from time to time (as a group, any subgroup thereof or individually, hereinafter referred to as Seller's Electronic Signature). Seller acknowledges that Buyer will rely on any and all Electronic Records and on Seller's Electronic Signature transmitted or submitted to Buyer.

Buyer shall not be liable for the failure of either its or Seller's internet service provider, or any other telecommunications company, telephone company, satellite company or cable company to timely, properly and accurately transmit any Electronic Record or fax copy.

Before engaging in Electronic Transactions with Seller, Buyer may provide Seller, or require Seller to create, user identification codes, passwords, personal identification numbers and/or access codes, as applicable, to permit access to Buyer's computer information processing system. Each Person permitted access to the EverBank Warehouse Electronic System must have a separate identification code and password. Seller shall be fully responsible for protecting and safeguarding any and all user identification codes, passwords, personal identification numbers and access codes provided or required by Buyer. Seller shall adopt and maintain security measures to prevent the loss, theft or unauthorized or improper disclosure or use of any and all user identification codes, passwords, personal identification numbers and/or access codes by Persons other than the individual Person who is authorized to use such information. Seller shall notify Buyer immediately in the event (i) of any loss, theft or unauthorized disclosure or use of any of the user identification codes, passwords, personal identification numbers and/or access codes or (ii) Seller has any reason to believe there has been a breach of security or that its access to EverBank Warehouse Electronic System is no longer secure for any reason.

Seller understands and agrees that it shall be fully responsible for protecting and safeguarding its computer hardware and software from any and all (a) computer "viruses," "time bombs," "trojan horses" or other harmful computer information, commands, codes or programs that may cause or facilitate the destruction, corruption, malfunction or appropriation of, or damage or change to, any of Seller's or Buyer's computer information processing systems, including without limitation, all hardware, software, Electronic Records, information, data and/or codes and (b) computer "worms," "trap doors" or other harmful computer information, commands, codes or programs that enable unauthorized access to Seller's and/or Buyer's computer information processing systems, including without limitation, all hardware, software, Electronic Records, information, data and/or codes.

Seller agrees that Buyer may, in its sole discretion and from time to time, without limiting Seller's liability set forth herein, establish minimum security standards that Seller must, at a

minimum, comply with in an effort to (x) protect and safeguard any and all user identification codes, passwords, personal identification numbers and/or access codes from loss, theft or unauthorized disclosure or use; and (y) prevent the infiltration and “infection” of Seller’s hardware and/or software by any and all computer “viruses,” “time bombs,” “trojan horses,” “worms,” “trapdoors” or other harmful computer codes or programs.

If Buyer, from time to time, establishes minimum security standards, Seller shall comply with such minimum security standards within the time period established by Buyer. Buyer shall have the right to confirm Seller’s compliance with any such minimum security standards. Seller’s compliance with such minimum security standards shall not relieve Seller from any of its liability set forth herein.

Whether or not Buyer establishes minimum security standards, Seller shall continue to be fully responsible for adopting and maintaining security measures that are consistent with the risks associated with conducting electronic transactions with Buyer. Seller’s failure to adopt and maintain appropriate security measures or to comply with any minimum security standards established by Buyer may result in, among other things, termination of Seller’s access to Buyer’s computer information processing systems.

Seller understands and agrees that certain elements or components of the EverBank Warehouse Electronic System may be provided by third party vendors, and hereby holds Buyer harmless from any liabilities, losses, damages, judgments, costs and expenses of any kind which may be imposed on, incurred by or asserted against any Seller Party relating to or arising out of Seller’s use of the EverBank Warehouse System including, without limitation, the use or failure of any elements or components provided by third party vendors.

#### **SECTION 26. ENTIRE AGREEMENT; SEVERABILITY; SINGLE AGREEMENT**

This Agreement, together with the Facility Documents, constitute the entire understanding between Buyer and Seller with respect to the subject matter they cover and shall supersede any existing agreements between the parties containing general terms and conditions for repurchase transactions involving Purchased Mortgage Loans. By acceptance of this Agreement, Buyer and Seller each acknowledge that they have not made, and are not relying upon, any statements, representations, promises or undertakings not contained in this Agreement. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

Buyer and Seller acknowledge that, and have entered hereinto and will enter into each Transaction hereunder in consideration of and in reliance upon the fact that all Transactions hereunder constitute a single business and contractual relationship and that each has been entered into in consideration of the other Transactions. Accordingly, each of Buyer and Seller agrees (i) to perform all of its obligations in respect of each Transaction hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Transactions hereunder, (ii) that Buyer shall be entitled to set off claims and apply property held by it in respect of any Transaction against obligations owing to it in respect of any other Transaction hereunder, (iii) that payments, deliveries, and other transfers made by either of them in respect of any Transaction shall be deemed to have been made in consideration of payments, deliveries, and other transfers in respect of any other Transactions hereunder, and the obligations to make any such payments, deliveries, and other transfers may be applied against each other and netted, and (iv) to promptly provide notice to the other after any such set off or application.

#### **SECTION 27. GOVERNING LAW**

**THIS AGREEMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF, OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW. NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE EFFECTIVENESS, VALIDITY AND ENFORCEABILITY OF ELECTRONIC CONTRACTS, OTHER RECORDS, ELECTRONIC RECORDS AND ELECTRONIC SIGNATURES USED IN CONNECTION WITH ANY ELECTRONIC TRANSACTION BETWEEN BUYER AND SELLER SHALL BE GOVERNED BY E-SIGN.**

**SECTION 28. SUBMISSION TO JURISDICTION; WAIVERS**

**BUYER AND SELLER HEREBY IRREVOCABLY AND UNCONDITIONALLY:**

(i) **PURSUANT TO SECTION 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, SUBMITS FOR ITSELF AND ITS PROPERTY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND THE OTHER FACILITY DOCUMENTS, OR FOR RECOGNITION AND ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF, TO THE EXCLUSIVE PERSONAL JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK, THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK, AND APPELLATE COURTS FROM ANY THEREOF;**

(ii) **CONSENTS THAT ANY SUCH ACTION OR PROCEEDING MAY BE BROUGHT IN SUCH COURTS AND, TO THE EXTENT PERMITTED BY LAW, WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT OR THAT SUCH ACTION OR PROCEEDING WAS BROUGHT IN AN INCONVENIENT COURT AND AGREES NOT TO PLEAD OR CLAIM THE SAME;**

(iii) **AGREES THAT SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING MAY BE EFFECTED BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL), POSTAGE PREPAID, TO ITS ADDRESS SET FORTH UNDER ITS SIGNATURE BELOW OR AT SUCH OTHER ADDRESS OF WHICH THE OTHER PARTY SHALL HAVE BEEN NOTIFIED;**

(iv) **AGREES THAT NOTHING HEREIN SHALL AFFECT THE RIGHT TO EFFECT SERVICE OF PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT TO SUE IN ANY OTHER JURISDICTION; AND**

(v) **HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER FACILITY DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.**

**SECTION 29. NO WAIVERS, ETC.**

No failure on the part of Buyer to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under any Facility Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under any Facility

Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein are cumulative and not exclusive of any remedies provided by law. An Event of Default shall be deemed to be continuing unless expressly waived by Buyer in writing.

### **SECTION 30. CONFIDENTIALITY**

Buyer and Seller hereby acknowledge and agree that all written or computer-readable information provided by one party to any other regarding the terms set forth in any of the Facility Documents or the Transactions contemplated thereby (the “Confidential Terms”) shall be kept confidential and shall not be divulged to any party without the prior written consent of such other party except to the extent that (i) it is necessary to do so in working with legal counsel, auditors, taxing authorities or other governmental agencies or regulatory bodies or in order to comply with any applicable federal or state laws, (ii) any of the Confidential Terms are in the public domain other than due to a breach of this covenant, or (iii) in the event of an Event of Default Buyer determines such information to be necessary or desirable to disclose in connection with the marketing and sales of the Purchased Mortgage Loans or otherwise to enforce or exercise Buyer’s rights hereunder. Notwithstanding the foregoing or anything to the contrary contained herein or in any other Facility Document, the parties hereto may disclose to any and all Persons, without limitation of any kind, the federal, state and local tax treatment of the Transactions, any fact relevant to understanding the federal, state and local tax treatment of the Transactions, and all materials of any kind (including opinions or other tax analyses) relating to such federal, state and local tax treatment and that may be relevant to understanding such tax treatment; provided that Seller may not disclose the name of or identifying information with respect to Buyer or any pricing terms (including, without limitation, the Pricing Rate, Warehouse Fees, Purchase Price Percentage and Purchase Price) or other nonpublic business or financial information (including any sublimits and financial covenants) that is unrelated to the federal, state and local tax treatment of the Transactions and is not relevant to understanding the federal, state and local tax treatment of the Transactions, without the prior written consent of Buyer. The provisions set forth in this Section 30 shall survive the termination of this Agreement.

Notwithstanding anything in this Agreement to the contrary, Seller shall comply with all applicable local, state and federal laws, including, without limitation, all privacy and data protection law, rules and regulations that are applicable to the Purchased Assets and/or any applicable terms of this Agreement (the “Confidential Information”). Seller understands that the Confidential Information may contain “nonpublic personal information”, as that term is defined in Section 509(4) of the Gramm-Leach-Bliley Act (the “GLB Act”), and Seller agrees to maintain such nonpublic personal information that it receives hereunder in accordance with the GLB Act and other applicable federal and state privacy laws. Seller shall implement such physical and other security measures as shall be necessary to (a) ensure the security and confidentiality of the “nonpublic personal information” of the “customers” and “consumers” (as those terms are defined in the GLB Act) of Buyer or any Affiliate of Buyer which Buyer holds, (b) protect against any threats or hazards to the security and integrity of such nonpublic personal information, and (c) protect against any unauthorized access to or use of such nonpublic personal information. Seller shall, at a minimum establish and maintain such data security program as is necessary to meet the objectives of the Interagency Guidelines Establishing Standards for Safeguarding Customer Information as set forth in the Code of Federal Regulations at 12 C.F.R. Parts 30, 208, 211, 225, 263, 308, 364, 568 and 570. Upon request, Seller will provide evidence reasonably satisfactory to allow Buyer to confirm that Seller has satisfied its obligations as required under this Section. Without limitation, this may include Buyer’s review of audits, summaries of test results, and other equivalent evaluations of Seller. Seller shall notify Buyer immediately following discovery of any breach or compromise of the security, confidentiality, or integrity of nonpublic personal information of the customers and consumers of Buyer or any Affiliate of Buyer provided directly to Seller by Buyer or such Affiliate. Seller shall provide such

notice to Buyer by personal delivery, by facsimile with confirmation of receipt, or by overnight courier with confirmation of receipt to the applicable requesting individual.

### **SECTION 31. INTENT**

(a) The parties recognize that each Transaction is a “repurchase agreement” as that term is defined in Section 101 of Title 11 of the United States Code, as amended and a “securities contract” as that term is defined in Section 741 of Title 11 of the United States Code, as amended and that all payments hereunder are deemed “margin payments” or “settlement payments” as defined in Title 11 of the United States Code.

(b) It is understood that either party’s right to liquidate Purchased Mortgage Loans delivered to it in connection with Transactions hereunder or to exercise any other remedies pursuant to Section 14 hereof is a contractual right to liquidate such Transaction as described in Sections 555 and 559 of Title 11 of the United States Code, as amended.

(c) The parties agree and acknowledge that if a party hereto is an “insured depository institution,” as such term is defined in the Federal Deposit Insurance Act, as amended (“FDIA”), then each Transaction hereunder is a “qualified financial contract,” a “repurchase agreement” and a “securities contract” as such terms are defined in FDIA and any rules, orders or policy statements thereunder.

(d) It is understood that this Agreement constitutes a “netting contract” as defined in and subject to Title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991 (“FDICIA”) and each payment entitlement and payment obligation under any Transaction hereunder shall constitute a “covered contractual payment entitlement” or “covered contractual payment obligation”, respectively, as defined in and subject to FDICIA (except insofar as one or both of the parties is not a “financial institution” as that term is defined in FDICIA).

### **SECTION 32. DISCLOSURE RELATING TO CERTAIN FEDERAL PROTECTIONS**

The parties acknowledge that they have been advised that:

(a) in the case of Transactions in which one of the parties is a broker or dealer registered with the Securities and Exchange Commission (“SEC”) under Section 15 of the Securities Exchange Act of 1934 (“1934 Act”), the Securities Investor Protection Corporation has taken the position that the provisions of the Securities Investor Protection Act of 1970 (“SIPA”) do not protect the other party with respect to any Transaction hereunder;

(b) in the case of Transactions in which one of the parties is a government securities broker or a government securities dealer registered with the SEC under Section 15C of the 1934 Act, SIPA will not provide protection to the other party with respect to any Transaction hereunder; and

(c) in the case of Transactions in which one of the parties is a financial institution, funds held by the financial institution pursuant to a Transaction hereunder are not a deposit and therefore are not insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, as applicable.

### **SECTION 33. AUTHORIZATIONS**

Any of the persons whose signatures and titles appear on Schedule 3 to the Pricing Letter are authorized, acting singly, to act for Seller or Buyer, as the case may be, under this Agreement.

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**SECTION 34. ACKNOWLEDGEMENT OF ANTI-PREDATORY LENDING POLICIES**

Buyer has in place internal policies and procedures that expressly prohibit its purchase of any High Cost Mortgage Loan.

**SECTION 35. MISCELLANEOUS**

(a) Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart.

(b) Captions. The captions and headings appearing herein are for included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

(c) Acknowledgment. Seller hereby acknowledges that:

(i) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Facility Documents;

(ii) Buyer has no fiduciary relationship to any Seller Party; and

(iii) no joint venture exists between Buyer and any Seller Party.

( d ) Documents Mutually Drafted. Seller and Buyer agree that this Agreement each other Facility Document prepared in connection with the Transactions set forth herein have been mutually drafted and negotiated by each party, and consequently such documents shall not be construed against either party as the drafter thereof.

( e ) Amendments. This Agreement and each other Facility Document (other than the EverBank Warehouse Customer Guide) may only be amended by a written instrument signed by Buyer and Seller. The EverBank Warehouse Customer Guide may be amended from time to time without consent or assent by Seller and such amendments shall be effective immediately upon notice to Seller of the change (whether that notice is sent individually or posted to EverBank Warehouse Electronic System) and Mortgage Loans sold to Buyer after the effective date of any such amendment shall be governed by the revised EverBank Warehouse Customer Guide.

**SECTION 36. GENERAL INTERPRETIVE PRINCIPLES**

For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) 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;

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



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(c) 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;

(d) 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;

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

(f) the term “include” or “including” shall mean without limitation by reason of enumeration;

(g) all times specified herein or in any other Facility Document (unless expressly specified otherwise) are local times in New York, New York unless otherwise stated; and

(h) all references herein or in any Facility Document to “good faith” means good faith as defined in Section 1-201(19) of the Uniform Commercial Code as in effect in the State of New York.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date set forth above.

BUYER:

**EVERBANK**

By: /s/ Katherine M. Walton  
Katherine M. Walton  
Vice President

Address for Notices:

EverBank 100  
Summer Street, Suite 3232  
Boston, Massachusetts 02110  
Attention: Stephen E. Burse  
E-mail: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]  
Telephone No.: [Redacted pursuant to Item 601(a)  
(6) of Reg. S-K]

with copies to:

EverBank 501  
Riverside Avenue  
12<sup>th</sup> Floor  
Jacksonville, Florida 32202  
Attention: Legal Department  
E-mail: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]  
Telephone No.: [Redacted pursuant to Item 601(a)  
(6) of Reg. S-K]

McGuireWoods LLP  
7 Saint Paul Street, Suite 1000  
Baltimore, Maryland 21202  
Attention: Jennifer J. Stearman  
E-mail: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]  
Telephone No.: [Redacted pursuant to Item 601(a)  
(6) of Reg. S-K]

Signature Page to the Master Repurchase Agreement

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SELLER:

**GUILD MORTGAGE COMPANY**

By: /s/ Terry L. Schmidt  
Terry L. Schmidt  
EVP & CFO

Address for Notices:

Guild Mortgage Company  
5898 Copley Drive  
5th Floor  
San Diego, California 92111  
Attention: Terry L. Schmidt  
E-mail: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]  
Telephone No.: [Redacted pursuant to Item 601(a)  
(6) of Reg. S-K]

Signature Page to the Master Repurchase Agreement

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**EVERBANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: First Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter (“First Amendment”).

Ladies and Gentlemen:

This First Amendment is made as of the [ ]th day of July, 2016 (the “Amendment Effective Date”), to that certain Amended and Restated Master Repurchase Agreement, dated July 29, 2015, as amended (the “Repurchase Agreement”) and the Amended and Restated Pricing Letter, dated November 20, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and EverBank (“Buyer”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement.”

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows:

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].

“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

(a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or

(b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or

(c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or

(d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller; or

(e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

Concentration Category	Concentration Limit (percentages based on Maximum Purchase Amount)
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]*
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Aged Mortgage Loans	[***]

\*The aggregate concentration of the Jumbo Mortgage Loans shall be subject to a [\*\*\*] concentration sublimit for Jumbo Mortgage Loans (Specialty) and in such concentration sublimit there shall be no more than (i) [\*\*\*] concentration of Jumbo Mortgage Loans (High DTI), (ii) [\*\*\*] concentration of Jumbo Mortgage Loans (IO), (iii) [\*\*\*] concentration of Jumbo Mortgage Loans (High Limit), (iv) [\*\*\*] concentration of Jumbo Mortgage Loans (Modified DTI) and (v) [\*\*\*] concentration, in the aggregate, of Jumbo Mortgage Loans (High LTV) and Jumbo Mortgage Loans (Ultra LTV), with no more than [\*\*\*] concentration of Jumbo Mortgage Loans (Ultra LTV).

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved

Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a collective reference to Jumbo Mortgage Loans (Standard Limit) and Jumbo Mortgage Loans (Specialty).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio, greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (IO)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Modified DTI)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Specialty)” is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

“Jumbo Mortgage Loans (Standard Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“LIBOR Floor” shall mean 0.00%.

“Low FICO Government Mortgage Loan” shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

“Litigation Threshold” shall mean [\*\*\*] of the Seller’s Adjusted Tangible Net Worth.

“Manufactured Housing Mortgage Loan” shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.

“Maximum Purchase Amount” shall mean [\*\*\*].



“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“Pricing Spread” shall mean:

<b>Type of Mortgage Loan</b>	<b>Percentage</b>
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

(a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller’s obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	***
Jumbo Mortgage Loans (Standard Limit)	***
Jumbo Mortgage Loans (Specialty)	***
State Agency Program Loans	***
Manufactured Housing Mortgage Loans	***
Condo Loans	***
HECMs	***
Low FICO Government Mortgage Loans	***
Aged Mortgage Loans	***

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“State Agency Program Loan” shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

“Surplus Amount” shall mean \*\*\*.

“Termination Date” shall mean July 26, 2017 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan

other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

(a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].

(b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].

(c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller’s compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A, [Omitted pursuant to Item 601(a)(5) of Regulation S-K] evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit, for the [\*\*\*] ending on the relevant Test Date, Seller’s Net Income for such [\*\*\*] (on an aggregate basis) to be less than [\*\*\*].

**SECTION 2. Defined Terms.** Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3. Fees.** In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. There are no fees due and owing in connection with this Amendment.

**SECTION 4. Limited Effect.** Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this First Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect

to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5.** Representations. In order to induce Buyer to execute and deliver this First Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6.** Severability. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8.** Counterparts. This First Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This First Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this First Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*

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

EVERBANK, as Buyer

By: /s/ Katherine M. Walton

Katherine M. Walton

Vice President

GUILD MORTGAGE COMPANY, a California corporation, as Seller

By: /s/ Terry L. Schmidt

Terry L. Schmidt

EVP & CFO

*Signature page First Amendment to MRA and Pricing Letter – Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**EVERBANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Second Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter  
(“Second Amendment”).

Ladies and Gentlemen:

This Second Amendment is made as of the 11th day of January, 2017 (the “Amendment Effective Date”), to that certain Amended and Restated Master Repurchase Agreement, dated July 29, 2015, as amended (the “Repurchase Agreement”) and the Amended and Restated Pricing Letter, dated November 20, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and EverBank (“Buyer”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement”.

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows:

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].

“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

(a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or

(b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or

(c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or

(d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller; or

(e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

Concentration Category	Concentration Limit (percentages based on Maximum Purchase Amount)
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]*
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Aged Mortgage Loans	[***]

\*The aggregate concentration of the Jumbo Mortgage Loans shall be subject to a [\*\*\*] concentration sublimit for Jumbo Mortgage Loans (Specialty) and in such concentration sublimit there shall be no more than (i) [\*\*\*] concentration of Jumbo Mortgage Loans (High DTI), (ii) [\*\*\*] concentration of Jumbo Mortgage Loans (IO), (iii) [\*\*\*] concentration of Jumbo Mortgage Loans (High Limit), (iv) [\*\*\*] concentration of Jumbo Mortgage Loans (Modified DTI) and (v) [\*\*\*] concentration, in the aggregate, of Jumbo Mortgage Loans (High LTV) and Jumbo Mortgage Loans (Ultra LTV), with no more than [\*\*\*] concentration of Jumbo Mortgage Loans (Ultra LTV).

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.



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“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a collective reference to Jumbo Mortgage Loans (Standard Limit) and Jumbo Mortgage Loans (Specialty).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio, greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (IO)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Modified DTI)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Specialty)” is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

“Jumbo Mortgage Loans (Standard Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“LIBOR Floor” shall mean 0.00%.

“Low FICO Government Mortgage Loan” shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

“Litigation Threshold” shall mean [\*\*\*] of the Seller’s Adjusted Tangible Net Worth.

“Manufactured Housing Mortgage Loan” shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.

“Maximum Purchase Amount” shall mean [\*\*\*].

“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“Pricing Spread” shall mean:

<b>Type of Mortgage Loan</b>	<b>Percentage</b>
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

(a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller’s obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Jumbo Mortgage Loans (Specialty)	[***]
State Agency Program Loans	[***]
Manufactured Housing Mortgage Loans	[***]
Condo Loans	[***]
HECMs	[***]
Low FICO Government Mortgage Loans	[***]
Aged Mortgage Loans	[***]

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“State Agency Program Loan” shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

“Surplus Amount” shall mean [\*\*\*].

“Termination Date” shall mean July 26, 2017 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

(a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].

(b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].

(c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller’s compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit, for the [\*\*\*] ending on the relevant Test Date, Seller’s Net Income for such [\*\*\*] (on an aggregate basis) to be less than [\*\*\*].

**SECTION 2. Defined Terms.** Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3. Fees.** In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. There are no fees due and owing in connection with this Amendment.

**SECTION 4. Limited Effect.** Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Second Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

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**SECTION 5. Representations.** In order to induce Buyer to execute and deliver this Second Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6. Severability.** Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8. Counterparts.** This Second Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This Second Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Second Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*

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

EVERBANK, as Buyer

By: /s/ Katherine M. Walton  
Katherine M. Walton  
Vice President

GUILD MORTGAGE COMPANY, a California corporation, as Seller

By: /s/ Terry L. Schmidt  
Terry L. Schmidt  
EVP & CFO

*Signature page Second Amendment to MRA and Pricing Letter – Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**TIAA, FSB**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Third Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter (“Third Amendment”).

Ladies and Gentlemen:

This Third Amendment is made as of the 26<sup>th</sup> day of July, 2017 (the “Amendment Effective Date”), to that certain Amended and Restated Master Repurchase Agreement, dated as of July 29, 2015, as amended (the “Repurchase Agreement”) and the Amended and Restated Pricing Letter, dated as of July 29, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and TIAA, FSB, formerly known as EverBank (“Buyer” or “EverBank”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement”.

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows:

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].



“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

(a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or

(b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or

(c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or

(d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller; or

(e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

Concentration Category	Concentration Limit (percentages based on Maximum Purchase Amount)
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Aged Mortgage Loans	[***]

\*The aggregate concentration of the Jumbo Mortgage Loans shall be subject to a [\*\*\*] concentration sublimit for Jumbo Mortgage Loans (Specialty) and in such concentration sublimit there shall be no more than (i) [\*\*\*] concentration of Jumbo Mortgage Loans (High DTI), (ii) [\*\*\*] concentration of Jumbo Mortgage Loans (IO), (iii) [\*\*\*] concentration of Jumbo Mortgage Loans (High Limit), (iv) [\*\*\*] concentration of Jumbo Mortgage Loans (Modified DTI) and (v) [\*\*\*] concentration, in the aggregate, of Jumbo Mortgage Loans (High LTV) and Jumbo Mortgage Loans (Ultra LTV), with no more than [\*\*\*] concentration of Jumbo Mortgage Loans (Ultra LTV).

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a collective reference to Jumbo Mortgage Loans (Standard Limit) and Jumbo Mortgage Loans (Specialty).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio, greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (IO)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Modified DTI)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Specialty)” is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

“Jumbo Mortgage Loans (Standard Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“LIBOR Floor” shall mean 0.00%.

“Low FICO Government Mortgage Loan” shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

“Litigation Threshold” shall mean [\*\*\*] of the Seller’s Adjusted Tangible Net Worth.

“Manufactured Housing Mortgage Loan” shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.

“Maximum Purchase Amount” shall mean [\*\*\*] minus the then outstanding principal balance of the Loan (as defined in the Servicing Rights Facility).

“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“Pricing Spread” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	***
Jumbo Mortgage Loans (Standard Limit)	***
Manufactured Housing Mortgage Loans	***
State Agency Program Loans	***
HECMs	***
Condo Loans	***
Jumbo Mortgage Loans (Specialty)	***
Aged Mortgage Loans	***
Low FICO Government Mortgage Loans	***
Mortgage Loans exceeding the applicable Transaction Term Limitation	***

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

(a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller’s obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Jumbo Mortgage Loans (Specialty)	[***]
State Agency Program Loans	[***]
Manufactured Housing Mortgage Loans	[***]
Condo Loans	[***]
HECMs	[***]
Low FICO Government Mortgage Loans	[***]
Aged Mortgage Loans	[***]

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“Servicing Rights Facility” shall mean that certain Loan and Security Agreement, dated as of July 26, 2017, by and between Seller, as borrower, and Buyer, as bank, as the same may be amended or revised from time to time.

“State Agency Program Loan” shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

“Surplus Amount” shall mean [\*\*\*].

“Termination Date” shall mean July 25, 2018 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

(a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].

(b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than 10:1.

(c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller’s compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit (i) for any [\*\*\*] (on an individual fiscal quarter, and not aggregate, basis), Seller’s Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such [\*\*\*] to be less than [\*\*\*] and (2) for any [\*\*\*], Seller’s Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*].

**SECTION 2. Defined Terms.** Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3. Fees.** In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. Other than an annual [\*\*\*] due diligence fee and any fees due and owing in accordance with the Servicing Rights Facility, there are no fees due and owing in connection with this Amendment.

**SECTION 4.** Limited Effect. Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Third Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5.** Representations. In order to induce Buyer to execute and deliver this Third Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6.** Severability. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8.** Counterparts. This Third Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This Third Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Third Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*



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

TIAA, FSB, as Buyer

By: /s/ Katherine M. Walton  
Katherine M. Walton  
Vice President

GUILD MORTGAGE COMPANY, a California corporation, as Seller

By: /s/ Terry L. Schmidt  
Terry L. Schmidt  
EVP & CFO

*Signature page Third Amendment to MRA and Pricing Letter – Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**TIAA BANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Fourth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter (“Fourth Amendment”).

Ladies and Gentlemen:

This Fourth Amendment is made as of the 19th day of July, 2018 (the “Amendment Effective Date”), to that certain Master Repurchase Agreement, dated as of July 29, 2015, as amended (the “Repurchase Agreement”) and the Pricing Letter, dated as of July 29, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and TIAA, FSB, formerly known as EverBank (“Buyer” or “EverBank”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement.”

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows:

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM, an FHA 203(k) Loan, or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].

“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, FHA 203(k) Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

(a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or

(b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or

(c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or

(d) [\*\*\*] and [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller; or

(e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

Concentration Category	Concentration Limit (percentages based on Maximum Purchase Amount)
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Aged Mortgage Loans	[***]

\*The aggregate concentration of the Jumbo Mortgage Loans shall be subject to a [\*\*\*] concentration sublimit for Jumbo Mortgage Loans (Specialty) and in such concentration sublimit there shall be no more than (i) [\*\*\*] concentration of Jumbo Mortgage Loans (High DTI), (ii) [\*\*\*] concentration of Jumbo Mortgage Loans (IO), (iii) [\*\*\*] concentration of Jumbo Mortgage Loans (High Limit), (iv) [\*\*\*] concentration of Jumbo Mortgage Loans (Modified DTI) and (v) [\*\*\*] concentration, in the aggregate, of Jumbo Mortgage Loans (High LTV) and Jumbo Mortgage Loans (Ultra LTV), with no more than [\*\*\*] concentration of Jumbo Mortgage Loans (Ultra LTV).

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan, an FHA 203(k) Loans or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“FHA 203(k) Loan” shall mean first lien Mortgage Loans that meet all the requirements for mortgage insurance issued by FHA under the Section 203(k) Rehabilitation Mortgage Insurance Program.

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a collective reference to Jumbo Mortgage Loans (Standard Limit) and Jumbo Mortgage Loans (Specialty).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio, greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (IO)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Modified DTI)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Specialty)” is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

“Jumbo Mortgage Loans (Standard Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“LIBOR Floor” shall mean [\*\*\*].

“Low FICO Government Mortgage Loan” shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

“Litigation Threshold” shall mean [\*\*\*] of the Seller’s Adjusted Tangible Net Worth.

“Manufactured Housing Mortgage Loan” shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.

“Maximum Purchase Amount” shall mean [\*\*\*] minus the then outstanding principal balance of the Loan (as defined in the Servicing Rights Facility).

“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“Pricing Spread” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, FHA 203(k) Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

(a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the

amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller's obligations under Section 9 of the Agreement.

"Purchase Price Percentage" shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans, FHA 203(k) Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Jumbo Mortgage Loans (Specialty)	[***]
State Agency Program Loans	[***]
Manufactured Housing Mortgage Loans	[***]
Condo Loans	[***]
HECMs	[***]
Low FICO Government Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Aged Mortgage Loans	[***]

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

"Relative" shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

"Reporting Date" shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

"Servicing Rights Facility" shall mean that certain Loan and Security Agreement, dated as of July 26, 2017, by and between Seller, as borrower, and Buyer, as bank, as the same may be amended or revised from time to time.

"State Agency Program Loan" shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

"Surplus Amount" shall mean [\*\*\*].

"Termination Date" shall mean July 18, 2019 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.



“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

(a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].

(b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].

(c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller’s compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit (i) for any [\*\*\*] (on an individual fiscal quarter, and not aggregate, basis), Seller’s Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such [\*\*\*] to be less than [\*\*\*] and (2) for any [\*\*\*], Seller’s Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*].

**SECTION 2. Defined Terms.** Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3. Fees.** In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. Other than an annual [\*\*\*]

due diligence fee and any fees due and owing in accordance with the Servicing Rights Facility, there are no fees due and owing in connection with this Amendment.

**SECTION 4.** Limited Effect. Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Fourth Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5.** Representations. In order to induce Buyer to execute and deliver this Fourth Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6.** Severability. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8.** Counterparts. This Fourth Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This Fourth Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Fourth Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*

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

TIAA, FSB, as Buyer

By: /s/ Katherine M. Walton

Katherine M. Walton  
Vice President

GUILD MORTGAGE COMPANY, a California corporation, as Seller

By: /s/ Terry L. Schmidt

Terry L. Schmidt  
EVP & CFO

*Signature page Fourth Amendment to MRA and Pricing Letter – Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**TIAA BANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Fifth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter ("Fifth Amendment").

Ladies and Gentlemen:

This Fifth Amendment is made as of the 29th day of March, 2019 (the "Amendment Effective Date"), to that certain Master Repurchase Agreement, dated as of July 29, 2015, as amended (the "Repurchase Agreement") and the Pricing Letter, dated as of July 29, 2015, as amended (the "Pricing Letter"), in each case by and between Guild Mortgage Company ("Seller") and TIAA, FSB, formerly known as EverBank ("Buyer" or "EverBank"). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the "Agreement".

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows:

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

"Adjusted Indebtedness" means, at any date, the result of (a) Seller's Indebtedness on such date, minus (b) the unpaid principal of Seller's Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller's Indebtedness in calculating Seller's Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

"Aged Mortgage Loan" shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM, an FHA 203(k) Loan, or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].

“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, FHA 203(k) Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

(a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or

(b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or

(c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or

(d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller;  
or

(e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

Concentration Category	Concentration Limit (percentages based on Maximum Purchase Amount)
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]*
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Aged Mortgage Loans	[***]

\*The aggregate concentration of the Jumbo Mortgage Loans shall be subject to a [\*\*\*] concentration sublimit for Jumbo Mortgage Loans (Specialty) and in such concentration sublimit there shall be no more than (i) [\*\*\*] concentration of Jumbo Mortgage Loans (High DTI), (ii) [\*\*\*] concentration of Jumbo Mortgage Loans (IO), (iii) [\*\*\*] concentration of Jumbo Mortgage Loans (High Limit), (iv) [\*\*\*] concentration of Jumbo Mortgage Loans (Modified DTI) and (v) [\*\*\*] concentration, in the aggregate, of Jumbo Mortgage Loans (High LTV) and Jumbo Mortgage Loans (Ultra LTV), with no more than [\*\*\*] concentration of Jumbo Mortgage Loans (Ultra LTV).

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan, an FHA 203(k) Loans or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“FHA 203(k) Loan” shall mean first lien Mortgage Loans that meet all the requirements for mortgage insurance issued by FHA under the Section 203(k) Rehabilitation Mortgage Insurance Program.

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a collective reference to Jumbo Mortgage Loans (Standard Limit) and Jumbo Mortgage Loans (Specialty).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio,

greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (IO)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Modified DTI)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Specialty)” is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

“Jumbo Mortgage Loans (Standard Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“LIBOR Floor” shall mean [\*\*\*].

“Low FICO Government Mortgage Loan” shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

“Litigation Threshold” shall mean 1% of the Seller’s Adjusted Tangible Net Worth.

“Manufactured Housing Mortgage Loan” shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.



“Maximum Purchase Amount” shall mean [\*\*\*] minus the then outstanding principal balance of the Loan (as defined in the Servicing Rights Facility).

“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“Pricing Spread” shall mean:

<b>Type of Mortgage Loan</b>	<b>Percentage</b>
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, FHA 203(k) Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

- (a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding

principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller’s obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans, FHA 203(k) Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Jumbo Mortgage Loans (Specialty)	[***]
State Agency Program Loans	[***]
Manufactured Housing Mortgage Loans	[***]
Condo Loans	[***]
HECMs	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Aged Mortgage Loans	[***]

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“Second Lien Mortgage Loan” shall mean (a)(i) a second lien mortgage loan that is originated by Seller contemporaneously with a first lien mortgage loan on the identical Mortgaged Property, and (ii) the first lien mortgage loan related to the Mortgage Property is (x) a Purchased Mortgage Loan and (y) a Qualified Mortgage, as defined in 12 CFR 1026.43, *et seq.*; and (b) that except with respect to the lien position thereof, (i) conforms to the requirements for securitization or

cash purchase by an Agency, (ii) that satisfies Seller's Underwriting Guidelines for second lien mortgage loans, (iii) that has a FICO score of at least [\*\*\*], (iv) has a principal balance no greater than [\*\*\*], (v) has a combined loan to value no greater than [\*\*\*], and (vi) that is subject to a Takeout Commitment.

"Servicing Rights Facility" shall mean that certain Loan and Security Agreement, dated as of July 26, 2017, by and between Seller, as borrower, and Buyer, as bank, as the same may be amended or revised from time to time.

"State Agency Program Loan" shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

"Surplus Amount" shall mean [\*\*\*].

"Termination Date" shall mean July 18, 2019 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

"Test Date" shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

"Transaction Term Limitation" shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

"Warehouse Fees" shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

"Wet Delivery Deadline" shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer's sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

- (a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].
- (b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].
- (c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller's compliance with the foregoing liquidity

maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit (i) for any [\*\*\*] (on an individual fiscal quarter, and not aggregate, basis), Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such [\*\*\*] to be less than [\*\*\*] and (2) for any [\*\*\*], Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*].

(b) The following definition contained in Section 2 of the Repurchase Agreement shall be amended and restated in its entirety:

“Mortgage Loan” shall mean any one-to-four-family residential mortgage loan evidenced by a Mortgage Note and secured by a Mortgage.”

(c) The following is added at the end of the first paragraph in Schedule 1 of the Repurchase Agreement:

“To the extent that the Repurchase Agreement expressly permits a Mortgage Loan to violate any of the representations and warranties below, said Representation and Warranty shall be deemed inapplicable to that specific Mortgage Loan.”

**SECTION 2.** Defined Terms. Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3.** Fees. In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. There are no fees due and owing in connection with this Amendment.

**SECTION 4.** Limited Effect. Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Fifth Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5.** Representations. In order to induce Buyer to execute and deliver this Fifth Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

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**SECTION 6. Severability.** Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8. Counterparts.** This Fifth Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This Fifth Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Fifth Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*

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

TIAA, FSB, as Buyer

By: /s/ Katherine M. Walton

Katherine M. Walton  
Vice President

GUILD MORTGAGE COMPANY, a California corporation, as Seller

By: /s/ Terry L. Schmidt

Terry L. Schmidt  
EVP & CFO

*Signature page Fifth Amendment to MRA and Pricing Letter – Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**TIAA BANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Sixth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter (“Sixth Amendment”).

Ladies and Gentlemen:

This Sixth Amendment is made as of the 18th day of July, 2019 (the “Amendment Effective Date”), to that certain Master Repurchase Agreement, dated as of July 29, 2015, as amended (the “Repurchase Agreement”) and the Pricing Letter, dated as of July 29, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and TIAA, FSB, formerly known as EverBank (“Buyer” or “EverBank”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement.”

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows:

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM, an FHA 203(k) Loan, or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].

“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, FHA 203(k) Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

(a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or

(b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or

(c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or

(d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller;  
or

(e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.



<b>Concentration Category</b>	<b>Concentration Limit (percentages based on Maximum Purchase Amount)</b>
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]*
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

\*The aggregate concentration of the Jumbo Mortgage Loans shall be subject to a [\*\*\*] concentration sublimit for Jumbo Mortgage Loans (Specialty) and in such concentration sublimit there shall be no more than (i) [\*\*\*] concentration of Jumbo Mortgage Loans (High DTI), (ii) [\*\*\*] concentration of Jumbo Mortgage Loans (IO), (iii) [\*\*\*] concentration of Jumbo Mortgage Loans (High Limit), (iv) [\*\*\*] concentration of Jumbo Mortgage Loans (Modified DTI) and (v) [\*\*\*] concentration, in the aggregate, of Jumbo Mortgage Loans (High LTV) and Jumbo Mortgage Loans (Ultra LTV), with no more than [\*\*\*] concentration of Jumbo Mortgage Loans (Ultra LTV).

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan, an FHA 203(k) Loans or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“Fannie Mae Renovation Loan” shall mean first lien Mortgage Loans that meet all the requirements for a Fannie Mae Renovation Mortgage.

“FHA 203(k) Loan” shall mean first lien Mortgage Loans that meet all the requirements for mortgage insurance issued by FHA under the Section 203(k) Rehabilitation Mortgage Insurance Program.

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a collective reference to Jumbo Mortgage Loans (Standard Limit) and Jumbo Mortgage Loans (Specialty).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the

original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio, greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

"Jumbo Mortgage Loans (IO)" shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

"Jumbo Mortgage Loans (Modified DTI)" shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

"Jumbo Mortgage Loans (Specialty)" is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

"Jumbo Mortgage Loans (Standard Limit)" shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

"LIBOR Floor" shall mean 0.00%.

"Low FICO Government Mortgage Loan" shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

"Litigation Threshold" shall mean [\*\*\*] of the Seller's Adjusted Tangible Net Worth.

"Manufactured Housing Mortgage Loan" shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on

which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.

“Maximum Purchase Amount” shall mean [\*\*\*] minus the then outstanding principal balance of the Loan (as defined in the Servicing Rights Facility).

“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“Pricing Spread” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, FHA 203(k) Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

(a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller’s obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

<b>Type of Mortgage Loan</b>	<b>Percentage</b>
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans, FHA 203(k) Loans and State Agency Program Loans)	[**]
Jumbo Mortgage Loans (Standard Limit)	[**]
Jumbo Mortgage Loans (Specialty)	[**]
State Agency Program Loans	[**]
Manufactured Housing Mortgage Loans	[**]
Condo Loans	[**]
HECMs	[**]
Low FICO Government Mortgage Loans	[**]
Second Lien Mortgage Loans	[**]
FHA 203(k) Loans	[**]
Fannie Mae Renovation Loans	[**]
Aged Mortgage Loans	[**]

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“Second Lien Mortgage Loan” shall mean (a)(i) a second lien mortgage loan that is originated by Seller contemporaneously with a first lien mortgage loan on the identical Mortgaged Property, and (ii) the first lien mortgage loan related to the Mortgage Property is (x) a Purchased Mortgage Loan and (y) a Qualified Mortgage, as defined in 12 CFR 1026.43, *et seq.*; and (b) that except with respect to the lien position thereof, (i) conforms to the requirements for securitization or cash purchase by an Agency, (ii) that satisfies Seller’s Underwriting Guidelines for second lien mortgage loans, (iii) that has a FICO score of at least [\*\*\*], (iv) has a principal balance no greater than [\*\*\*], (v) has a combined loan to value no greater than [\*\*\*], and (vi) that is subject to a Takeout Commitment.

“Servicing Rights Facility” shall mean that certain Loan and Security Agreement, dated as of July 26, 2017, by and between Seller, as borrower, and Buyer, as bank, as the same may be amended or revised from time to time.

“State Agency Program Loan” shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

“Surplus Amount” shall mean [\*\*\*].

“Termination Date” shall mean July 16, 2020 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

(a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].

(b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].

(c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller's compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit (i) for any [\*\*\*] (on an individual [\*\*\*], and not aggregate, basis), Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such [\*\*\*] to be less than [\*\*\*]; or (ii) for any [\*\*\*], Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*].

(b) The following definition contained in Section 2 of the Repurchase Agreement shall be amended and restated in its entirety:

““Mortgage Loan” shall mean any one-to-four-family residential mortgage loan evidenced by a Mortgage Note and secured by a Mortgage.”

(c) The following is added at the end of the first paragraph in Schedule 1 of the Repurchase Agreement:

“To the extent that the Repurchase Agreement expressly permits a Mortgage Loan to violate any of the representations and warranties below, said Representation and Warranty shall be deemed inapplicable to that specific Mortgage Loan.”

**SECTION 2.** Defined Terms. Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3.** Fees. In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. Other than a [\*\*\*] due diligence fee, there are no fees due and owing in connection with this Amendment.

**SECTION 4.** Limited Effect. Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Sixth Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5.** Representations. In order to induce Buyer to execute and deliver this Sixth Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties

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and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6.** Severability. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8.** Counterparts. This Sixth Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This Sixth Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Sixth Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*



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

TIAA, FSB, as Buyer

By: /s/ Katherine M. Walton

Katherine M. Walton  
Vice President

GUILD MORTGAGE COMPANY, a California  
corporation, as Seller

By: /s/ Terry L. Schmidt

Terry L. Schmidt  
EVP & CFO

*Signature page Sixth Amendment to MRA and Pricing Letter – Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED

**TIAA BANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Seventh Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter (“Seventh Amendment”)

Ladies and Gentlemen:

This Seventh Amendment is made as of the [ ] day of August, 2019 (the “Amendment Effective Date”), to that certain Master Repurchase Agreement, dated as of July 29, 2015, as amended (the “Repurchase Agreement”) and the Pricing Letter, dated as of July 29, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and TIAA, FSB, formerly known as EverBank (“Buyer” or “EverBank”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement.”

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows:

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions**. The following terms shall have the meanings set forth below;

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM, an FHA 203(k) Loan, or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].

“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, FHA 203(k) Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

- (a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or
- (b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or
- (c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or
- (d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller; or
- (e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

Concentration Category	Concentration Limit (percentages based on Maximum Purchase Amount)
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]*
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

\*The aggregate concentration of the Jumbo Mortgage Loans shall be subject to a [\*\*\*] concentration sublimit for Jumbo Mortgage Loans (Specialty) and in such concentration sublimit there shall be no more than (i) [\*\*\*] concentration of Jumbo Mortgage Loans (High DTI), (ii) [\*\*\*] concentration of Jumbo Mortgage Loans (IO), (iii) [\*\*\*] concentration of Jumbo Mortgage Loans (High Limit), (iv) [\*\*\*] concentration of Jumbo Mortgage Loans (Modified DTI) and (v) [\*\*\*] concentration, in the aggregate, of Jumbo Mortgage Loans (High LTV) and Jumbo Mortgage Loans (Ultra LTV), with no more than [\*\*\*] concentration of Jumbo Mortgage Loans (Ultra LTV).

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan, an FHA 203(k) Loans or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan ( other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“Fannie Mae Renovation Loan” shall mean first lien Mortgage Loans that meet all the requirements for a Fannie Mae Renovation Mortgage.

“FHA 203(k) Loan” shall mean first lien Mortgage Loans that meet all the requirements for mortgage insurance issued by FHA under the Section 203(k) Rehabilitation Mortgage Insurance Program.

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a collective reference to Jumbo Mortgage Loans (Standard Limit) and Jumbo Mortgage Loans (Specialty).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the

original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio, greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (IO)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Modified DTI)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Specialty)” is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

“Jumbo Mortgage Loans (Standard Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“LIBOR Floor” shall mean 0.00%.

“Low FICO Government Mortgage Loan” shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

“Litigation Threshold” shall mean [\*\*\*] of the Seller's Adjusted Tangible Net Worth.

“Manufactured Housing Mortgage Loan” shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly tiled in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on

which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e) (10) of the Code.

“Maximum Purchase Amount” shall mean [\*\*\*] minus the then outstanding principal balance of the Loan (as defined in the Servicing Rights Facility).

“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*]

“Pricing Spread” shall mean:

<b>Type of Mortgage Loan</b>	<b>Percentage</b>
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, FHA 203(k) Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

(a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller’s obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans, FHA 203(k) Loans and State Agency Program Loans)	***
Jumbo Mortgage Loans (Standard Limit)	***
Jumbo Mortgage Loans (Specialty)	***
State Agency Program Loans	***
Manufactured Housing Mortgage Loans	***
Condo Loans	***
HECMs	***
Low FICO Government Mortgage Loans	***
Second Lien Mortgage Loans	***
FHA 203(k) Loans	***
Fannie Mae Renovation Loans	***
Aged Mortgage Loans	***

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.



“Second Lien Mortgage Loan” shall mean (a)(i) a second lien mortgage loan that is originated by Seller contemporaneously with a first lien mortgage loan on the identical Mortgaged Property, and (ii) the first lien mortgage loan related to the Mortgage Property is (x) a Purchased Mortgage Loan and (y) a Qualified Mortgage, as defined in 12 CFR I 026.43, *et seq.*; and (b) that except with respect to the lien position thereof, (i) conforms to the requirements for securitization or cash purchase by an Agency, (ii) that satisfies Seller’s Underwriting Guidelines for second lien mortgage loans, (iii) that has a FICO score of at least [\*\*\*], (iv) has a principal balance no greater than [\*\*\*], (v) has a combined loan to value no greater than [\*\*\*], and (vi) that is subject to a Takeout Commitment.

“Servicing Rights Facility” shall mean that certain Loan and Security Agreement, dated as of July 26, 2017, by and between Seller, as borrower, and Buyer, as bank, as the same may be amended or revised from time to time.

“State Agency Program Loan” shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

“Surplus Amount” shall mean [\*\*\*].

“Termination Date” shall mean July 16, 2020 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule I [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

- (a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].
- (b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].

(c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller's compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit (i) for any [\*\*\*] (on an individual [\*\*\*], and not aggregate. basis). Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such fiscal quarter to be less than [\*\*\*]; or (ii) for any [\*\*\*], Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*].

(b) The following definition contained in Section 2 of the Repurchase Agreement shall be amended and restated in its entirety:

““Mortgage Loan” shall mean any one-to-four-family residential mortgage loan evidenced by a Mortgage Note and secured by a Mortgage.”

(c) The following is added at the end of the first paragraph in Schedule 1 of the Repurchase Agreement:

“To the extent that the Repurchase Agreement expressly permits a Mortgage Loan to violate any of the representations and warranties below, said Representation and Warranty shall be deemed inapplicable to that specific Mortgage Loan.”

**SECTION 2. Defined Terms.** Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3. Fees.** In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. There are no fees due and owing in connection with this Amendment.

**SECTION 4. Limited Effect.** Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its term. Reference to this Seventh Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or *in* any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5. Representations.** In order to induce Buyer to execute and deliver this Seventh Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties

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and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6.** Severability. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8.** Counterparts. This Seventh Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This Seventh Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Seventh Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*

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

TIAA, FSB, as Buyer

By: /s/ Katherine M. Walton

Katherine M. Walton  
Vice President

GUILD MORTGAGE COMPANY, a California  
corporation, as Seller

By: /s/ Terry L. Schmidt

Terry L. Schmidt  
EVP & CFO

*Signature page Seventh Amendment to MRA and Pricing letter – Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**TIAA BANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Eighth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter (“Eighth Amendment”).

Ladies and Gentlemen:

This Eighth Amendment is made as of the [ ] day of February 2020 (the “Amendment Effective Date”), to that certain Master Repurchase Agreement, dated as of July 29, 2015, as amended (the “Repurchase Agreement”) and the Pricing Letter, dated as of July 29, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and TIAA, FSB, formerly known as EverBank (“Buyer” or “EverBank”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement.”

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows:

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a manufactured Housing Mortgage Loan, a HECM, an FHA 203(k) Loan, or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].

“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, FHA 203(k) Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

- (a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or
- (b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or
- (c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or
- (d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller; or
- (e) a change in the majority of the board of directors of Seller during any twelve-month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

Concentration Category	Concentration Limit (percentages based on Maximum Purchase Amount)
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

\*The aggregate concentration of the Jumbo Mortgage Loans shall be subject to a [\*\*\*] concentration sublimit for Jumbo Mortgage Loans (Specialty) and in such concentration sublimit there shall be no more than (i) [\*\*\*] concentration of Jumbo Mortgage Loans (High DTI), (ii) [\*\*\*] concentration of Jumbo Mortgage Loans (IO), (iii) [\*\*\*] concentration of Jumbo Mortgage Loans (High Limit), (iv) [\*\*\*] concentration of Jumbo Mortgage Loans (Modified DTI ) and (v) [\*\*\*] concentration. in the aggregate, of Jumbo Mortgage Loans (High LTV) and Jumbo Mortgage Loans (Ultra LTV), with no more than [\*\*\*] concentration of Jumbo Mortgage Loans (Ultra LTV).

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan, an FHA 203(k) Loans or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“Fannie Mae Renovation Loan” shall mean first lien Mortgage Loans that meet all the requirements for a Fannie Mae Renovation Mortgage.

“FHA 203(k) Loan” shall mean first lien Mortgage Loans that meet all the requirement for mortgage insurance issued by FHA under the Section 203(k) Rehabilitation Mortgage insurance Program.

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a collective reference to Jumbo Mortgage Loans (Standard Limit) and Jumbo Mortgage Loans (Specialty).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization Loan-to-Value or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a L Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines (or jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the



original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio. greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (IO)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that except with respect to (x) the original principal balance thereof and (y) the failure to amortize. conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*]. (vi) with Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Modified DTI)” shall mean a Mortgage Loan. with or without a Takeout Commitment. (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTJ. conforms to the requirements for securitization or cash purchase by an Agency. (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified OTT not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Specialty)” is a collective reference to Jumbo Mortgage Loans (High DTI). Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

“Jumbo Mortgage Loans (Standard Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“LIBOR Floor” shall mean [\*\*\*].

“Low FICO Government Mortgage Loan” shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

“Litigation Threshold” shall mean [\*\*\*] of the Seller's Adjusted Tangible Net Worth.

“Manufactured Housing Mortgage Loan” shall mean any first-lien Mortgage Loan (a) with a Fico score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on

which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.

“Maximum Purchase Amount” shall mean [\*\*\*] minus the then outstanding principal balance of the Loan (as defined in the Servicing Rights Facility).

“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“Pricing Spreads” shall mean:

<b>Type of Mortgage Loan</b>	<b>Percentage</b>
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, FHA 203(k) Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller buyer, which shall equal:

(a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller’s obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

<b>Type of Mortgage Loan</b>	<b>Percentage</b>
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans, FHA 203(k) Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Jumbo Mortgage Loans (Specialty)	[***]
State Agency Program Loans	[***]
Manufactured Housing Mortgage Loans	[***]
Condo Loans	[***]
HECMs	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“Second Lien Mortgage Loan” shall mean (a)(i) a second lien mortgage loan that is originated by Seller contemporaneously with a first lien mortgage loan on the identical Mortgaged Property, and (ii) the first lien mortgage loan related to the Mortgage Property is (x) a Purchased Mortgage Loan and (y) a Qualified Mortgage, as defined in 12 CFR 1026.43, *et seq.*; and (b) that except with respect to the lien position thereof, (i) conforms to the requirements for securitization or cash purchase by an Agency, (ii) that satisfies Seller’s Underwriting Guidelines for second lien mortgage loans, (iii) that has a FICO score of at least [\*\*\*], (iv) has a principal balance no greater than [\*\*\*], (v) has a combined loan to value no greater than [\*\*\*], and (vi) that is subject to a Takeout Commitment.

“Servicing Rights Facility” shall mean that certain Loan and Security Agreement, dated as of July 26, 2017, by and between Seller, as borrower, and Buyer, as bank, as the same may be amended or revised from time to time.

“State Agency Program Loan” shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

“Surplus Amount” shall mean [\*\*\*].

“Termination Date” shall mean July 16, 2020 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of a terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

- (a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].
- (b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].

(c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller's compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit (i) for any [\*\*\*] consecutive fiscal quarters (on an individual fiscal quarter, and not aggregate, basis), Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such fiscal quarter to be less than [\*\*\*]; or (ii) for any fiscal quarter, Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*].

**SECTION 2.** Defined Terms. Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3.** Fees. In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. There are no fees due and owing in connection with this Amendment.

**SECTION 4.** Limited Effect. Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Eighth Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5.** Representations. In order to induce Buyer to execute and deliver this Eighth Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6.** Severability. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8.** Counterparts. This Eighth Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall

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constitute but one and the same agreement. This Eighth Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Eighth Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*

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

TIAA, FSB, as Buyer

By: /s/ Katherine M. Walton  
Katherine M. Walton  
Vice President

GUILD MORTGAGE COMPANY, a California corporation,  
as Seller

By: /s/ Terry L. Schmidt  
Terry L. Schmidt  
President

*Signature page Eighth Amendment to MRA and Pricing Letter–Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**TIAA BANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Ninth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter (“Ninth Amendment”).

Ladies and Gentlemen:

This Ninth Amendment is made as of the 20th day of March 2020 (the “Amendment Effective Date”), to that certain Master Repurchase Agreement, dated as of July 29, 2015, as amended (the “Repurchase Agreement”) and the Pricing Letter, dated as of July 29, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and TIAA, FSB, formerly known as EverBank (“Buyer” or “EverBank”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement”.

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows :

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM, an FHA 203(k) Loan, or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].



“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, FHA 203(k) Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

(a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or

(b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or

(c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or

(d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller; or

(e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

<b>Concentration Category</b>	<b>Concentration Limit (percentages based on Maximum Purchase Amount)</b>
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]*
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

\*The aggregate concentration of the Jumbo Mortgage Loans shall be subject to a [\*\*\*] concentration sublimit for Jumbo Mortgage Loans (Specialty) and in such concentration sublimit there shall be no more than (i) [\*\*\*] concentration of Jumbo Mortgage Loans (High DTI), (ii) [\*\*\*] concentration of Jumbo Mortgage Loans (IO), (iii) [\*\*\*] concentration of Jumbo Mortgage Loans (High Limit), (iv) [\*\*\*] concentration of Jumbo Mortgage Loans (Modified DTI) and (v) [\*\*\*] concentration, in the aggregate, of Jumbo Mortgage Loans (High LTV) and Jumbo Mortgage Loans (Ultra LTV), with no more than [\*\*\*] concentration of Jumbo Mortgage Loans (Ultra LTV).

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than a Manufactured Housing Mortgage Loan, an FHA 203(k) Loans or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“Fannie Mae Renovation Loan” shall mean first lien Mortgage Loans that meet all the requirements for a Fannie Mae Renovation Mortgage.

“FHA 203(k) Loan” shall mean first lien Mortgage Loans that meet all the requirements for mortgage insurance issued by FHA under the Section 203(k) Rehabilitation Mortgage Insurance Program.

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a collective reference to Jumbo Mortgage Loans (Standard Limit) and Jumbo Mortgage Loans (Specialty).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the

original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio, greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

"Jumbo Mortgage Loans (IO)" shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

"Jumbo Mortgage Loans (Modified DTI)" shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

"Jumbo Mortgage Loans (Specialty)" is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

"Jumbo Mortgage Loans (Standard Limit)" shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

"LIBOR Floor" shall mean [\*\*\*].

"Low FICO Government Mortgage Loan" shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

"Litigation Threshold" shall mean [\*\*\*] of the Seller's Adjusted Tangible Net Worth.

"Manufactured Housing Mortgage Loan" shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on

which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.

“Maximum Purchase Amount” shall mean [\*\*\*] minus the then outstanding principal balance of the Loan (as defined in the Servicing Rights Facility).

“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“Pricing Spread” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, FHA 203(k) Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

(a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller’s obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans, FHA 203(k) Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Jumbo Mortgage Loans (Specialty)	[***]
State Agency Program Loans	[***]
Manufactured Housing Mortgage Loans	[***]
Condo Loans	[***]
HECMs	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“Second Lien Mortgage Loan” shall mean (a)(i) a second lien mortgage loan that is originated by Seller contemporaneously with a first lien mortgage loan on the identical Mortgaged Property, and (ii) the first lien mortgage loan related to the Mortgage Property is (x) a Purchased Mortgage Loan and (y) a Qualified Mortgage, as defined in 12 CFR 1026.43, *et seq.*; and (b) that except with respect to the lien position thereof, (i) conforms to the requirements for securitization or cash purchase by an Agency, (ii) that satisfies Seller’s Underwriting Guidelines for second lien mortgage loans, (iii) that has a FICO score of at least [\*\*\*], (iv) has a principal balance no greater than [\*\*\*], (v) has a combined loan to value no greater than [\*\*\*], and (vi) that is subject to a Takeout Commitment.

“Servicing Rights Facility” shall mean that certain Loan and Security Agreement, dated as of July 26, 2017, by and between Seller, as borrower, and Buyer, as bank, as the same may be amended or revised from time to time.

“State Agency Program Loan” shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

“Surplus Amount” shall mean [\*\*\*].

“Termination Date” shall mean July 16, 2020 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

(a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].

(b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].

(c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller's compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit (i) for any [\*\*\*] (on an individual [\*\*\*], and not aggregate, basis), Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such [\*\*\*] to be less than [\*\*\*]; or (ii) for any [\*\*\*], Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*].

**SECTION 2.** Defined Terms. Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3.** Fees. In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. There are no fees due and owing in connection with this Amendment.

**SECTION 4.** Limited Effect. Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Ninth Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5.** Representations. In order to induce Buyer to execute and deliver this Ninth Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6.** Severability. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8.** Counterparts. This Ninth Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall



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constitute but one and the same agreement. This Ninth Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Ninth Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*

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

TIAA, FSB, as Buyer

By: /s/ Katherine M. Walton  
Katherine M. Walton  
Vice President

GUILD MORTGAGE COMPANY, a California corporation, as Seller

By: /s/ Amber Elwell  
Amber Elwell  
CFO

*Signature page Ninth Amendment to MRA and Pricing Letter – Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**TIAA BANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Tenth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter (“Tenth Amendment”).

Ladies and Gentlemen:

This Tenth Amendment is made as of the 13th day of April 2020 (the “Amendment Effective Date”), to that certain Master Repurchase Agreement, dated as of July 29, 2015, as amended (the “Repurchase Agreement”) and the Pricing Letter, dated as of July 29, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and TIAA, FSB, formerly known as EverBank (“Buyer” or “EverBank”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement.”

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows :

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM, an FHA 203(k) Loan, or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].

“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, FHA 203(k) Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

- (a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or
- (b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or
- (c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or
- (d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller;  
or
- (e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

Concentration Category	Concentration Limit (percentages based on Maximum Purchase Amount)
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]*
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan, an FHA 203(k) Loans or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“Fannie Mae Renovation Loan” shall mean first lien Mortgage Loans that meet all the requirements for a Fannie Mae Renovation Mortgage.

“FHA 203(k) Loan” shall mean first lien Mortgage Loans that meet all the requirements for mortgage insurance issued by FHA under the Section 203(k) Rehabilitation Mortgage Insurance Program.

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a reference to Jumbo Mortgage Loans (Standard Limit).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio, greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (IO)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that

except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

"Jumbo Mortgage Loans (Modified DTI)" shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

"Jumbo Mortgage Loans (Specialty)" is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

"Jumbo Mortgage Loans (Standard Limit)" shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a (x) Loan-to-Value Ratio of not greater than [\*\*\*] for single unit properties, and (y) [\*\*\*] for 2-4 unit properties, and (vi) that is subject to a Takeout Commitment. For the avoidance of doubt, cash out refinances and investment properties do not qualify as a Jumbo Mortgage Loan (Standard Limit).

"LIBOR Floor" shall mean [\*\*\*].

"Low FICO Government Mortgage Loan" shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

"Litigation Threshold" shall mean [\*\*\*] of the Seller's Adjusted Tangible Net Worth.

"Manufactured Housing Mortgage Loan" shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.

"Maximum Purchase Amount" shall mean [\*\*\*] minus the then outstanding principal balance of the Loan (as defined in the Servicing Rights Facility).

“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“Pricing Spread” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, FHA 203(k) Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

- (a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and



(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller's obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans, FHA 203(k) Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Jumbo Mortgage Loans (Specialty)	[***]
State Agency Program Loans	[***]
Manufactured Housing Mortgage Loans	[***]
Condo Loans	[***]
HECMs	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“Second Lien Mortgage Loan” shall mean (a)(i) a second lien mortgage loan that is originated by Seller contemporaneously with a first lien mortgage loan on the identical Mortgaged Property, and (ii) the first lien mortgage loan related to the Mortgage Property is (x) a Purchased Mortgage Loan and (y) a Qualified Mortgage, as defined in 12 CFR 1026.43, *et seq.*; and (b) that except with respect to the lien position thereof, (i) conforms to the requirements for securitization or cash purchase by an Agency, (ii) that satisfies Seller's Underwriting Guidelines for second lien mortgage loans, (iii) that has a FICO score of at least [\*\*\*], (iv) has a principal balance no greater than

[\*\*\*], (v) has a combined loan to value no greater than [\*\*\*], and (vi) that is subject to a Takeout Commitment.

“Servicing Rights Facility” shall mean that certain Loan and Security Agreement, dated as of July 26, 2017, by and between Seller, as borrower, and Buyer, as bank, as the same may be amended or revised from time to time.

“State Agency Program Loan” shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

“Surplus Amount” shall mean [\*\*\*].

“Termination Date” shall mean July 16, 2020 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

- (a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].
- (b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].
- (c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller’s compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such

determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit (i) for any [\*\*\*] (on an individual [\*\*\*], and not aggregate, basis), Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such [\*\*\*] to be less than [\*\*\*]; or (ii) for any [\*\*\*], Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*].

**SECTION 2. Defined Terms.** Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3. Fees.** In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. There are no fees due and owing in connection with this Amendment.

**SECTION 4. Limited Effect.** Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Tenth Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5. Representations.** In order to induce Buyer to execute and deliver this Tenth Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6. Severability.** Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8. Counterparts.** This Tenth Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This Tenth Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Tenth Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic

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means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*

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

TIAA, FSB, as Buyer

By: /s/ Katherine M. Walton  
Katherine M. Walton  
Vice President

GUILD MORTGAGE COMPANY, a California corporation, as Seller

By: /s/ Terry L. Schmidt  
Terry L. Schmidt  
EVP & CFO

*Signature page Tenth Amendment to MRA and Pricing Letter – Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**TIAA BANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Eleventh Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter (“Eleventh Amendment”).

Ladies and Gentlemen:

This Eleventh Amendment is made as of the 19th day of May 2020 (the “Amendment Effective Date”), to that certain Master Repurchase Agreement, dated as of July 29, 2015, as amended (the “Repurchase Agreement”) and the Pricing Letter, dated as of July 29, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and TIAA, FSB, formerly known as EverBank (“Buyer” or “EverBank”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement.”

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows:

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM, an FHA 203(k) Loan, or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].

“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, FHA 203(k) Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

- (a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or
- (b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or
- (c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or
- (d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller;  
or
- (e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

Concentration Category	Concentration Limit (percentages based on Maximum Purchase Amount)
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]*
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan, an FHA 203(k) Loans or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“Fannie Mae Renovation Loan” shall mean first lien Mortgage Loans that meet all the requirements for a Fannie Mae Renovation Mortgage.

“FHA 203(k) Loan” shall mean first lien Mortgage Loans that meet all the requirements for mortgage insurance issued by FHA under the Section 203(k) Rehabilitation Mortgage Insurance Program.



“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*] and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a reference to Jumbo Mortgage Loans (Standard Limit).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio, greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (IO)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that

except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Modified DTI)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Specialty)” is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

“Jumbo Mortgage Loans (Standard Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a (x) Loan-to-Value Ratio of not greater than [\*\*\*] for single unit properties, and (y) [\*\*\*] for 2-4 unit properties, and (vi) that is subject to a Takeout Commitment. For the avoidance of doubt, cash out refinances and investment properties do not qualify as a Jumbo Mortgage Loan (Standard Limit).

“LIBOR Floor” shall mean [\*\*\*].

“Low FICO Government Mortgage Loan” shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

“Litigation Threshold” shall mean [\*\*\*] of the Seller's Adjusted Tangible Net Worth.

“Manufactured Housing Mortgage Loan” shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.

“Maximum Purchase Amount” shall mean [\*\*\*] minus the then outstanding principal balance of the Loan (as defined in the Servicing Rights Facility).

“Modified DTI” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“Monthly Financial Statement Date” shall mean June 30, 2015.

“Post-Default Rate” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“Pricing Spread” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, FHA 203(k) Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“Purchase Price” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

- (a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller's obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

Type of Mortgage Loan	Percentage
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans, FHA 203(k) Loans and State Agency Program Loans)	***
Jumbo Mortgage Loans (Standard Limit)	***
Jumbo Mortgage Loans (Specialty)	***
State Agency Program Loans	***
Manufactured Housing Mortgage Loans	***
Condo Loans	***
HECMs	***
Low FICO Government Mortgage Loans	***
Second Lien Mortgage Loans	***
FHA 203(k) Loans	***
Fannie Mae Renovation Loans	***
Aged Mortgage Loans	***

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“Second Lien Mortgage Loan” shall mean (a)(i) a second lien mortgage loan that is originated by Seller contemporaneously with a first lien mortgage loan on the identical Mortgaged Property, and (ii) the first lien mortgage loan related to the Mortgage Property is (x) a Purchased Mortgage Loan and (y) a Qualified Mortgage, as defined in 12 CFR 1026.43, *et seq.*; and (b) that except with respect to the lien position thereof, (i) conforms to the requirements for securitization or cash purchase by an Agency, (ii) that satisfies Seller's Underwriting Guidelines for second lien mortgage loans, (iii) that has a FICO score of at least [\*\*\*], (iv) has a principal balance no greater than

[\*\*\*], (v) has a combined loan to value no greater than [\*\*\*], and (vi) that is subject to a Takeout Commitment.

“Servicing Rights Facility” shall mean that certain Loan and Security Agreement, dated as of July 26, 2017, by and between Seller, as borrower, and Buyer, as bank, as the same may be amended or revised from time to time.

“State Agency Program Loan” shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

“Surplus Amount” shall mean [\*\*\*].

“Termination Date” shall mean July 16, 2020 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

- (a) Maintenance of Adjusted Tangible Net Worth. Seller shall maintain an Adjusted Tangible Net Worth of not less than [\*\*\*].
- (b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall maintain the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].
- (c) Maintenance of Liquidity. Seller shall ensure that it has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller’s compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such

determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit (i) for any [\*\*\*] (on an individual [\*\*\*], and not aggregate, basis), Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such [\*\*\*] to be less than [\*\*\*]; or (ii) for any [\*\*\*], Seller's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*].

**SECTION 2. Defined Terms.** Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3. Fees.** In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. There are no fees due and owing in connection with this Amendment.

**SECTION 4. Limited Effect.** Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Eleventh Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5. Representations.** In order to induce Buyer to execute and deliver this Eleventh Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6. Severability.** Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8. Counterparts.** This Eleventh Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This Eleventh Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Eleventh Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or

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other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*

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

TIAA, FSB, as Buyer

By: /s/ Katherine M. Walton  
Katherine M. Walton  
Vice President

GUILD MORTGAGE COMPANY, a California  
corporation, as Seller

By: /s/ Terry L. Schmidt  
Terry L. Schmidt  
President

*Signature page Eleventh Amendment to MRA and Pricing Letter – Guild Mortgage Company*



CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**TIAA BANK**  
100 Summer Street, Suite 3232  
Boston, MA 02110

Guild Mortgage Company  
5898 Copley Drive  
San Diego, California 92111  
Attention: Terry L. Schmidt

Re: Twelfth Amendment to the Amended and Restated Master Repurchase Agreement and Pricing Letter (“Twelfth Amendment”).

Ladies and Gentlemen:

This Twelfth Amendment is made as of the 15th day of July 2020 (the “Amendment Effective Date”), to that certain Master Repurchase Agreement, dated as of July 29, 2015, as amended (the “Repurchase Agreement”) and the Pricing Letter, dated as of July 29, 2015, as amended (the “Pricing Letter”), in each case by and between Guild Mortgage Company (“Seller”) and TIAA, FSB, formerly known as EverBank (“Buyer” or “EverBank”). The Repurchase Agreement and the Pricing Letter are sometimes hereinafter collectively referred to as the “Agreement.”

WHEREAS, Seller requested that Buyer amend the Agreement as provided herein; and

WHEREAS, Seller and Buyer have agreed to so amend the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree to amend the Agreement as follows:

**SECTION 1. Amendments**

(a) Sections 1, 2 and 3 of the Pricing Letter are hereby amended and restated in their entirety as follows:

**Section 1. Definitions.** The following terms shall have the meanings set forth below:

“Adjusted Indebtedness” means, at any date, the result of (a) Seller’s Indebtedness on such date, minus (b) the unpaid principal of Seller’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Seller’s Indebtedness in calculating Seller’s Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

“Aged Mortgage Loan” shall mean a Mortgage Loan, other than a Jumbo Mortgage Loan, a Manufactured Housing Mortgage Loan, a HECM, an FHA 203(k) Loan, or a Low FICO Government Mortgage Loan, subject to a Transaction hereunder for more than [\*\*\*] but not more than [\*\*\*].

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“Aging Limit” shall mean (a) [\*\*\*] following the Purchase Date for Mortgage Loans other than Aged Mortgage Loans, and (b) [\*\*\*] following the Purchase Date for Aged Mortgage Loans.

“Annual Financial Statement Date” shall mean December 31, 2014.

“Approved Mortgage Product” shall mean the following mortgage products approved by Buyer for Transactions under the Agreement: Conforming Mortgage Loans, Eligible Government Mortgage Loans, Jumbo Mortgage Loans, Manufactured Housing Mortgage Loans, State Agency Program Loans, HECMs, Low FICO Government Mortgage Loans, FHA 203(k) Loans, Wet Mortgage Loans and Aged Mortgage Loans. In no event shall an Ineligible Product be an Approved Mortgage Product.

“Change in Control” shall mean:

(a) any transaction or event as a result of which either (i) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the stock of Seller or (ii) there shall be any owner of the stock of Seller other than [\*\*\*] or [\*\*\*]; or

(b) the sale, transfer, or other disposition of all or substantially all of Seller’s assets (excluding any such action taken in connection with any securitization transaction); or

(c) the consummation of a merger or consolidation of Seller with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions); or

(d) [\*\*\*] shall no longer be both (i) employed by Seller, and (ii) involved in the day to day operations of Seller; or

(e) a change in the majority of the board of directors of Seller during any twelve month period.

“Concentration Category” shall mean, with respect to Mortgage Loans, each category set forth under the heading “Concentration Category” in the table included in the definition of “Concentration Limit.”

“Concentration Limit” shall mean, as of any date of determination, with respect to the Eligible Mortgage Loans included in any Concentration Category, the applicable amount that the aggregate Purchase Price for such Eligible Mortgage Loans may not at any time exceed, as set forth in the below table.

Concentration Category	Concentration Limit (percentages based on Maximum Purchase Amount)
Wet Mortgage Loans	[***]
Jumbo Mortgage Loans	[***]*
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

“Condo Loan” shall mean a Mortgage Loan that (i) does not conform to the requirements of an Agency for securitization or cash purchase, (2) conforms to the requirements of the EverBank Preferred Correspondent guidelines for the purchase of a condominium loan that is not eligible for securitization or cash purchase by an Agency, and (3) is subject to a Takeout Commitment by Buyer.

“Conforming Mortgage Loan” shall mean a Mortgage Loan (other than an a Manufactured Housing Mortgage Loan, an FHA 203(k) Loans or a State Agency Program Loan) that conforms to the requirements of an Agency for securitization or cash purchase, and which has a FICO score of at least [\*\*\*].

“Eligible Government Mortgage Loan” shall mean a Government Mortgage Loan (other than a Manufactured Housing Mortgage Loan or a State Agency Program Loan) that has a FICO score of at least [\*\*\*].

“ERISA Liability Threshold” shall mean [\*\*\*].

“Facility Termination Threshold” shall mean [\*\*\*].

“Fannie Mae Renovation Loan” shall mean first lien Mortgage Loans that meet all the requirements for a Fannie Mae Renovation Mortgage.

“FHA 203(k) Loan” shall mean first lien Mortgage Loans that meet all the requirements for mortgage insurance issued by FHA under the Section 203(k) Rehabilitation Mortgage Insurance Program.

“Fidelity Insurance Requirement” shall mean (a) [\*\*\*] for fidelity coverage, with a maximum deductible of [\*\*\*], and (b) [\*\*\*] for errors and omissions coverage, with a maximum deductible of [\*\*\*].

“Financial Reporting Party” shall mean Seller.

“HECM” shall have the meaning specified in the Repurchase Agreement.

“Ineligible Product” shall mean any mortgage product that is not an Approved Mortgage Product. Unless approved by Buyer in writing in advance on a case-by-case basis and subject to additional documentation, “Ineligible Product” shall also mean any Mortgage Loans with respect to which any Mortgagor thereunder is a shareholder, director, or officer of Seller or an Affiliate, or a Relative of any of the foregoing.

“Jumbo Mortgage Loan” is a reference to Jumbo Mortgage Loans (Standard Limit).

“Jumbo Mortgage Loans (High DTI)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to (x) the original principal balance thereof and (y) the Debt-to-Income Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that has a FICO score of at least [\*\*\*], (iv) with a Loan-to-Value Ratio no greater than [\*\*\*], (v) has a Debt-to-Income Ratio greater than [\*\*\*] and not to exceed [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (High Limit)” shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a Loan-to-Value Ratio of not greater than [\*\*\*].

“Jumbo Mortgage Loans (High LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (Ultra LTV)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to (x) the original principal balance thereof and (y) the Loan-to-Value Ratio, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer’s underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio, greater than [\*\*\*], but no greater than [\*\*\*], (vi) is fully amortizing, and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

“Jumbo Mortgage Loans (IO)” shall mean a Mortgage Loan (i) with a principal balance of not more than [\*\*\*] (ii) does not amortize, (iii) that

except with respect to (x) the original principal balance thereof and (y) the failure to amortize, conforms to the requirements for securitization or cash purchase by an Agency, (iv) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (v) that has a FICO score of at least [\*\*\*], (vi) with a Loan-to-Value Ratio of not greater than [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

"Jumbo Mortgage Loans (Modified DTI)" shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*] (ii) that except with respect to the original principal balance thereof and the calculation of DTI, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], (v) with a Loan-to-Value Ratio of not greater than [\*\*\*], (vi) a Modified DTI not to exceed [\*\*\*], and (vii) that is subject to a Takeout Commitment from a Takeout Investor.

"Jumbo Mortgage Loans (Specialty)" is a collective reference to Jumbo Mortgage Loans (High DTI), Jumbo Mortgage Loans (IO), Jumbo Mortgage Loans (High LTV), Jumbo Mortgage Loans (Ultra LTV), Jumbo Mortgage Loans (High Limit) and Jumbo Mortgage Loans (Modified DTI).

"Jumbo Mortgage Loans (Standard Limit)" shall mean a Mortgage Loan, with or without a Takeout Commitment, (i) with a principal balance of not more than [\*\*\*], (ii) that except with respect to the original principal balance thereof, conforms to the requirements for securitization or cash purchase by an Agency, (iii) that satisfies Buyer's underwriting guidelines for jumbo mortgage loans, (iv) that has a FICO score of at least [\*\*\*], and (v) with a (x) Loan-to-Value Ratio of not greater than [\*\*\*] for single unit properties, and (y) [\*\*\*] for 2-4 unit properties, and (vi) that is subject to a Takeout Commitment. For the avoidance of doubt, cash out refinances and investment properties do not qualify as a Jumbo Mortgage Loan (Standard Limit).

"LIBOR Floor" shall mean [\*\*\*].

"Low FICO Government Mortgage Loan" shall mean an Eligible Government Mortgage Loan which has a FICO score equal to or greater than [\*\*\*] but less than [\*\*\*].

"Litigation Threshold" shall mean [\*\*\*] of the Seller's Adjusted Tangible Net Worth.

"Manufactured Housing Mortgage Loan" shall mean any first-lien Mortgage Loan (a) with a FICO score not below [\*\*\*] and (b) with respect to which the Mortgaged Property is a manufactured dwelling and (i) such Mortgage Loan conforms with the applicable Agency requirements regarding mortgage loans related to manufactured dwellings, (ii) the related manufactured dwelling is permanently affixed to the land, (iii) the related manufactured dwelling and land are subject to a Mortgage properly filed in the appropriate public recording office and naming Seller as mortgagee, (iv) the applicable laws of the jurisdiction in which the related Mortgaged Property is located will deem the manufactured dwelling located on such Mortgaged Property to be a part of the real property on which such dwelling is located, and (v) such Manufactured Home Mortgage Loan is (1) a qualified mortgage under Section 860G(a)(3) of the Internal Revenue Code of 1986, as amended and (2) secured by manufactured housing treated as a single family residence under Section 25(e)(10) of the Code.

"Maximum Purchase Amount" shall mean [\*\*\*] minus the then outstanding principal balance of the Loan (as defined in the Servicing Rights Facility).

“**Modified DTI**” shall mean the Debt-to-Income Ratio of the Mortgagor that includes income of the Mortgagor that is either (i) passive, or (ii) imputed to the Mortgagor based on the value of Mortgagor’s assets.

“**Monthly Financial Statement Date**” shall mean June 30, 2015.

“**Post-Default Rate**” shall mean a rate per annum equal to the sum of (a) the LIBOR Rate, plus (b) [\*\*\*].

“**Pricing Spread**” shall mean:

<b>Type of Mortgage Loan</b>	<b>Percentage</b>
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, FHA 203(k) Loans, Low FICO Government Mortgage Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Manufactured Housing Mortgage Loans	[***]
State Agency Program Loans	[***]
HECMs	[***]
Condo Loans	[***]
Jumbo Mortgage Loans (Specialty)	[***]
Aged Mortgage Loans	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Mortgage Loans exceeding the applicable Transaction Term Limitation	[***]

When a Purchased Mortgage Loan may qualify for two or more Pricing Spreads hereunder, unless otherwise expressly agreed to by the Buyer in writing, such Purchased Mortgage Loan shall be assigned the higher Pricing Spread, as applicable.

“**Purchase Price**” shall mean the price at which each Purchased Mortgage Loan is transferred by Seller to Buyer, which shall equal:

- (a) on the Purchase Date, the applicable Purchase Price Percentage multiplied by the least of: (i) the Market Value of such Purchased Mortgage Loan, or (ii) the outstanding principal amount thereof as set forth on the related Mortgage Loan Schedule, or (iii) the price set forth in the related Takeout Commitment; and

(b) on any day after the Purchase Date, except where Buyer and the Seller agree otherwise, the amount determined under the immediately preceding clause (a) decreased by the amount of any cash transferred by the Seller to Buyer pursuant to Section 4 or 5 of the Agreement or applied to reduce the Seller's obligations under Section 9 of the Agreement.

“Purchase Price Percentage” shall mean:

<b>Type of Mortgage Loan</b>	<b>Percentage</b>
Conforming Mortgage Loans and Eligible Government Mortgage Loans (excluding Manufactured Housing Mortgage Loans, Low FICO Government Mortgage Loans, FHA 203(k) Loans and State Agency Program Loans)	[***]
Jumbo Mortgage Loans (Standard Limit)	[***]
Jumbo Mortgage Loans (Specialty)	[***]
State Agency Program Loans	[***]
Manufactured Housing Mortgage Loans	[***]
Condo Loans	[***]
HECMs	[***]
Low FICO Government Mortgage Loans	[***]
Second Lien Mortgage Loans	[***]
FHA 203(k) Loans	[***]
Fannie Mae Renovation Loans	[***]
Aged Mortgage Loans	[***]

When a Purchased Mortgage Loan may qualify for two or more Purchase Price Percentages hereunder, unless otherwise expressly agreed to by Buyer in writing, such Purchased Mortgage Loan shall be assigned the lower Purchase Price Percentage, as applicable.

“Relative” shall mean a spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, brother, sister, half-brother, half-sister, stepsibling, brother-in-law, sister-in-law, aunt, great aunt, uncle, great uncle, niece, nephew, or first cousin (that is, a child of an aunt or uncle).

“Reporting Date” shall mean the 15th day of each month, or if such day is not a Business Day, the next succeeding Business Day.

“Second Lien Mortgage Loan” shall mean (a)(i) a second lien mortgage loan that is originated by Seller contemporaneously with a first lien mortgage loan on the identical Mortgaged Property, and (ii) the first lien mortgage loan related to the Mortgage Property is (x) a Purchased Mortgage Loan and (y) a Qualified Mortgage, as defined in 12 CFR 1026.43, *et seq.*; and (b) that except with respect to the lien position thereof, (i) conforms to the requirements for securitization or cash purchase by an Agency, (ii) that satisfies Seller's Underwriting Guidelines for second lien mortgage loans, (iii) that has a FICO score of at least [\*\*\*], (iv) has a principal balance no greater than

[\*\*\*], (v) has a combined loan to value no greater than [\*\*\*], and (vi) that is subject to a Takeout Commitment.

“Servicing Rights Facility” shall mean that certain Loan and Security Agreement, dated as of July 26, 2017, by and between Seller, as borrower, and Buyer, as bank, as the same may be amended or revised from time to time.

“State Agency Program Loan” shall mean a mortgage loan originated by Seller in accordance with the applicable guidelines of, and in anticipation of sale to, state housing authorities, as approved by Buyer in writing in its sole discretion.

“Surplus Amount” shall mean [\*\*\*].

“Termination Date” shall mean July 14, 2020 or such earlier date as determined by Buyer pursuant to its rights and remedies under the Agreement.

“Test Date” shall mean the last day of each calendar month with respect to Sections 3(a), 3(b) and 3(c) below and the last day of each fiscal quarter with respect to Section 3(d) below.

“Transaction Term Limitation” shall mean for each Transaction, the number of days such Transaction remains outstanding, which shall not exceed (a) with respect to any Mortgage Loan other than an Aged Mortgage Loan, [\*\*\*] and (b) with respect to an Aged Mortgage Loan, [\*\*\*].

“Warehouse Fees” shall mean those fees listed on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto.

“Wet Delivery Deadline” shall mean, with respect to each Wet Mortgage Loan, the date that is [\*\*\*] following the related Purchase Date for such Wet Mortgage Loan.

**Section 2. No Commitment.** The Agreement does not constitute a commitment by Buyer to enter into Transactions under the Agreement. The parties acknowledge that Buyer will enter into Transactions with Seller in Buyer’s sole discretion and subject to satisfaction of all terms and conditions of the Agreement.

**Section 3. Certain Financial Condition Covenants.** Without limiting any provision set forth in the Agreement, Seller shall comply with the following covenants, each to be tested on each Test Date occurring prior to the Termination Date:

- (a) Maintenance of Adjusted Tangible Net Worth. Seller shall ensure HoldCo maintains an Adjusted Tangible Net Worth of not less than [\*\*\*].
- (b) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Seller shall ensure HoldCo maintains the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*].
- (c) Maintenance of Liquidity. Seller shall ensure that HoldCo has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Buyer), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Seller’s compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Seller of its existing warehouse facilities, as approved by Buyer for purposes of such



determination. Seller shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Buyer to demonstrate such buy-downs amount.

(d) Maintenance of Profitability. Seller shall not permit (i) for any [\*\*\*] (on an individual [\*\*\*], and not aggregate, basis), HoldCo's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such [\*\*\*] to be less than [\*\*\*]; or (ii) for any [\*\*\*], HoldCo's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*].

(b) The following definitions in Section 2 of the Repurchase Agreement is amended and restated in its entirety as follows:

““LIBOR Rate” shall mean, with respect to each day a Transaction is outstanding, the rate per annum equal to the greater of (a) the rate appearing at Reuters Screen LIBOR01 Page (or such other page as may replace the Reuters LIBOR01 Page on such service or such other service as may be designated by Buyer for the purpose of displaying London interbank offered rates for U.S. Dollar deposits) as one month LIBOR on such date (and if such date is not a Business Day, LIBOR in effect on the Business Day immediately preceding such date), and (b) the LIBOR Floor. Notwithstanding the foregoing, if (i) LIBOR ceases to exist or be published by ICE Benchmark Administration Limited (or any successor or substitute), (ii) there is a material disruption to LIBOR, including but not limited to other lenders in the industry switching from LIBOR to another interest rate, (iii) there is a change in the methodology of calculating LIBOR or (iv) in the reasonable expectation of Buyer, any of the events specified in clause (i), (ii) or (iii) will occur; then the rate for the applicable interest period will be determined by such alternate method designed to measure interest rates in a similar manner, as determined by Buyer. In order to account for the relationship of the replacement index to the original LIBOR, such alternate method will incorporate any spread to any replacement index as is necessary to ensure that Seller and Buyer are in a similar economic position as the original LIBOR rate.”

(c) The following definition is inserted into Section 2 of the Repurchase Agreement in the correct alphabetical order:

““HoldCo” shall mean Guild Mortgage Company, LLC.”

**SECTION 2.** Defined Terms. Any terms capitalized but not otherwise defined herein should have the respective meanings set forth in the Agreement.

**SECTION 3.** Fees. In addition to the fees contemplated by the Agreement, the Seller shall pay the Warehouse Fees as and when required hereunder. Other than a [\*\*\*] due diligence fee, there are no fees due and owing in connection with this Amendment.

**SECTION 4.** Limited Effect. Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Twelfth Amendment need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to,

the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

**SECTION 5.** Representations. In order to induce Buyer to execute and deliver this Twelfth Amendment, each Seller hereby represents to Buyer that as of the date hereof, except as otherwise expressly waived by Buyer in writing, such Seller is in full compliance with all of the terms and conditions of the Agreement including without limitation, all of the representations and warranties and all of the affirmative and negative covenants, and no Default or Event of Default has occurred and is continuing under the Agreement.

**SECTION 6.** Severability. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

**SECTION 7. GOVERNING LAW. THIS PRICING LETTER SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.**

**SECTION 8.** Counterparts. This Twelfth Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This Twelfth Amendment, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Twelfth Amendment shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

*[Signatures Appear on Following Pages]*

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

TIAA, FSB, as Buyer

By: /s/ Kate Walton

Kate Walton  
Vice President

GUILD MORTGAGE COMPANY, a California corporation, as Seller

By: /s/ Amber Elwell

Amber Elwell  
SVP & CFO

*Signature page Twelfth Amendment to MRA and Pricing Letter – Guild Mortgage Company*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

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**AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT**

**Dated as of July 15, 2020**

**Between**

**TIAA, FSB, as Bank**

**and**

**GUILD MORTGAGE COMPANY, as Borrower**

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AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

**THIS AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT** (“**Agreement**”) is made as of July 15, 2020 (the “**Effective Date**”), by and between Guild Mortgage Company, a California corporation, with an address at 5898 Copley Drive, San Diego, California 92111 (“**Borrower**”) and TIAA, FSB, formerly known as EverBank, a federal savings association (“**Bank**” or “**EverBank**”), under the following circumstances:

RECITAL

In order to finance certain Servicing Rights owned or acquired by Borrower from time to time, Borrower has requested that Bank make available to Borrower a revolving credit facility in an amount not to exceed the Maximum Loan Amount. Each advance made by Bank to Borrower pursuant to this Agreement (each, a “Loan Advance” and collectively, the “Loan”) will be used by Borrower for Approved Purposes (as defined below).

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree:

1. Definitions. For purposes of this Agreement, the terms set forth below shall have the following meanings.

“1934 Act” means the Securities Exchange Act of 1934, as amended from time to time.

“Accepted Servicing Practices” means, with respect to any Mortgage Loan, those accepted and prudent mortgage servicing practices (including collection procedures) of prudent mortgage lending institutions that service mortgage loans of the same type as the Mortgage Loans in the jurisdiction where the related Mortgaged Property is located, and in a manner at least equal in quality to the servicing Borrower or Borrower’s designee provides to mortgage loans which it owns in its own portfolio. With respect to any Mortgage Loans serviced by Borrower on behalf of Freddie Mac, “Accepted Servicing Practices” shall include, and must be in compliance with, Freddie Mac’s Single-Family Seller/Servicer Guide, as the same may be amended from time to time.

“Acknowledgment Agreement” means an Acknowledgment Agreement in the form prescribed or otherwise agreed to by Fannie Mae, Freddie Mac, Ginnie Mae or any other Person to be executed by Borrower, Bank and such Agency or such other Person as a condition to Borrower’s pledging Fannie Mae, Freddie Mac, Ginnie Mae or such other Person’s Servicing Rights to Bank. Each Acknowledgment Agreement must be in form and substance acceptable to Bank in its sole and absolute discretion.

“Adjusted Indebtedness” means, at any date, the result of (a) Borrower’s Indebtedness on such date, minus (b) the unpaid principal of Borrower’s Subordinated Debt on such date (to the extent such Subordinated Debt is excluded from Borrower’s Indebtedness in calculating

Borrower's Adjusted Tangible Net Worth on such date in accordance with the definition thereof).

"Adjusted Tangible Net Worth" shall mean, with respect to any Person at any date, the Net Worth of such Person plus (a) (1) all unpaid principal of all Subordinated Debt of such Person at such date; and (2) the MSR Value at such date; minus: (b) (1) the aggregate book value of all intangible assets of such Person (as determined in accordance with GAAP), including, without limitation, goodwill; trademarks, trade names, service marks, copyrights, patents, licenses and franchises; capitalized Servicing Rights; organizational expenses; deferred expenses; (2) receivables from equity owners, Affiliates or employees; (3) advances of loans to Affiliates; (4) investments in Affiliates; (5) assets pledged to secure any liabilities not included in the Indebtedness of such Person; and (6) any other assets which would be deemed by HUD to be unacceptable in calculating adjusted tangible net worth; in all cases, calculated on a consolidated basis and determined in accordance with GAAP consistent with those applied in the preparation of the financial statements referred to herein.

"Advance Date" means the date on which a Loan Advance is made by Bank to Borrower in accordance with the terms of this Agreement.

"Advance Request" means a written request for a Loan Advance submitted to Bank by a duly authorized employee of Borrower, and containing the data required by Bank, including without limitation an updated Borrowing Base Certificate.

"Affiliate" shall mean with respect to any Person, any "affiliate" of such Person, as such term is defined in the Bankruptcy Code.

"Agency" means Fannie Mae, Freddie Mac, FHA, Ginnie Mae, VA and RHS.

"Anti-Money Laundering Laws" shall have the meaning set forth in Section 2(a)(25) hereof.

"Approved Purposes" means (a) working capital in the ordinary course of Borrower's business; or (b) purchasing or retaining mortgage loan servicing rights. Notwithstanding the foregoing, in no event shall any use be an Approved Purpose if such use would violate the terms of any Acknowledgment Agreement, the rules, regulations or guidelines of any Agency or any agreement between Borrower and any Agency, or otherwise result in Fannie Mae, Freddie Mac or Ginnie Mae having a right to challenge or limit Bank's security interest in the Pledged Servicing Rights.

"Approved Servicing Agreement" means a Servicing Agreement between Borrower and an Agency, in each case as approved by Bank in its sole discretion and designated as an "Approved Servicing Agreement" by Bank and Borrower in writing. Notwithstanding anything to the contrary contained herein, until otherwise approved in writing by Bank and Borrower, only Servicing Agreements with Freddie Mac shall be Approved Servicing Agreements hereunder. Notwithstanding the foregoing definition, the Freddie Mac Single-Family Seller/Service Guide, as the same may be amended from time to time, shall be deemed an Approved Servicing Agreement hereunder at all times that Borrower, Bank and Freddie Mac shall be parties to an active Acknowledgment Agreement among them.

“Approved Servicing Appraiser” shall mean an independent appraiser that is nationally known as expert in the evaluation of servicing rights, and is pre-approved in writing by Bank from time to time, in its sole and absolute discretion.

“ATNW Servicing Rights Appraisal” shall mean a written appraisal or evaluation by an Approved Servicing Appraiser evaluating the MSR Appraised Value of all of the Servicing Rights as of a date stated in the written report of such evaluation, each such evaluation and report to be made at Borrower’s expense, to be addressed to Bank and to be in form and substance acceptable to Bank in its sole and absolute discretion. The ATNW Servicing Rights Appraisal is solely for the purpose of calculating Adjusted Tangible Net Worth hereunder and is not used for Borrowing Base purposes.

“Bank” has the meaning provided in the introductory paragraph hereof.

“Bankruptcy Code” shall mean the United States Bankruptcy Code of 1978, as amended from time to time.

“Best’s” shall mean Best’s Key Rating Guide, as the same shall be amended from time to time.

“Borrower” has the meaning provided in the introductory paragraph hereof.

“Borrowing Base” means, as of the date of determination, [\*\*\*] of the fair market value of the Eligible Pledged Servicing Rights as reflected in the Servicing Rights Appraisal deemed most accurate by Bank in its sole and absolute discretion, which may not be the most recent Servicing Rights Appraisal. In no event shall any Servicing Rights be included in the Borrowing Base unless the Serviced Loans underlying such Eligible Pledged Servicing Rights are the subject of a then-current and effective Acknowledgement Agreement from the relevant Agency.

“Borrowing Base Certificate” means, as of any date of preparation, a certificate setting forth the Borrowing Base in the form required by Bank, prepared by and certified by an authorized officer of Borrower.

“Borrowing Base Deficiency” has the meaning set forth in Section 3(h).

“Business Day” means any day other than a Saturday, a Sunday or a day on which banks in New York, New York, Boston, Massachusetts or Jacksonville, Florida are authorized or obligated to close their regular banking business.

“Capital Lease Obligations” means, for any Person, all obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) property to the extent such obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under GAAP, and, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with GAAP.

“Cash Equivalents” shall mean (a) securities with maturities of 90 days or less from the date of acquisition issued or fully guaranteed or insured by the United States Government or any



agency thereof, (b) certificates of deposit and eurodollar time deposits with maturities of 90 days or less from the date of acquisition and overnight bank deposits of Bank or its Affiliates or of any commercial bank having capital and surplus in excess of [\*\*\*], (c) repurchase obligations of Bank or its Affiliates or of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than seven days with respect to securities issued or fully guaranteed or insured by the United States Government, (d) commercial paper of a domestic issuer rated at least A-1 or the equivalent thereof by S&P or P-1 or the equivalent thereof by Moody's and in either case maturing within 90 days after the day of acquisition, (e) securities with maturities of 90 days or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody's, (f) securities with maturities of 90 days or less from the date of acquisition backed by standby letters of credit issued by Bank or any commercial bank satisfying the requirements of clause (b) of this definition, or (g) shares of money market mutual or similar funds which invest exclusively in assets satisfying the requirements of clauses (a) through (f) of this definition.

"Change in Control" shall mean:

- (a) any transaction or event as a result of which either (1) [\*\*\*] shall cease to own, directly, at least [\*\*\*] and a controlling interest of the equity interests of Borrower or (2) there shall be any owner of the equity interests of Borrower other than [\*\*\*] or [\*\*\*];
- (b) the sale, transfer, or other disposition of all or substantially all of Borrower's assets (excluding any such action taken in connection with any securitization transaction or ordinary course whole loan sale);
- (c) the consummation of a merger or consolidation of Borrower with or into another entity or any other corporate reorganization (in one transaction or in a series of transactions);
- (d) [\*\*\*] shall no longer be both (1) employed by Borrower, and (2) involved in the day to day operations of Borrower;
- (e) there is a change in the majority of the board of directors of Borrower during any twelve month period.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" has the meaning provided on Exhibit I [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereof.

"Combined Facility Amount" shall mean (a) during the Revolving Loan Period, [\*\*\*] and (b) at any other time and for any other period, [\*\*\*] minus the then-outstanding principal balance of the Loan.

“Combined Facility Monthly Average” means the sum of the average daily outstanding Purchase Price of the Purchased Mortgage Loans under the Mortgage Warehouse Agreement for such month plus, during the Revolving Loan Period, the average daily outstanding principal balance of the Loan hereunder for such month.

“Combined Facility Quarterly Average” means the sum of the average daily outstanding Purchase Price of the Purchased Mortgage Loans under the Mortgage Warehouse Agreement for such quarter plus, during the Revolving Loan Period, the average daily outstanding principal balance of the Loan hereunder for such quarter.

“Confidential Terms” has the meaning provided in Section 11(k) hereof.

“Confidential Information” has the meaning provided in Section 11(l) hereof.

“Confirmation” has the meaning provided in Section 3(a) hereof.

“Contractual Obligations” means, as to any Person, the provisions of any security issued by such Person, or of any agreement, instrument or undertaking to which such Person is a party or by which it or any of its properties is bound.

“Conversion Date” means the date that the Revolving Loan Period expires and the Term Loan Period commences.

“Debt for Borrowed Money Arrangements” shall have the meaning set forth in Section 2(a)(17) hereof.

“Default” shall mean an Event of Default or an event that with notice or lapse of time or both would become an Event of Default.

“Default Rate” means the Interest Rate plus [\*\*\*] per annum.

“Effective Date” has the meaning provided in the introductory paragraph hereof.

“Electronic Transmission” shall mean the delivery of information in an electronic format acceptable to the applicable recipient thereof, including by limited on-line access to Bank’s computer system.

“Eligible Pledged Servicing Right” means a Pledged Servicing Right:

- (a) that complies with all applicable Requirements of Law and other applicable legal requirements, whether federal, state or local;
- (b) that constitutes an “account” or a “general intangible” as defined in the Uniform Commercial Code and is not evidenced by an “instrument,” as defined in the Uniform Commercial Code as so in effect;
- (c) that arose pursuant to an Approved Servicing Agreement;

- (d) that is genuine and constitutes a legal, valid, binding and irrevocable payment obligation, enforceable in accordance with the terms of the Servicing Agreement under which it has arisen, subject to no offsets, counterclaims or defenses (but subject in each case to the applicable Acknowledgment Agreement);
- (e) that was not originated in or subject to the Requirements of Law of a jurisdiction whose Requirements of Law would make such Pledged Servicing Right, the related Servicing Agreement (if applicable) or the financing thereof contemplated hereby unlawful, invalid or unenforceable and is not subject to any legal limitation on transfer;
- (f) that is owned solely by Borrower free and clear of all Liens other than Liens in favor of Bank and has not been sold, conveyed, pledged or assigned to any other lender, purchaser or Person (but subject in each case to the applicable Acknowledgment Agreement);
- (g) with respect to which the underlying Mortgage Loan is not more than [\*\*\*] delinquent;
- (h) for which Borrower, Bank and the relevant Agency have entered into an Acknowledgment Agreement satisfactory in form and substance to Bank; and
- (i) for which there exists no dispute regarding the Pledged Servicing Right that results in the Pledged Servicing Right being invalid or otherwise not recoverable or payable and in respect of which Borrower has complied in all respects with the related Servicing Agreement.

“EO13224” shall have the meaning set forth in Section 2(a)(26) hereof.

“ERISA” means the Employee Retirement Income Security Act of 1974, as the same may be from time to time supplemented or amended.

“ERISA Affiliates” means any corporation or trade or business that is a member of any group of organizations (a) described in Section 414(b) or (c) of the Code of which Borrower is a member and (b) solely for purposes of potential liability under Section 302(c)(11) of ERISA and Section 412(c)(11) of the Code and the lien created under Section 302(f) of ERISA and Section 412(n) of the Code, described in Section 414(m) or (o) of the Code of which Borrower is a member.

“E-Sign” shall mean the federal Electronic Signatures in Global and National Commerce Act, as amended from time to time.

“Event of Default” has the meaning provided in Section 8 hereof.

“Existing Indebtedness” has the meaning set forth in Section 2(a)(17).

“Facility Payment Date” means the [\*\*\*] of each calendar month.

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“Fannie Mae” means Fannie Mae or any successor thereto.

“FHA” means the Federal Housing Administration, an agency within the United States Department of Housing and Urban Development, or any successor thereto.

“FHA Approved Mortgagee” shall mean an institution which is approved by FHA to act as mortgagee of record pursuant to FHA Regulations.

“Freddie Mac” means the Federal Home Loan Mortgage Corporation or any successor thereto.

“GAAP” shall mean generally accepted accounting principles in the United States of America, applied on a consistent basis and applied to both classification of items and amounts, and shall include, without limitation, the official interpretations thereof by the Financial Accounting Standards Board, its predecessors and successors.

“Ginnie Mae” means the Government National Mortgage Association or any successor thereto.

“GLB Act” has the meaning provided in Section 11(l) hereof.

“Governmental Authority” shall mean any nation or government, any state, county, municipality or other political subdivision thereof or any governmental body, agency, authority, department or commission (including, without limitation, any taxing authority and any supra-national bodies such as the European Union or the European Central Bank) or any instrumentality or officer of any of the foregoing (including, without limitation, any court or tribunal) exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation, partnership or other entity directly or indirectly owned by or controlled by the foregoing.

“HoldCo” shall mean Guild Mortgage Company, LLC.

“Indebtedness” shall mean, with respect to any Person, total liabilities, as reported on that Person’s balance sheet, and calculated in accordance with GAAP.

“Interest” means, with respect to any Loan Advance hereunder as of any date, the aggregate amount obtained by daily application of the Interest Rate to such Loan Advance on a 360 day per year basis for the actual number of days during the period commencing on (and including) the Advance Date for such Loan Advance and ending on (but excluding) the Interest Payment Date (reduced by any amount of such Interest previously paid by Borrower to Bank with respect to such Loan Advance).

“Interest Payment Date” means, for so long as any Obligations shall remain owing by Borrower to Bank, the earlier of (a) the Facility Payment Date occurring in each calendar month and (b) the Termination Date.

“Interest Rate” means LIBOR plus the applicable Margin. The Interest Rate shall adjust daily in accordance with changes in LIBOR.

“LIBOR” means, with respect to each day a Loan Advance is outstanding, the rate per annum equal to the greater of (a) the rate appearing at Reuters Screen LIBOR01 Page (or such other page as may replace the Reuters LIBOR01 Page on such service or such other service as may be designated by Bank for the purpose of displaying London interbank offered rates for U.S. Dollar deposits) as one month LIBOR on such date (and if such date is not a Business Day, LIBOR in effect on the Business Day immediately preceding such date), and (b) [\*\*\*]. Notwithstanding the foregoing, if (i) LIBOR ceases to exist or be published by ICE Benchmark Administration Limited (or any successor or substitute), (ii) there is a material disruption to LIBOR, including but not limited to other lenders in the industry switching from LIBOR to another interest rate, (iii) there is a change in the methodology of calculating LIBOR or (iv) in the reasonable expectation of Bank, any of the events specified in clause (i), (ii) or (iii) will occur; then the rate for the applicable interest period will be determined by such alternate method designed to measure interest rates in a similar manner, as determined by Bank; provided, however, that in the case of the events specified in clause (i) hereof, Bank agrees to select an alternate method in a commercially reasonable manner and consistent with the method applied to other customers in a similar economic position to Borrower in Bank’s portfolio. In order to account for the relationship of the replacement index to the original LIBOR, such alternate method will incorporate any spread to any replacement index as is necessary to ensure that Borrower and Bank are in a similar economic position as the original LIBOR rate..

“Lien” means any security interest, mortgage, pledge, lien, claim on property, charge or encumbrance (including any conditional sale or other title retention agreement), any lease in the nature thereof, or the filing of or agreement to give any financing statement under the Uniform Commercial Code of any jurisdiction.

“Loan” shall have the meaning set forth in the Recitals to this Agreement.

“Loan Advance” shall have the meaning set forth in the Recitals to this Agreement.

“Loan Documents” means this Agreement, each Acknowledgment Agreement, the Power of Attorney, the Subordination Agreements, if any, and each other document, instrument or agreement executed by Borrower in connection herewith, as any of the same may be amended, extended or replaced from time to time.

“Loan Period” means the combined Revolving Loan Period and Term Loan Period.

“Margin” shall mean [\*\*\*] during the Revolving Loan Period and [\*\*\*] during the Term Loan Period.

“Margin Call” has the meaning set forth in Section 3(h).

“Material Adverse Effect” means a material adverse effect on (a) the property, business, operations, financial condition or prospects of Borrower, (b) the ability of Borrower to perform its obligations under any of the Loan Documents to which it is a party, (c) the validity or enforceability of any of the Loan Documents, (d) the rights and remedies of Bank under any of the Loan Documents, or (e) the timely repayment of the Loans or payment of other amounts payable in connection herewith or therewith.

“Maximum Loan Amount” means [\*\*\*] minus the amount by which the outstanding Purchase Price under the Mortgage Warehouse Agreement exceeds [\*\*\*].

“MBS” means residential mortgage-backed securities.

“Mortgage Loan” means a residential real estate secured loan and the entire corresponding file therefor, including, without limitation: (a) the underlying promissory note, any reformation thereof, and a related mortgage or deed of trust and security agreement; (b) all guaranties and insurance policies, including, without limitation, all mortgage and title insurance policies and all fire and extended coverage insurance policies and rights of Borrower to return premiums or payments with respect thereto; and (c) all right, title and interest of Borrower in the Mortgaged Property.

“Mortgage Warehouse Agreement” means that certain Master Repurchase Agreement dated as of July 29, 2015, as amended from time to time, between Borrower, as Seller, and Bank, as Buyer, pursuant to which Bank from time to time purchases mortgage loans originated by Borrower in an outstanding Purchase Price up to [\*\*\*], as said Mortgage Warehouse Agreement has been or may be amended or restated from time to time.

“Mortgaged Property” means the real property securing repayment of a Mortgage Loan (including all improvements, buildings, fixtures, building equipment and personal property thereon and all additions, alterations and replacements made at any time with respect to the foregoing) but excludes any leasehold estates.

“MSR Appraised Value” means, as of any date of determination, the fair market value of Borrower’s Servicing Rights at such time, calculated as a percentage (using the mid-point if expressed as a range) of the then unpaid principal balances of each category of Mortgage Loan then being serviced, as set forth in an ATNW Servicing Rights Appraisal. For the avoidance of doubt, in order to take into account changes in the unpaid principal balances of Mortgage Loans from the date of a particular appraisal to the date of any later determination of MSR Value for purposes of calculating Adjusted Tangible Net Worth at any time, the applicable value percentage shall be applied to the then (updated) unpaid principal balance of Mortgage Loans then included in Borrower’s capitalized Servicing Rights within each applicable category of Mortgage Loans of the date of such later determination of MSR Value.

“MSR Value” shall mean, as of any date of determination, the lesser of (a) Borrower’s capitalized Servicing Rights at such time, and (b) as applicable, and with respect to the same Servicing Rights (1) the MSR Appraised Value, at such time, with respect to those Mortgage Loans then included in Borrower’s capitalized Servicing Rights, or (2) if the applicable ATNW Servicing Rights Appraisal has not been timely delivered to Bank, such amount as Bank shall determine in its sole and absolute discretion, using such means of valuation as it deems appropriate under the circumstances. Notwithstanding the foregoing, in no event shall the MSR Value exceed the product of (x) the weighted average servicing fee of Borrower’s servicing portfolio times (y) the unpaid principal balance of Mortgage Loans serviced by Borrower and (z) [\*\*\*].

“Multiemployer Plan” means a multiemployer plan defined as such in Section 3(37) of ERISA to which contributions have been or are required to be made by Borrower or any ERISA Affiliate and that is covered by Title IV of ERISA.

“Net Income” shall mean, for any Person for any period, the net income of such Person for such period as determined in accordance with GAAP, excluding the effect of fair market value adjustments MSR Value with respect to Servicing Rights retained by Borrower (but not the effect of gain or loss upon the sale of any such Servicing Rights).

“Net Worth” shall mean, with respect to any Person, an amount equal to, on a consolidated basis, such Person’s stockholder equity (determined in accordance with GAAP).

“Non-Excluded Taxes” shall have the meaning set forth in Section 3(k) hereof.

“Non-Utilization Fee” has the meaning provided in Section 3(p) hereof.

“Obligations” means any and all debts, obligations and liabilities of Borrower to Bank (whether now existing or hereafter arising, voluntary or involuntary, whether or not jointly owned with others, direct or indirect, absolute or contingent, liquidated or unliquidated, and whether or not from time to time decreased or extinguished and later increased, created or incurred), arising out of or related to the Loan Documents.

“OFAC” shall have the meaning set forth in Section 2(a)(26) hereof.

“Other Taxes” shall have the meaning set forth in Section 3(k) hereof.

“Permitted Other Debt” means that Indebtedness identified on Exhibit II [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached hereto, as well as such other debt as may be approved by Bank as “Permitted Other Debt”.

“Person” means any corporation, natural person, firm, joint venture, partnership, limited liability company, limited liability partnership, trust, unincorporated organization, Governmental Authority or other entity.

“Plan” means an employee benefit or other plan established or maintained by either Borrower or any ERISA Affiliate that is covered by Title IV of ERISA, other than a Multiemployer Plan.

“Pledged Deposit Accounts” shall have the meaning set forth in Section 4(e).

“Pledged Servicing Rights” means all of Borrower’s rights and interests under any Approved Servicing Agreements, including without limitation the rights to (a) service the Serviced Loans that are the subject matter of such Approved Servicing Agreement and (b) be compensated, directly or indirectly, for doing so; together with all Servicing Rights described in any subservicing agreement. As to Freddie Mac, “Pledged Servicing Rights” shall mean the indivisible, conditional, non-delegable right of Borrower to service Mortgage Loans owned or guaranteed by Freddie Mac pursuant to the Freddie Mac Single-Family Seller/Servicer Guide, as the same may be amended from time to time, (the “Freddie Mac Guide”) and the Purchase Documents (as defined in the Freddie Mac Guide).

“Power of Attorney” means a duly executed, stand-alone Power of Attorney of Borrower in form and substance acceptable to Bank

“Prohibited Person” shall have the meaning set forth in Section 2(a)(26) hereof.

“Purchase Price” shall have the meaning set forth in the Mortgage Warehouse Agreement.

“Purchased Mortgage Loans” shall have the meaning set forth in the Mortgage Warehouse Agreement.

“Regulations T, U and X” shall mean Regulations T, U and X of the Board of Governors of the Federal Reserve System (or any successor), as the same may be modified and supplemented and in effect from time to time.

“Reportable Event” means a reportable event as defined in Title IV of ERISA, except actions of general applicability by the Secretary of Labor under Section 110 of ERISA.

“Requirements of Law” means, as to any Person, all requirements and prohibitions contained in the Certificate of Incorporation, Bylaws, Certificate of Formation, Operating Agreement or other organizational or governing documents of such Person, and of any federal, state or local law, treaty, rule or regulation (including without limitation those contained in any Agency guide or agreement), or of any final and binding determination of an arbitrator or a determination of a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property, or to which such Person or any of its property is subject.

“Restricted Cash” shall mean for any Person, any amount of cash or Cash Equivalents of such Person that is contractually required to be set aside, segregated or otherwise reserved or that is otherwise pledged to, or subject to the Lien of, any Person other than Bank.

“Revolving Loan Period” means the period beginning on the Effective Date and ending on the earlier of (1) July 14, 2021 or (2) the Termination Date.

“RHS” means the Rural Housing Service of the United States Department of Agriculture.

“Serviced Loans” means all Mortgage Loans serviced or required to be serviced by Borrower under any Approved Servicing Agreement, irrespective of whether the actual servicing is done by another Person (a subservicer) retained by Borrower for that purpose.

“Servicer” means a Person (which may, or shall, mean Borrower if the context permits, or requires, it) retained by the owner (or a trustee for the owner) of Mortgage Loans to service them under a Servicing Agreement.

“Servicer Downgrade Event” means any debt, deposit, financial strength or any other financial, operational or performance rating for Borrower, a Servicer or any subservicer is downgraded one or more levels, resulting in a level below Average by Standard & Poor’s or RPS3- by Fitch, to the extent any such Persons are rated by such rating agencies.



“Servicing Agreement” means, with respect to any Person, the arrangement, whether or not evidenced in writing, pursuant to which that Person acts as servicer of Mortgage Loans, whether or not any of such Mortgage Loans are owned by such Person.

“Servicing Receivables” means all of Borrower’s present and future rights to have, demand, receive, recover, obtain and retain payment, reimbursement or indemnity for (or for making) advances made by Borrower (or its predecessor servicer) under the Approved Servicing Agreements.

“Servicing Rights” means all of Borrower’s rights and interests under any Servicing Agreement, including the rights to (a) service the Serviced Loans that are the subject matter of such Servicing Agreement and (b) be compensated and reimbursed, directly or indirectly, for doing so.

“Servicing Rights Appraisal” shall mean a written appraisal or evaluation by a servicing appraiser chosen by Bank in its sole and absolute discretion evaluating the fair market value of the Pledged Servicing Rights as of a date stated in the written report of such evaluation. Each such evaluation and report shall be made at Bank’s expense, be addressed to Bank and be in form and substance acceptable to Bank in its sole and absolute discretion. Notwithstanding the foregoing, in no event shall the Borrowing Base include any appraised value exceeding the product of (a) the weighted average servicing fee of Borrower’s servicing portfolio times (b) the unpaid principal balance of Mortgage Loans serviced by Borrower and (c) [\*\*\*].

“Single Employer Plan” shall mean any Plan that is covered by Title IV of ERISA, but that is not a Multiemployer Plan.

“Subordinated Debt” means, Indebtedness of Borrower (a) that is unsecured, (b) no part of the principal of such Indebtedness is required to be paid (whether by way of mandatory sinking fund, mandatory redemption, mandatory prepayment or otherwise) prior to the date which is one year following the Termination Date and (c) the payment of the principal of and interest on such Indebtedness and other obligations of Borrower in respect of such Indebtedness is subordinated to the prior payment in full of the principal of and interest (including post-petition obligations) on the Loan and all other obligations and liabilities of Borrower to Bank hereunder on terms and conditions approved in writing by Bank and all other terms and conditions of which are satisfactory in form and substance to Bank in its sole and absolute discretion. Subordinated Debt, if any, outstanding as of the Effective Date is as set forth in the financial statements most recently delivered to Bank prior to the Effective Date.

“Subordination Agreement” shall mean an agreement among Bank, Borrower, and all applicable third parties which satisfies the requirements of clause (3) of the definition of “Subordinated Debt.”

“Subsidiary” means any Person, more than fifty percent (50%) of the stock or other ownership interest of which, having by the terms thereof, ordinary voting power to elect the board of directors, managers or trustees of such Person (irrespective of whether or not at the time stock of any other class or classes of such Person shall have or might have voting power by

reason of the happening of any contingency) shall, at the time as of which any determination is being made, be owned, either directly or through Subsidiaries.

“Taxes” shall have the meaning set forth in Section 3(k) hereof.

“Term Loan Period” means the period beginning on the last day of the Revolving Loan Period and ending on the earlier of (a) the two (2) calendar year anniversary thereof or (b) the Termination Date.

“Termination Date” means (a) the last day of the Loan Period, or (b) such earlier date on which this Agreement shall terminate or be terminated by Bank in accordance with the provisions hereof or by operation of law or the date on which the Loan shall be accelerated and declared due and payable in accordance with the provisions hereof.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York; provided that if by reason of mandatory provisions of law, the perfection or the effect of perfection or nonperfection of the security interest in any Collateral or the continuation, renewal or enforcement thereof is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “UCC” shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or nonperfection.

“Up-Front Fee” means a [\*\*\*] facility fee [\*\*\*] of the Maximum Loan Amount).

“VA” means the Veterans Administration and any successor agency.

## 2. Representations and Warranties.

(a) Corporate Representations and Warranties. Borrower represents and warrants to Bank as of the date hereof, as of the Advance Date for any Loan Advance and at all times prior to the Termination Date that:

(1) Borrower Existence. Borrower has been duly organized and is validly existing as a corporation in good standing under the laws of the State of California.

(2) Licenses. Borrower is duly licensed or is otherwise qualified in each jurisdiction in which qualification is required to transact business for the business which it conducts and is not in default of any applicable federal, state or local laws, rules and regulations unless, in either instance, the failure to take such action is not reasonably likely (either individually or in the aggregate) to cause a Material Adverse Effect. Subject to the applicable Acknowledgement Agreements, Borrower has the requisite power and authority and legal right to service the Serviced Loans and to own, sell and grant a lien on all of its right, title and interest in and to the Collateral, and to execute and deliver, engage in the Loan Advances contemplated by, and perform and observe the terms and conditions of, the Loan Documents.

(3) Power. Borrower has all requisite corporate or other power, and has all governmental licenses, authorizations, consents and approvals necessary to

own its assets and carry on its business as now being or as proposed to be conducted, except where the lack of such licenses, authorizations, consents and approvals would not be reasonably likely to have a Material Adverse Effect.

(4) Due Authorization. Borrower has all necessary corporate or other power, authority and legal right to execute, deliver and perform its obligations under each of the Loan Documents, as applicable. This Agreement has been duly authorized, executed and delivered by Borrower, all requisite or other corporate action having been taken, and each is valid, binding and enforceable against Borrower in accordance with its terms except as such enforcement may be affected by bankruptcy, by other insolvency laws, or by general principles of equity.

(5) Financial Statements. Borrower has heretofore furnished to Bank a copy of (a) its consolidated and consolidating balance sheet and the consolidated and consolidating balance sheets of its consolidated Subsidiaries for the fiscal year of Borrower ended December 31, 2015 and the related consolidated statements of income and retained earnings and of cash flows for Borrower and its consolidated Subsidiaries for such fiscal year, setting forth in each case in comparative form the figures for the previous year, with the opinion thereon of its certified public accountants and (b) its consolidated and consolidating balance sheet and the consolidated and consolidating balance sheets of its consolidated Subsidiaries for the quarterly fiscal period of Borrower ended December 31, 2016, and the related consolidated statements of income and retained earnings and of cash flows for Borrower and its consolidated Subsidiaries for such quarterly fiscal period, setting forth in each case in comparative form the figures for the previous year. All such financial statements are complete and correct and fairly present, in all material respects, the consolidated financial condition of Borrower and its Subsidiaries and the consolidated results of their operations as at such dates and for such fiscal periods, all in accordance with GAAP applied on a consistent basis. Since December 31, 2016 there has been no material adverse change in the consolidated business, operations or financial condition of Borrower and its consolidated Subsidiaries taken as a whole from that set forth in said financial statements nor is Borrower aware of any state of facts which (with notice or the lapse of time) would or could result in any such material adverse change. Borrower has, on the date of the statements delivered pursuant to this Section 2(a) (5) no liabilities, direct or indirect, fixed or contingent, matured or unmatured, known or unknown, or liabilities for taxes, long-term leases or unusual forward or long-term commitments not disclosed by, or reserved against in, said balance sheet and related statements, and at the present time there are no material unrealized or anticipated losses from any loans, advances or other commitments of Borrower except as heretofore disclosed to Bank in writing.

(6) Solvency. Borrower is solvent and will not be rendered insolvent by any Loan Advance and, after giving effect to such Loan Advance, will not be left with an unreasonably small amount of capital with which to engage in its business. Borrower does not intend to incur, nor does it believe it has incurred, debts beyond its ability to pay such debts as they mature nor is it contemplating the commencement of insolvency, bankruptcy, liquidation or consolidation proceedings or the appointment of a receiver, liquidator, conservator, trustee or similar official in respect of such entity or any of its assets. Borrower is not pledging or transferring any Collateral with any intent to hinder, delay or defraud any of its creditors.

(7) No Conflicts. The execution, delivery and performance by Borrower of the Loan Documents does not conflict with any term or provision of any Requirements of Law, which conflict would be reasonably likely to have a Material Adverse Effect and will not result in any violation of any mortgage, instrument, agreement or obligation to which Borrower is a party.

(8) Accurate and Complete Disclosure. The information, reports, financial statements, exhibits and schedules furnished in writing by or on behalf of Borrower to Bank in connection with the negotiation, preparation or delivery of this Agreement or performance hereof and the other Loan Documents or included herein or therein or delivered pursuant hereto or thereto, when taken as a whole, do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they were made, not misleading. There is no fact known to Borrower, after due inquiry, that would reasonably be expected to have a Material Adverse Effect that has not been disclosed herein, in the other Loan Documents or in a report, financial statement, exhibit, schedule, disclosure letter or other writing furnished to Bank for use in connection with the transactions contemplated hereby or thereby.

(9) Approvals. Except as otherwise contemplated hereby with respect to Agency approval and the execution and delivery of Agency Acknowledgment Agreements, no consent, approval, authorization or order of, registration or filing with, or notice to any governmental authority or court is required under applicable law in connection with the execution, delivery and performance by Borrower of the Loan Documents.

(10) Litigation. Except as disclosed on Exhibit V [Omitted pursuant to Item 601(a)(5) of Regulation S-K], there is no action, proceeding or investigation pending with respect to which Borrower has received service of process or, to the best of Borrower's knowledge threatened against it before any court, administrative agency or other tribunal (A) asserting the invalidity of any Loan Document, (B) seeking to prevent the consummation of any of the transactions contemplated by any Loan Document, (C) makes a claim individually in an amount greater than [\*\*\*] or in an aggregate amount greater than [\*\*\*], (D) that requires filing with the Securities and Exchange Commission in accordance with the 1934 Act or any rules thereunder or (E) that might materially and adversely affect the validity of any of the Collateral or the performance by Borrower of its obligations under, or the validity or enforceability of, any Loan Document.

(11) Material Adverse Change. There has been no Material Adverse Effect since the date set forth in the most recent financial statements supplied to Bank.

(12) Taxes. Borrower and its Subsidiaries have timely filed all tax returns that are required to be filed by them and have paid all taxes, except for any such taxes as are being appropriately contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves have been provided. The charges, accruals and reserves on the books of Borrower and its Subsidiaries in respect of taxes and other governmental charges are, in the opinion of Borrower, adequate.

(13) Investment Company. Neither Borrower nor any of its Subsidiaries is an “investment company”, or a company “controlled” by an “investment company,” within the meaning of the Investment Company Act of 1940, as amended.

(14) Chief Executive Office: Jurisdiction of Organization. Borrower’s chief executive office is located at 5898 Copley Drive, San Diego, California 92111. Borrower’s jurisdiction of organization is California. Borrower has no trade name other than those disclosed in writing to Bank. During the preceding five years, Borrower has not been known by or done business under any other name, corporate or fictitious, and has not filed or had filed against it any bankruptcy, receivership or similar petitions nor has it made any assignments for the benefit of creditors.

(15) Location of Books and Records. The location where Borrower keeps its books and records, including all computer tapes and records relating to the Serviced Loans, is its chief executive office.

(16) ERISA. Each Plan to which Borrower or its Subsidiaries make direct contributions, and, to the knowledge of Borrower, each other Plan and each Multiemployer Plan, is in compliance in all material respects with, and has been administered in all material respects in compliance with, the applicable provisions of ERISA, the Code and any other Federal or State law.

(17) Debt for Borrowed Money. All credit facilities, repurchase facilities or substantially similar facilities or other debt for borrowed money of Borrower in excess of [\*\*\*] (the “Debt for Borrowed Money Arrangements”) that are presently in effect and/or outstanding are listed on Exhibit II hereto (or listed in a Compliance Certificate provided under Section 6(a) hereunder if entered into after the Effective Date) and no defaults or events of default exist thereunder (the “Existing Indebtedness”).

(18) Agency Approvals: Servicing Facilities. Borrower or its subservicer has adequate financial standing, servicing facilities, procedures and experienced personnel necessary for the sound servicing of mortgage loans of the same types as may from time to time constitute Serviced Loans in accordance with the requirements of the applicable Approved Servicing Agreement. With respect to Ginnie Mae Servicing Rights and to the extent necessary, Borrower is an FHA Approved Mortgagee and a VA Approved Lender. Borrower is also approved by Fannie Mae and Ginnie Mae as an approved lender and Freddie Mac as an approved seller/servicer, and, to the extent necessary, approved by the Secretary of Housing and Urban Development pursuant to Sections 203 and 211 of the National Housing Act. In each such case, Borrower is in good standing, with no event having occurred or Borrower having any reason whatsoever to believe or suspect will occur, including a change in insurance coverage that would either make Borrower unable to comply with the eligibility requirements for maintaining all such applicable approvals or require notification to the relevant Agency or to the Department of Housing and Urban Development, FHA or VA. Should Borrower for any reason cease to possess all such applicable approvals, or should notification to the relevant Agency or to HUD, FHA or VA be required, or should any Agency or HUD, FHA or VA threaten in writing to revoke or limit any such applicable approvals, Borrower shall so notify Bank immediately in writing.

(19) Plan Assets. Borrower is not an employee benefit plan as defined in Section 3 of Title I of ERISA, or a plan described in Section 4975(e)(1) of the Code, and the Collateral is not comprised in any respect of “plan assets” within the meaning of 29 CFR §2510.3-101 in Borrower’s hands.

(20) Reserved.

(21) Servicing Agreements. Borrower has provided Bank with copies of each Approved Servicing Agreement (including, without limitation, all exhibits and schedules referred to therein or delivered pursuant thereto), all amendments thereto, waivers relating thereto and other side letters or agreements affecting the terms thereof and all agreements and other material documents relating thereto, and Borrower hereby certifies that the copies delivered to Bank by Borrower are true, correct and complete. None of such documents has been amended, supplemented or otherwise modified (including waivers) since the respective dates thereof, except by amendments, copies of which have been delivered to Bank. Each Approved Servicing Agreement has been duly executed and delivered by Borrower and is in full force and effect, and no default or material breach has occurred and is continuing thereunder.

(22) Eligible Pledged Servicing Rights. Each Pledged Servicing Right included in the Borrowing Base is an Eligible Pledged Servicing Right.

(23) No Default. No Default or Event of Default has occurred and is continuing.

(24) Margin Regulations. The use of all funds acquired by Borrower under this Agreement will not conflict with or contravene any of Regulations T, U or X.

(25) Anti-Money Laundering Laws. Borrower has complied with all applicable anti-money laundering laws and regulations (collectively, the “Anti-Money Laundering Laws”); Borrower has established an anti-money laundering compliance program as required by the Anti-Money Laundering Laws, has conducted the requisite due diligence in connection with the origination of each Mortgage Loan for purposes of the Anti-Money Laundering Laws, including with respect to the legitimacy of the applicable mortgagor and the origin of the assets used by the said mortgagor to purchase the property in question, and maintains, and will maintain, sufficient information to identify the applicable mortgagor for purposes of the Anti-Money Laundering Laws.

(26) No Prohibited Persons. Borrower, and, as applicable, none of its Affiliates, officers, directors, partners or members, is an entity or person (or to Borrower’s knowledge, owned or controlled by an entity or person): (1) that is listed in the Annex to, or is otherwise subject to the provisions of Executive Order 13224 issued on September 24, 2001 (“EO13224”); (2) whose name appears on the United States Treasury Department’s Office of Foreign Assets Control (“OFAC”) most current list of “Specifically Designated National and Blocked Persons” (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, <http://www.treas.gov/ofac/t11sdn.pdf>); (3) who commits, threatens to commit or supports “terrorism”, as that term is defined in EO13224; or (4) who is

otherwise affiliated with any entity or person listed above (any and all parties or persons described in clauses (1) through (4) above are herein referred to as a “Prohibited Person”).

(b) Remedies for Breach. The representations and warranties set forth in this Agreement shall survive the closing of the Loan, and shall continue for so long as Loan Advances remain unpaid. Upon discovery by Borrower or Bank of any breach of any of the representations or warranties set forth in this Agreement, the party discovering such breach shall promptly give notice of such discovery to the other.

3. Loan Advances.

(a) Subject to and upon the terms and conditions of this Agreement, during the Revolving Loan Period, Bank agrees to make one or more Loan Advances to Borrower for Approved Purposes in an aggregate principal amount at any one time outstanding up to but not exceeding the Maximum Loan Amount. Within the limit of the Maximum Loan Amount in effect from time to time, during the Revolving Loan Period, Borrower may borrow, repay, and reborrow at any time and from time to time from the Effective Date to the earlier of (1) the expiration of the Revolving Loan Period, or (2) the Termination Date. If, by virtue of payments made on the Loan during the Revolving Loan Period, the principal amount owed on the Loan prior to the Termination Date reaches zero at any point, Borrower agrees that all of the Collateral and all of the Loan Documents shall remain in full force and effect to secure any Loan Advances made thereafter and the Obligations, and Bank shall be fully entitled to rely on all of the Collateral and all of the Loan Documents unless an appropriate release of all or any part of the Collateral or all or any part of the Loan Documents has been executed by Bank. The Loan may not exceed the Maximum Loan Amount at any time. Borrower acknowledges and agrees that the Maximum Loan Amount is calculated in conjunction with the Maximum Purchase Amount under the Mortgage Warehouse Agreement such that in no event shall the aggregate of the outstanding principal balance of the Loan hereunder and the outstanding Purchase Price of the Purchased Mortgage Loans exceed [\*\*\*] at any time. Upon the expiration of the Revolving Loan Period, and provided that no Default or Event of Default has occurred and is continuing, the Loan shall, without any further action by Bank or Borrower, convert to a term loan (the “Term Loan”) in accordance with the terms hereof.

Borrower shall initiate each Loan Advance by submitting to Bank a written Advance Request at least [\*\*\*] prior to the proposed Advance Date. Bank shall have no liability to Borrower for any loss or damage suffered by Borrower as a result of Bank’s honoring of any requests, execution of any instructions, authorizations or agreements or reliance on any reports communicated to it telephonically, by facsimile or electronically, and purporting to have been sent to Bank by Borrower and Bank shall have no duty to verify the origin of any such communication or the identity or authority of the Person sending it.

Subject to the terms and conditions of this Agreement, each Loan Advance shall be made available to Borrower by depositing the same, in immediately available funds, in an account of Borrower designated by Borrower maintained with Bank. If Bank agrees to make the subject Loan Advance, then no later than the Advance Date Bank shall reflect on its computer system the Loan Advance (the “Confirmation”).

In the event Borrower disagrees with any terms of the Confirmation, Borrower shall immediately notify Bank of such disagreement. An objection by Borrower must state specifically that it is an objection, must specify the provision(s) being objected to by Borrower, must set forth such provision(s) in the manner that Borrower believes they should be stated, and must be received by Bank no more than one (1) Business Day after the Confirmation was received by Borrower.

(b) Any Confirmation by Bank shall be deemed received by Borrower on the date the Confirmation is posted on Bank's computer system.

(c) Except as set forth in Section 3(a), each Confirmation, together with this Agreement, shall constitute conclusive evidence of the terms agreed between Bank and Borrower with respect to the Loan Advance to which the Confirmation relates, and Borrower's acceptance of the related proceeds shall constitute Borrower's agreement to the terms of such Confirmation. It is the intention of the parties that each Confirmation shall not be separate from this Agreement but shall be made a part of this Agreement.

(d) In no event shall Bank fund any Loan Advance when any Default or Event of Default has occurred and is continuing.

(e) The Loan shall be evidenced by, be repayable, and accrue interest in accordance with, this Agreement. The unpaid principal balance of the Loan shall be repaid as provided herein. Borrower agrees that Bank is authorized to record (1) the date and amount of each Loan Advance made by Bank pursuant hereto and (2) the date and amount of each payment of principal of each Loan Advance, in the books and records of Bank in such manner as is reasonable and customary for Bank, and that a certificate of an officer of Bank, setting forth in reasonable detail the information so recorded, shall constitute prima facie evidence of the accuracy of the information so recorded, absent manifest error; provided that the failure to make any such recording shall not in any way affect the Obligations of Borrower or the rights of Bank hereunder. Subject to the terms and conditions in this Agreement and the other Loan Documents, Borrower may borrow, repay, and reborrow hereunder during the Revolving Loan Period. Bank may in its sole discretion request that the Loan be evidenced by a promissory note. In such event, Borrower shall prepare, execute and deliver to Bank a promissory note payable to the order of Bank (or, if requested by Bank, to Bank and its registered assigns) in a form reasonably acceptable to Borrower and Bank. Thereafter, the Loan and interest thereon shall at all times (including after assignment pursuant to Section 11(a)) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

(f) During the Revolving Loan Period, accrued and unpaid interest at the Interest Rate or, to the extent applicable, the Default Rate, shall be payable monthly in arrears on the Facility Payment Date commencing on August 1, 2017; and

(g) Borrower shall make monthly payments of principal and interest during the Term Loan Period, commencing on Facility Payment Date succeeding the month in which the Conversion Date occurs and continuing on the Facility Payment Date of each month thereafter until the last day of the Term Loan Period. Each payment shall equal [\*\*\*] of the



principal balance on the Conversion Date plus all accrued and unpaid interest on the outstanding principal balance calculated by Bank in accordance with the terms hereof. On the last Business Day of the Term Loan Period, all remaining principal and accrued and unpaid interest shall be paid in full. During the Term Loan Period, Borrower may make prepayments at any time; provided, however, that notwithstanding any such prepayment, there will be no change in the due date or amount of scheduled payments due hereunder unless Bank, in its sole and absolute discretion, agrees in writing to such change

(h) If at any time the aggregate outstanding principal balance of the Loan exceeds the Borrowing Base in effect at such time, as determined by Bank (such excess, a "Borrowing Base Deficiency"), then Bank may by notice to Borrower require Borrower to transfer to Bank cash in an amount at least equal to the Borrowing Base Deficiency (such requirement, a "Margin Call"). Notice delivered pursuant to this Section 3(h) may be given by any written or electronic means. Any notice given before 5:00 p.m. (Eastern time) on a Business Day shall be met, and the related Margin Call satisfied, no later than 5:00 p.m. (Eastern time) on the next Business Day following such notice. The failure of Bank, on any one or more occasions, to exercise its rights hereunder, shall not change or alter the terms and conditions to which this Agreement is subject or limit the right of Bank to do so at a later date. Borrower and Bank each agree that a failure or delay by Bank to exercise its rights hereunder shall not limit or waive Bank's rights under this Agreement or otherwise existing by law or in any way create additional rights for Borrower. Bank may in its sole discretion accept the pledge of additional Collateral rather than cash to satisfy any Margin Calls.

(i) If a payment hereunder is not made by Borrower in a timely manner, Bank is authorized by Borrower to debit the amount of any such payments from the general deposit account of Borrower with Bank.

(j) Borrower represents that the proceeds of the Loan Advances will be used only for Approved Purposes.

(k) If any change subsequent to the date hereof in any applicable law, order, regulation, treaty or directive issued by any central bank or other Governmental Authority, or in the governmental or judicial interpretation or application thereof, or compliance by Bank with any request or directive (whether or not having the force of law) by any central bank or other Governmental Authority:

- (1) subjects Bank to any tax of any kind whatsoever with respect to this Agreement or any Loans made hereunder, or change the basis of taxation of payments to Bank of principal, fee, interest or any other amount payable hereunder (except for change in the rate of tax on the overall net income of Bank);
- (2) imposes, modifies or holds applicable any reserve, capital requirement, special deposit, compulsory loan or similar requirements against assets held by, or deposits or other liabilities in or for the account of, advances or loans by, or other credit extended by, or any other

acquisition of funds by, any office of Bank which are not otherwise included in the determination of the corporate base rate; or

- (3) imposes on Bank any other condition;

and such change increases the cost to Bank of purchasing or maintaining the Loan, or reduces any amount receivable in respect thereof, or reduces the rate of return on the capital of Bank or any Person controlling Bank, then, in any such case, Borrower shall promptly pay to Bank, upon its written demand, any additional amounts necessary to compensate Bank for such cost increase or reduction in the amounts receivable or rate of return, as determined by Bank, with respect to this Agreement and the other Loan Documents and the transactions contemplated hereby and thereby. If Bank becomes entitled to claim any additional amounts pursuant to this Section, it shall promptly notify Borrower in writing of the event by reason of which it has become so entitled. Bank shall provide with such notice a certificate as to any additional amounts payable pursuant to the foregoing sentence, containing the calculation thereof in reasonable detail, and such calculation shall be conclusive in the absence of manifest error. The provisions hereof shall survive the termination of this Agreement.

Any and all payments by Borrower under or in respect of this Agreement or any other Loan Documents to which Borrower is a party shall be made free and clear of, and without deduction or withholding for or on account of, any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities (including penalties, interest and additions to tax) with respect thereto, whether now or hereafter imposed, levied, collected, withheld or assessed by any taxation authority or other Governmental Authority (collectively, "Taxes"), unless required by law. If Borrower shall be required under any applicable Requirement of Law to deduct or withhold any Taxes from or in respect of any sum payable under or in respect of this Agreement or any of the other Loan Documents to Bank, (1) Borrower shall make all such deductions and withholdings in respect of Taxes, (2) Borrower shall pay the full amount deducted or withheld in respect of Taxes to the relevant taxation authority or other Governmental Authority in accordance with any applicable Requirement of Law, and (3) the sum payable by Borrower hereunder shall be increased as may be necessary so that after Borrower has made all required deductions and withholdings (including deductions and withholdings applicable to additional amounts payable under this Section 3(k)) Bank receives an amount equal to the sum it would have received had no such deductions or withholdings been made in respect of Non-Excluded Taxes. For purposes of this Agreement, the term "Non-Excluded Taxes" are Taxes other than, in the case of Bank, Taxes that are imposed on its overall net income (and franchise taxes imposed in lieu thereof) by the jurisdiction under the laws of which Bank is organized or of its applicable lending office, or any political subdivision thereof, unless such Taxes are imposed as a result of Bank having executed, delivered or performed its obligations or received payments under, or enforced, this Agreement or any of the other Loan Documents (in which case such Taxes will be treated as Non-Excluded Taxes).

In addition, Borrower hereby agrees to pay any present or future stamp, recording, documentary, excise, property or value-added taxes, or similar taxes, charges or levies that arise from any payment made under or in respect of this Agreement or any other Loan Document or from the execution, delivery or registration of, any performance under, or otherwise with respect to, this Agreement or any other Loan Document (collectively, "Other Taxes").

(l) Borrower agrees to pay Bank the Up-Front Fee, such payment to be made in Dollars, in immediately available funds, without deduction, set off or counterclaim. Bank may, in its sole discretion, net the Up-Front Fee from the proceeds of any Loan Advance made to Borrower.

(m) Bank may, from time to time and without notice to Borrower sell or offer to sell the Loan, or interests therein, to one or more assignees or participants. Borrower further agrees that Bank is hereby authorized to disseminate and disclose any information (whether or not confidential or proprietary in nature) Bank now has or may hereafter obtain pertaining to Borrower, the Serviced Loans, the Loans and the Loan Documents (including, without limitation, any credit or other information regarding Borrower, any of its principals, or any other person or entity liable, directly or indirectly, for any part of the Loan, to (1) any assignee or participant or any prospective assignee or prospective participant, (2) any regulatory body having jurisdiction over Bank or the Loan, (3) any servicer of the Serviced Loans, including without limitation, any other mortgage originator under a standby servicing agreement wherein such originator will take over and service the Serviced Loans if an Agency terminates Borrower's right to service the Serviced Loans or if Borrower otherwise defaults hereunder, and (d) any other persons or entities as may be necessary or appropriate in Bank's reasonable judgment). Bank, as a courtesy to Borrower but without obligation or liability for failure to do so, will endeavor to notify Borrower of any such assignees, participants, subservicers or mortgage originators, or prospective assignees, participants, subservicers or mortgage originators, to which Bank disseminates any of the information described above.

(n) Except as otherwise provided in the Loan Documents or otherwise agreed by Bank, all payments and prepayments of the Obligations, including proceeds from the exercise of any rights under the Loan Documents or proceeds of any of the Collateral, shall be applied to the Obligations in the following order, any instructions from Borrower to the contrary notwithstanding: (1) to the expenses for which Bank shall not have been reimbursed under the Loan Documents, and then to all indemnified amounts due under the Loan Documents; (2) to fees then owed Bank hereunder or under any other Loan Document; (3) to accrued interest on the portion of the Loan Advance being paid or prepaid; (4) to the principal portion of the Loan Advance being paid or prepaid; (5) to the remaining accrued interest on the Loan; (6) to the remaining principal portion of the Loan; and (7) to any remaining Obligations. All amounts remaining after the foregoing application of funds shall be paid to Borrower.

(o) Notwithstanding anything else to the contrary contained or implied herein or in any other Loan Document, Bank shall have full, unlimited recourse against Borrower and its assets in order to satisfy the Obligations.

(p) For each calendar quarter that commences on or after June 30, 2018, in the event that the Combined Facility Quarterly Average is less than [\*\*\*] of the Combined Facility Amount, Borrower shall pay to Bank in immediately available funds a non-refundable non-utilization fee (the "Non-Utilization Fee") due, owing, and payable in arrears no later than 10 Business Days following the end of each such calendar month. The Non-Utilization fee shall equal, for each calendar month, the product of (1) [\*\*\*] per annum and (2) the excess of (A) the Combined Facility Amount over (B) the Combined Facility Quarterly Average during such calendar month, based on a 360-day year. Non-Utilization Fees hereunder

shall be prorated for any partial month at the end of the Revolving Loan Period. Non-Utilization Fees shall be calculated hereunder or under the Mortgage Warehouse Agreement, but not both concurrently.

4. Security Interest.

(a) Borrower hereby pledges, assigns and grants to Bank a continuing first priority security interest in all of Borrower's right, title and interest in and to all of the Collateral to secure the prompt and complete payment and performance when due of all of the Obligations, subject and subordinate to (1) all rights, powers and prerogatives of Freddie Mac under the Purchase Documents (as such term is defined in the Freddie Mac Single-Family Seller/Servicer Guide, as the same may be amended from time to time), at law and/or in equity, including, without limitation, the right of Freddie Mac to terminate (in whole or in part) Borrower as an approved Freddie Mac Seller/Servicer (whether pursuant to a Termination With Cause or a Termination Without Cause (as each such term is defined in the Second Amended and Restated Acknowledgment Agreement, dated as of July 15, 2020, among Borrower, Bank and Freddie Mac (the "Freddie Mac Acknowledgment Agreement")), (2) the right to terminate (in whole or in part) the Servicing Contract (as such term is defined in the Freddie Mac Acknowledgment Agreement (whether a Termination With Cause or a Termination Without Cause) and to cause a sale and transfer of all or any portion of the Servicing Contract, as provided in the Purchase Documents, and (3) payment of all of Freddie Mac's Claims and Freddie Mac's Servicing Transfer Costs (as each such term is defined in the Freddie Mac Acknowledgment Agreement).

(b) Notwithstanding anything to the contrary contained herein, (1) Borrower and each other obligated party shall remain liable under the Servicing Agreements, contracts and other agreements to which such Person is a party and which are included in the Collateral and shall perform all of its respective duties and obligations thereunder to the same extent as if this Agreement had not been executed, and (2) Bank shall not have any obligation or liability under any of the Servicing Agreements, contracts and other agreements included in the Collateral by reason of this Agreement, nor shall Bank be obligated to perform any of the obligations or duties of Borrower or any other obligated party thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

(c) At any time and from time to time, upon the written request of Bank, and at the sole expense of Borrower, Borrower will promptly and duly execute and deliver, or will promptly cause to be executed and delivered, such further instruments and documents and take such further action as Bank may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the UCC. Borrower hereby irrevocably authorizes Bank at any time and from time to time to prepare and file one or more financing statements (and any continuation statements and amendments thereto) describing the Collateral whether or not Borrower's signature appears thereon.

(d) To the extent pledged hereunder, Servicing Rights under Servicing Agreements with Fannie Mae, Freddie Mac or Ginnie Mae will have a market value of zero for

purposes of determining the Borrowing Base until the date on which an Acknowledgment Agreement covering such Servicing Rights has been executed and delivered by Borrower, Bank and Fannie Mae, Freddie Mac or Ginnie Mae, as applicable.

(e) At any time following the occurrence and during the continuation of an Event of Default or in connection with the implementation of any servicing advance receivable sublimit that Bank may approve, Borrower shall establish and maintain with Bank: (1) a demand deposit account with Bank styled “Guild Mortgage Company in trust for TIAA, FSB — Freddie Mac Servicing Rights Account”, which account shall be established for the purpose of holding cash proceeds of Freddie Mac Servicing Rights for the benefit of Bank; (2) if any third parties other than Agencies become Approved Investors, a demand deposit account with Bank styled “Guild Mortgage Company in trust for TIAA, FSB—Non Agency Account,” which account shall be established by Bank for the purpose of holding cash proceeds of Servicing Rights and Servicing Receivables other than Agency Servicing Rights for the benefit of Bank; (3) if Ginnie Mae becomes an Approved Investor, a demand deposit account with Bank styled “Guild Mortgage Company in trust for TIAA, FSB — Ginnie Mae Servicing Rights Account”, which account shall be established by Bank for the purpose of holding cash proceeds of Ginnie Mae Servicing Rights for the benefit of Bank; and (4) if Fannie Mae becomes an Approved Investor, a demand deposit account with Bank styled “Guild Mortgage Company in trust for TIAA, FSB — Fannie Mae Servicing Rights Account”, which account shall be established by Bank for the purpose of holding cash proceeds of Fannie Mae Servicing Rights for the benefit of Bank (each such account, a “Pledged Deposit Account”). Each Pledged Deposit Account shall be in the form of a time deposit or demand account. Following the establishment of any Pledged Deposit Account, except as prohibited by the Freddie Mac Acknowledgment Agreement, and expressly excluding all funds held or obtained by Borrower in a custodial capacity, including payments of principal, interests, taxes or insurance or other sums held in a custodial capacity, Pledged Servicing Rights funds received and retained by Borrower pursuant to the applicable Servicing Agreement shall promptly, and in any event within two (2) Business Days after receipt, be deposited in the appropriate Pledged Deposit Account. Funds deposited in the Pledged Deposit Accounts (including any interest paid on such funds) may be distributed only with the consent of Bank. Prior to Borrower making any withdrawal from the custodial account or any other clearing account maintained under the related Servicing Agreement, Borrower, as applicable shall instruct any subservicer(s) and the related depository institution(s) to remit all collections, payments and proceeds in respect of any Pledged Servicing Rights into the appropriate Pledged Deposit Account. Borrower shall not withdraw or direct the withdrawal or remittance of any amounts on account of any Pledged Servicing Rights income related to any Servicing Agreement from any custodial account into which such amounts have been deposited other than to remit to the appropriate Pledged Deposit Account.

(f) To the extent that the pledge of Borrower’s right, title and interest in mortgage servicing rights under Approved Servicing Agreements with Fannie Mae shall at any time be included within the security interest created hereby, notwithstanding anything to the contrary herein or any of the other Loan Documents, the pledge of Borrower’s right, title and interest in mortgage servicing rights under Approved Servicing Agreements with Fannie Mae shall only secure Borrower’s debt to Bank incurred for the purposes of (1) purchasing additional Mortgage Loan servicing rights and retaining current Mortgage Loan servicing rights, (2) purchasing a mortgage banking company (including a management buyout of an existing

mortgage banking company) or (3) securing a warehouse line of credit; provided that the foregoing provisions of this paragraph shall be deemed automatically supplemented or amended if and to the extent Fannie Mae supplements or amends the corresponding requirement, whether in its rules, regulations, guides, Servicing Agreements, Acknowledgment Agreements, or published announcements or otherwise waives or grants exceptions from such requirement, and in each instance, with the same substantive force and effect; provided, further, that the security interest created hereby is subject to the following provision to be included in each financing statement filed in respect hereof (defined terms used below shall have the meaning set forth in the applicable Acknowledgment Agreement):

The Security Interest described in this financing statement is subject and subordinate to all rights, powers, and prerogatives of Fannie Mae under and in connection with (1) the terms and conditions of that certain Acknowledgment Agreement, with respect to the Security Interest, by and between Fannie Mae, Guild Mortgage Company (the "Debtor") and TIAA, FSB (the "Secured Party") and (2) the Mortgage Selling and Servicing Contract, the Fannie Mae Selling Guide, the Fannie Mae Servicing Guide and any supplemental servicing instructions or directives provided by Fannie Mae, all applicable master agreements (including applicable MBS pool purchase contracts and variances), recourse agreements, repurchase agreements, indemnification agreements, loss-sharing agreements, and any other agreements between Fannie Mae and the Debtor, and all as amended, modified, restated or supplemented heretofore and hereafter from time to time (collectively, the "Fannie Mae Lender Contract"), which rights, powers, and prerogatives include, without limitation, the right of Fannie Mae to terminate the Fannie Mae Lender Contract with or without cause and the right to sell, or have transferred, the Servicing Rights as therein provided.

(g) Notwithstanding anything to the contrary contained herein or in any of the other Loan Documents, the pledge of Borrower's right, title and interest in mortgage servicing rights under Approved Servicing Agreements with Freddie Mac shall only secure Borrower's indebtedness and obligations to Bank incurred (i) to fund Borrower's purchase of additional servicing portfolios; (ii) to effect Borrower's purchase of a mortgage banking company; (iii) to fund Borrower's working capital consistent with its residential mortgage business operations; or (iv) any other purpose which Freddie Mac, in its sole and absolute discretion, considers to be consistent with the purposes of the Freddie Mac Acknowledgment Agreement; provided that the foregoing provisions of this paragraph shall be deemed automatically supplemented or amended if and to the extent Freddie Mac supplements or amends the corresponding requirement, whether in its rules, regulations, guides, Servicing Agreements, Acknowledgment Agreements or published announcements or otherwise waives or grants exceptions from such requirement, and in each instance, with the same substantive force and effect; and provided, further, that the security interest created hereby is subject to the following provision to be included in each financing statement filed in respect hereof (defined terms used below shall have the meaning set forth in the applicable Acknowledgment Agreement):

The security interest referred to in this financing statement is subject and subordinate in each and every respect (a) to all rights, powers and prerogatives of one or more of the following: the Federal Home Loan Mortgage Corporation

("Freddie Mac"), the Federal National Mortgage Association ("Fannie Mae"), the Government National Mortgage Association ("Ginnie Mae") or such other investors that own mortgage loans, or which guaranty payments on securities based on and backed by pools of mortgage loans, identified on the exhibit(s) or schedule(s) attached to this financing statement (the "Investors"); and (b) to all claims of an Investor arising out of any and all breaches, defaults and outstanding obligations of the debtor to the Investor. Such rights, powers and prerogatives of the Investors may include, without limitation, one or more of the following: the right of an Investor to disqualify (in whole or in part) the debtor from participating in a mortgage selling or servicing program or a securities guaranty program with the Investor; the right to terminate (in whole or in part) contract rights of the debtor relating to such a mortgage selling or servicing program or securities guaranty program; and the right to transfer and sell all or any portion of such contract rights following the termination of those rights.

(h) To the extent that the pledge of Borrower's right, title and interest in mortgage servicing rights under Approved Servicing Agreements with Ginnie Mae shall at any time be included within the security interest created hereby, Bank acknowledges and agrees that (1) Borrower is entitled to servicing income with respect to a given mortgage pool only so long as Borrower is an issuer in good standing pursuant to Ginnie Mae rules, regulations, guides and similar announcements; (2) upon Borrower's loss of such good-standing issuer status, Bank's rights to any servicing income related to a given mortgage pool also terminate; and (3) the pledge of Borrower's rights to servicing income conveys no rights (such as a right to become a substitute servicer or issuer) that are not otherwise specifically provided for in the rules, regulations, guides or similar announcements by Ginnie Mae, provided that this sentence shall automatically be deemed amended or modified if and to the extent Ginnie Mae amends the corresponding requirement, whether in its rules, regulations, guides, Servicing Agreements, Acknowledgment Agreements, if any, or published announcements and provided, further, that the security interest created hereby is subject to the following provision to be included in each financing statement filed in respect hereof (defined terms used below shall have the meaning set forth in the applicable Acknowledgment Agreement):

The property subject to the security interest reflected in this instrument includes all of the right, title and interest of Guild Mortgage Company ("Debtor") in certain mortgages and/or participation interests related to such mortgages ("Pooled Mortgages") and pooled under the mortgage-backed securities program of the Government National Mortgage Association ("Ginnie Mae"), pursuant to section 306(g) of the National Housing Act, 12 U.S.C. § 1721(g);

To the extent that the security interest reflected in this instrument relates in any way to the Pooled Mortgages, such security interest is subject and subordinate to all rights, powers and prerogatives of Ginnie Mae, whether now existing or hereafter arising, under and in connection with: (1) 12 U.S.C. § 1721(g) and any implementing

regulations; (2) the terms and conditions of that certain Acknowledgment Agreement, with respect to the Security Interest, by and between Ginnie Mae, Debtor and TIAA, FSB; (3) applicable Guaranty Agreements and contractual agreements between Ginnie Mae and the Debtor; and (4) the Ginnie Mae Mortgage-Backed Securities Guide, Handbook 5500.3 Rev. 1, and other applicable guides; and

Such rights, powers and prerogatives of Ginnie Mae include, but are not limited to, Ginnie Mae's right, by issuing a letter of extinguishment to Debtor, to effect and complete the extinguishment of all redemption, equitable, legal or other right, title or interest of the Debtor in the Pooled Mortgages, in which event the security interest as it relates in any way to the Pooled Mortgages shall instantly and automatically be extinguished as well.

(i) The value of all Servicing Rights and/or Pledged Servicing Rights, as applicable, to Bank shall be periodically determined as required by Bank, and the Borrowing Base shall be adjusted to reflect each such determination and updating of the value of such Collateral; provided that, notwithstanding any other provision hereof to the contrary, Bank shall have the right, exercisable from time to time (daily or less often) in its sole discretion on any day after the occurrence and during the continuance of any Default or Event of Default to mark the Servicing Rights to market, whereupon, for purposes of determining the value of the Collateral for that day (and for each day thereafter until it shall thereafter be evaluated or re-evaluated by such an approved appraiser or broker or again marked to market by Bank) such Servicing Rights shall be equal to the market value on that day as determined by Bank in its sole and absolute discretion without regard to the then-current Servicing Rights Appraisal (which market value Borrower acknowledges may be nominal). Borrower acknowledges that a determination by Bank of market value pursuant to this Agreement is for the limited purpose of determining value of the Collateral for lending purposes under this Agreement without the ability to perform customary purchaser's due diligence and is not necessarily equivalent to a determination of the fair market value of Collateral achieved by obtaining competing bids in an orderly market in which the servicer is not in default, insolvent or the subject of a case in bankruptcy and the bidders have adequate opportunity to perform customary diligence.

5. Conditions to Loan Advances.

(a) First Loan Advance. As conditions precedent to Bank's obligation to fund the initial Loan Advance hereunder:

(1) Borrower shall have delivered to Bank, in form and substance satisfactory to Bank and its counsel, each of the following:

(A) duly executed copies of this Agreement, each Subordination Agreement, if applicable, and the Power of Attorney;



(B) copies of all financing statements and other documents, instruments and agreements, properly executed and recorded, that Bank deems necessary or appropriate;

(C) such credit applications, financial statements, authorizations and other information concerning Borrower and its business, operations and conditions (financial and otherwise) as Bank may reasonably request;

(D) certified copies of resolutions of the directors of Borrower approving the execution and delivery of the Loan Documents to which Borrower is a party, the performance of the Obligations thereunder and the consummation of the transactions contemplated thereby;

(E) a certificate from an officer of Borrower certifying the names and true signatures of the officers of Borrower authorized to execute and deliver the Loan Documents to which Borrower is a party;

(F) a copy of Borrower's Articles or Certificate of Incorporation and Bylaws;

(G) a fully-executed Servicer Notice in the form attached hereto as Exhibit III [Omitted pursuant to Item 601(a)(5) of Regulation S-K] or such other form as may be acceptable to Bank in its sole and absolute discretion;

(H) a legal opinion in form and substance acceptable to Bank; and

(I) a duly executed Third Amendment to Master Repurchase Agreement and Pricing Letter, in form and substance acceptable to Bank, in connection with the Mortgage Warehouse Agreement and all other documents and agreements required thereunder.

(2) Borrower shall have paid Bank the Up-Front Fee and all other fees and expenses payable by Borrower hereunder.

(3) All acts and conditions (including, without limitation, the obtaining of any necessary regulatory approvals and the making of any required filings, recordings or registrations) required to be done and performed and to have happened precedent to the execution, delivery and performance of the Loan Documents and to constitute the same legal, valid and binding Obligations, enforceable in accordance with their respective terms, shall have been done and performed, and shall have happened in due and strict compliance with all applicable laws.

(4) All documentation, including without limitation, documentation for corporate and legal proceedings in connection with the Loan Advances contemplated by the Loan Documents, shall be satisfactory in form and substance to Bank and its counsel.

(5) The total outstanding principal balance of the Loan after such Loan Advance shall not exceed the Maximum Loan Amount.

(6) Borrower shall have paid to Bank the facility fee contemplated by Section 3(l) hereof.

(b) Ongoing Loan Advances. As conditions precedent to Bank's obligation to fund any Loan Advance hereunder, including the first Loan Advance, at and as of the date of advance thereof:

(1) There shall have been submitted to Bank the Advance Request for such Loan Advance.

(2) The representations and warranties of Borrower contained in the Loan Documents shall be accurate and complete in all respects as if made on and as of the date of such advance, conversion or continuance.

(3) There shall not have occurred and be continuing a Default or an Event of Default.

(4) There shall not have occurred any material adverse change in the financial condition, assets, nature of assets, operations or prospects of Borrower from that represented in this Agreement, the other Loan Documents, or the documents or information furnished to Bank in connection herewith or therewith.

(5) The total outstanding principal balance of the Loan after such Loan Advance shall not exceed the Maximum Loan Amount.

(6) By submitting an Advance Request to Bank hereunder, Borrower shall be deemed to have represented and warranted the accuracy and completeness of the statements set forth in Sections 5(b)(2) through 5(b)(5) above.

6. Affirmative Covenants. Borrower hereby covenants and agrees with Bank that, as long as any Obligations remain unpaid or this Agreement remains in force and effect, Borrower shall:

(a) Financial Statements. Furnish or cause to be furnished to Bank:

(1) Year-End Financial Statements: Borrower shall deliver to Bank within ninety (90) days after the end of its fiscal year, audited financial statements, including statements of income and retained earnings and a balance sheet with all related notes, all in reasonable detail and prepared in conformity with GAAP, applied on a basis consistent with that of the preceding year; all examined by an independent Certified Public Accountant acceptable to Bank, showing its respective financial condition at the close of each year and the results of its operations during the year. Any qualification or exception to the opinion by the accountant shall render the acceptability of the financial statements subject to Bank approval.

(2) Monthly Financial Statements of Borrower: Borrower shall deliver to Bank within thirty (30) days after the end of each fiscal month, financial statements for such month, including statements of income and retained earnings and a balance sheet with all related notes, all in reasonable detail and prepared in conformity with GAAP applied on a basis consistent with that of the preceding year showing the financial condition of Borrower at the close of each month and the results of operations of Borrower during such month.

(3) Officer's Certificate; ATNW Servicing Rights Appraisal. Simultaneously with the furnishing of each of the financial statements to be delivered pursuant to subsections (1) and (2) above, (A) an officer's certificate in the form of Exhibit IV [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto certified by an executive officer of Borrower and demonstrating compliance with the covenants contained herein, including without limitation the financial covenants set forth in this Section 6 and (B) when the end of the subject reporting period coincides with the end of a fiscal quarter, an ATNW Servicing Rights Appraisal. All ATNW Servicing Rights Appraisals shall be delivered to Bank no later than thirty (30) days after the applicable "as of" date therefor. Bank reserves the right to require at any time that Borrower obtain and deliver a current ATNW Servicing Rights Appraisal during the pendency of a Default or an Event of Default.

(4) Borrowing Base Certificate. Borrower shall furnish Bank an updated Borrowing Base Certificate no later than (45) calendar days after the end of each calendar month.

(b) Certificates: Reports: Other Information. Furnish or cause to be furnished to Bank:

(1) Promptly, such additional financial and other information, including, without limitation, financial statements of Borrower and information regarding the Collateral as Bank may from time to time reasonably request;

(2) copies of all material correspondence between any of the foregoing departments and agencies and Borrower related to any such audits, reports, studies and similar documents, in each case to the extent Borrower is permitted to disclose pursuant to applicable law; and

(3) Promptly, and in any event within five (5) Business Days after being received or sent by Borrower, true and complete copies of any correspondence with or any material audits, reports, studies and similar documentation prepared by, or on behalf of, as applicable, Fannie Mae, Freddie Mac, Ginnie Mae, FHA, VA or the Department of Housing and Urban Development or similar agency, in each case relating to Borrower's material violation of or non-compliance with any applicable law or the terms of any Acknowledgment Agreement, the rules, regulations or guidelines of any Agency, or any agreement between Borrower and any Agency, in each case to the extent Borrower is permitted to disclose pursuant to applicable law; and

(4) Promptly, copies, if any, of any and all forms, reports, supplements or other documents of any kind filed by Borrower with the Securities and Exchange Commission.

(c) Payment of Indebtedness. Pay or otherwise satisfy at or before maturity or before it becomes delinquent or accelerated, as the case may be, all its Indebtedness (including taxes), except Indebtedness being contested in good faith by appropriate proceedings and for which provision is made to the satisfaction of Bank for the payment thereof in the event Borrower is found to be obligated to pay such Indebtedness and which Indebtedness is thereupon promptly paid by Borrower.

(d) Maintenance of Existence and Properties. Maintain its company existence and obtain all rights, privileges, licenses, approvals, franchises, properties and assets necessary or desirable in the normal conduct of its business, including but not limited to all approvals with respect to, as applicable, Fannie Mae, Freddie Mac, Ginnie Mae, FHA and VA, and comply with all Contractual Obligations and Requirements of Law (including, without limitation, any Requirements of Law under or in connection with ERISA), except where the failure to so comply is not likely to have a Material Adverse Effect.

(e) Inspection of Property: Books and Records: Audits.

(1) Keep proper books of record and account in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities; and

(2) Permit: (i) representatives of Bank to (A) visit and inspect any of its properties and examine and make abstracts from any of its books and records at any reasonable time upon not less than two (2) Business Days prior notice (provided that upon the occurrence and during the continuation of a Default or an Event of Default no such notice shall be necessary) and as often as may reasonably be desired by Bank, and (B) discuss the business, operations, properties and financial and other condition of Borrower with officers and employees of Borrower, and with its independent certified public accountants, and (2) representatives of Bank to conduct periodic operational audits of Borrower's business and operations.

(f) Notices. Promptly give written notice to Bank of:

(1) The occurrence of any Default or Event of Default known to responsible management personnel of Borrower and the proposed method of cure thereof.

(2) Any litigation or proceeding affecting Borrower or the Collateral which could have a Material Adverse Effect.

(3) Borrower's incurrence of any Indebtedness exceeding [\*\*\*], individually or in the aggregate.

(4) Any material adverse change known to responsible management personnel of Borrower in the business, operations, property or financial or other condition of Borrower.

(5) Borrower will within one (1) Business Day notify Bank of (i) the transfer, expiration without renewal, termination or other loss of all or any part of any Servicing Agreement, any Debt for Borrowed Money Arrangement, or the right of Borrower to

service Serviced Loans thereunder (or the termination or replacement of Borrower thereunder), the reason for such transfer, loss, termination or replacement, if known to the Borrower, and the effects that such transfer, loss, termination or replacement will have (or will likely have) on the prospects for full and timely collection of all amounts owing to Borrower under or in respect of that Servicing Agreement and (2) any event, occurrence or circumstance that results in a Pledged Servicing Right not meeting any requirement to maintain its status as an Eligible Pledged Servicing Right.

(g) Expenses. Pay all reasonable out-of-pocket costs and expenses (including fees and disbursements of legal counsel) of Bank: (1) incident to the preparation, negotiation and administration of the Loan Documents, including with respect to or in connection with any waiver or amendment thereof or thereto, (2) associated with any periodic audits conducted pursuant to Section 6(e)(2) incident to the enforcement of payment of the Obligations, whether by judicial proceedings or otherwise, including, without limitation, in connection with bankruptcy, insolvency, liquidations reorganization moratorium or other similar proceedings involving Borrower or a “workout” of the Obligations. The Obligations of Borrower under this Section 6(g) shall be effective and enforceable whether or not any Loan Advance is funded by Bank hereunder and shall survive payment of all other Obligations.

(h) Loan Documents. Comply with and observe all terms and conditions of the Loan Documents.

(i) Insurance. Obtain and maintain insurance with responsible companies in such amounts and against such risks as are acceptable to Bank, including, without limitation, errors and omissions coverage (written on an “occurrence” basis and providing coverage of at least [\*\*\*] per occurrence) and fidelity coverage in amount, form and substance acceptable under Fannie Mae, Freddie Mac or Ginnie Mae guidelines, and furnish Bank on request full information as to all such insurance, and to provide within five (5) days after receipt, certificates or other documents evidencing the renewal of each such policy. Such insurance shall be underwritten by a company rated B/IV or better in Best’s, and must protect Borrower against losses resulting from dishonest or fraudulent acts committed by Borrower’s employees and agents, and against losses resulting from the negligence, errors or omissions of Borrower’s employees and agents in the performance of Borrower’s normal loan origination duties. The Bank shall be a named an additional named insured or a lender loss payee, as appropriate, under each such insurance policy.

(j) Principal Place of Business. Borrower shall provide Bank with thirty (30) days advance notice of any change in Borrower’s name, jurisdiction of organization, principal office or place of business.

(k) Servicing. Borrower shall maintain or, if Borrower is not the Servicer, cause the Servicer to maintain, adequate financial standing, servicing facilities, procedures and experienced personnel necessary for the sound servicing of mortgage loans of the same types as may from time to time constitute Mortgage Loans and in accordance with Accepted Servicing Practices and the Servicing Agreements. If Borrower is not the Servicer, Borrower will provide Bank with copies of all subservicing agreements and all reports,

performance reviews and other correspondence provided by Servicer or Borrower or required of either party thereunder.

(l) Acknowledgment Agreements. Borrower will deliver to Bank on or prior to the Effective Date an Acknowledgment Agreement with Freddie Mac.

(m) Maintenance of Adjusted Tangible Net Worth. Borrower shall ensure HoldCo maintains an Adjusted Tangible Net Worth of not less than [\*\*\*]

(n) Maintenance of Ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth. Borrower shall ensure HoldCo maintains the ratio of Adjusted Indebtedness to Adjusted Tangible Net Worth of no greater than [\*\*\*],

(o) Maintenance of Liquidity. Borrower shall ensure that HoldCo has cash and Cash Equivalents (excluding Restricted Cash or cash pledged to Persons other than Lender), in an amount not less than [\*\*\*], which shall be comprised of a minimum of [\*\*\*] in cash. In determining Cash Equivalents and Borrower's compliance with the foregoing liquidity maintenance requirement, up to [\*\*\*] may be comprised of voluntary buy-downs by Borrower of its existing warehouse facilities, as approved by Bank for purposes of such determination. Borrower shall include, together with its monthly submission of the Compliance Certificate attached hereto as Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], evidence satisfactory to Bank to demonstrate such buy-downs amount.

(p) Maintenance of Profitability. Borrower shall not permit (i) for any [\*\*\*] (on an individual [\*\*\*], and not aggregate, basis), HoldCo's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, for such [\*\*\*] to be less than [\*\*\*] or (2) for any [\*\*\*], HoldCo's Net Income, excluding non-cash write-ups or write-downs to the valuation of mortgage servicing rights, to be a loss of more than [\*\*\*],

(q) Right of First Offer. In the event Borrower proposes to obtain financing secured by the Servicing Receivables relating to any Approved Servicing Agreement for which the Servicing Receivables do not already serve as Collateral hereunder (which the parties agree is presently comprised of only the Approved Servicing Agreement with Freddie Mac), Borrower shall verify with Freddie Mac that Freddie Mac is willing to allow Borrower to obtain such financing and any terms that Freddie Mac will impose thereon. Borrower will then provide written notice to Bank of its proposal to obtain such financing, Freddie Mac's approval thereof, any terms imposed by Freddie Mac and the amount of the proposed financing. Bank will use commercially reasonable efforts to provide Borrower with a proposal, or to inform Borrower that it does not intend to provide such a proposal, within [\*\*\*] after it receives such notice from Borrower. Such proposal may be subject to credit committee approval and further due diligence by Bank. Bank and Borrower shall thereafter negotiate in good faith to prepare and execute a term sheet mutually acceptable to Bank and Borrower within [\*\*\*] after Bank provides Borrower with Bank's proposal. In the event Bank and Borrower are unable to reach agreement with respect to a term sheet during such [\*\*\*], Borrower shall thereafter be free to seek such financing from another lender; provided, however, that Borrower agrees that it shall not enter into any agreement with

another lender with respect to such Servicing Receivables unless such other lender and Bank have entered into an intercreditor agreement acceptable to Bank in its reasonable discretion.

7. Negative Covenants. Borrower hereby agrees that, as long as any Obligations remain unpaid or Bank has any obligation to fund Loan Advances hereunder, Borrower shall not at any time, directly or indirectly:

(a) Liens. Create, incur, assume or suffer to exist, any Lien upon the Collateral except as contemplated by this Agreement; or create, incur, assume or suffer to exist any Lien upon any of its other property and assets (including servicing rights) except:

(1) Liens for current taxes, assessments or other governmental charges which are not delinquent or which remain payable without penalty, or the validity of which are contested in good faith by appropriate proceedings upon stay of execution of the enforcement thereof, provided Borrower shall have set aside on its books and shall maintain adequate reserves for the payment of same in conformity with GAAP.

(2) Liens, deposits or pledges made to secure statutory obligations, surety or appeal bonds, or bonds for the release of attachments or for stay of execution, or to secure the performance of bids, tenders, contracts (other than for the payment of borrowed money), leases or for purposes of like general nature in the ordinary course of Borrower's business.

(3) Liens securing Permitted Other Debt.

(4) Interests of the related Agency.

(b) Indebtedness. Create, incur, assume or suffer to exist, or otherwise become or be liable in respect to any Indebtedness, except:

(1) The Obligations.

(2) Indebtedness reflected in the financial statements referred to in Section 6(a) above.

(3) Indebtedness to fund the origination of mortgage loans in the ordinary course of business (excluding Indebtedness for the acquisition of mortgage servicing rights or the funding of related advances).

(4) Trade debt incurred in the ordinary course of business, paid within [\*\*\*] after the same has become due and payable or which is being contested in good faith, provided provision is made to the satisfaction of Bank for the eventual payment thereof in the event it is found that such contested trade debt is payable by Borrower.

(5) Indebtedness secured by Liens permitted under Section 7(a) above.

(6) Permitted Other Debt.

(c) Consolidation and Merger; Change of Business and Management. (1) Liquidate or dissolve or enter into any consolidation, merger, partnership, joint venture, syndicate or other combination or make any change in any material nature of its business as a mortgage banker as presently conducted or change in senior management without Bank's prior written consent.

(d) Acquisitions. Purchase or acquire or incur liability for the purchase or acquisition of any or all of the assets or business of any Person without Bank's prior written consent.

(e) Subsidiaries. Organize any Subsidiary without Bank's prior written consent.

(f) Investments; Advances; Guaranties. Make or commit to make any advance, loan or extension of credit without the prior written consent of Bank (other than (i) advances of salary or earned commissions to officers of Borrower, or (2) funding mortgage loans and related advances in the ordinary course of Borrower's business) to, or make or commit to make any capital contribution to, or purchase any stocks, bonds, notes, debentures or other securities of, or make any other investment in, or guaranty the indebtedness or other obligations of, any Person (including but not limited to officers, directors, shareholders and employees of Borrower).

(g) Sale of Assets. Sell, lease, assign, transfer or otherwise dispose of any of its assets (other than obsolete or worn out property), whether now owned or hereafter acquired, other than in the ordinary course of business as currently conducted, without the consent of the Bank, such consent not to be unreasonably withheld.

(h) Receivables Not to Be Evidenced by Promissory Notes. Borrower shall not take any action, or permit any other Person to take any action, to cause any of the Servicing Receivables to be evidenced by any "instrument" (as such term is defined in the Uniform Commercial Code), except in connection with the enforcement or collection of the Servicing Receivables.

(i) No Pledge. Borrower shall not (a) pledge, transfer or convey any security interest in the Pledged Deposit Accounts to any Person without the express written consent of Bank or (b) pledge, grant a security interest or assign any existing or future rights to service any of the Collateral or to be compensated or reimbursed for servicing any of the Collateral, or pledge or grant to any other Person any security interest in any Collateral or any Approved Servicing Agreements.

(j) Modification of the Servicing Agreements. Borrower shall not consent with respect to any Approved Servicing Agreements to (i) the modification, amendment or termination of such Approved Servicing Agreements, (2) the waiver of any provision of such Approved Servicing Agreements or (3) the resignation of Borrower as servicer, or the assignment, transfer, or material delegation of any of its rights or obligations, under such Approved Servicing Agreements, without the prior written consent of Bank, such consent not to be unreasonably withheld. Borrower will not amend or modify or terminate any agreement with



any subservicer that performs any services with respect to the Collateral without the prior written consent of Bank. Borrower shall provide Bank with copies of all amendments or modifications to any such subservicing agreement, regardless of the materiality thereof. Notwithstanding the foregoing, Bank acknowledges that Fannie Mae, Freddie Mac and Ginnie Mae each have the authority to impose modifications and amendments without the approval, consent or agreement of Borrower and such imposition shall not be deemed a violation of this Section 7(j) to the extent it is imposed on all similarly situated servicers and subservicers.

(k) Liens on Substantially All Assets. Borrower shall not grant a security interest to any Person other than Bank or an Affiliate of Bank in substantially all unencumbered assets of Borrower unless Borrower has entered into an amendment to this Agreement that grants to Bank a *pari passu* security interest on such assets.

(l) Dividend. Declare or pay any dividends, or return any capital, to its owners or authorize or make any other distribution, payment or delivery of property or cash to its owners as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for a consideration, any ownership interest, or set aside any funds for any of the foregoing purposes, if a Default or Event of Default has occurred and is continuing or if such payment or action shall result in any such Default or Event of Default.

(m) Illegal Activities. Borrower shall not engage in any conduct or activity that could subject its assets to forfeiture or seizure.

(n) Transactions with Affiliates. Borrower shall not enter into any transaction, including, without limitation, the purchase, sale, lease or exchange of property or assets or the rendering or accepting of any service with any Affiliate unless such transaction is (1) not otherwise prohibited in this Agreement, (2) in the ordinary course of Borrower's business, and (3) upon fair and reasonable terms no less favorable to Borrower than it would obtain in a comparable arm's length transaction with a Person that is not an Affiliate.

8. Events of Default. If any of the following events (each an "Event of Default") occur, Bank shall have the rights set forth in Section 9 hereof and as otherwise set forth herein and in the other Loan Documents, as applicable:

(a) Borrower shall: (i) fail to make when due any payment of principal or interest or shall fail to meet any Margin Call under this Agreement or any other Loan Document; or (2) shall fail to pay when due any other Obligation and such failure shall continue for [\*\*\*]; or

(b) Any representation or warranty made or deemed made by Borrower in any Loan Document or in connection with any Loan Document shall be inaccurate or incomplete in any material respect on or as of the date made or deemed made; or

(c) Borrower shall default in the observance or performance of any covenant or agreement contained Section 6(f)(1) and (m) – (q) or Section 7 of this Agreement; or

(d) Except as otherwise set forth in this Section 8, Borrower shall fail to observe or perform any other term or provision contained in the Loan Documents, and such failure shall continue for [\*\*\*]; or

(e) (i) Borrower or any Affiliate of Borrower shall default in any payment of principal of or interest on any Indebtedness to Bank in the aggregate principal amount of [\*\*\*] or more (including without limitation the Mortgage Warehouse Agreement) without regard for the dollar amount of the defaulted payment, or any other event shall occur, the effect of which is to permit such Indebtedness or any portion thereof to be declared or otherwise to become due prior to its stated maturity or (2) Borrower shall default in any payment of principal of or interest on any Indebtedness any Indebtedness in the aggregate principal amount of [\*\*\*] or more without regard for the dollar amount of the defaulted payment, or any other event shall occur, the effect of which is to permit such Indebtedness or any portion thereof to be declared or otherwise to become due prior to its stated maturity; or

(f) (1) Borrower shall commence any case, proceeding or other action (i) relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to Borrower, or seeking to adjudicate Borrower a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to Borrower or its debts, or (2) seeking appointment of a receiver, trustee, custodian or other similar official for Borrower or for all or any substantial part of Borrower's assets, or Borrower shall make a general assignment for the benefit of its creditors; or (2) there shall be commenced against Borrower any case, proceeding or other action of a nature referred to in clause (1) above which (i) results in the entry of an order for relief or any such adjudication or appointment, or (2) remains undismissed, undischarged or unbonded for a period of [\*\*\*]; or (3) there shall be commenced against Borrower any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or substantially all of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, stayed, satisfied or bonded pending appeal within [\*\*\*] from the entry thereof; or (4) Borrower shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in (other than in connection with a final settlement), any of the acts set forth in clauses (1), (2) or (3) above; or (5) Borrower shall generally not, or shall be unable to, or shall admit in writing its inability to pay its debts as they become due; or

(g) (1) Borrower or any of its ERISA Affiliates shall engage in any "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan, (2) any "accumulated funding deficiency" (as defined in Section 302 of ERISA), whether or not waived, shall exist with respect to any Plan, (3) a Reportable Event shall occur with respect to, or proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Single Employer Plan, which Reportable Event or institution of proceedings is, in the reasonable opinion of Bank, likely to result in the termination of such Plan for purposes of Title IV of ERISA, and, in the case of a Reportable Event, the continuance of such Reportable Event unremedied for [\*\*\*] after notice of such Reportable Event pursuant to Section 4043(a), (c) or (d) of ERISA, is given or the continuance of such proceedings for [\*\*\*] after commencement thereof, as the case may

be, (4) any Single Employer Plan shall terminate for purposes of Title IV of ERISA, (5) any withdrawal liability to a Multiemployer Plan shall be incurred by Borrower or any of its ERISA Affiliates or (6) any other event or condition shall occur or exist; and in each case in clauses (1) through (6) above, such event or condition, together with all other such events or conditions, if any, is likely to subject Borrower or any of their respective ERISA Affiliates to any tax, penalty or other liabilities in the aggregate material in relation to the business, operations, property or financial or other condition of Borrower or any of its ERISA Affiliates; or

(h) One or more judgments or decrees in an aggregate amount in excess of [\*\*\*] shall be entered against Borrower and all such judgments or decrees shall not have been vacated, discharged, stayed, satisfied or bonded pending appeal within [\*\*\*] after the entry thereof; or

(i) Borrower's rights to service Serviced Loans for any one or more investors under Servicing Agreements the value of which rights to Borrower (as reasonably estimated by Bank) equals or exceeds [\*\*\*] of the aggregate principal amount of Borrower's Servicing Portfolio shall be terminated for cause (i.e., on account of act(s) or omission(s) by Borrower for which the holder, or a trustee for the holder, of the relevant Serviced Loans has the right under such Servicing Agreement to terminate such servicing rights); or

(j) A Servicer Downgrade Event has occurred; or

(k) For any reason, any Loan Document at any time shall not be in full force and effect in all material respects or shall not be enforceable in all material respects in accordance with its terms, or any Lien granted pursuant thereto shall fail to be perfected and of first priority, or any Person (other than Bank) shall contest the validity, enforceability, perfection or priority of any Lien granted pursuant thereto, or any party thereto (other than Bank) shall seek to disaffirm, terminate, limit or reduce its obligations thereunder; or

(l) (i) Borrower shall grant, or suffer to exist, any Lien on any Collateral (except any Lien in favor of Bank); or (2) the Liens contemplated hereby are not first priority perfected Liens in and on the Collateral in favor of Bank; or

(m) Bank shall have determined that a Material Adverse Effect has occurred; or

(n) There shall occur the initiation of any investigation, audit, examination or review of Borrower by an Agency or any Governmental Authority relating to the origination, sale or servicing of Mortgage Loans by Borrower or the business operations of Borrower, excluding normally scheduled audits or examinations by Borrower's regulators, if Bank believes that such investigation, audit, examination, or review is likely to result in a Material Adverse Effect; or

(o) Borrower shall be subject to, or shall agree to pay, any civil, criminal or administrative fine, penalty, forfeiture, reimbursement or damages in an amount of [\*\*\*] or more to or through any Agency or Governmental Authority relating to any alleged violation of any Requirement of Law; or

(p) A Change in Control shall have occurred without the prior written consent of Bank.

9. Rights upon Event of Default. If any Event of Default shall occur and be continuing, Bank may without notice to Borrower terminate this Agreement and declare the Loan and the Obligations or any part thereof to be immediately due and payable, and the same shall thereupon become immediately due and payable, without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest, or other formalities of any kind, all of which are hereby expressly waived by Borrower; provided, however, that upon the occurrence of an Event of Default under Section 8(f), this Agreement shall automatically terminate and the Loan and the Obligations shall become immediately due and payable without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest, or other formalities of any kind, all of which are hereby expressly waived by Borrower. If any Event of Default shall occur and be continuing, subject to the requirements of any applicable Acknowledgment Agreement, Bank may exercise all rights and remedies available to it in law or in equity, under the Loan Documents, or otherwise, including without limitation:

(a) in its discretion, to demand, sue for, collect or receive and receipt for (in its own name, in the name of Borrower or otherwise) any money or property at any time payable or receivable on account of any of the Collateral, in consideration of its transfer or in exchange for it;

(b) direct, and to take any and all other steps necessary to cause, any Servicer of any of the Collateral to pay over directly to Bank for the account of Borrower (instead of to Borrower or any other Person) all sums from time to time due to Borrower and to take any and all other actions that Borrower or Bank has the right to take under Borrower's contract with such Servicer;

(c) direct Borrower to pay over to Bank all sums from time to time due Borrower under or in respect of the Collateral, including any and all fees and other compensation under any Approved Servicing Agreements for servicing the Serviced Loans thereunder, whether paid to Borrower or withheld or recovered by Borrower from collections and realizations on Mortgage Loans under any Approved Servicing Agreement, and to take any and all other actions that, subject to any restrictions imposed by the relevant Approved Servicing Agreement for the benefit of the party to it on whose behalf the Mortgaged Loans thereunder are being serviced (to the extent that such restrictions are valid and enforceable under the UCC and all applicable laws, rules and regulations), Borrower or Bank has the right to take under that Approved Servicing Agreement, and if Bank does so request, then Borrower shall diligently and continuously thereafter comply with such request. All amounts so received and collected by Bank pursuant to this Section 9(c) shall be applied in the same order and manner as is specified in Section 3(n);

(d) foreclose upon or otherwise enforce its security interest in and Lien on the Collateral, or on such portions or elements of the Collateral as Bank shall elect to proceed against from time to time;

(e) at Bank's option and in its sole discretion, to notify any or all Persons obligated under any or all items of Collateral, that the Collateral has been assigned to Bank and that all payments thereon are to be made directly to Bank or such other Person as may be designated by Bank; to settle, compromise, or release, in whole or in part, any amounts owing on the Collateral or any portion of the Collateral, on terms acceptable to Bank; enforce payment and performance and prosecute any action or proceeding with respect to any and all Collateral; and where any such Collateral is in default, foreclose on and enforce Liens or security interests in, such Collateral by any available judicial procedure or without judicial process and sell property acquired as a result of any such foreclosure;

(f) act, or contract with one or more third Persons to act, as Servicer under any Approved Servicing Agreement requiring servicing and perform all obligations required in connection with any Approved Servicing Agreements to which Borrower is a party, and Borrower hereby agrees to pay such third Persons' fees to the extent (if any) that Bank is unable, despite reasonable efforts made by Bank in light of the necessity that there be no material break in the continuity of servicing, to contract for such servicing and performance of such obligations for fees equal to or less than the fees under such Approved Servicing Agreements;

(g) as a matter of right and without notice to Borrower or anyone claiming under Borrower, and without regard to the then value of the Collateral or the interest of Borrower therein, to apply to any court having jurisdiction to appoint a receiver or receivers of the Collateral, and Borrower hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of Bank in case of entry as provided herein and shall continue as such and exercise all such powers until the date of the sale of the Collateral unless such receivership is sooner terminated; and

(h) exercise all rights and remedies of a secured creditor under the UCC, including selling the interests of Borrower in the Collateral at public or private sale. Bank shall give Borrower not less than 10 days' notice of any such public sale or of the date after which private sale may be held. Borrower agrees that 10 days' notice shall be reasonable notice. At any such sale any or all of the Collateral may be sold as an entirety or in separate parts, as Bank may determine in its sole discretion. Bank may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned. Bank is authorized at any such sale, if Bank deems it advisable so to do, to restrict the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or resale of any of the Collateral. Borrower specifically agrees that any such sale, whether public or private, of any Collateral pursuant to the commitment of any investor to purchase such Collateral that was obtained by (or with the approval of) Borrower will be commercially reasonable, and if such sale is for the price provided for in such

commitment, then such sale shall be held to be for value reasonably equivalent to the value of the Collateral so sold. Upon any such sale, Bank shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral so sold. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right of whatsoever kind, including any equity or right of redemption, stay or appraisal which Borrower has or may have under any rule of law or statute now existing or hereafter adopted. In case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by Bank until the selling price is paid by the purchaser, but Bank shall not incur any liability in case of such purchaser's failure to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may again be sold upon like notice. Nothing in this Agreement shall be construed as Borrower's waiver of, or agreement to waive, any requirement imposed by applicable law that any sale of the Collateral be commercially reasonable.

Borrower waives any right to require Bank to proceed against any third party, exhaust any Collateral or other security for the Obligations, or to have any third party joined with Borrower in any suit arising out of the Obligations or any of the Loan Documents, or pursue any other remedy available to Bank. Borrower further waives any and all notice of acceptance of this Agreement. Borrower further waives any defense arising by reason of any disability or other defense of any third party or by reason of the cessation from any cause whatsoever of the liability of any third party.

All rights available to Bank under the Loan Documents shall be cumulative of and in addition to all other rights granted to Bank at Law or in equity, whether or not the Loan or the Obligations be due and payable or performance required and whether or not Bank shall have instituted any suit for collection, foreclosure, or other action under or in connection with the Loan Documents.

Notwithstanding the foregoing, Bank's rights as set forth in this Section 9 shall be subject in all respects to the limitations and restrictions set forth in any relevant Acknowledgment Agreement so long as such Acknowledgment Agreement has not been terminated.

10. Termination. This Agreement shall remain in effect until the Termination Date. However, no such termination shall affect any Loan Advance previously consummated or the rights and obligations of Borrower and Bank with respect thereto.

11. Miscellaneous Provisions.

(a) Assignment; Rehypothecation. Borrower may not assign its rights or Obligations under this Agreement without the prior written consent of Bank. Bank may at any time assign or pledge its rights and obligations under this Agreement to any other party. Subject to the foregoing, all provisions contained in this Agreement or any document or agreement referred to herein or relating hereto shall inure to the benefit of Bank, its successors and assigns, and shall be binding upon Borrower, its successors and assigns.

Bank may sell participations to one or more Persons in or to all or a portion of its rights and obligations under this Agreement; provided, however, that (i) Bank's obligations under this Agreement shall remain unchanged, (2) Bank shall remain solely responsible to Borrower for the performance of such obligations; and (3) Borrower shall continue to deal solely and directly with Bank in connection with Bank's rights and obligations under this Agreement and the other Loan Documents.

(b) Amendment. Neither this Agreement nor any of the other Loan Documents may be amended or terms or provisions hereof or thereof waived unless such amendment or waiver is in writing and signed by Bank and Borrower. In the event any governmental regulatory authority with jurisdiction over Bank requires Bank to amend this Agreement for any reason, Bank and Borrower shall negotiate, in good faith, to amend this Agreement to satisfy such government regulatory authority's requirements. It is expressly agreed and understood that the failure by Bank to elect to accelerate amounts outstanding hereunder or to terminate the obligation of Bank to make Loans hereunder shall not constitute an amendment or waiver of any term or provision of this Agreement.

(c) Cumulative Rights, No Waiver. The rights, powers and remedies of Bank under the Loan Documents are cumulative and in addition to all rights, powers and remedies provided under any and all agreements among Borrower and Bank relating hereto, at law, in equity or otherwise. Any delay or failure by Bank to exercise any right, power or remedy shall not constitute a waiver thereof by Bank, and no single or partial exercise by Bank of any right, power or remedy shall preclude other or further exercise thereof or any exercise of any other rights, powers or remedies.

(d) Entire Agreement. This Agreement and the documents and agreements referred to herein embody the entire agreement and understanding between the parties hereto and supersede all prior written or verbal agreements and understandings relating to the subject matter hereof and thereof.

(e) Survival. All representations, warranties, covenants and agreements on the part of Borrower contained in the Loan Documents shall survive the termination of this Agreement and shall be effective until the Obligations are paid and performed in full or longer as expressly provided herein.

(f) Notices. Except as otherwise expressly permitted by this Agreement, all notices, requests and other communications provided for herein (including without limitation any modifications of, or waivers, requests or consents under, this Agreement) shall be given or made in writing (including without limitation by Electronic Transmission) delivered to the intended recipient at the "Address for Notices" specified below in this Section 11(f) or, as to any party, at such other address as shall be designated by such party in a written notice to each other party. In all cases, to the extent that the related individual set forth in the respective "Attention" line is no longer employed by the respective Person, such notice may be given to the attention of an executive officer of the respective Person or to the attention of such individual or individuals as subsequently notified in writing by a Responsible Officer of the respective Person. Except as otherwise provided in this Agreement and except for notices given under Section 3(a) (which shall be effective only on receipt), all such communications shall be

deemed to have been duly given (a) when transmitted during business hours at the recipient's place of business by email (if an email address for such purpose is provided for such Person) or by telecopy (if a telecopy number for such purpose is provided for such Person), (b) when delivered, if delivered by hand (including by courier or overnight delivery service), or (c) in the case of a mailed notice, upon receipt, in each case given or addressed as set forth below:

If to Bank:

TIAA, FSB  
100 Summer Street, Suite 3232  
Boston, Massachusetts 02110  
Attention: Stephen E. Burse  
E-mail: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Telephone No.: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

with copies to:

TIAA, FSB  
501 Riverside Avenue  
12<sup>th</sup> Floor  
Jacksonville, Florida 32202  
Attention: Legal Department  
E-mail: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
Telephone No.: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

If to Borrower:

Guild Mortgage Company  
5898 Copley Drive  
San Diego, CA 92111  
Attention: Terry Schmidt, EVP  
Phone Number: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]  
E-mail: [Redacted pursuant to Item 601(a)(6) of Reg. S-K]

Any party may change the address to which notices are to be sent by notice of such change to each other party given as provided herein. Such notices shall be effective on the date received or, if mailed, on the third Business Day following the date mailed.

(g) Governing Law. This agreement shall be governed by the internal laws of the state of New York without giving effect to the conflict of law principles thereof, other than sections 5-1401 and 5-1402 of the New York General Obligations Law. Notwithstanding anything to the contrary, the effectiveness, validity and enforceability of electronic contracts, other records, electronic records and electronic signatures used in connection with any electronic transaction between Bank and Borrower shall be governed by E-Sign.



(h) Counterparts. This Agreement and the other Loan Documents may be executed in any number of counterparts, all of which together shall constitute one agreement. Delivery of an executed counterpart of a signature page by facsimile, electronic mail or other electronic means shall be effective as delivery of a manually executed counterpart of this Agreement.

(i) Exculpatory Provisions. Neither Bank nor any of Bank's Affiliates, or any of their respective officers, directors, employees, agents, counsel, attorneys-in-fact or Affiliates shall be liable to Borrower for any action taken or omitted to be taken by it or such Person under or in connection with the Loan Documents or with respect to the Collateral (except that such release with respect to Bank shall not apply to Bank's gross negligence or willful misconduct). Borrower agrees not to assert any claim against Bank or any of Bank's Affiliates, or any of their respective officers, directors, employees, attorneys and agents, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to the facility established hereunder, the actual or proposed use of the proceeds of the Loan or any Loan Advance, this Agreement or any of the transactions contemplated hereby or thereby.

(j) Indemnification. Borrower agrees to hold Bank, Bank's Affiliates, and their respective officers, directors, employees, agents and advisors (each an "Indemnified Party") harmless from and indemnify any Indemnified Party against all third-party liabilities, losses, damages, judgments, costs and expenses of any kind which may be imposed on, incurred by or asserted against such Indemnified Party, relating to or arising out of this Agreement, any other Loan Document or any transaction contemplated hereby or thereby, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, any other Loan Document or any transaction contemplated hereby or thereby, that, in each case, results from anything other than the Indemnified Party's gross negligence or willful misconduct. Borrower also agrees to reimburse each Indemnified Party as and when billed by such Indemnified Party for all the Indemnified Party's reasonable costs and expenses incurred in connection with the enforcement or the preservation of Bank's rights under this Agreement, any other Loan Document or any transaction contemplated hereby or thereby, including, without limitation, the reasonable fees and disbursements of its counsel.

(k) Confidentiality. Bank and Borrower hereby acknowledge and agree that all written or computer-readable information provided by one party to any other regarding the terms set forth in any of the Loan Documents or the transactions contemplated thereby (the "Confidential Terms") shall be kept confidential and shall not be divulged to any Person without the prior written consent of such other party except to the extent that (i) it is necessary to do so in working with legal counsel, auditors, taxing authorities or other governmental agencies or regulatory bodies or in order to comply with any applicable federal or state laws, (2) any of the Confidential Terms are in the public domain other than due to a breach of this covenant, (3) in the event of an Event of Default Bank determines such information to be necessary or desirable to disclose in connection with the marketing and sales of the Collateral or otherwise to enforce or exercise Bank's rights hereunder or (4) it is made to any Agency. Notwithstanding the foregoing or anything to the contrary contained herein or in any other Loan Document, the parties hereto may disclose to any and all Persons, without limitation of any kind, the federal, state and local tax treatment of the transactions hereunder, any fact relevant to

understanding the federal, state and local tax treatment of such transactions, and all materials of any kind (including opinions or other tax analyses) relating to such federal, state and local tax treatment and that may be relevant to understanding such tax treatment; provided that Borrower may not disclose the name of or identifying information with respect to Bank or any pricing terms or other nonpublic business or financial information (including any sublimits and financial covenants) that is unrelated to the federal, state and local tax treatment of such transactions and is not relevant to understanding the federal, state and local tax treatment of such transactions, or otherwise not necessary to comply with applicable securities laws, without the prior written consent of Bank. The provisions set forth in this Section 11(k) shall survive the termination of this Agreement.

(l) Consumer Information. Notwithstanding anything in this Agreement to the contrary, each party shall comply with all applicable local, state and federal laws, including, without limitation, all privacy and data protection law, rules and regulations that are applicable to the Collateral and/or any applicable terms of this Agreement (the "Confidential Information"). Each party understands that the Confidential Information may contain "nonpublic personal information", as that term is defined in Section 509(4) of the Gramm-Leach-Bliley Act (the "GLB Act"), and each party agrees to maintain such nonpublic personal information that it receives hereunder in accordance with the GLB Act and other applicable federal and state privacy laws. Each party shall implement such physical and other security measures as shall be necessary to (a) ensure the security and confidentiality of the "nonpublic personal information" of the "customers" and "consumers" (as those terms are defined in the GLB Act), (b) protect against any threats or hazards to the security and integrity of such nonpublic personal information, and (c) protect against any unauthorized access to or use of such nonpublic personal information. Each party shall, at a minimum establish and maintain such data security program as is necessary to meet the objectives of the Interagency Guidelines Establishing Standards for Safeguarding Customer Information as set forth in the Code of Federal Regulations at 12 C.F.R. Parts 30, 208, 211, 225, 263, 308, 364, 568 and 570. Upon request, each party will provide the other party evidence reasonably satisfactory to allow the requesting party to confirm that the responding party has satisfied its obligations as required under this Section. Without limitation, this may include, to the extent permitted by law, review of audits, summaries of test results, and other equivalent evaluations. Each party shall notify the other party immediately following discovery of any breach or compromise of the security, confidentiality, or integrity of nonpublic personal information of the customers and consumers relating to any Collateral. Each party shall provide such notice by personal delivery, by facsimile with confirmation of receipt, or by overnight courier with confirmation of delivery. The provisions set forth in this Section 11(l) shall survive the termination of this Agreement.

(m) Jurisdiction, Venue and Waiver of Jury Trial. **BORROWER HEREBY IRREVOCABLY CONSENTS TO THE NON-EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT IN THE STATE OF NEW YORK, AND CONSENTS THAT BANK MAY EFFECT ANY SERVICE OF PROCESS IN THE MANNER AND AT BORROWER'S ADDRESS SET FORTH FOR PROVIDING NOTICE OR DEMAND; PROVIDED THAT NOTHING CONTAINED IN THIS AGREEMENT WILL PREVENT BANK FROM BRINGING ANY ACTION, ENFORCING ANY AWARD OR JUDGMENT OR EXERCISING ANY RIGHTS AGAINST BORROWER INDIVIDUALLY, AGAINST ANY SECURITY OR AGAINST**

**ANY PROPERTY OF BORROWER WITHIN ANY OTHER COUNTY, STATE OR OTHER FOREIGN OR DOMESTIC JURISDICTION. BORROWER ACKNOWLEDGES AND AGREES THAT THE VENUE PROVIDED ABOVE IS THE MOST CONVENIENT FORUM FOR BOTH BORROWER AND BANK. BORROWER WAIVES ANY OBJECTION TO VENUE AND ANY OBJECTION BASED ON A MORE CONVENIENT FORUM IN ANY ACTION INSTITUTED UNDER THIS AGREEMENT.**

**EACH PARTY HERETO KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW AND UPON CONFERRING WITH THEIR RESPECTIVE COUNSEL) ANY AND ALL RIGHTS 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.**

(n) Reimbursement. Borrower shall reimburse Bank for all reasonable attorneys' fees and expenses incurred by Bank to prepare and negotiate the terms of the Loan Documents. In addition, all sums reasonably expended by Bank in connection with the exercise of any right or remedy provided for herein shall be and remain Borrower's obligation (unless and to the extent that Borrower is the prevailing party in any dispute, claim or action relating thereto). Borrower agrees to pay, with interest at the Default Rate to the extent that an Event of Default has occurred, the reasonable out-of-pocket expenses and reasonable attorneys' fees incurred by Bank in connection with the preparation, negotiation, enforcement (including any waivers), administration and amendment of the Loan Documents (regardless of whether a Loan Advance is entered into hereunder), the taking of any action, including legal action, required or permitted to be taken by Bank pursuant thereto, any "due diligence" or loan agent reviews conducted by Bank or on its behalf or by refinancing or restructuring in the nature of a "workout." Borrower shall reimburse Bank for all third party expenses, including overnight delivery charges, Borrower incurs to send Mortgage Loan Documents, including the mortgage note, to Take-Out Investors.

(o) Setoff and Withdrawal of Funds; Retention of Funds.

(1) In addition to any rights and remedies of Bank provided by law, Bank shall have the right, without prior notice to Borrower, any such notice being expressly waived by Borrower to the extent permitted by applicable law, upon any amount becoming due and payable by Borrower hereunder (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), including but not limited to the Pledged Deposit Accounts required to be established under this Agreement, in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, and any other property of Borrower, at any time held or owing by Bank or any branch or agency thereof to or for the credit or the account of Borrower.

(2) Upon the earlier of (a) thirty (30) days prior to the termination of this Agreement or (b) notification by either party of termination of this Agreement, Bank has the right to retain all funds contained in any deposit account (including, but not limited to, the Pledged Deposit Accounts) and apply and set-off against such deposits as

provided in subsection (1) above, provided that at any time during which the Freddie Mac Acknowledgment Agreement exists, the set off rights provided in this Section 11(o) shall be subject to the terms of the Freddie Mac Acknowledgment Agreement.

(3) Bank agrees to promptly notify Borrower after any such set-offs and applications made by Bank under this Section 11(o); provided that the failure to give such notice shall not affect the validity of such set-off and application.

(p) Power of Attorney. Borrower hereby irrevocably constitutes and appoints Bank and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Borrower and in the name of Borrower or in its own name, from time to time in Bank's reasonable discretion, for the purpose of carrying out the terms of this Agreement, including without limitation, protecting, preserving and realizing upon the Collateral, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement, including, without limitation, to protect, preserve and realize upon the Collateral, to file such financing statement or statements relating to the Collateral as Bank at its option may deem appropriate. Without limiting the generality of the foregoing, Borrower hereby gives Bank the power and right, on behalf of Borrower, without assent by, but with notice to, Borrower, to do the following:

(1) in the name of Borrower, or in its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due with respect to any Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Bank for the purpose of collecting any and all such moneys due with respect to any Collateral whenever payable;

(2) to pay or discharge taxes and liens levied or placed on or threatened against the Collateral;

(3) (A) to direct any party liable for any payment under any Collateral to make payment of any and all moneys due or to become due thereunder directly to Bank or as Bank shall direct; (B) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (C) to sign and endorse any invoices, assignments, verifications, notices and other documents in connection with any Collateral; (D) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any proceeds thereof and to enforce any other right in respect of any Collateral; (E) to defend any suit, action or proceeding brought against Borrower with respect to any Collateral; (F) to settle, compromise or adjust any suit, action or proceeding described in clause (E) above and, in connection therewith, to give such discharges or releases as Bank may deem appropriate; and (G) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any Collateral as fully and completely as though Bank were the absolute owner thereof for all purposes, and to do, at Bank's option and Borrower's expense, at any time, and from time to time, all acts and things which Bank deems necessary to protect,

preserve or realize upon the Collateral and Bank's liens thereon and to effect the intent of this Agreement, all as fully and effectively as Borrower might do;

(4) request that any Pledged Servicing Right related to Fannie Mae, Freddie Mac, Ginnie Mae or any other investor be transferred to Bank or to another approved servicer approved by Fannie Mae, Freddie Mac, Ginnie Mae or such other investor (as the case may be) and perform (without assuming or being deemed to have assumed any of the obligations of Borrower thereunder) all aspects of each servicing contract that is Collateral;

(5) request distribution to Bank of sale proceeds or any applicable contract termination fees arising from the sale or termination of Pledged Servicing Rights and remaining after satisfaction of Borrower's relevant obligations to Fannie Mae, Freddie Mac, Ginnie Mae or such other investor (as the case may be) with respect thereto, including costs and expenses related to any such sale or transfer of such servicing rights and other amounts due for unmet obligations of Borrower to Fannie Mae, Freddie Mac, Ginnie Mae or such other investor (as the case may be) under applicable Agency Guideline or such other investor's contract;

(6) deal with investors and any and all subservicers and master servicers in respect of any of the Collateral in the same manner and with the same effect as if done by Borrower; and

(7) take any action and execute any instruments that Bank deems necessary or advisable to accomplish any of such purposes.

The powers conferred on Bank hereunder are solely to protect Bank's interests in the Collateral and shall not impose any duty upon it to exercise any such powers. Bank shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to Borrower for any act or failure to act hereunder, except for its or their own gross negligence or willful misconduct.

This power of attorney is a power coupled with an interest and shall be irrevocable.

(q) Amended and Restated. This Amended and Restated Loan and Security Agreement amends and restates that certain Loan and Security Agreement between Borrower and Bank dated July 18, 2019.

[Remainder of page intentionally blank; signatures on next page]

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**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed and sealed as of the day and year first above written.

TIAA, FSB

By: /s/ Kate Walton  
Name: Kate Walton  
Title: Vice President

GUILD MORTGAGE COMPANY

By: /s/ Amber Elwell  
Name: Amber Elwell  
Title: SVP & CFO

*Signature Page to the Amended and Restated Loan and Security Agreement*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

*Execution Version*

## MASTER REPURCHASE AGREEMENT

THIS MASTER REPURCHASE AGREEMENT, dated as of March 24, 2015, is by and between GUILD MORTGAGE COMPANY, a California corporation (“GMC”) GUILD MORTGAGE COMPANY, LLC, a Delaware limited liability company (“GMCLLC”; GMC and GMCLLC are collectively called the “Sellers”, and each, a “Seller” provided that each obligation of the Sellers hereunder shall be a joint and several obligation of each of them), and U.S. BANK NATIONAL ASSOCIATION, a national banking association (the “Buyer”).

### Preliminary Statement

The Sellers and the Buyer have specifically agreed and hereby specifically declare that it is their intention that this Master Repurchase Agreement (as amended, restated, supplemented or otherwise modified from time to time, the “Agreement”) and the purchases of Eligible Mortgage Loans made pursuant to it are to be treated as repurchase transactions under the Title 11 of the United States Code, as amended (the “Bankruptcy Code”), including all rights that accrue to Buyer by virtue of sections 559, 561 and 562 of the Bankruptcy Code. This Agreement also contains lien provisions with respect to the Purchased Mortgage Loans so that if, contrary to the intent of the parties, any court of competent jurisdiction characterizes any Transaction as a financing, rather than a purchase, under applicable law, including the applicable provisions of the Bankruptcy Code, the Buyer is deemed to have a first priority perfected security interest in and to the Purchased Mortgage Loans to secure the payment and performance of all of the Sellers’ Obligations under this Agreement.

NOW, therefore, the parties to this Agreement agree as follows:

### ARTICLE I DEFINITIONS AND ACCOUNTING TERMS

Section 1.1 Defined Terms. In addition to the terms defined elsewhere in this Agreement, the following terms shall have the following respective meanings (and such meanings shall be equally applicable to both the singular and plural form of the terms defined, as the context may require):

“Additional Purchased Mortgage Loans” is defined in Section 4.3(a).

“Adjusted Leverage Ratio” means on any date of determination, the ratio of (a) Adjusted Total Liabilities, to (b) Adjusted Tangible Net Worth.

“Adjusted Net Income” means net income of the Sellers determined in accordance with GAAP, adjusted to subtract any gains or add any losses, as applicable, in the value of Servicing Rights owned by the Sellers, to the extent such gains or losses in the value of Servicing Rights are included in the calculation of net income.

“Adjusted Tangible Net Worth” shall mean (a) total members’ equity in GMCLLC (including membership interests, additional paid-in capital, and retained earnings), on a consolidated basis; less all of the following: (i) any advances or loans to shareholders, members, officers or Affiliates by the Sellers, (ii) investments by the Sellers in Affiliates, (iii) assets pledged by the Sellers to secure any liabilities not included in the Indebtedness of the Sellers, (iv) any other assets of the Sellers that would be treated as intangibles under GAAP, including, without limitation, all such items as goodwill, trademarks, trade names, service marks, copyrights, patents, licenses, unamortized debt discount and unamortized deferred charges; and (v) any other assets deemed unacceptable by the Buyer in its sole discretion, plus (b)

Subordinated Debt. In determining assets of the Sellers, capitalized servicing rights shall be included in an amount equal to the lesser of market value or value determined in accordance with GAAP.

“Adjusted Total Liabilities” means at any time of determination, the sum of (a) the amount, on a consolidated basis, of the liabilities of the Sellers and the Subsidiaries, determined in accordance with GAAP, plus (b) all obligations of the Sellers and the Subsidiaries on “off-balance sheet” transactions, including mortgage purchase programs (except for ultimate sale of mortgage loans) and purchase agreements with repurchase obligations (other than conventional representations and warranties).

“Adverse Event” means the occurrence of any event that could have material adverse effect on the business, operations, property, assets or condition (financial or otherwise) of the Sellers and the Subsidiaries as a consolidated enterprise or on the ability of the Sellers or any other party obligated thereunder to perform its obligations under the Related Documents.

“Affiliate” means any Person (other than a Subsidiary): (a) which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, the Sellers, (b) which beneficially owns or holds [\*\*\*] or more of the equity interest of the Sellers; or (c) [\*\*\*] or more of the equity interest of which is beneficially owned or held by the Sellers or a Subsidiary. The term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Agencies” means any of Freddie Mac, Fannie Mae and GNMA, with which the Sellers maintain a relationship as lender, seller/servicer or otherwise.

“Aggregate Purchase Sublimits” shall have the meaning set forth in, and shall be calculated as provided in, Section A-3 of Exhibit A.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Sellers or the Subsidiaries from time to time concerning or relating to bribery or corruption.

“Approved Investor” means any of the Agencies, any of the Persons listed in Exhibit B hereto, or any other Person which is acceptable to the Buyer, in its sole discretion (which acceptance shall be in writing but need not be in the form of an amendment to such Exhibit B); provided, that at any time by written notice to Sellers, the Buyer may disapprove any Approved Investor in its sole reasonable discretion and upon receipt of such notice, the Persons named in the Buyer’s notice shall no longer be Approved Investors from and after the date of the receipt of such notice.

“Asset Value” shall have the meaning for any Mortgage Loan set forth in Exhibit A.

“Authorized Representatives” means the employees or officers of the Sellers designated to the Buyer from time to time by the Sellers, which shall give and receive notices and communications, and shall otherwise deal with the Buyer, under this Agreement.

“Available Transactions” means the sum of:

(a) the remainder of (i) the amount of the full Purchase Price that the Sellers would be permitted to request in accordance with the provisions of Section 2.1 hereof for Open Transactions, including amounts that the Sellers could request to be returned from the Buyer under the proviso to Section 2.1(b), minus (ii) the actual Purchase Price of Open Transactions;



plus

(b) the additional amounts that the Sellers would be able to borrow, or request as additional purchase price, under all committed (and not discretionary) warehousing loan agreements and repurchase agreements other than this Agreement, based on the excess of the borrowing value of Mortgage Loans constituting collateral under (or purchased under) each such warehousing agreement over the amount actually outstanding under each such warehousing agreement.

“Bailee Letter” means a letter from the Buyer to an Approved Investor or its custodian pertaining to sale of Purchased Mortgage Loans to such Approved Investor, accompanying delivery of certain Purchased Mortgage Documents, which shall be acceptable to the Buyer in form and substance, which may be in the form of Exhibit C hereto or such other form as the Buyer may use for such purpose from time to time.

“Business Day” means any day (other than a Saturday, Sunday or legal holiday in the States of Colorado or Minnesota) on which national banks are permitted to be open in Denver, Colorado, Minneapolis, Minnesota and New York, New York, and, with respect to determining LIBOR-based Price Differential, a day on which dealings in Dollars may be carried on by the Buyer in the interbank eurodollar market.

“Compliance Certificate” means a certificate in the form of Exhibit D.

“Default” means any event which, with the giving of notice to the Sellers or lapse of time, or both, would constitute an Event of Default.

“Deposit Accounts” means all now existing or hereafter acquired cash delivered to or otherwise in the possession of the Buyer or its agents, bailees or custodians or designated on the books and records of the Sellers as assigned and pledged to the Buyer, including, without limitation, the Funding Account, Settlement Account, Operating Account, Income Account and all deposits in the Funding Account, Settlement Account, Operating Account and Income Account, and all operating and other accounts, other than any escrow or trust account (including the Escrow Account).

“Delivered Mortgage Documents” is defined in Section 4.8.

“Distributions” means payments by the Sellers of distributions or dividends to the owners of its equity interests, and payments by the Sellers to redeem, repurchase, defease or otherwise acquire or retire for value any such equity interests.

“Document Release Request” means a written request and trust receipt substantially in the form of Exhibit E (or in such other form as shall be acceptable to the Buyer) for the Buyer’s release to the Sellers or its designee identified in such request of the Delivered Mortgage Documents specified in such request.

“Electronic Tracking Agreement” means the Electronic Tracking Agreement, on the form attached as entered among the Sellers, the Buyer, MERS, and MERSCORP from time to time.

“Eligible Mortgage Loan” shall have the meaning set forth in Section A-6 of Exhibit A.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute, together with regulations thereunder.

“ERISA Affiliate” means any trade or business (whether or not incorporated) that is a member of a group of which the Sellers is a member and which is treated as a single employer under Section 414 of the Code.

“Escrow Account” means a deposit account established by the Sellers with the Buyer, or other bank acceptable to the Buyer, into which the proceeds of payment of any tax, insurance or other escrow in respect of Purchased Mortgage Loans shall be deposited, which such be subject to the control of the Buyer.

“Event of Default” means any event described in Section 10.1.

“Fannie Mae” means Fannie Mae and any successor thereto.

“Federal Reserve Board” means the Board of Governors of the Federal Reserve System or an successor thereto.

“FHA” means the Federal Housing Administration and any successor thereto.

“FHA Loan” means a Mortgage Loan, payment of which is insured by FHA or with respect to which there is a current, binding and enforceable commitment for such insurance issued by the FHA or its delegated underwriter.

“Freddie Mac” means Freddie Mac and any successor thereto.

“Funding Account” means the non-interest bearing demand checking account, currently numbered [\*\*\*], as such account may be renumbered or replaced from time to time, established by the Sellers with the Buyer which shall be under the control of the Buyer and into which the proceeds of Transactions shall be deposited and from which funds shall be disbursed subject to the requirements of this Agreement.

“GAAP” means generally accepted accounting principles as applied in the preparation of the audited financial statement of the Sellers referred to in Section 7.5.

“GNMA” means the Government National Mortgage Association and any successor thereto.

“HUD” means the U.S. Department of Housing and Urban Development and any successor thereto.

“HUD Compare Ratio” means the ratio (expressed as a percentage) of (a) the Sellers’ percentage of delinquencies, defaults and claims (“Delinquencies”) under the FHA single family mortgage insurance program, to (b) the percentage of Delinquencies in respect of Mortgage Loan originations under the FHA single family mortgage insurance program in the same time period for all types of loans as determined by the Buyer from time to time based on publications by HUD or otherwise. The HUD Compare Ratio shall be determined based on Delinquencies during the first two years after origination, provided, that if the Buyer determines that HUD has adopted a policy of taking actions based on Delinquencies during the first year after origination, the Buyer may, by written notice to the Sellers require the Sellers to report both one year and two year Delinquencies, and the HUD Compare Ratio shall be the higher of the ratios for such first year or first two years. In the event of changes in the way that the HUD Compare Ratio is reported, this definition may be amended by notice by the Sellers to the Buyer.

“Income Account” means a deposit account established by the Sellers with the Buyer, or other bank acceptable to the Buyer, into which the proceeds of payment of any Purchased Mortgage Loans (including interest and principal) shall be deposited, which such be subject to the control of the Buyer.

“Indebtedness” means, without duplication, all obligations, contingent or otherwise, which in accordance with GAAP should be classified upon the obligor’s balance sheet as liabilities, but in any event including the following (whether or not they should be classified as liabilities upon such balance sheet): (a) obligations secured by any mortgage, pledge, security interest, lien, charge or other encumbrance existing on property owned or acquired subject thereto, whether or not the obligation secured thereby shall have been assumed and whether or not the obligation secured is the obligation of the owner or another party; (b) any obligation on account of deposits or advances; (c) any obligation for the deferred purchase price of any property or services, except trade accounts payable arising in the ordinary course of business, (d) any obligation as lessee under any capitalized lease; (e) all guaranties, endorsements and other contingent obligations in respect to Indebtedness of others; (f) undertakings or agreements to reimburse or indemnify issuers of letters of credit; (g) net liabilities under any interest rate swap, collar or other interest rate hedging agreement, and (h) repurchase obligations under any agreement respecting sale of assets (except for customary representations and warranties under non-recourse sale agreements) including this Agreement. For all purposes of this Agreement, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture in which such Person is a general partner or a joint venturer.

“Ineligible Mortgage Loan” shall have the meaning set forth in Exhibit A.

“Investor Commitment” means a written commitment, in form and substance satisfactory to the Buyer, issued in favor of the Sellers by an Approved Investor pursuant to which that Approved Investor commits to purchase Mortgage Loans, subject to no condition which cannot be reasonably anticipated to be satisfied before its expiration.

“LIBOR rate” is determined under Section 3.1(a).

“Lien” means any security interest, mortgage, pledge, lien, hypothecation, judgment lien or similar legal process, charge, encumbrance, title retention agreement or analogous instrument or device (including, without limitation, the interest of the lessors under capitalized leases and the interest of a vendor under any conditional sale or other title retention agreement).

“Liquid Assets” means the Sellers’ unrestricted and unencumbered assets consisting of (a) cash, (b) deposits in United States banks, net of all outstanding unpaid checks, drafts and similar items, (c) investment grade commercial paper, (d) money market funds, (e) securities traded on a national exchange and acceptable to the Buyer, (f) Available Transactions, and (g) other assets acceptable to the Buyer as Liquid Assets, as designated to the Sellers in writing from time to time.

“Margin Call” is defined in Section 4.3(a).

“Margin Deficit” is defined in Section 4.3(a).

“Market Value” shall mean, at any date, with respect to any Mortgage Loans, the current market value of such items determined by the Buyer at its discretion. In determining such value, the Buyer may apply, at its discretion: (a) market bid quotations of dealers making a market in such items, (b) published services, including the Telerate screen, if available for such items, (c) appraisals or reports of independent consulting firms acceptable to the Buyer, adjusted by the Buyer to reflect ranges of values presented by

such appraisals or reports, weighted average prices, and changes in market conditions after the dates of such appraisals or reports, and (d) any other factor or adjustment deemed relevant by the Buyer.

“MERS” means Mortgage Electronic Registration Systems, Inc.

“MERS Agreements” means the Electronic Tracking Agreement and any other agreement, document or instrument setting forth the terms of or otherwise affecting the MERS System and the Sellers’ membership in MERSCORP.

“MERSCORP” means MERSCORP. Inc.

“MERS System” means MERSCORP’s mortgage electronic registry system, as more particularly described in the MERS Procedures Manual in the form attached to the Electronic Tracking Agreement, as amended from time to time.

“Mortgage” means a mortgage or deed of trust which constitutes a first- or second-priority Lien on improved property containing one-to-four family residences.

“Mortgage Loan” means a loan secured by a Mortgage.

“Mortgage Loan Detail Report” means a schedule of information on Mortgage Loans requested to be funded by Purchases hereunder, substantially in the form of that included in Exhibit F, which may be delivered by electronic mail.

“Mortgaged Property” means the property, real, personal, tangible or intangible, securing a Mortgage Loan.

“OFAC” means the U.S. Department of the Treasury’s Office of Foreign Assets Control, and any successor thereto.

“Obligations” means any and all Indebtedness, obligations and liabilities of the Sellers to the Buyer (whether now existing or hereafter arising, voluntary or involuntary, whether or not jointly owed with others, direct or indirect, absolute or contingent, liquidated or unliquidated, and whether or not from time to time decreased or extinguished and later increased, created or incurred) arising out of or related to this Agreement, the other Related Documents, or any of them.

“Open” means, in respect of any Transaction hereunder, that the Buyer has made a Purchase of Mortgage Loans and such Mortgage Loans have not been Repurchased by the Sellers hereunder or sold to an investor under an Investor Commitment or otherwise.

“Operating Account” means the Sellers’ operating account or accounts maintained with the Bank, with the current Operating Account being numbered [\*\*\*], and any additional or successor operating account or accounts, which shall not include any escrow account or other special purpose account.

“PATRIOT Act” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended from time to time, and any successor statute.

“Person” means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision or any other entity, whether acting in an individual, fiduciary or other capacity.

“Plan” means an employee benefit plan or other plan, maintained for employees of the Sellers or of any ERISA Affiliate, and subject to Title IV of ERISA or Section 412 of the Code.

“Price Differential” means, for any Transaction hereunder, the aggregate amount obtained by daily multiplication of the Pricing Rate for such Transaction for that day by the Purchase Price for such Transaction commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the date of determination of the Price Differential, reduced by any amount of such Price Differential previously paid by the Sellers to the Buyer in respect of such Transaction.

“Pricing Rate” means the rates set forth in Section 3.1(a) and (b).

“Prime Rate” means the rate of interest from time to time announced by the Buyer as its “prime rate.” For purposes of determining any interest rate which is based on the Prime Rate, such interest rate shall be adjusted each time that the prime rate changes.

“Purchase” means a purchase by the Buyer of Mortgage Loans from the Sellers as provided in this Agreement.

“Purchase Commitment” means the agreement of the Buyer to Purchase Mortgage Loans from the Sellers subject to the terms and conditions of this Agreement.

“Purchase Commitment Amount” means the maximum Purchase Price for all Open Transactions, other than Transactions constituting Discretionary Purchases, which may from time to time be outstanding, being [\*\*\*], as such amounts may be reduced from time to time pursuant to Section 2.3.

“Purchase Date” means, in respect of any Transaction, the date of purchase by the Buyer of the Mortgage Loans from the Sellers.

“Purchase Price” means (a) on the Purchase Date, the price at which the Purchased Mortgage Loans in a Transaction are sold by the Sellers to the Buyer, such price not exceeding the Purchase Value of the Purchased Mortgage Loans, and (b) thereafter, the Purchase Price on the Purchase Date less the amount of any cash prepayment or payment of principal transferred in respect of such Purchased Mortgage Loan and Transaction (as determined by the Buyer) by the Sellers to the Buyer pursuant to Section 4.3 or 4.4. Purchase Price may be determined for a specific Purchased Mortgage Loan or for a Transaction involving Purchase of multiple Mortgage Loans, as indicated in this Agreement.

“Purchase Value” shall have the meaning set forth in, and shall be calculated as provided in, Section A-2 of Exhibit A.

“Purchased Mortgage Documents” means the documents listed on Exhibit G, and shall include the Principal Purchased Mortgage Documents and the Other Purchased Mortgage Documents (as defined in such Exhibit).

“Purchased Mortgage Loans” means the Mortgage Loans purchased by the Buyer under this Agreement or delivered as Additional Purchased Mortgage Loans as provided in Section 4.3, and in either case not Repurchased by the Sellers or sold to an investor under an Investor Commitment or otherwise including, without limitation, all Mortgage Loans described in any Transaction Confirmation, Mortgage Loan Detail Report or other document delivered to the Buyer and all Wet Loans described in any

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Transaction Confirmation or Mortgage Loan Detail Report delivered to the Buyer, and in addition, the following property, assets and rights pertaining or related to each Purchased Mortgage Loan:

- (a) All Purchased Mortgage Documents related to such Purchased Mortgage Loan (whether or not delivered to the Buyer) and all additional promissory notes, mortgages, deeds of trust, or other security instruments and documents evidencing or securing such loans, which from time to time are delivered or deemed to be delivered to the Buyer (including delivery to a third party on behalf of the Buyer) come into the possession, custody or control of the Buyer;
- (b) Any mortgage-backed securities which are from time to time created in whole or in part on the basis of such Purchased Mortgage Loan prior to payment of the Repurchase Price amount for such Purchased Mortgage Loan;
- (c) All Servicing Rights in respect of such Purchased Mortgage Loan, including, without limitation, all rights to service, administer and/or collect such Purchased Mortgage Loan, and all rights to the payment or collection of monies under such Servicing Rights on account of servicing, administration or collection activities;
- (d) All private mortgage insurance and all commitments issued by the FHA or VA to insure or guarantee such Purchased Mortgage Loan;
- (e) All rights to deliver such Purchased Mortgage Loan to any other Person, including without limitation all Investor Commitments covering such Purchased Mortgage Loan, all proceeds resulting from the sale of such Purchased Mortgage Loan, all accounts maintained with broker-dealers by the Sellers for the purpose of carrying out transactions under Investor Commitments and all futures and futures options transactions involving such Purchased Mortgage Loan;
- (f) All personal property, contract rights, servicing and servicing fees and income or other proceeds, amounts and payments payable to the Sellers as compensation or reimbursement, accounts and general intangibles of whatsoever kind relating to such Purchased Mortgage Loan and Servicing Rights, and all other documents or instruments relating to the Purchased Mortgage Loan and Servicing Rights, including, without limitation, any interest of the Sellers in any fire, casualty or hazard insurance policies and any awards made by any public body or decreed by any court of competent jurisdiction for a taking or for degradation of value in any eminent domain proceeding as the same relate to such Purchased Mortgage Loan;
- (g) All right to payment of the Purchased Mortgage Loans and all rights of the Sellers in respect of tax, insurance and other escrow payments and the Escrow Account, and all accounts to which such payments and other proceeds of the Purchased Mortgage Loans or proceeds of servicing of the Purchased Mortgage Loans are deposited, including the Income Account and the Escrow Account;
- (h) All right, title and interest of the Sellers in and to all documents, instruments, files, surveys, certificates, correspondence, appraisals, computer programs, tapes, discs, cards, accounting records (including all information, records, tapes, data, programs, discs and cards necessary or helpful in the administration or servicing of such Purchased Mortgage Loan) and other information and data of the Sellers relating to such Purchased Mortgage Loan; and
- (i) All proceeds of the Purchased Mortgage Loans, including all rights to payment with respect to any cause of action affecting or relating to Purchased Mortgage Loans or proceeds thereof.

“Related Documents” mean this Agreement, each subordination agreement respecting any Subordinated Debt, and each other instrument, document, guaranty, security agreement, mortgage, or other agreement executed and delivered by the Sellers or any guarantor or party granting security interests in connection with this Agreement, the Transactions or any collateral for the Transactions.

“Repurchase” means a repurchase by the Sellers of Purchased Mortgage Loans from the Buyer as provided in this Agreement.

“Repurchase Date” means the date on which Sellers Repurchase a specified Purchased Mortgage Loan from the Buyer, with such Repurchase being the earliest of (a) the date that an Approved Investor purchases such Purchased Mortgage Loan, (b) the date (if any) specified in the related Transaction Confirmation. (c) the day that any Purchased Mortgage Loan shall become an Ineligible Mortgage Loan, unless the Sellers shall pay to the Buyer the amount provided in Section 4.3 on such event. and (d) for all Purchased Mortgage Loans, the Termination Date.

“Repurchase Price” means the price at which Purchased Mortgage Loans are to be resold by the Buyer to the Sellers upon termination of a Transaction, which will be equal to: (a) prior to occurrence of an Event of Default, the sum of (i) the Purchase Price of such Purchased Mortgage Loans plus (ii) any accrued and unpaid Price Differential on such Purchase Price as of the date of such determination; or (b) after occurrence of an Event of Default, the greatest of (i) the amount calculated in subparagraph (a) above in this definition, (ii) the amount which the Approved Investor has committed to pay for such Mortgage Loan pursuant to an Investor Commitment, (iii) the Market Value of such Mortgage Loan; or (iv) the full amount actually realized in a sale of such Mortgage Loan (including sale under any Investor Commitment).

“Sanctioned Country” means, at any time, any country or territory which is itself the subject or target of any comprehensive Sanctions.

“Sanctioned Person” means, at any time, (a) any Person or group listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, the United Nations Security Council, the European Union or any EU Member State, (b) any Person or group operating, organized or resident in a Sanctioned Country to the extent such Person is subject to Sanctions, (c) any agency, political subdivision or instrumentality of the government of a Sanctioned Country, or (d) any Person 50% or more owned, directly or indirectly, by any of the above.

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom.

“Sellers” has the meaning set forth in the first paragraph of this Agreement and any reference to “Sellers” shall be deemed a reference to both the Sellers together and to each Seller separately; an example being that each reference to the “Sellers’ liabilities” shall mean both the Sellers’ joint liabilities and the liabilities of each Seller considered separately.

“Servicing Rights” means all rights to service and to be compensated for servicing Mortgage Loans from time to time and all related accounts, general intangibles, rights, interests and proceeds pursuant to agreements with investors or other holders of Mortgage Loans.

“Settlement Account” means the non-interest bearing demand checking account established by GMC with the Buyer, currently numbered [\*\*\*] (as re-numbered from time to time) which shall

be under the control of the Buyer and into which the proceeds of sale or disposition of Purchased Mortgage Loans shall be deposited and disbursed by direction of the Buyer to be applied to the Obligations or remitted to the Sellers.

“Subsidiary” means any Person of which or in which the Sellers and their other Subsidiaries own directly or indirectly 50% or more of: (a) the combined voting power of all classes of stock having general voting power under ordinary circumstances to elect a majority of the board of directors of such Person, if it is a corporation or a limited liability company, (b) the capital interest or profit interest of such Person, if it is a partnership, joint venture or similar entity or membership interest if it is a limited liability company, or (c) the beneficial interest of such Person, if it is a trust, association or other unincorporated organization.

“Subordinated Debt” means all Indebtedness of the Sellers for borrowed money that is evidenced by a note or subject to an agreement (a Subordination Agreement”) with the Buyer containing subordination terms, or subject to a subordination agreement containing subordination terms (including preference on liquidation or bankruptcy, permitted payments, tenor and other terms) that are satisfactory to the Buyer in its sole discretion. All Subordinated Debt shall mature not earlier than 180 days after the Termination Date.

“Termination Date” means the earliest of (a) March 23, 2016, (b) the date on which the Purchase Commitment is terminated pursuant to Section 10.2 hereof or (c) the date on which the Purchase Commitment Amount is reduced to zero pursuant to Section 2.3 hereof.”

“Transaction” means a Purchase of Mortgage Loans by the Buyer under the Purchase Commitment pursuant to Article II of this Agreement.

“Transaction Confirmation” means a confirmation of a request for a Transaction substantially in the form of Exhibit H, with the relevant portions completed.

“Types” shall have the meaning, in respect of Eligible Mortgage Loans, provided in Section A-1 of Exhibit A.

“USDA” means the United States Department of Agriculture.

“USDA Loan” means a Mortgage Loan, payment of which is guaranteed by the USDA or with respect to which there is a current binding and enforceable commitment for such a guaranty issued by the USDA under its single family Rural Development program.

“VA” means the U.S. Department of Veteran’s Affairs and any successor thereto.

“VA Loan” means a Mortgage Loan, payment of which is guaranteed by the VA or with respect to which there is a current binding and enforceable commitment for such a guaranty issued by the VA.

“Valuation Percentages” shall have the meaning set forth in Section A-2 of Exhibit A.

“Warehouse Finance Agreements” means warehousing loan agreements and repurchase agreements including this Agreement, under which the Sellers are a borrower or seller, and which are entered between the Sellers and financial institutions, and under which the Sellers may, subject to compliance with conditions, borrow secured by Mortgage Loans or sell Mortgage Loans.

“Wet Loans” shall have the meaning set forth in Section A-6 of Exhibit A.



Section 1.2 Accounting Terms and Calculations. Except as may be expressly provided to the contrary herein, all accounting terms used herein shall be interpreted and all accounting determinations hereunder (including, without limitation, determination of compliance with financial ratios and restrictions in Article IX hereof) shall be made in accordance with GAAP consistently applied. Any reference to “consolidated” financial terms shall be deemed to refer to those financial terms as applied to the Sellers and the Subsidiaries in accordance with GAAP.

Section 1.3 Computation of Time Periods. In this Agreement, in the computation of a period of time from a specified date to a later specified date, unless otherwise stated the word “from” means “from and including” and the word “to” or “until” each means “to but excluding.” Any reference to “days” or “Days”, unless specified to mean Business Days shall mean calendar days.

Section 1.4 Other Definitional Terms. The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. References to Sections, Exhibits, schedules and like references are to this Agreement unless otherwise expressly provided.

## ARTICLE II PURCHASE OF MORTGAGE LOANS

### Section 2.1 Purchase Commitment

(a) Subject to the terms and conditions of this Agreement and provided no Default or Event of Default has occurred and is continuing, the Buyer agrees, from time to time during the period from the date hereof through and including the Termination Date, to purchase Eligible Mortgage Loans from the Sellers at the request of the Sellers as provided hereinafter by transferring the Purchase Price to the Sellers as hereinafter provided, provided, however, that all Open Transactions hereunder shall not exceed the Purchase Commitment Amount or the further limitations set forth herein.

(b) Proceeds of the Purchase Price of Purchased Mortgage Loans shall be applied solely for funding or refinancing the acquisition or origination by the Sellers of Eligible Mortgage Loans, provided, that if the Sellers have made advance cash payments to be applied to the Repurchase Price of any Purchased Mortgage Loan as provided in Section 4.4, it may, upon request to the Buyer, have such amounts returned by the Buyer to the Sellers, provided that the Sellers and the relevant Eligible Mortgage Loans remain in compliance with all terms and conditions of this Agreement and that the Sellers could have submitted such Eligible Mortgage Loan for Purchase as of the date of such return.

(c) Purchases shall also be subject to the following restrictions:

- (i) the Purchase Price for any Eligible Mortgage Loan shall not exceed the Purchase Value for such Eligible Mortgage Loan, based on such Eligible Mortgage Loan’s Type; and
- (ii) aggregate Purchase Price for all Open Transactions funding any Type of Eligible Mortgage Loan shall not exceed the Aggregate Purchase Sublimit for such Type of Eligible Mortgage Loan.

### Section 2.2 Procedures for Purchase

(a) The Sellers shall request a Purchase by submitting a Mortgage Loan Detail Report, which may be given by electronic transmittal, and must be given so as to be received by the Buyer not later than 2:30 p.m., Denver time, on the Business Day of the requested Purchase. Not more than four (4) such requests may be made on any Business Day. Upon its receipt of a Mortgage Loan Detail Report, the Buyer shall determine the Purchase Value of the Mortgage Loans identified on the Mortgage Loan Detail Report. Unless the Sellers shall inform the Buyer, or the Buyer shall otherwise determine, that the Purchase Price shall be less than such Purchase Value, the Buyer may assume that the initial Purchase Price of such Mortgage Loans shall equal such Purchase Value.

(b) The Principal Purchased Mortgage Documents (unless the requested Transaction is a Purchase of a Wet Loan) must be received by the Buyer and all other conditions to such Purchase must be satisfied no later than 11:00 a.m., Denver time, in order for funding to occur the same day. In the case of a Wet Loan, the Sellers shall cause all Principal Purchased Mortgage Documents to be delivered to the Buyer within the period required under Section A-4 of Exhibit A hereto. In the instance of Mortgage Loans that were originated by a correspondent lender of the Sellers or any other third party, and Mortgage Loans that have been financed by a third party warehouse financier (i) the Principal Purchased Mortgage Documents shall have been delivered under a bailee letter from the originator or prior warehouse financier that includes wire transfer instructions and is otherwise acceptable to the Buyer in form and substance, (ii) the Sellers authorize the Buyer to disburse the Purchase Price of such Mortgage Loans from the Funding Account, or directly, in accordance with such wire transfer instructions, and (iii) the Buyer shall only disburse the Purchase Price for such Mortgage Loans in such manner.

(c) Unless the Buyer determines that any applicable condition, including any condition specified in Article VI or this Section 2.2, has not been satisfied, the Buyer will make the Purchase Price available to the Sellers by crediting the Funding Account. On request of the Sellers and specific approval by the Buyer (given at its sole discretion), the Buyer may make the Purchase Price available to the Sellers by crediting the Operating Account.

(d) The Sellers have agreed that disbursements and transfers from the Funding Account will only be made either (i) to fund Mortgage Loans through closing agents or title companies (which closing agent or title company shall be selected by the Seller and not unacceptable to the Buyer) for the initial funding at closing of Mortgage Loans, provided that the Buyer may, by written notice to the Sellers, designate agents or title companies that are not acceptable for such purpose, or (ii) upon notice by the Sellers to the Buyer that third-party originators are assigning Mortgage Loans to the Sellers, which notice shall give such information as may be requested by the Buyer regarding such originators, to fund the purchase by the Sellers from such third-party originators. In the instance of funding of purchases by the Sellers of third-party originated Mortgage Loans, Buyer shall not purchase Wet Loans and Buyer shall have received the Principal Purchased Mortgage Documents as provided in the first sentence of Section 2.2(b).

(e) The Sellers authorize the Buyer to debit the Operating Account to fund an amount equal to the difference between the Purchase Price of a Purchased Mortgage Loan and the amount required by the closing agent or title company (which closing agent or title company shall be selected by the Seller and not unacceptable to the Buyer) for the initial funding at the closing of such Purchased Mortgage Loan, and the Sellers shall provide information to the Buyer for purposes of determining such amount.

(f) If so requested by the Buyer, Not later than 12:00 noon, Denver time, the Business Day following each request for a Purchase under this Section 2.2, the Sellers shall submit to the Buyer

a Transaction Confirmation, duly completed, which shall be given by electronic transmittal. Failure by the Sellers to so provide a Transaction Confirmation or by the Buyer to receive a Transaction Confirmation shall not limit or impair the obligations of the Sellers in respect of any Transaction, and in the instance of any difference between a Transaction Confirmation and the Buyer's records respecting (i) Purchases actually made, (ii) Purchase Value, (iii) Purchase Price actually funded, (iv) Repurchase Price actually paid to the Buyer, or (v) other information concerning any Transaction, the Buyer's records shall control.

Section 2.3 Optional Reduction of Purchase Commitment Amount. The Sellers may by written or telephonic notice to the Buyer, reduce the Purchase Commitment Amount, with any such reduction in a minimum amount of [\*\*\*] or an integral multiple thereof. Upon any reduction in the Purchase Commitment Amount pursuant to this Section, the Sellers shall pay to the Buyer the amount, if any, by which the aggregate unpaid principal amount of outstanding Purchase Price of all Open Transactions exceeds the Purchase Commitment Amount as so reduced.

Section 2.4 Authorized Representatives. The Sellers shall act hereunder through the Authorized Representatives designated from time to time and all notices and requests to be given and received by the Sellers, including requests for Purchases, shall be given by and directed to such Authorized Representatives.

Section 2.5 Joint and Several Obligations. The Sellers each agree that all of the Obligations are joint and several and the primary obligations of each of them, enforceable against each Seller separately or all Sellers together notwithstanding of any right or power of any party to assert any claim or defense as to the invalidity or unenforceability of any such obligations. Each Seller hereby waives any defense it may claim as a guarantor, surety or accommodation party. The Buyer may, from time to time, without notice to any of the Sellers, (a) obtain or release any security interest in any property to secure any of the Obligations; (b) obtain or release the primary or secondary liability of any party or parties with respect to any of the Obligations (including without limitation the liability of any other Seller); (c) extend or renew for any period, alter or exchange any of the Obligations or release or compromise any obligation of any nature of any obligor with respect to any of the Obligations; or (d) resort to any Seller for payment of any of the Obligations whether or not the Buyer shall have resorted to any property securing the Obligations or to any other Seller or any other party primarily or secondarily liable with respect to the Obligations.

### ARTICLE III PRICE DIFFERENTIAL AND FEES; ADDITIONAL PROVISIONS RELATING TO PAYMENTS

#### Section 3.1 Price Differential.

(a) Prior to an Event of Default. Except as provided in (b) below, Price Differential on all Open Transactions shall be determined by applying to the Purchase Price of all Purchased Mortgage Loans under such Open Transaction an annual rate equal to [\*\*\*] plus the one-month LIBOR rate quoted by Buyer from Reuters Screen LIBOR01 or any successor thereto, which shall be that one-month LIBOR rate in effect and reset each Business Day, adjusted for any reserve requirement and any subsequent costs arising from a change in government regulation, such rate rounded up to the nearest one-sixteenth percent. Notwithstanding the foregoing, if the LIBOR rate shall at any time be less than 0%, it shall be deemed for purposes of this Agreement to equal 0%, and the Pricing Rate and Price Differential shall be calculated based on a LIBOR rate of 0% plus the interest rate margin set forth above. Buyer's internal records of applicable Price Differential shall be determinative in the absence of manifest error.

(b) Price Differential After Event of Default. Following occurrence of any Event of Default until the Repurchase Price of all Open Transactions shall have been paid in full, Price Differential on all Open Transactions shall be determined by applying to the Purchase Price of all Purchased Mortgage Loans under such Open Transaction, an annual rate equal to the greater, on any day of (i) the Price Differential rate otherwise applicable hereunder, or (ii) the Prime Rate plus [\*\*\*].

(c) Payment. Accrued unpaid Price Differential under (a) accrued through the last day of each month shall be billed on or about the first Business Day of the next following month, and shall be payable by the [\*\*\*] of such following month. Accrued Price Differential under (b) shall be payable on demand. The Buyer is authorized to debit the Operating Account for payment of Price Differential (provided, however, that this shall not limit the liability of the Sellers for payment of Price Differential if amounts in such account shall not be sufficient to make such payment or if the Buyer may not, in its sole judgment, debit such account for any reason). All unpaid Price Differential on all Transactions shall be paid on the Termination Date.

Section 3.2 Non-Use Fee. The Sellers shall pay to the Buyer fees (the “Non-Use Fees”), accruing for any calendar quarter for which Open Purchases are less than [\*\*\*] of the Purchase Commitment Amount, in amounts determined by applying a rate of [\*\*\*] per annum to the excess of the Purchase Commitment Amount over such Open Purchases. Non-Use Fees accrued through the last day of each quarter ending in March, June, September and December, shall be paid, in arrears, at the time of payment of Price Differential as provided in Section 3.1(c) above for such month. The Buyer is authorized to debit the Operating Account or any other account of the Sellers other than an escrow account for payment of Non-Use Fees (provided, however, that this shall not limit the liability of the Sellers for payment of Non-Use Fees if amounts in such accounts shall not be sufficient to make such payment or if the Buyer may not, in its sole judgment, debit such account for any reason).

Section 3.3 Computation. Price Differential and Non-Use Fees shall be computed on the basis of actual days elapsed and a year of 360 days.

Section 3.4 Miscellaneous Charges. In addition to all other fees, the Sellers agree to reimburse the Buyer for miscellaneous charges and expenses incurred by or on behalf of the Buyer in connection with the handling and administration of the Purchased Mortgage Documents and the Purchases. These charges shall include, without limitation, charges for wire transfers, charges for overnight delivery of Purchased Mortgage Documents to Approved Investors, and collateral handling fees in accordance with the Buyer’s schedules in effect from time to time (currently [\*\*\*] per Purchased Mortgage Loan, [\*\*\*] for investor-returned loans and [\*\*\*] for same-day shipment to investors), plus applicable wire fees. Such charges and expenses shall be paid promptly after invoice by the Buyer. The Buyer is authorized to debit the Operating Account for such charges and expenses (provided, however, that this shall not limit the liability of the Sellers for payment of such charges and expenses if amounts in such account shall not be sufficient to make such payment or if the Buyer may not, in its sole judgment, debit such account for any reason).

Section 3.5 Payments. Payments and prepayments of the Repurchase Price (as hereinafter provided) and all Price Differential and all fees, expenses and other Obligations shall be made without set-off or counterclaim in immediately available funds not later than 2:00 p.m., Denver time, on the dates due at the designated office of the Buyer in Denver. Funds received on any day after such time shall be deemed to have been received on the next Business Day. Whenever any payment to be made hereunder shall be stated to be due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of any Price Differential or fees.

Section 3.6 Buyer's Records. The Buyer's internal records of Transactions and the terms thereof, including without limitation Price Differential, Pricing Rate, Open Transactions, Purchase Price and Repurchase Price shall be determinative in the absence of manifest error.

Section 3.7 Additional Costs and Reserves. If there shall occur any adoption or implementation of, or change to, any Regulation, or interpretation or administration thereof, which shall have the effect of imposing on Buyer (or Buyer's holding company) any increase or expansion of or any new: tax (excluding taxes on its overall income and franchise taxes), charge, fee, assessment or deduction of any kind whatsoever, or reserve, capital adequacy, special deposits or similar requirements against credit extended by, assets of, or deposits with or for the account of Buyer or other conditions affecting the Purchases and Purchase Commitment under this Agreement; then Sellers shall pay to Buyer such additional amount as Buyer deems necessary to compensate Buyer for any increased cost to Buyer attributable to the Purchases and Purchase Commitment and/or for any reduction in the rate of return on Buyer's capital and/or Buyer's revenue attributable to the Purchases and Purchase Commitment. As used above, the term "Regulation" shall include any federal, state or international law, governmental or quasi-governmental rule, regulation, policy, guideline or directive (including but not limited to the Dodd-Frank Wall Street Reform and Consumer Protection Act and enactments, issuances or similar pronouncements by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices or any similar authority and any successor thereto) that applies to Buyer. Buyer's determination of the additional amount(s) due under this Section 3.7 shall be binding in the absence of manifest error, and such amount(s) shall be payable within 30 days of demand and, if recurring, as otherwise billed by Buyer.

#### ARTICLE IV REPURCHASE AND OTHER PAYMENTS OF PURCHASE PRICE

##### Section 4.1 Determination of Repurchase Date.

(a) Without limiting the obligation of the Sellers to pay the Repurchase Price of specific Transaction on prior Repurchase Dates hereunder, the Repurchase Price of all Open Transactions, and all other unpaid Obligations and expenses, charges and fees hereunder, shall be payable by the Sellers in full on the Termination Date.

(b) The Buyer shall determine each other Repurchase Date of each Purchased Mortgage Loan determined in accordance with the definition of "Repurchase Date."

Section 4.2 Repurchase on Repurchase Date. The Sellers shall Repurchase each Purchased Mortgage Loan on its Repurchase Date as determined under Section 4.1 by payment to the Buyer of the Repurchase Price in cash, without setoff or counterclaim of any type. If any Purchased Mortgage Loan is delivered to an Approved Investor for purchase by such Approved Investor, upon irrevocable receipt by the Buyer of the sale proceeds from such Approved Investor, such Purchased Mortgage Loan shall be deemed to have been Repurchased by the Sellers at the time of such receipt, and, without releasing any obligation of the Sellers to pay the full Repurchase Price to the Buyer upon such Repurchase, any sale proceeds so received by the Buyer shall be applied to the Repurchase Price of such Purchased Mortgage Loan (and shall thereby reduce the Repurchase Price of such Purchased Mortgage Loan that the Sellers shall be required to pay directly). If payment from any purchaser (including an Approved Investor) upon sale or other disposition of a Purchased Mortgage Loan is less than the Repurchase Price of such Purchased Mortgage Loan, or if any such payment is required to be returned or rescinded, the Sellers shall upon notice to such effect by the Buyer immediately pay to the Buyer the amount of any such shortfall or any amount so returned or rescinded to apply to the Repurchase Price of the relevant Purchased Mortgage Loan.

Section 4.3 Mandatory Payment - Margin Deficit and Ineligible Mortgage Loans.

(a) If at any time the Buyer determines that the Purchase Value of any one or more Purchased Mortgage Loans included in an Open Transaction hereunder and designated by the Buyer is less than the Repurchase Price of such Purchased Mortgage Loan(s) (a “Margin Deficit”), then by notice to the Sellers (a “Margin Call”), the Buyer may designate the Purchased Mortgage Loans subject to the Margin Call and require the Sellers to transfer to the Buyer either cash or additional Eligible Mortgage Loans acceptable to the Buyer (“Additional Purchased Mortgage Loans”), or a combination of cash and Additional Purchased Mortgage Loans, so that the cash and the aggregate Purchase Value of such Purchased Mortgage Loans in such Transaction, including any such Additional Purchased Mortgage Loans, will thereupon at least equal the then aggregate Repurchase Price of such Purchased Mortgage Loans.

(b) If the Buyer delivers a Margin Call to the Sellers at or before 12:00 p.m. Denver time (or such other time as the parties may mutually agree) on any Business Day, then the Sellers shall transfer cash and/or Additional Purchased Mortgage Loans as provided in this Section 4.3 by no later than 5:00 p.m. Denver time on such Business Day (or such other time as the parties may mutually agree). If the Buyer delivers a Margin Call to the Sellers after 12:00 p.m. Denver time (or such other time as the parties may mutually agree) on any Business Day, then the Sellers shall transfer such cash and/or Purchased Mortgage Loans by no later than 2:00 p.m. Denver time on the next-following Business Day (or such other time as the parties may mutually agree).

(c) If any Purchased Mortgage Loan shall become an Ineligible Mortgage Loan, as determined under the definitions and provisions of Exhibit A, to the extent that the Sellers have not Repurchased such Purchased Mortgage Loan, they shall pay to the Buyer in cash an amount equal to the Repurchase Price of such Ineligible Mortgage Loan.

(d) Any cash transferred to the Buyer pursuant to this Section 4.3 shall be applied to reduce the Purchase Price of the Purchased Mortgage Loan(s) designated by the Buyer, as provided in (a) above or becoming Ineligible Mortgage Loans, as provided in (c) above.

Section 4.4 Voluntary Advance Payment of Repurchase Price. The Sellers may voluntarily prepay the Repurchase Price of any Purchased Mortgage Loan, provided that: (i) notwithstanding such prepayment, the Buyer shall continue to own such Purchased Mortgage Loan until the Repurchase Price is paid in full; and (ii) the Sellers shall designate the Purchased Mortgage Loan(s) to which such prepayment shall apply, or in the absence of such designation, Buyer shall determine the particular Purchased Mortgage Loan(s) to which any such prepayment shall be applied.

Section 4.5 Procedures for Release and Delivery of Purchased Mortgage Loans.

(a) Purchased Mortgage Loans shall be reconveyed to Sellers only upon payment to the Buyer of the Repurchase Price of such Purchased Mortgage Loans.

(b) If Purchased Mortgage Loans are to be transferred to an Approved Investor for sale, unless an Event of Default has occurred and continued upon delivery by the Sellers to the Buyer of shipping instructions the Buyer will transmit the designated Purchased Mortgage Loans and such related Purchased Mortgage Documents that the Buyer has actually received and is instructed by the Sellers to transmit to the Approved Investor pursuant to a Bailee Letter.

(c) Following delivery of such items pursuant to a Bailee Letter, the Buyer's ownership in such Purchased Mortgage Loans shall be conveyed and transferred only upon payment to the Buyer of the amount required under any bailee letter or other document of delivery and application of such payment to the Repurchase Price of the relevant Purchased Mortgage Loans.

(d) Shipping instructions and other information required for the Buyer to be able to deliver Purchased Mortgage Loans (including without limitation the identity of any required Agency release forms, any pool or Investor Commitment number, instructions for endorsement of notes evidencing Purchased Mortgage Loans, names and addresses of the relevant Approved Investor and preferred mode of shipment) shall be delivered by the Sellers to the Buyer in writing not later than 10:30 a.m., Denver time, on the Business Day on which the Buyer is requested to ship the Purchased Mortgage Loans.

(e) If the number of Purchased Mortgage Loans to be shipped pursuant to any one or more of the foregoing provisions of this Section 4 is [\*\*\*] or less and the shipping instructions are received by 10:30 a.m., Denver time on a Business Day, the Buyer will use its best efforts to ship the Purchased Mortgage Loans on [\*\*\*]. If more than one [\*\*\*] Purchased Mortgage Loans are to be shipped or the shipping instructions are received later than 10:30 a.m. (but not later than 11:30 a.m.) Denver time on a Business Day, the Buyer will use its best efforts to ship them on [\*\*\*], unless more than [\*\*\*] Purchased Mortgage Loans are to be shipped, in which event [\*\*\*] shall be added for each increment of [\*\*\*] Purchased Mortgage Loans in excess of [\*\*\*] Purchased Mortgage Loans to be shipped, limited to a maximum of [\*\*\*].

Section 4.6 Settlement Account. The Sellers shall cause all proceeds of sale or other disposition of any of the Purchased Mortgage Loans to be deposited by direct transfer in immediately available funds by the Approved Investor purchasing Purchased Mortgage Loans to the Buyer, which amounts shall be deposited into the Settlement Account. The Sellers shall inform the Buyer of the source of such funds and deposits, and if the amount so deposited exceeds the Repurchase Price of the relevant Purchased Mortgage Loans arising from such sale or distribution, the Buyer will release such excess to the Sellers by transfer to the Operating Account. Following the occurrence of any Event of Default, in addition to the remedies set forth in Article X, all amounts so received and collected into the Settlement Account may, at the discretion of the Buyer, be applied to the Obligations or held in the Settlement Account for subsequent application to the Obligations.

Section 4.7 Return of Purchased Mortgage Loans at Maturity. If (a) the Purchase Commitment has expired or been terminated, and (b) there are no Open Transactions and all Price Differential and other Obligations have been irrevocably paid in full, the Buyer shall transfer and deliver all Purchased Mortgage Loans to the Sellers and deliver all Purchased Mortgage Documents in its possession to the Sellers. The receipt of the Sellers for any Purchased Mortgage Documents released or delivered to the Sellers pursuant to any provision of this Agreement shall be a complete and full acquittance for the Purchased Mortgage Loans and Purchased Mortgage documents so returned, and the Buyer shall thereafter be discharged from any liability or responsibility therefor.

Section 4.8 Temporary Delivery of Purchased Mortgage Documents to the Sellers. From time to time and as appropriate for the correction of any Purchased Mortgage Documents, the Buyer may, at its sole discretion, upon written request of a Seller made in the form of a Document Release Request, release to the Sellers all or a portion of the Purchased Mortgage Documents pertaining to a Purchased Mortgage Loan that have been delivered by the Sellers to the Buyer (the "Delivered Mortgage Documents"). The Sellers shall promptly return to the Buyer such Delivered Mortgage Documents when the Sellers' need

therefor in connection with such correction no longer exists (but not later in any case, without the Buyer's consent, than fifteen (15) calendar days after the Buyer shipped them), unless the Purchased Mortgage Loan shall be liquidated and the proceeds thereof paid to the Buyer (for deposit to the Settlement Account in satisfaction of the Repurchase Price), in which case, upon the Buyer's receipt of the full Repurchase Price of the Purchased Mortgage Loan related to the Delivered Mortgage Documents (either from proceeds of sale or liquidation of such Purchased Mortgage Loan or by payment by the Sellers), the Sellers' trust receipt for that Purchased Mortgage Loan shall be automatically voided and canceled.

Section 4.9 Additional Mandatory Repurchases. If at any time the Purchase Price for all Open Transactions at any time outstanding shall exceed the Purchase Commitment Amount by reason of reduction as provided in the definition thereof or otherwise, the Sellers shall Repurchase Purchased Mortgage Loans in amounts sufficient to eliminate such excess.

#### ARTICLE V SECURITY INTEREST

Section 5.1 Pledge and Security Interest. The Sellers and Buyer each intend that all Transactions hereunder be sales and purchases (other than for accounting and tax purposes) and not loans; nonetheless, as a security agreement or other arrangement or other credit enhancement related to this Agreement and transactions hereunder and Obligations as provided for in Section 101(47)(v) of the Bankruptcy Code, the Sellers hereby pledge to the Buyer as security for the performance by the Seller of the Obligations and hereby grant, assign and pledge to the Buyer a fully perfected first priority security interest in all of the Purchased Mortgage Loans and all income and proceeds from the Purchased Mortgage Loans, including all of the property, rights and other items described in the definition of "Purchased Mortgage Loans" in Section 1.1 for each such Purchased Mortgage Loan and all rights to have, receive and retain the return or refund of funds transferred from any account with the Buyer to any title company, title agent, escrow agent or other Person for the purpose of originating or funding a Mortgage Loan that did not close (for any reason) and that would have been a Purchased Mortgage Loan if it had closed (all funds so transferred continuously remain the property of the Buyer until disbursed by such closing agent to or for the account of the related obligor upon the closing of his or her Mortgage Loan).

Section 5.2 Further Confirmation. The Sellers agree to do such things as applicable Law requires to maintain the security interest of the Buyer in all of the Purchased Mortgage Loans with respect to all such re-characterized Transactions and all income and proceeds from the Purchased Mortgage Loans that are the subject matter of such re-characterized Transactions as a perfected first priority Lien at all times. The Sellers hereby authorize the Buyer to file any financing or continuation statements under the applicable Uniform Commercial Code to perfect or continue such security interest in any and all applicable filing offices without the Sellers' signature to the extent permitted by applicable law subject to the scope stated in Section 5.1 herein. The Sellers shall pay all customary fees and expenses associated with perfecting such security interest including the costs of filing financing and continuation statements under the Uniform Commercial Code and recording assignments of Mortgages as and when required by the Buyer in its reasonable discretion.

Section 5.3 Security Interest in Accounts. The Sellers hereby grant to the Buyer a security interest in and Lien upon all now existing or hereafter arising Deposit Accounts (with further provisions respecting the Income Account set forth in Section 5.4) and all proceeds thereof.

Section 5.4 Income Account and Escrow Account.

(a) The Sellers hereby grant to the Buyer a security interest in and Lien upon the Income Account and the Escrow Account and any hereafter arising Income Account or Escrow Account



and all proceeds thereof. The Buyer shall be deemed to have “control” of the Income Account and Escrow Account within the meaning of the Uniform Commercial Code.

(b) Upon request of the Buyer, the Sellers shall open the Income Account and the Escrow Account in accordance with the terms of the definition thereof. Within one Business Day after receipt thereof, the Sellers agree to cause all payments of: (i) interest and principal of the Purchased Mortgage Loans to be deposited to the Income Account, and (ii) tax, insurance or other escrow payments in respect of the Purchased Mortgage Loans to be deposited to the Escrow Account.

(c) The Sellers shall provide to the Buyer any information the Buyer shall reasonably request regarding direction of payments from the Escrow Account in accordance with the purposes for which such funds are deposited into the Escrow Account.

(d) Upon request of the Buyer, if the Income Account and Escrow Account has been maintained by the Sellers with a bank other than the Buyer, the Sellers shall promptly open accounts at the Buyer to serve as the Income Account and the Escrow Account.

#### ARTICLE VI CONDITIONS PRECEDENT

Section 6.1 Conditions of Initial Purchase. The obligation of the Buyer to Purchase any Mortgage Loan hereunder shall be subject to the satisfaction of the conditions precedent, in addition to the applicable conditions precedent set forth in Section 6.2 below, that the Buyer shall have received all of the following, in form and substance satisfactory to the Buyer, each duly executed and certified or dated the date of the initial Purchase or such other date as is satisfactory to the Buyer:

- (a) This Agreement, each executed by a duly authorized officer (or officers) of the Seller.
- (b) Certificates of the Secretary or an Assistant Secretary of each Seller, attesting to incumbency of the officers of the Seller authorized to execute the Related Documents, and attaching a copy of the Articles of Incorporation and Bylaws of the Seller.
- (c) Certificates of Good Standing for the Sellers in the jurisdiction of their organization, certified by the appropriate governmental officials.
- (d) An opinion of counsel to the Sellers.
- (e) The Electronic Tracking Agreement.
- (f) A filed UCC-1 Financing Statement, and lien searches satisfactory to the Buyer.
- (g) If any Subordinated Debt is outstanding, a Subordination Agreement.

Section 6.2 Conditions Precedent to all Purchases. The obligation of the Buyer to purchase any Mortgage Loan hereunder (including the initial Purchase) shall be subject to compliance with and satisfaction of all of the requirements in Article II hereof and to the satisfaction of the following conditions precedent (and any request for a Purchase shall be deemed a representation by the Sellers that the following are satisfied):

- (a) Before and after giving effect to such Purchase, the representation and warranties contained in Article VII shall be true and correct, as though made on the date of such Advance.

(b) Before and after giving effect to such Purchase, no Default or Event of Default shall have occurred and be continuing.

#### ARTICLE VII REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Agreement, to grant the Purchase Commitment and to Purchase Mortgage Loans hereunder, the Sellers represent and warrant to the Buyer:

Section 7.1 Organization, Standing, Etc. GMC is a corporation and GMCLLC is a limited liability company, each duly organized and validly existing and in good standing under the laws of the jurisdiction of its organization and each has all requisite organizational power and authority, and requisite qualifications, to carry on its business as now conducted, to enter into the Related Documents and to perform its obligations under the Related Documents.

Section 7.2 Authorization and Validity. The execution, delivery and performance by the Sellers of the Related Documents have been duly authorized by all necessary approval action by the Sellers, and the Related Documents constitute the legal, valid and binding obligations of the Sellers, enforceable against the Sellers in accordance with their terms.

Section 7.3 No Conflict; No Default. The execution, delivery and performance by the Sellers of the Related Documents will not (a) violate any provision of any law, statute, rule or regulation or any order, writ, judgment, injunction, decree, determination or award of any court, governmental agency or arbitrator presently in effect having applicability to the Sellers, (b) violate or contravene any provisions of the Articles (or Certificate) of Organization or membership agreement of the Sellers, or (c) result in a breach of or constitute a default under any indenture, loan or credit agreement or any other agreement, lease or instrument to which any Seller is a party or by which it or any of its properties may be bound.

Section 7.4 Government Consent. No order, consent, approval, license, authorization or validation of, or filing, recording or registration with, or exemption by, any governmental or public body or authority is required on the part of the Sellers to authorize, or is required in connection with the execution, delivery and performance of, or the legality, validity, binding effect or enforceability of, the Related Documents.

Section 7.5 Financial Statements and Condition. GMCLLC's audited financial statements as at December 31, 2013, and its unaudited financial statements as at December 31, 2014, as heretofore furnished to the Buyer, have been prepared in accordance with GAAP on a consistent basis and fairly present the financial condition of the Sellers and the Subsidiaries and the results of its operations, changes in financial position, and statement of cash flows for the respective periods then ended. Since December 31, 2013, there has been no Adverse Event.

Section 7.6 Litigation and Contingent Liabilities. Schedule 7.6 lists all material actions, suits or proceedings pending or, to the knowledge of the Sellers, threatened against or affecting the Sellers before any court, arbitrator, governmental department or other instrumentality and all material contingent liabilities of the Sellers.

Section 7.7 Compliance. The Sellers are in material compliance with all statutes and governmental rules and regulations applicable to it. There does not exist any violation by the Sellers of any applicable federal, state or local law, rule or regulation or order of any government, governmental department or other instrumentality relating to environmental, pollution, health or safety matters which will or threatens to impose a material liability on the Sellers or which would require a material

expenditure by the Sellers to cure. The Sellers have not received any notice to the effect that any part of its operations or properties is not in material compliance with any such law, rule, regulation or order or notice that it or its property is the subject of any governmental investigation evaluating whether any remedial action is needed to respond to any release of any toxic or hazardous waste or substance into the environment.

Section 7.8 Regulation U. The Sellers are not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System) and no part of the proceeds of any Purchase will be used to purchase or carry margin stock or for any other purpose which would violate any of the margin requirements of the Board of Governors of the Federal Reserve System.

Section 7.9 Ownership of Property; Liens. The Sellers have good and marketable title to its real properties and good and sufficient title to its other properties, including all properties and assets shown in the financial statement of the Sellers referred to above (other than property disposed of since the date of such financial statement in the ordinary course of business).

Section 7.10 Taxes. The Sellers have filed all federal, state and local tax returns required to be filed and has paid or made provision for the payment of all taxes due and payable pursuant to such returns and pursuant to any assessments made against it or any of its property and all other taxes, fees and other charges imposed on it or any of its property by any governmental authority (other than taxes, fees or charges the amount or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in accordance with GAAP have been provided on the books of the Sellers). No tax Liens have been filed and no material claims are being asserted with respect to any such taxes, fees or charges. The charges, accruals and reserves on the books of the Sellers in respect of taxes and other governmental charges are adequate.

Section 7.11 ERISA Compliance. The provisions of each Plan of the Sellers or any affiliate comply in all material respects with all applicable requirements of ERISA, and Sellers have not incurred any "accumulated funding deficiency" within the meaning of ERISA and has not incurred any material liability to PBGC, in connection with any Plan. For the purposes hereof, "Plan" means each employee benefit plan or other class of benefits covered by Title IV of ERISA, whether now in existence or hereafter instituted. For the purposes hereof, "PBGC" shall mean the Pension Benefit Guaranty Corporation or any successor.

Section 7.12 Subsidiaries, Partnerships, etc. Schedule 7.12 sets forth as of the date of this Agreement a list of all Subsidiaries and the number and percentage of the shares of each class of capital stock or other ownership interests owned beneficially or of record by the Sellers or any Subsidiary therein, and the jurisdiction of organization of each Subsidiary and a list of all partnerships or joint ventures in which the Sellers or any Subsidiary is a partner (limited or general) or joint venturer.

Section 7.13 Eligibility. The Sellers have all requisite organizational power and authority and all necessary licenses, permits, franchises and other authorizations to own and operate its property and to carry on its business as now conducted. The Sellers will maintain all approvals and will remain at all times approved and qualified and in good standing, as and meet all requirements as, a lender and seller/servicer of Mortgage Loans with each Approved Investor, eligible to originate, purchase, hold, sell and service Mortgage Loans to be sold to such Approved Investor.

Section 7.14 Special Representations Concerning Purchased Mortgage Loans.

(a) Immediately prior to the Purchase by the Buyer of any Eligible Mortgage Loan, the Sellers were the legal and equitable owner and holder of such Eligible Mortgage Loan, free and clear of all Liens (except that an Eligible Mortgage Loan may become subject to the interest of the Buyer under this Agreement contemporaneously with the making of such Eligible Mortgage Loan). All Eligible Mortgage Loans and Investor Commitments have been duly authorized and validly granted or issued to the Sellers or entered into by the Sellers, and all Eligible Mortgage Loans comply with all of the requirements of this Agreement and, upon sale to the Buyer, shall have been validly sold and transferred to the Buyer, subject to no other Liens (provided, that if second Mortgage Loans are permitted as Eligible Mortgage Loans, such Mortgage Loans shall be subject, as to the Mortgaged Property, to any prior mortgage on such Mortgaged Property).

(b) Each Purchased Mortgage Loan and related Purchased Mortgage Documents: (i) as of the date of the Mortgage Loan Detail Report listing such Purchased Mortgage Loan, has been duly executed and delivered by the parties thereto; (ii) has been made in compliance with all requirements of the Real Estate Settlement Procedures Act, Equal Credit Opportunity Act, the federal Truth-In-Lending Act, the Financial Institutions Reform, Recovery and Enforcement Act, and all other applicable laws and regulations; (iii) is valid and enforceable in accordance with its terms, without defense or offset; (iv) has not been modified or amended except in writing, which writing is part of the Purchased Mortgage Documents, nor any requirements thereof waived; and (v) comply with the terms of this Agreement and, with the related Investor Commitment held by the Sellers.

(c) Each Purchased Mortgage Loan (except any Purchased Mortgage Loan that is a home equity line of credit, if such loans are permitted as Eligible Mortgage Loans) has been fully advanced in the face amount thereof, and (i) is a first Lien on the Mortgaged Property (provided, that if second Mortgage Loans are permitted as Eligible Mortgage Loans, such Mortgage Loans shall be subject, as to the Mortgaged Property, to any prior mortgage on such Mortgaged Property), and (ii) has or will have a title insurance policy, in American Land Title Association form or equivalent thereof, from a recognized title insurance company, insuring the priority of the Lien of the Mortgage and meeting the usual requirements of investors purchasing such Purchased Mortgage Loans, except for second Mortgage Loans (if permitted as Eligible Mortgage Loans) that are subject to Investor Commitments that specifically do not require such title insurance.

(d) The Sellers have complied with all laws, rules and regulations in respect of the FHA insurance, VA guarantee or USDA Guarantee of each Purchased Mortgage Loan included in the Purchased Mortgage Loans designated by the Sellers as FHA Loan, USDA Loan or VA Loan, and such insurance or guarantee is in full force and effect.

(e) All fire and casualty policies covering Mortgaged Property encumbered by a Purchased Mortgage (i) name the Sellers and their successors and assigns as the insured under a standard mortgagee clause, (ii) are and will continue to be in full force and effect, and (iii) afford and will continue to afford insurance against fire and such other risks as are usually insured against in the broad form of extended coverage insurance from time to time available, as well as insurance against flood hazards if the same is required by FHA, USDA or VA.

(f) Purchased Mortgage Loans covering Mortgaged Property located in a special flood hazard area designated as such by the Secretary of HUD are and shall continue to be covered by special flood insurance under the National Flood Insurance Program.

(g) Each Purchased Mortgage Loan that is an FHA Loan, USDA Loan or VA Loan meets all applicable governmental requirements for applicable FHA insurance or USDA or VA guarantees.

(h) The Mortgaged Property subject to each Purchased Mortgage complies with one or more of the following:

(i) is the subject of an appraisal that complies with all applicable requirements of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (“FIRREA”), and that is dated no earlier than ninety (90) days (or such longer period as the Buyer shall specifically approve) prior to Purchase of the Purchase Mortgage Loan, which the Sellers have in their possession and will make available to the Buyer on request;

(ii) is the subject of a Property Inspection Waiver finding from the applicable underwriting program of the Agencies, FHA or VA, which Property Inspection Waiver the Sellers have in their possession and will make available to the Buyer on request; or

(iii) has been underwritten under guidelines from the applicable program of the Agencies, FHA or VA under which program such Purchased Mortgage Loan is exempt from appraisal delivery requirements, and such Purchased Mortgage Loan is eligible for purchase by an Approved Investor without a FIRREA qualified appraisal.

In all cases, upon request of the Buyer the Sellers will provide such information as the Buyer shall request on the Sellers’ determination of the value of the Mortgaged Property securing Purchased Mortgage Loans.

Section 7.15 Anti-Corruption Laws; Sanctions; Anti-Terrorism Laws.

(a) The Sellers, the Subsidiaries and their respective officers and employees, and, to the knowledge of the Sellers, their directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of the Sellers, any Subsidiary or, to the knowledge of any Sellers or Subsidiary, any of their respective directors, officers or employees is a Sanctioned Person. No Purchase hereunder, use of the proceeds of any Purchase or other transactions contemplated hereby will violate Anti-Corruption Laws or applicable Sanctions.

(b) Neither the making of the Purchases hereunder nor the use of the proceeds thereof will violate the PATRIOT Act, the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 C.F.R., Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto or successor statute thereto. The Sellers and the Subsidiaries are in compliance in all material respects with the PATRIOT Act.

ARTICLE VIII AFFIRMATIVE COVENANTS

From the date of this Agreement and thereafter until the Purchase Commitment is terminated or expires and all Purchased Mortgage Loans are Repurchased, and all Obligations of the Sellers to the Buyer have been paid in full, unless the Buyer shall otherwise expressly consent in writing, the Sellers will do, and will cause each Subsidiary to do, all of the following:

Section 8.1 Financial Statements and Reports. Furnish to the Buyer:

(a) As soon as available and in any event within 90 days after the end of each fiscal year of GMCLLC, the annual audit report of GMCLLC and the Subsidiaries prepared on a consolidating and consolidated basis and in conformity with GAAP, certified without qualification by independent certified public accountants of recognized standing selected by GMCLLC and acceptable to the Buyer, together with any management letters, management reports or other supplementary comments or reports to GMCLLC or its board of directors furnished by such accountants.

(b) As soon as available and in any event within 30 days after the end of each calendar month of GMCLLC's fiscal year, a copy of the unaudited financial statement of GMCLLC and the Subsidiaries prepared in the same manner as the audit report referred to in Section 8.1(a), signed by GMCLLC's chief financial officer, consisting of at least consolidated statements of income for GMCLLC and the Subsidiaries for such month and for the period from the beginning of such fiscal year to the end of such month, and a consolidated balance sheet of GMCLLC as at the end of such month.

(c) With the financial statements furnished pursuant to Section 8.1(b) for each calendar month and for the twelfth month of the Sellers' fiscal year, the following, reported in form satisfactory to the Buyer as of the end of such month:

(i) a Compliance Certificate; and

(ii) a pipeline report containing a schedule of applications, loans in process and closed loans.

(d) From time to time, as requested by the Buyer, confirmations of reports by the Buyer in formats approved by the Buyer showing (i) Open Transactions, and which Transactions have been applied to fund the various Types of Eligible Mortgage Loans, (ii) usage of the various Aggregate Purchase Sublimits, (iii) the Purchase Price of each Purchased Mortgage Loan; provided, that if the Sellers shall determine that such report is not accurate, the Sellers shall immediately notify the Buyer of such determination and attempt to correct the information on such report (provided, that the Buyer shall not be bound by any such determination by the Sellers, but shall attempt in good faith to work with the Sellers to determine the correct information);

(e) Copies of any audits completed by any of the Agencies or any material information given to, or correspondence with, any of the Agencies.

(f) Immediately upon becoming aware of any Default or Event of Default, a notice describing the nature thereof and what action the Sellers propose to take with respect thereto.

(g) Copies of any material notice regarding any Plan.

(h) Immediately upon becoming aware of the occurrence thereof, notice of the institution of any litigation, arbitration or governmental proceeding, or the rendering of a judgment or decision in such litigation or proceeding, which could constitute an Adverse Event, and the steps being taken by the Person(s) affected by such proceeding.

(i) Promptly after the payment thereof, notice of payment of any Distribution.

(j) From time to time, such other information regarding the business, operation and financial condition of the Sellers and the Subsidiaries as the Buyer may reasonably request.

(k) Information that the Buyer shall request on Warehouse Finance Agreements, including the amounts available for loans or purchases thereunder and financial and other covenants thereunder, and prompt notice of the termination or cancellation of, or any default under, any Warehouse Finance Agreement.

(l) Within 30 days after the end of each fiscal quarter of the Sellers, a valuation of the Sellers' capitalized servicing rights performed by a recognized appraiser selected by the Sellers and satisfactory to the Buyer.

(m) On a weekly basis, not later than five (5) days after the end of each week, a secondary market position report, provided, that the secondary market position report shall be substantially in the form of Exhibit I hereto or such other form as the Buyer shall request from time to time, including the weighted average purchase price of Mortgages sold to Investors, and including such other information as the Buyer shall request from time to time.

Section 8.2 Existence, Properties and Rights. Maintain: (a) Its respective existence as a corporation or limited liability company, as applicable, in good standing under the laws of its respective jurisdiction of organization and its qualification to transact business in each jurisdiction in which the character of the properties owned, leased or operated by it or the business conducted by it makes such qualification necessary; and (b) its properties used or useful in the conduct of its business in good condition, repair and working order, and supplied with all necessary equipment, and make all necessary repairs, renewals, replacements, betterments and improvements thereto, all as may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times, including but not limited to all approvals with respect to the Agencies and VA, as applicable, and maintain at all times its status as a seller/servicer approved by the Agencies.

Section 8.3 Insurance. Maintain with financially sound and reputable insurance companies such insurance as may be required by law and such other insurance in such amounts and against such hazards as is customary in the case of reputable corporations engaged in the same or similar business and similarly situated including, without limitation, errors and omissions coverage and fidelity coverage in form and substance acceptable under guidelines of the Agencies, and furnish the Buyer on request full information as to all such insurance.

Section 8.4 Payment of Taxes and Claims. Promptly pay over to the appropriate authorities all sums for taxes deducted and withheld from wages as well as the employer's contributions and other governmental charges imposed upon or asserted against the Sellers' income, profits, properties and rental charges or otherwise which are or might become a lien charged upon the Sellers' properties, unless the same are being contested in good faith by appropriate proceedings and adequate reserves shall have been established on the Sellers' books with respect thereto.

Section 8.5 Inspection. Permit any Person designated by the Buyer, upon prior notice of at least five (5) Business Days (except following an Event of Default, when such prior notice shall not be required) to visit and inspect any of its properties, books and financial records, to examine and to make copies of its books of accounts and other financial records, and to discuss the affairs, finances and accounts of the Sellers and the Subsidiaries with, and to be advised as to the same by, its officers at such reasonable times and intervals as the Buyer may designate. So long as no Event of Default exists, the expenses of the Buyer for such visits, inspections and examinations shall be at the expense of the Buyer,

but any such visits, inspections, and examinations made while any Event of Default is continuing shall be at the expense of the Sellers.

Section 8.6 Books and Records. Keep adequate and proper records and books of account in which full and correct entries will be made of its dealings, business and affairs.

Section 8.7 Compliance; PATRIOT Act.

(a) Comply in all material respects with all laws, rules, regulations, orders, writs, judgments, injunctions, decrees or awards to which it may be subject, the noncompliance with which would constitute an Adverse Event, including, without limitation, all Anti-Corruption Laws and applicable Sanctions.

(b) Provide such information and take such actions as are reasonably requested by the Buyer in order to assist the Buyer in maintaining compliance with the PATRIOT Act.

Section 8.8 ERISA. Maintain each Plan in compliance with all material applicable requirements of ERISA and of the Internal Revenue Code and with all material applicable rulings and regulations issued under the provisions of ERISA and of the Internal Revenue Code.

Section 8.9 Environmental Matters. Observe and comply with all laws, rules, regulations and orders of any government or government agency relating to health, safety, pollution, hazardous materials or other environmental matters to the extent non-compliance could result in a material liability or otherwise constitute an Adverse Event.

Section 8.10 Qualifications and Standing. Maintain all approvals and will remain at all times approved and qualified and in good standing as and meet all requirements as: (a) as a lender and seller/servicer of Mortgage Loans with each Approved Investor, eligible to originate, purchase, hold, sell and service Mortgage Loans to be sold to such Approved Investor, (b) as a HUD approved lender, eligible to originate, purchase, hold, sell and service FHA Loans, (c) a VA lender in good standing under the VA loan guarantee program eligible to originate, purchase, hold, sell, and service VA Loans, and (d) a USDA lender in good standing under the USDA Rural Development loan guarantee program eligible to originate, purchase, hold, sell, and service USDA Loans.

Section 8.11 Special Affirmative Covenants Concerning Purchased Mortgage Loans and Purchased Mortgage Documents; Servicing.

(a) Comply with the requirements of any trust receipt regarding the return of Purchased Mortgage Documents, if the Buyer has temporarily delivered Purchased Mortgage Documents to the Sellers for correction or completion, provided that this provision shall not limit the provisions of Exhibit A respecting determination of a Repricing Date if such Purchased Mortgage Documents are not timely returned to the Buyer.

(b) Warrant and defend the right, title and interest of the Buyer in and to the Purchased Mortgage Loans and Purchased Mortgage Documents against the claims and demands of all Persons whomsoever.

(c) Until such time as the Buyer shall give notice to the Sellers respecting transfer of servicing as provided in Section 8.11(d), until a Purchased Mortgage Loan is Repurchased: (i) service or cause to be serviced each Purchased Mortgage Loan on behalf of Buyer in accordance with the standard requirements of the issuers of Investor Commitments covering the same and all applicable FHA,



VA or USDA requirements and applicable governmental requirements, including without limitation taking all actions necessary to enforce the obligations of the obligors under such Purchased Mortgage Loan; and (ii) hold all escrow funds collected in respect of Purchased Mortgage Loans in trust, without commingling the same with non-custodial funds, and apply the same for the purposes for which such funds were collected.

(d) Upon the giving of notice by the Buyer to the Sellers to such effect, cooperate with the Buyer to transfer servicing of the Purchased Mortgage Loans to the Buyer or to a third party designated by the Buyer.

(e) Execute and deliver to the Buyer such Uniform Commercial Code financing statements with respect to the Purchased Mortgage Loans as the Buyer may request, in accordance with the scope set forth in Section 5.1 herein. The Sellers shall also execute and deliver to the Buyer such further instruments of sale, pledge or assignment or transfer, and such powers of attorney, as required by the Buyer to confirm the Buyer's ownership of the Purchased Mortgage Loans, and shall do and perform all matters and things necessary or desirable to be done or observed, for the purpose of effectively creating, maintaining and preserving the ownership, security and benefits intended to be afforded the Buyer. The Sellers authorize the Buyer to file any financing statements describing the Purchased Mortgage Loans that do not require the manual signature of the Sellers, in accordance with the scope set forth in Section 5.1 herein.

(f) Notify the Buyer within [\*\*\*] after receipt of notice from an Approved Investor of any default under, or of the termination of, any Investor Commitment.

(g) Promptly comply in all respects with the terms and conditions of all Investor Commitments, and all extensions, renewals and modifications or substitutions thereof or thereto.

(h) Upon request of the Buyer, deliver to the Buyer any or all of the Other Mortgage Documents respecting the Purchased Mortgage Loans.

(i) Promptly cure and cause to be promptly cured any defects in the creation, issuance, execution and delivery of this Agreement and the other Related Documents.

(j) Upon request of the Buyer, provide to the Buyer notices of assignments of all guaranties or insurance, including without limitation any FHA insurance or VA or USDA guaranty, in form and substance acceptable to the Buyer.

(k) Cause all proceeds of sale or disposition of any Purchased Mortgage Loan to be deposited directly to the Settlement Account.

Section 8.12 MERS Covenants. So long as this Agreement shall remain in effect, the Sellers shall:

(a) be a "Member" (as defined in the MERS Agreements) of MERSCORP and will pay all fees required under the MERS Agreements;

(b) maintain the Electronic Tracking Agreement in full force and effect and timely perform all of its obligations thereunder;

- (c) not, unless the Buyer shall otherwise consent in writing, enter into any additional agreement equivalent to the Electronic Tracking Agreement with MERS, MERSCORP and any creditor other than the Buyer;
- (d) provide the Buyer with copies of any new MERS Agreement or any amendment, supplement or other modification of any MERS Agreement (other than the Electronic Tracking Agreement);
- (e) take all steps necessary to cause the Buyer to be designated as an "Associated Member" on the MERS System and otherwise enter into all MERS Agreements necessary to permit the Buyer to have access to information on the Purchased Mortgage Loans held on the MERS System;
- (f) not amend, terminate or revoke, or enter into any agreement that contradicts, the Electronic Tracking Agreement;
- (g) identify to the Buyer each Purchased Mortgage Loan that is registered in the MERS System, at the earlier of the time it is so registered or the time it is Purchased hereunder, as so registered;
- (h) at any time at the request of the Buyer, take such actions as may be necessary to register the ownership of any Purchased Mortgage Loan to the Buyer on the MERS System;
- (i) at the request of the Buyer, take such actions as may be requested by the Buyer to (i) transfer beneficial ownership of any Purchased Mortgage Loan and related Mortgage Loan to the Buyer on the MERS System, or (ii) de-register or re-register any Purchased Mortgage Loan on, or withdraw any Purchased Mortgage Loan from, the MERS System;
- (j) unless the Buyer shall otherwise agree in writing, take all actions necessary to assure that the Buyer is listed as Interim Funder in respect of each Purchased Mortgage Loan on the MERS System within three (3) Business Days after the Purchase of such Purchased Mortgage Loan until such Purchased Mortgage Loan is Repurchased;
- (k) upon request of the Buyer, provide the Buyer with copies of any or all of the following reports with respect to the Purchased Mortgage Loan registered on the MERS System, at the request of the Buyer: (i) Co-existing Security Interest Reports, (ii) Release of Security Interest by Interim Funding Reports, (iii) Paid in Full Verification Reports, (iv) Interim Funding Rejects Reports, and (v) such other reports as the Buyer may request to verify the status of any Purchased Mortgage Loan on the MERS System; and
- (l) notify the Buyer of any withdrawal or deemed withdrawal of the Sellers' membership in the MERS System or any deregistration of any Purchased Mortgage Loan previously registered on the MERS System.

#### ARTICLE IX NEGATIVE COVENANTS

From the date of this Agreement and thereafter until the Purchase Commitment is terminated or expires and all Purchased Mortgage Loans are Repurchased, and all Obligations of the Sellers to the Buyer have been paid in full, unless the Buyer shall otherwise expressly consent in writing, the Sellers will not, and will not permit any Subsidiary to, do any of the following:

Section 9.1 Merger. Merge or consolidate or enter into any analogous reorganization or transaction with any Person; provided, however, any wholly-owned Subsidiary may be merged with or liquidated into the Sellers (if a Seller is the surviving entity) or any other wholly-owned Subsidiary.

Section 9.2 Sale of Assets. Sell, transfer, lease or otherwise convey all or any substantial part of its assets except for sales or other transfers by a wholly-owned Subsidiary to a Seller or another wholly-owned Subsidiary provided, however, that if no Event of Default has occurred and is continuing, Mortgage Loans may be sold in the ordinary course of the Sellers' business, and servicing on individual Mortgage Loans may be sold concurrently with and incidental to the sale of such Mortgage Loans (with servicing released).

Section 9.3 Purchase of Ownership Interests or Assets. Either (a) purchase or otherwise acquire all or substantially all of the stock, membership interests, partnership interests or other ownership interests in any other Person, or (b) purchase or lease or otherwise acquire all or substantially all of the assets of any Person, except for purchases or other transfers by the Sellers or a wholly-owned Subsidiary from a wholly-owned Subsidiary, unless in the case of (a) or (b), (x) the business of such Person, or such assets, as the case may be, is in the same nature of the business of the Sellers as carried on at the date hereof, (y) the Sellers shall provide prior written notice to the Buyer of such acquisition and (z) immediately before and immediately after giving effect to any such acquisition, no Default and no Event of Default shall have occurred and be continuing.

Section 9.4 Plans. Permit any condition to exist in connection with any Plan which might constitute grounds for the PBGC to institute proceedings to have such Plan terminated or a trustee appointed to administer such Plan, permit any Plan to terminate under any circumstances which would cause the lien provided for in Section 4068 of ERISA to attach to any property, revenue or asset of the Sellers or any Subsidiary or permit the underfunded amount of Plan benefits guaranteed under Title IV of ERISA to exceed [\*\*\*].

Section 9.5 Change in Nature of Business. Make any material change in the nature of the business of the Sellers or such Subsidiary, as carried on at the date hereof.

Section 9.6 Subordinated Debt and Distributions. Either:

(a) Directly or indirectly make any payment on, or redeem, repurchase, defease, or make any sinking fund payment on account of, or any other provision for, or otherwise pay, acquire or retire for value, any Indebtedness of the Sellers that is subordinated in right of payment to the Loans (whether pursuant to its terms or by operation of law), except for regularly-scheduled payments of interest and principal (which shall not include payments contingently required upon occurrence of a change of control or other event) that are not otherwise prohibited hereunder or under the document or agreement stating the terms of such subordination; or

(b) Either (i) pay or declare any Distribution at any time that a Default or Event of Default has occurred and is continuing or would result from such payment, or (ii) pay total Distributions for any fiscal year of the Sellers that would exceed [\*\*\*] of the Adjusted Net Income (for such purpose, Distributions attributable to a fiscal year of the Sellers may be paid during the next-following fiscal year, if identified to the Buyer as dividends for such first fiscal year).

Section 9.7 Special Negative Covenants Concerning Purchased Mortgage Loans.

(a) Amend or modify, or waive any of the terms and conditions of, or settle or compromise any claim in respect of, any Purchased Mortgage Loans or Investor Commitments.

(b) Sell, assign, transfer or otherwise dispose of, or grant any option with respect to, or pledge or otherwise encumber (except pursuant to this Agreement or as permitted herein) any of the Purchased Mortgage Loans or any interest therein.

(c) Make any compromise, adjustment or settlement in respect of any of the Purchased Mortgage Loans or accept other than cash in payment or liquidation of the Purchased Mortgage Loans.

(d) Change the address and/or location of its chief executive office or principal place of business or the place where it keeps its books and records from the address shown on the signature page hereof unless, prior to any such change, the Sellers shall execute and cause to be executed such additional agreements and/or lien instruments as the Buyer may reasonably request to conform with the provisions hereof and the Transactions contemplated under this Agreement and the other Related Documents.

Section 9.8 Investments. Make or permit to exist any loans or advances to or investments in any person, firm or corporation, except for (a) investments disclosed on Schedule 9.8, (b) purchase or sale of negotiable instruments, (c) investments in Mortgage Loans made in the ordinary course of business; (d) purchases of ownership interests or assets permitted by Section 9.3, and (e) investments outstanding on the date hereof in Subsidiaries by the Sellers and other Subsidiaries.

Section 9.9 Indebtedness. Issue, incur, assume or permit to be outstanding any Indebtedness for borrowed money, other than:

(a) Indebtedness under any warehouse lending facility or repurchase agreement;

(b) Indebtedness incurred in the ordinary course of the Sellers' business;

(c) Indebtedness incurred in connection with acquisitions permitted by Section 9.3 herein; and

(d) Additional Indebtedness (not to include Indebtedness under any warehouse lending facility or repurchase agreement) in an amount not to exceed [\*\*\*] for all such additional Indebtedness.

Section 9.10 Liens. Create, incur, assume or suffer to exist any Lien with respect to any property, revenues or assets now owned or hereafter arising or acquired, except:

(a) Liens for taxes, assessments and other governmental charges which are not delinquent or which are being contested in good faith by appropriate proceedings, against which required reserves have been set up;

(b) Liens incurred or deposits made in the ordinary course of business in connection with workmen's compensation, unemployment insurance or other similar laws or to secure the performance of statutory obligations or of a like nature;

(c) Liens imposed by law in connection with transactions in the ordinary course of business, such as liens of carriers, warehousemen, mechanics and materialmen which are not delinquent or which are being contested in good faith and by appropriate proceedings, against which adequate reserves have been set up;

(d) Landlords' liens under authorized leases to which a Seller is a party;

(e) Zoning restrictions, licenses and minor encumbrances and irregularities in title all of which in the aggregate do not materially detract from the value of the property involved or impair its use;

(f) Liens disclosed on Schedule 9.10 attached hereto; and

(g) Liens securing Indebtedness permitted by Section 9.9(a), 9.9(b) and 9.9(c), which Liens encumber assets financed or refinanced by such Indebtedness (and related rights and assets), and which Liens do not encumber any Mortgaged Loan proposed to be sold to the Buyer hereunder or any Purchased Mortgage Loan.

Section 9.11 Contingent Liabilities. Assume, incur, create, guarantee, endorse, or otherwise become or be liable for the obligation of any Person other than the Sellers except by endorsement of negotiable instruments for deposit or collection in the ordinary course of business and excluding the sale of Mortgage Loans with recourse in the ordinary course of the Sellers' business.

Section 9.12 Transactions with Affiliates. Enter into or be a party to any transaction or arrangement, including, without limitation, the purchase, sale lease or exchange of property or the rendering of any service, with any Affiliate, except in the ordinary course of and pursuant to the reasonable requirements of the Sellers' or the applicable Subsidiary's business and upon fair and reasonable terms no less favorable to the Sellers or such Subsidiary than would obtain in a comparable arm's-length transaction with a Person not an Affiliate.

Section 9.13 Use of Proceeds.

(a) Permit any proceeds of the Purchases to be used, either directly or indirectly, for the purpose, whether immediate, incidental or ultimate, of "purchasing or carrying any margin stock" within the meaning of Regulation U of the Federal Reserve Board, as amended from time to time.

(b) Request any Purchase, or use the proceeds of any Purchase, (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws (ii) in any Sanctioned Country, (iii) for the purpose of knowingly funding or financing any Sanctioned Person, or (iv) in any transaction that would result in the violation of any Sanctions by any Person involved or participating in the transaction.

Section 9.14 Adjusted Tangible Net Worth. Permit the Sellers' Adjusted Tangible Net Worth to be less than [\*\*\*] at any time.

Section 9.15 Adjusted Leverage Ratio. Permit the Adjusted Leverage Ratio of the Sellers to be greater than [\*\*\*] at any time.

Section 9.16 Net Income. Permit net income determined in accordance with GAAP to be less than [\*\*\*] for any fiscal quarter of the Sellers.

Section 9.17 Liquid Assets. Permit Liquid Assets to be less than the greater of (x) [\*\*\*] of consolidated total assets of the Sellers, as determined in accordance with GAAP, or (y) [\*\*\*], at any time.

Section 9.18 HUD Compare Ratio. Permit the Sellers' HUD Compare Ratio to be greater than [\*\*\*] at any time, determined for each period set forth in the definition thereof.

Section 9.19 Additional Financing Agreements. Enter into any instrument, agreement or document governing Indebtedness (including any master repurchase agreement), including any amendment or modification thereof, or the granting of Liens on assets or sale of assets with recourse provisions (any such instrument, agreement or document is called an “Additional Financing Agreement”), unless the Sellers shall have disclosed to the Buyer the financial covenants and requirements of the Additional Financing Agreement that differ from corresponding financial covenants and requirements of this Agreement, or are in addition to the financial covenants and requirements of this Agreement, and the Sellers shall have offered to enter into an Amendment of this Agreement to include such different or additional financial covenants and requirements, which Amendment, if the Buyer elects at its sole discretion to enter into such Amendment, shall become effective upon effectiveness of the Additional Financing Agreement. This Section is not intended to limit or waive any other provisions of this Agreement regarding incurrence of Indebtedness (including sale of assets with repurchase obligations) or granting of Liens, or to be construed as consent by the Buyer of the Sellers’ incurrence of Indebtedness or granting of Liens.

#### ARTICLE X EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default. The occurrence of any one or more of the following events shall constitute an Event of Default:

- (a) The Sellers shall fail to make, whether by acceleration or otherwise, any payment of (i) the Repurchase Price when due or (ii) any Price Differential or any fee or other amount required to be made to the Buyer pursuant to the Related Documents within [\*\*\*] after such amount is due;
- (b) Any representation or warranty made or deemed to have been made by or on behalf of the Sellers or any Subsidiary in the Related Documents or on behalf of the Sellers or any Subsidiary in any certificate, statement, report or other writing furnished by or on behalf of the Sellers to the Buyer pursuant to the Related Documents or any other instrument, document or agreement shall prove to have been false or misleading in any material respect on the date as of which the facts set forth are stated or certified or deemed to have been stated or certified;
- (c) The Sellers shall fail to comply with Section 8.2 hereof or any Section of Article IX hereof;
- (d) The Sellers shall fail to comply with any agreement, covenant, condition, provision or term contained in the Related Documents (and such failure shall not constitute an Event of Default under any of the other provisions of this Section 10.1) and such failure to comply shall continue for [\*\*\*] after notice thereof to the Sellers by the Buyer;
- (e) Any Seller or any Subsidiary shall become insolvent or shall generally not pay its debts as they mature or shall apply for, shall consent to, or shall acquiesce in the appointment of a custodian, trustee or receiver of such Seller or such Subsidiary or for a substantial part of the property thereof or, in the absence of such application, consent or acquiescence, a custodian, trustee or receiver shall be appointed for any Seller or a Subsidiary or for a substantial part of the property thereof and shall not be discharged within [\*\*\*];
- (f) Any bankruptcy, reorganization, debt arrangement or other proceedings under any bankruptcy or insolvency law shall be instituted by or against any Seller or a Subsidiary, and, if instituted against any Seller or a Subsidiary, shall have been consented to or acquiesced in by such Seller or such Subsidiary, or shall remain undismitted for [\*\*\*], or an order for relief shall have been

entered against such Seller or such Subsidiary, or any Seller or any Subsidiary shall take any approval action to approve institution of, or acquiescence in, such a proceeding;

(g) Any dissolution or liquidation proceeding shall be instituted by or against any Seller or a Subsidiary and, if instituted against any Seller or such Subsidiary, shall be consented to or acquiesced in by such Seller or such Subsidiary or shall remain for [\*\*\*] undismissed, or any Seller or any Subsidiary shall take any approval action to approve institution of, or acquiescence in, such a proceeding;

(h) A judgment or judgments for the payment of money in excess of the sum of [\*\*\*] in the aggregate shall be rendered against any Seller or a Subsidiary and such Seller or such Subsidiary shall not discharge the same or provide for its discharge in accordance with its terms, or procure a stay of execution thereof, prior to any execution on such judgments by such judgment creditor, within [\*\*\*] from the date of entry thereof, and within said period of [\*\*\*], or such longer period during which execution of such judgment shall be stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal;

(i) The institution by the Sellers or any ERISA Affiliate of steps to terminate any Plan if in order to effectuate such termination, the Seller or any ERISA Affiliate would be required to make a contribution to such Plan, or would incur a liability or obligation to such Plan, in excess of [\*\*\*], or the institution by the PBGC of steps to terminate any Plan;

(j) The maturity of any Indebtedness of the Sellers (other than Indebtedness under this Agreement) or a Subsidiary shall be accelerated, or a Seller or a Subsidiary shall fail to pay any such Indebtedness when due or, in the case of such Indebtedness payable on demand, when demanded, or any event shall occur or condition shall exist and shall continue for more than the period of grace, if any, applicable thereto and shall have the effect of causing, or permitting (any required notice having been given and grace period having expired) the holder of any such Indebtedness or any trustee or other Person acting on behalf of such holder to cause, such Indebtedness to become due prior to its stated maturity or to realize upon any collateral given as security therefor;

(k) Any Related Document shall not be, or shall cease to be, binding and enforceable in accordance with its terms; or

(l) Any Person that owns less than [\*\*\*] of the voting membership interests of GMCLLC shall acquire more than [\*\*\*] of such voting membership interests, or all of the shares of GMC shall cease to be held by GMCLLC.

Section 10.2 Remedies. If (a) any Event of Default described in Sections 10.1(e), (f) or (g) shall occur with respect to the Sellers, the Purchase Commitment shall automatically terminate and the Repurchase Price of all Open Transactions and all other Obligations of the Sellers to the Buyer under the Related Documents shall automatically become immediately due and payable; or (b) any other Event of Default shall occur and be continuing, then the Buyer may take any or all of the following actions: (i) declare the Purchase Commitment terminated, whereupon the Purchase Commitment shall terminate, (ii) declare the Repurchase Price of all Open Transactions and all other Obligations of the Sellers to the Buyer under the Related Documents to be forthwith due and payable, whereupon Repurchase Price of all Open Transactions and all such other Obligations shall immediately become due and payable, in each case without demand or notice of any kind, all of which are hereby expressly waived, anything in this Agreement to the contrary notwithstanding, (iii) exercise all rights and remedies under any Related Document, and (iv) enforce all rights and remedies under any applicable law.

Section 10.3 Additional Remedies. Upon the occurrence of any Event of Default, the Buyer may also do any of the following:

- (a) For any Deposit Account (i) refuse to allow withdrawals from such Deposit Account, (ii) apply any balances in any Deposit Account to the Obligations, all without any advance or contemporaneous notice or demand of any kind to the Sellers, such notice and demand being expressly waived
- (b) To the extent that any Transaction has been reclassified as a secured loan as described in Article V hereof, foreclose upon or otherwise enforce its security interest in and Lien granted in Article V in any manner permitted by law or provided for hereunder and exercise all rights and remedies of a secured party under the Uniform Commercial Code of Minnesota or other applicable law, including, but not limited to, selling or otherwise disposing of the Purchased Mortgage Loans, or any part thereof, at one or more public or private sales, whether or not such Purchased Mortgage Loans is present at the place of sale, for cash or credit or future delivery, on such terms and in such manner as the Buyer may determine, including, without limitation, sale pursuant to any applicable Investor Commitment; if notice is required under such applicable law, the Buyer will give the Sellers not less than ten (10) days' notice of any such public sale or of the date after which any private sale may be held and the Sellers agree that ten (10) days' notice shall be reasonable notice; the Buyer may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned.
- (c) Notify all obligors in respect of Purchased Mortgage Loans that the Purchased Mortgage Loan has been purchased and transferred to the Buyer and that all payments thereon are to be made directly to the Buyer or such other party as may be designated by the Buyer; settle, compromise, or release, in whole or in part, any amounts owing on any Purchased Mortgage Loan, any such obligor or any Approved Investor or any portion of the Purchased Mortgage Loans, on terms acceptable to the Buyer; enforce payment and prosecute any action or proceeding with respect to any and all Purchased Mortgage Loans; and where any such Purchased Mortgage Loan is in default, foreclose on and enforce security interest in such Purchased Mortgage Loan by any available judicial procedure or without judicial process and sell property acquired as a result of any such foreclosure.
- (d) Act, or contract with a third party to act, as servicer or subservicer of each Purchased Mortgage Loan and perform all obligations required in connection with Investor Commitments, such third party's fees to be paid by the Sellers.
- (e) Require the Sellers to assemble the Purchased Mortgage Documents not previously delivered to the Buyer and/or books and records relating thereto and make such available to the Buyer at a place to be designated by the Buyer.
- (f) Enter onto property where any Purchased Mortgage Documents or books and records relating thereto are located and take possession thereof.
- (g) Give Notice of Default as provided in the MERS Agreements and invoke all rights and remedies provided in the MERS Agreements following an Event of Default.



Section 10.4 Other Provisions Respecting Rights in Purchased Mortgage Loans. No action taken by the Buyer in respect of any Purchased Mortgage Loan shall affect or limit the Obligations of the Buyer, and, specifically, the Obligations consisting of the obligation of the Buyer to pay the Repurchase Price of any Purchased Mortgage Loan, except that the Buyer shall apply any amount irrevocably paid in cash to the Buyer in consideration of the purchase from the Buyer of any Purchased Mortgage Loan to the Repurchase Price of such Purchased Mortgage Loan. In furtherance thereof, the Sellers agree as follows:

(a) The Buyer shall not incur any liability as a result of the sale or other disposition of the Purchased Mortgage Loans, or any part thereof, at any public or private sale or disposition. The Sellers hereby waive (to the extent permitted by law) any claims they may have against the Buyer arising by reason of the fact that the price at which the Purchased Mortgage Loans may have been sold at such private sale was less than the price which might have been obtained at a public sale or was less than the aggregate amount of the Repurchase Price and the unpaid Price Differential thereon, even if the Buyer accepts the first offer received and does not offer the Purchased Mortgage Loans to more than one offeree. Any sale of Purchased Mortgage Loans pursuant to the terms of an Investor Commitment, or any other disposition of Purchased Mortgage Loans arranged by the Sellers, whether before or after the occurrence of an Event of Default, shall be deemed to have been made in a commercially reasonable manner.

(b) The Sellers specifically waive (to the extent permitted by law) any equity or right of redemption, all rights of redemption, stay or appraisal which the Sellers have or may have under any rule of law or statute now existing or hereafter adopted, and any right to require the Buyer to (i) proceed against any Person, (ii) proceed against or exhaust any of the Purchased Mortgage Loans or pursue its rights and remedies as against the Purchased Mortgage Loans in any particular order, or (iii) pursue any other remedy in its power. The Buyer shall not be required to take any steps necessary to preserve any rights of the Sellers against holders of mortgages prior in lien to the Lien of any Purchased Mortgage Loans or to preserve rights against prior parties.

(c) The Buyer may, but shall not be obligated to, advance any sums or do any act or thing necessary to uphold and enforce the Lien and priority of, or the security intended to be afforded by, any Mortgage included in the Purchased Mortgage Loans, including, without limitation, payment of delinquent taxes or assessments and insurance premiums. All advances, charges, costs and expenses, including reasonable attorneys' fees and disbursements, incurred or paid by the Buyer in exercising any right, power or remedy conferred by this Agreement, or in the enforcement hereof, together with interest thereon, at the highest Price Rate applicable under this Agreement, from the time of payment until repaid, shall become a part of the Obligations hereunder.

(d) The remedies herein provided are cumulative and are not exclusive of any remedies provided at law or in equity.

Section 10.5 Order of Application of Payments and Recoveries. The Buyer may apply any payments or recoveries, including without limitation proceeds of enforcement of rights in the Purchased Mortgage Loans, received after an Event of Default to the Obligations in such order as the Buyer shall elect in its sole discretion.

Section 10.6 Right of Setoff. After occurrence of an Event of Default, the Buyer shall have an express contractual right to set off against all deposit accounts and all deposit account balances, cash and any other property of the Sellers now or hereafter maintained with, or in the possession of, the Buyer and the right to refuse to allow withdrawals from any such account or of any such property (collectively, "Setoff"). The Buyer may Setoff against the Obligations whether or not the Obligations are then due or

have been accelerated. Buyer shall not be required to give advance notice of its exercise of the right of Setoff, but shall use best efforts to give notice thereof promptly following such exercise.

#### ARTICLE XI MISCELLANEOUS

Section 11.1 Waiver and Amendment. No failure on the part of the Buyer to exercise and no delay in exercising any power or right hereunder or under any other Related Document shall operate as a waiver thereof; nor shall any single or partial exercise of any power or right preclude any other or further exercise thereof or the exercise of any other power or right. The remedies herein and in any other instrument, document or agreement delivered or to be delivered to the Buyer hereunder or in connection herewith are cumulative and not exclusive of any remedies provided by law. No notice to or demand on the Sellers not required hereunder shall in any event entitle the Sellers to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of the Buyer to any other or further action in any circumstances without notice or demand. No amendment, modification or waiver of any provision of this Agreement or consent to any departure by the Sellers therefrom shall be effective unless the same shall be in writing and signed by the Buyer, and then such amendment, modifications, waiver or consent shall be effective only in the specific instances and for the specific purpose for which given.

Section 11.2 Expenses and Indemnities. Whether or not any Advance is made hereunder, the Sellers jointly and severally agree to (a) reimburse the Buyer upon demand for all reasonable expenses paid or incurred by the Buyer (including filing and recording costs and fees and expenses of legal counsel, who may be employees of the Buyer) in connection with the preparation, review, execution, delivery, amendment, modification, interpretation, collection and enforcement of the Related Documents (including without limitation those incurred in connection with any appeal of a lower court order or judgment); (b) pay, and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of the Related Documents; and (c) indemnify, pay and hold harmless the Buyer and any of its officers, directors, employees or agents and any subsequent holder of the Buyer's interests hereunder (collectively, the "Indemnified Parties") from and against any and all liabilities, obligations, losses, damages, penalties, judgments, suits, costs, expenses and disbursements of any kind whatsoever (the "Indemnified Liabilities") which may be imposed upon, incurred by or asserted against such Indemnified Party in any way relating to or arising out of this Agreement, or any other Related Document or any of the transactions contemplated hereby or thereby. The foregoing indemnity shall not apply to the extent the indemnified liabilities result from the gross negligence or willful misconduct of any Indemnified Party. The agreement of the Sellers contained in this Section 11.2 shall survive the expiration or termination of this Agreement and the payment in full of the other Obligations.

Section 11.3 Notices. Except when telephonic notice is expressly authorized by this Agreement, any notice or other communication to any party in connection with this Agreement shall be in writing and shall be sent by manual delivery, facsimile transmission, electronic transmission, overnight courier or United States mail (postage prepaid) addressed to such party at the address specified on the signature page hereof, or at such other address as such party shall have specified to the other party hereto in writing. All periods of notice shall be measured from the date of delivery thereof if manually delivered, from the date of sending thereof if sent by facsimile transmission or electronic transmission, from the first Business Day after the date of sending if sent by overnight courier, or from four days after the date of mailing if mailed.

Section 11.4 Buyer Appointed Attorney-in-Fact. The Buyer is hereby appointed the attorney-in-fact of the Sellers, with full power of substitution, for the purpose of carrying out the provisions hereof and taking any action and executing any instruments which the Buyer may deem necessary or advisable to

accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, the Buyer shall have the right and power to give notices of its ownership of the Purchased Mortgage Loans to any Person, either in the name of the Sellers or in their own name, to endorse all notes evidencing Purchased Mortgage Loans, or to receive, endorse and collect all checks made payable to the order of the Sellers representing any payment on account of the principal of or interest on, or the proceeds of sale of, any of the Purchased Mortgage Loans and to give full discharge for the same.

Section 11.5 Successors. This Agreement shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. The Sellers shall not assign their rights or duties hereunder without the written consent of the Buyer.

Section 11.6 Participations and Information. The Buyer may sell participation interests in any or all of the Purchase Commitment and the Open Transactions to any Person. The Buyer may furnish any information concerning the Sellers in the possession of the Buyer from time to time to participants and prospective participants and may furnish information in response to credit inquiries consistent with general banking practice.

Section 11.7 Severability. Any provision of the Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 11.8 Subsidiary References. The provisions of this Agreement relating to Subsidiaries shall apply only during such times as the Sellers have one or more Subsidiaries.

Section 11.9 Captions. The captions or headings herein and any table of contents hereto are for convenience only and in no way define, limit or describe the scope or intent of any provision of this Agreement.

Section 11.10 Entire Agreement. This Agreement the other Related Documents embody the entire agreement and understanding between the Sellers and the Buyer with respect to the subject matter hereof and thereof. This Agreement supersedes all prior agreements and understandings relating to the subject matter hereof.

Section 11.11 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and either of the parties hereto may execute this Agreement by signing any such counterpart.

Section 11.12 Warehouse Finance Facilities. In the event that the Sellers have entered into warehouse loan facilities or repurchase facilities ("Other Facilities") with parties other than the Buyer, the Sellers authorize the Buyer, with the prior written consent of Sellers (which consent shall not be unreasonably withheld, delayed or conditioned), to communicate with such other parties at the Buyer's discretion regarding (a) which Mortgage Loans constitute Purchased Mortgage Loans hereunder or Mortgage Loans financed under the Other Facilities, (b) proceeds of Purchased Mortgage Loans and Mortgage Loans financed under the Other Facilities, and (c) such other matters as the Buyer may deem necessary in connection with administration of this Agreement. Such authorization shall be effective notwithstanding any confidentiality provision that would otherwise restrict such communication. The Sellers shall, at the request of the Buyer, provide to the Buyer information regarding the parties to the Other Facilities and the responsible officers of such parties.

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Section 11.13 Governing Law. THE VALIDITY, CONSTRUCTION AND ENFORCEABILITY OF THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF MINNESOTA, WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES THEREOF, BUT GIVING EFFECT TO FEDERAL LAWS OF THE UNITED STATES APPLICABLE TO NATIONAL BANKS.

Section 11.14 Consent to Jurisdiction. AT THE OPTION OF THE BUYER, THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS MAY BE ENFORCED IN ANY FEDERAL COURT OR MINNESOTA STATE COURT SITTING IN MINNEAPOLIS OR ST. PAUL, MINNESOTA; AND THE SELLERS CONSENT TO THE JURISDICTION AND VENUE OF ANY SUCH COURT AND WAIVES ANY ARGUMENT THAT VENUE IN SUCH FORUMS IS NOT CONVENIENT. IN THE EVENT THE SELLERS COMMENCE ANY ACTION IN ANOTHER JURISDICTION OR VENUE UNDER ANY TORT OR CONTRACT THEORY ARISING DIRECTLY OR INDIRECTLY FROM THE RELATIONSHIP CREATED BY THIS AGREEMENT, THE BUYER AT ITS OPTION SHALL BE ENTITLED TO HAVE THE CASE TRANSFERRED TO ONE OF THE JURISDICTIONS AND VENUES ABOVE-DESCRIBED, OR IF SUCH TRANSFER CANNOT BE ACCOMPLISHED UNDER APPLICABLE LAW, TO HAVE SUCH CASE DISMISSED WITHOUT PREJUDICE.

Section 11.15 Waiver of Jury Trial. THE SELLERS AND THE BUYER EACH WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (a) UNDER THIS AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH OR (b) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

(signature page follows)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above.

GUILD MORTGAGE COMPANY, LLC

By: /s/ M. McGarry

M. McGarry

Title: CEO

GUILD MORTGAGE COMPANY

By: /s/ M. McGarry

M. McGarry

Title: President & CEO

GUILD MORTGAGE COMPANY, LLC

GUILD MORTGAGE COMPANY

5898 Copley Drive, 5<sup>th</sup> Floor

San Diego, CA 92111

Attention: Terry Schmidt

Chief Financial Officer

Telephone: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Fax: [Redacted pursuant to Item 601(a)(6) of Reg. S-  
K]

State of Organization GMCLLC: Delaware

Organizational Number: None

State of Organization GMC: California

Organizational Number: C0400864

*Signature page to Master Repurchase Agreement*

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C Hayes

Timothy C Hayes

Title: Vice President

800 Nicollet Mall

BC-MN-H03B

Minneapolis, MN 55402-7020

Attn: Timothy C. Hayes

Telephone: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

Telecopy: [Redacted pursuant to Item 601(a)(6) of  
Reg. S-K]

*Signature page to Master Repurchase Agreement*

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EXHIBITS AND SCHEDULES

<u>Exhibit:</u>	<u>Contents</u>
A	Calculation of Purchase Value, Aggregate Purchase Sublimits, Eligible and Ineligible Mortgage Loans [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
B	Approved Investors [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
C	Bailee Letter [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
D	Compliance Certificate [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
E	Document Release Request [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
F	Mortgage Loan Detail Report [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
G	Purchased Mortgage Documents [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
H	Transaction Confirmation [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
I	Secondary Market Report [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
J	Opinion of Counsel [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Schedule 7.6	Litigation and Contingent Liabilities (Section 7.6) [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Schedule 7.12	Subsidiaries/Partnerships/Joint Ventures (Section 7.12) [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Schedule 9.8	Investments (Section 9.8) [Omitted pursuant to Item 601(a)(5) of Regulation S-K]
Schedule 9.10	Liens (Section 9.10) [Omitted pursuant to Item 601(a)(5) of Regulation S-K]

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

FIRST AMENDMENT TO  
MASTER REPURCHASE AGREEMENT

THIS FIRST AMENDMENT, dated as of June 24, 2015, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended pursuant to [other amendments] (as so amended, the “Master Repurchase Agreement”), between GUILD MORTGAGE COMPANY, GUILD MORTGAGE COMPANY, LLC (the “Sellers”) and U.S. BANK NATIONAL ASSOCIATION (the “Buyer”). Terms not otherwise expressly defined herein shall have the meanings set forth in the Master Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Master Repurchase Agreement is amended as follows.

ARTICLE I - AMENDMENTS TO THE MASTER REPURCHASE AGREEMENT

1.1 Purchase Commitment Amount. The definition of “Purchase Commitment Amount” in Section 1.1 is amended to read as follows:

“‘Purchase Commitment Amount’ means the maximum Purchase Price for all Open Transactions, other than Transactions constituting Discretionary Purchases, which may from time to time be outstanding, being [\*\*\*], as such amounts may be reduced from time to time pursuant to Section 2.3.”

1.2 Marginable Assets. A definition of “Marginable Assets” is added to Section 1.1 and shall read as follows:

“‘Marginable Assets’ means the sum of the consolidated balance sheet value of (a) all of Sellers’ and their Subsidiaries’ assets that are subject to financing or other arrangements that allow the counterparty to make margin calls or demand if such assets decline in value, including Mortgage Loans held for sale, Servicing Rights (excluding Servicing Rights to Purchased Mortgage Loans and Mortgage Loans subject to finance or purchase under other Warehouse Finance Agreements), and (b) interest rate lock commitments and other financial derivative instruments (net of derivative liabilities).

1.3 Liquid Assets. Section 9.17 is amended to read as follows:

“Section 9.17 Liquid Assets. Permit Liquid Assets to be less than the greater of (x) [\*\*\*] of the average of Sellers’ Marginable Assets on the last Business Days of the current month and the two preceding months, or (y) [\*\*\*], at any time.

The Sellers and the Buyer have agreed that the amendment to Section 9.17 shall be effective as of May 31, 2015 and shall be applied to and reported on the Compliance Certificate for such date.

1.4 Exhibit B – Approved Investors. Exhibit B to the Master Repurchase Agreement is replaced by Exhibit B [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached to this Amendment.



1.5 Compliance Certificate. Exhibit D to the Master Repurchase Agreement is replaced by Exhibit D [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached to this Amendment.

1.6 Construction. All references in the Master Repurchase Agreement to “this Agreement”, “herein” and similar references shall be deemed to refer to the Master Repurchase Agreement as amended by this Amendment.

## ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to make and maintain the Purchases of Mortgage Loans under the Master Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform its obligations under the Master Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

## ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent:

3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Master Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Master Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Master Repurchase Agreement. The execution by the Seller of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Sellers shall have executed and delivered this Amendment.

## ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys' fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Master Repurchase Agreement.

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4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Master Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. Except as hereby amended, the Master Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes \_\_\_\_\_

Title Vice President \_\_\_\_\_

GUILD MORTGAGE COMPANY

By: \_\_\_\_\_

Title \_\_\_\_\_

GUILD MORTGAGE COMPANY, LLC

By: \_\_\_\_\_

Title \_\_\_\_\_

*(signature page to First Amendment)*

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U.S. BANK NATIONAL ASSOCIATION

By: \_\_\_\_\_

Title \_\_\_\_\_

GUILD MORTGAGE COMPANY

By: /s/ Terry L. Schmidt \_\_\_\_\_

Terry L. Schmidt \_\_\_\_\_

Title EVP & CFO \_\_\_\_\_

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry L. Schmidt \_\_\_\_\_

Terry L. Schmidt \_\_\_\_\_

Title SVP & CFO \_\_\_\_\_

*(signature page to First Amendment)*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

October 27, 2015

Guild Mortgage Company, LLC  
Guild Mortgage Company  
5898 Copley Drive, 5th Floor  
San Diego, CA 92111  
Attention: Terry Schmidt  
Chief Financial Officer

Re: Purchase Sublimits for USBHM Mortgage Loans

Dear Terry:

Reference is made to the Master Repurchase Agreement, dated as of March 24, 2015, as amended pursuant to an Amendment dated June 24, 2015 (as so amended, the "MRA"), between Guild Mortgage Company, LLC, Guild Mortgage Company (the "Sellers") and U.S. BANK NATIONAL ASSOCIATION (the "Buyer"). Terms not otherwise expressly defined herein shall have the meanings set forth in the MRA.

Please sign and return a copy of this letter to evidence the agreement of the Sellers to the following:

1. An Eligible Mortgage Loan that is a USBHM Mortgage Loan and would also be a different Type of Eligible Mortgage Loan (such as an Agency Conforming Mortgage Loan, Jumbo Mortgage Loan, Superjumbo Mortgage Loan, High LTV Mortgage Loan or Housing Finance Agency Mortgage Loan) shall be deemed to be a USBHM Mortgage Loan, and requirements in the MRA, and specifically Exhibit A to the MRA, that apply to such other Types of Eligible Mortgage Loans (Aggregate Purchase Sublimits, Valuation Percentages, and other requirements of the definitions thereof such as FICO score and loan to value requirements) shall not apply to such USBHM Mortgage Loans; provided, that the aggregate limit on Wet Loans shall continue to apply to USBHM Mortgage Loans and all other Purchased Mortgage Loans. This will permit the [\*\*\*] Aggregate Purchase Sublimit to apply to all USBHM Mortgage Loans.

2. The Aggregate Purchase Sublimit for Housing Finance Agency Mortgage Loans in Section A-3 of Exhibit A is reduced from [\*\*\*] to [\*\*\*].

3. The warehouse ageing provision in Section A-4 of Exhibit A to the MRA is amended so that the number of days after Purchase Date for USBHM Mortgage Loans is 90 days (rather than 60 days).

Very truly yours,

U.S. Bank National Association

By: /s/ Timothy C. Hayes  
Timothy C. Hayes  
Vice President

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Guild Mortgage Company, LLC  
Guild Mortgage Company  
October 27, 2015  
Page 2

Agreed and acknowledged

Guild Mortgage Company, LLC  
Guild Mortgage Company

By:     /s/ Terry Schmidt      
Terry Schmidt  
Chief Financial Officer

## THIRD AMENDMENT TO MASTER REPURCHASE AGREEMENT

THIS THIRD AMENDMENT, dated as of April 20, 2016, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended by Amendments dated as of June 24, 2015 and March 15, 2016 (as so amended, the "Repurchase Agreement"), between GUILD MORTGAGE COMPANY and GUILD MORTGAGE COMPANY, LLC (the "Sellers") and U.S. BANK NATIONAL ASSOCIATION (the "Buyer"). Terms not otherwise expressly defined herein shall have the meanings set forth in the Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Repurchase Agreement is amended as follows.

## ARTICLE I - AMENDMENTS TO THE REPURCHASE AGREEMENT

1.1 Exhibits. Exhibit A ("Calculation of Purchase Value, Aggregate Purchase Sublimits, Eligible and Ineligible Mortgage Loans") and B ("Approved Investors") are replaced by Exhibits A [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and B [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached to this Amendment.

1.2 Construction. All references in the Repurchase Agreement to "this Agreement", "herein" and similar references shall be deemed to refer to the Repurchase Agreement as amended by this Amendment.

## ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to continuing to Purchase Mortgage Loans under the Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform their obligations under the Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

## ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent:

3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Buyer and the Sellers shall have executed and delivered this Amendment.

ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys' fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Repurchase Agreement.

4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. Except as hereby amended, the Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

*(signature page follows)*



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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes

Title: Vice President

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry L. Schmidt

Title: E.V.P & C.F.O

GUILD MORTGAGE COMPANY

By: /s/ Terry L. Schmidt

Title: E.V.P & C.F.O

*(signature page to Third Amendment)*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

FOURTH AMENDMENT TO MASTER REPURCHASE AGREEMENT

THIS FOURTH AMENDMENT, dated as of June 20, 2016, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended by Amendments dated as of June 24, 2015, March 15, 2016 and April 20, 2016 (as so amended, the “Repurchase Agreement”), between GUILD MORTGAGE COMPANY and GUILD MORTGAGE COMPANY, LLC (the “Sellers”) and U.S. BANK NATIONAL ASSOCIATION (the “Buyer”). Terms not otherwise expressly defined herein shall have the meanings set forth in the Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Repurchase Agreement is amended as follows.

ARTICLE I - AMENDMENTS TO THE REPURCHASE AGREEMENT

1.1 Definitions. Section 1.1 is amended as follows:

(a) The following definition is amended to read as follows:

“Termination Date” means the earliest of (a) June 19, 2017, (b) the date on which the Purchase Commitment is terminated pursuant to Section 10.2 hereof or (c) the date on which the Purchase Commitment Amount is reduced to zero pursuant to Section 2.3 hereof.”

(b) The following definitions are added:

“Committed Warehouse Financing Agreements” means Warehouse Finance Agreements under which the buyers or lenders have agreed to fund the Seller’s origination of Mortgage Loans subject only to conventional conditions precedent similar to the conditions precedent set forth in Article VI hereof.

“Discretionary Warehouse Financing Agreements” means Warehouse Finance Agreements under which the buyers or lenders may fund the Seller’s origination of Mortgage Loans on the request of the Seller, at the discretion of such buyers or lenders.

1.2 Non-Use Fee. Section 3.2 is amended by deleting “[\*\*\*]” and adding “[\*\*\*]” in place thereof.

1.3 Minimum Warehouse Financing Facilities. Section 9.20 is added, and shall read as follows:

“9.20 Minimum Warehouse Financing Facilities. Fail to maintain credit facilities (used or unused) under Warehouse Financing Agreements of at least [\*\*\*], of which not less than [\*\*\*] shall be facilities under Committed Warehouse Financing Agreements (and the balance may be facilities under Discretionary Warehouse Financing Agreements).”

1.4 CFPB and Related Provisions.

(a) Reporting. Subsections (n) and (o) are added to Section 8.1 and shall read as follows:

“(n) To the extent that such information may legally be disclosed by the Seller, immediately upon receipt thereof, notice of receipt by the Seller of written notice by any governmental authority of any legal action or similar adversarial proceeding against any the Seller or any of its

Subsidiaries challenging its authority to originate, hold, own, service, collect or enforce its Mortgage Loans, or otherwise alleging any material non-compliance by the Seller or any of its Subsidiaries with any applicable law related to originating, holding, collecting, servicing or enforcing its Mortgage Loans, and a copy of, or summary of, such written notice.

(o) To the extent that such information may legally be disclosed by the Seller, a summary of the results of examination by the Consumer Financial Protection Bureau or other governmental authority, disclosing whether any such examination shall have resulted in material penalties or enforcement actions and whether compliance with recommendations or directives set forth in such examination shall result in material changes in the way the Seller does business.”

(b) Compliance. Section 8. 7 is amended to read as follows:

“Section 8.7 Compliance.

(a) Comply in all material respects with all laws, rules, regulations, orders, writs, judgments, injunctions, decrees or awards to which it may be subject, including, without limitation (i) all environmental protection laws, (ii) binding rules and regulations of the Federal Trade Commission and the Consumer Financial Protection Bureau, and those administered by the Consumer Financial Protection Bureau, (iii) Anti-Corruption Laws and applicable Sanctions; and (iv) to the extent applicable, the laws and regulations cited in subsection (s) of the definition of “Basic Eligibility Requirements” in Section A-6 of Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

(b) Provide such information and take such actions as are reasonably requested by any Buyer in order to assist such Buyer in maintaining compliance with the Patriot Act.”

1.5 Exhibits. Exhibits A (“Calculation of Purchase Value, Aggregate Purchase Sublimits, Eligible and Ineligible Mortgage Loans”), B (“Approved Investors”) and D (“Compliance Certificate”) are replaced by Exhibits A, B [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and D [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached to this Amendment.

1.6 Construction. All references in the Repurchase Agreement to “this Agreement”, “herein” and similar references shall be deemed to refer to the Repurchase Agreement as amended by this Amendment.

## ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to continuing to Purchase Mortgage Loans under the Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform their obligations under the Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

## ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent:

3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Repurchase Agreement. The execution by the

Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Buyer and the Sellers shall have executed and delivered this Amendment.

#### ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys' fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Repurchase Agreement.

4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. Except as hereby amended, the Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

*(signature page follows)*

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes

Title: Vice President

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry L. Schmidt

Title: E.V.P & C.F.O

GUILD MORTGAGE COMPANY

By: /s/ Terry L. Schmidt

Title: E.V.P & C.F.O

*(signature page to Fourth Amendment)*

## FIFTH AMENDMENT TO MASTER REPURCHASE AGREEMENT

THIS FIFTH AMENDMENT, dated as of June 16, 2017, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended by Amendments dated as of June 24, 2015, March 15, 2016, April 20, 2016 and June 20, 2016 (as so amended, the "Repurchase Agreement"), between GUILD MORTGAGE COMPANY and GUILD MORTGAGE COMPANY, LLC (the "Sellers") and U.S. BANK NATIONAL ASSOCIATION (the "Buyer"). Terms not otherwise expressly defined herein shall have the meanings set forth in the Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Repurchase Agreement is amended as follows.

## ARTICLE 1 - AMENDMENTS TO THE REPURCHASE AGREEMENT

1.1 Termination Date. The definition of "Termination Date in Section 1.1 is amended to read as follows:

"Termination Date" means the earliest of (a) August 18, 2017, (b) the date on which the Purchase Commitment is terminated pursuant to Section 10.2 hereof or (c) the date on which the Purchase Commitment Amount is reduced to zero pursuant to Section 2.3 hereof."

126 Construction. All references in the Repurchase Agreement to "this Agreement", "herein" and similar references shall be deemed to refer to the Repurchase Agreement as amended by this Amendment.

## ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to continuing to Purchase Mortgage Loans under the Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform their obligations under the Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

## ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent;

3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Buyer and the Sellers shall have executed and delivered this Amendment.

ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys' fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Repurchase Agreement.

4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. Except as hereby amended, the Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

*(signature page follows)*

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes

Title: Vice President

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry L. Schmidt

Title: Terry L. Schmidt, E.V.P & C.F.O

GUILD MORTGAGE COMPANY

By: /s/ Terry L. Schmidt

Title: Terry L. Schmidt, C.F.O

*(signature page to Fifth Amendment)*



CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

SIXTH AMENDMENT TO MASTER REPURCHASE AGREEMENT

THIS SIXTH AMENDMENT, dated as of August 18, 2017, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended by Amendments dated as of June 24, 2015, March 15, 2016, April 20, 2016, June 20, 2016 and June 16, 2017 (as so amended, the "Repurchase Agreement"), between GUILD MORTGAGE COMPANY and GUILD MORTGAGE COMPANY, LLC (the "Sellers") and U.S. BANK NATIONAL ASSOCIATION (the "Buyer"). Terms not otherwise expressly defined herein shall have the meanings set forth in the Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Repurchase Agreement is amended as follows.

ARTICLE I - AMENDMENTS TO THE REPURCHASE AGREEMENT

1.1 Termination Date. The definition of "Termination Date in Section 1.1 is amended to read as follows:

"Termination Date" means the earliest of (a) August 17, 2018, (b) the date on which the Purchase Commitment is terminated pursuant to Section 10.2 hereof or (c) the date on which the Purchase Commitment Amount is reduced to zero pursuant to Section 2.3 hereof."

1.2 Price Differential. Section 3.1(a) is amended to read as follows:

"(a) Prior to an Event of Default. Except as provided in (b) below, Price Differential on all Open Transactions shall be determined by applying to the Purchase Price of all Purchased Mortgage Loans under such Open Transaction an annual rate equal to [\*\*\*] plus the one-month LIBOR rate quoted by Buyer from Reuters Screen LIBOR01 or any successor thereto, which shall be that one-month LIBOR rate in effect and reset each Business Day, adjusted for any reserve requirement and any subsequent costs arising from a change in government regulation, such rate rounded up to the nearest one-sixteenth percent. Notwithstanding the foregoing, if the LIBOR rate shall at any time be less than 0%, it shall be deemed for purposes of this Agreement to equal 0%, and the Pricing Rate and Price Differential shall be calculated based on a LIBOR rate of 0% plus the interest rate margin set forth above. Buyer's internal records of applicable Price Differential shall be determinative in the absence of manifest error."

1.3 Adjusted Tangible Net Worth. Section 9.14 is amended to read as follows:

"Section 9.14 Adjusted Tangible Net Worth. Permit the Sellers' Adjusted Tangible Net Worth to be less than [\*\*\*] at any time."

1.4 HUD Compare Ratio. Section 9.18 is amended to read as follows:

Section 9.18 [Intentionally omitted]

The Sellers shall report their HUD Compare Ratio with each Compliance Certificate, the former covenant is deleted.

1.5 Sanctions and Anti-Corruption Provisions. Annex I includes amendments to representations and covenants pertaining to Sanctions and Anti-Corruption Laws, and further amends the Master Repurchase Agreement.

1.6 Exhibits. Exhibits A (“Calculation of Purchase Value, Aggregate Purchase Sublimits, Eligible and Ineligible Mortgage Loans”), B (“Approved Investors”), D (“Compliance Certificate”) and E (“Form of Document Release Request”) are replaced by Exhibits A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], B [Omitted pursuant to Item 601(a)(5) of Regulation S-K], D [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and E [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached to this Amendment.

1.7 Construction. All references in the Repurchase Agreement to “this Agreement”, “herein” and similar references shall be deemed to refer to the Repurchase Agreement as amended by this Amendment.

## ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to continuing to Purchase Mortgage Loans under the Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform their obligations under the Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

## ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent:

3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Buyer and the Sellers shall have executed and delivered this Amendment.

## ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys’ fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Repurchase Agreement.

4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

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4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. Except as hereby amended, the Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

*(signature page follows)*

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes

Title: Vice President

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry L. Schmidt

Title: C.F.O

GUILD MORTGAGE COMPANY

By: /s/ Terry L. Schmidt

Title: E.V.P & C.F.O

*(signature page to Sixth Amendment)*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

SEVENTH AMENDMENT TO MASTER REPURCHASE AGREEMENT

THIS SEVENTH AMENDMENT, dated as of September 28, 2018, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended by Amendments dated as of June 24, 2015, March 15, 2016, April 20, 2016, June 20, 2016, June 16, 2017 and August 18, 2017 (as so amended, the “Repurchase Agreement”), between GUILD MORTGAGE COMPANY and GUILD MORTGAGE COMPANY, LLC (the “Sellers”) and U.S. BANK NATIONAL ASSOCIATION (the “Buyer”). Terms not otherwise expressly defined herein shall have the meanings set forth in the Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Repurchase Agreement is amended as follows.

ARTICLE I - AMENDMENTS TO THE REPURCHASE AGREEMENT

1.1 Termination Date. The definition of “Termination Date in Section 1.1 is amended to read as follows:

“‘Termination Date’ means the earliest of (a) September 15, 2019, (b) the date on which the Purchase Commitment is terminated pursuant to Section 10.2 hereof or (c) the date on which the Purchase Commitment Amount is reduced to zero pursuant to Section 2.3 hereof.”

1.2 Distributions. Section 9.6(b) is amended to read as follows:

“(b) Pay or declare any Distribution at any time that a Default or Event of Default has occurred and is continuing or would result from such payment.”

1.3 Indebtedness. Section 9.9(a) is amended to read as follows:

“(a) Indebtedness under any warehouse lending facility or repurchase agreement and Indebtedness under lines of credit or in respect of loans secured by the value of Servicing Rights;”

1.4 Adjusted Net Income. Section 9.16 is amended to read as follows:

“Section 9.16 Adjusted Net Income. Permit the Sellers consolidated Adjusted Net Income to be less than [\*\*\*] for any period of four consecutive fiscal quarters of the Sellers.

1.5 Beneficial Ownership Certification. To reflect certain changes in regulatory requirements applicable to the Buyer, the following amendments are made to the Master Repurchase Agreement:

(a) The following definitions are added to Section 1.1:

“‘Beneficial Ownership Certification’ means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.”

“‘Beneficial Ownership Regulation’ means 31 C.F.R. § 1010.230.”

(b) Section 8.1(p) is added following Section 8.1(o), and shall read as follows:

“(p) Upon request of the Buyer (i) information and documentation reasonably requested by the Buyer for purposes of compliance with applicable ‘know your customer’ requirements under the PATRIOT Act or other applicable anti-money laundering laws, (ii) if the Seller qualifies as a ‘legal entity customer’ under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to the Seller, and (iii) if a Beneficial Ownership Certification is so delivered, thereafter notice of any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners or senior manager (as applicable) identified in such Beneficial Ownership Certification.”

1.6 Exhibits. Exhibits A (“Calculation of Purchase Value, Aggregate Purchase Sublimits, Eligible and Ineligible Mortgage Loans”), B (“Approved Investors”) and D (“Compliance Certificate”) are replaced by Exhibits A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], B [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and D [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached to this Amendment.

1.7 Construction. All references in the Repurchase Agreement to “this Agreement”, “herein” and similar references shall be deemed to refer to the Repurchase Agreement as amended by this Amendment.

## ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to continuing to Purchase Mortgage Loans under the Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform their obligations under the Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

## ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent:

3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Buyer and the Sellers shall have executed and delivered this Amendment.

## ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys’ fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and

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in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Repurchase Agreement.

4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. Except as hereby amended, the Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

*(signature page follows)*

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes

Title: Vice President

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry L. Schmidt

Title: COO, CFO, EVP

GUILD MORTGAGE COMPANY

By: /s/ Terry L. Schmidt

Title: COO, CFO, EVP

*(signature page to Seventh Amendment)*



CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

EIGHTH AMENDMENT TO MASTER REPURCHASE AGREEMENT

THIS EIGHTH AMENDMENT, dated as of August 29, 2019, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended by Amendments dated as of June 24, 2015, March 15, 2016, April 20, 2016, June 20, 2016, June 16, 2017, August 18, 2017 and September 28, 2018 (as so amended, the “Repurchase Agreement”), between GUILD MORTGAGE COMPANY and GUILD MORTGAGE COMPANY, LLC (the “Sellers”) and U.S. BANK NATIONAL ASSOCIATION (the “Buyer”). Terms not otherwise expressly defined herein shall have the meanings set forth in the Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Repurchase Agreement is amended as follows.

ARTICLE I - AMENDMENTS TO THE REPURCHASE AGREEMENT

1.1 Purchase Commitment Amount. The definition of “Purchase Commitment Amount” in Section 1.1 is amended to read as follows:

“Purchase Commitment Amount” means the maximum Purchase Price for all Open Transactions which may from time to time be outstanding, being either (a) [\*\*\*] on and after August 29, 2019 through and including September 12, 2019, or (b) [\*\*\*] on and after September 13, 2019 through and including the Termination Date, as each such amount may be reduced from time to time pursuant to Section 2.3.”

1.2 Construction. All references in the Repurchase Agreement to “this Agreement”, “herein” and similar references shall be deemed to refer to the Repurchase Agreement as amended by this Amendment.

ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to continuing to Purchase Mortgage Loans under the Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform their obligations under the Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent:

3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Buyer and the Sellers shall have executed and delivered this Amendment.

#### ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys' fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Repurchase Agreement.

4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. Except as hereby amended, the Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

*(signature page follows)*

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes

Title: Vice President

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry L. Schmidt

Title: CFO, EVP

GUILD MORTGAGE COMPANY

By: /s/ Terry L. Schmidt

Title: CFO, EVP

*(signature page to Eighth Amendment)*

## NINTH AMENDMENT TO MASTER REPURCHASE AGREEMENT

THIS NINTH AMENDMENT, dated as of September 13, 2019, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended by Amendments dated as of June 24, 2015, March 15, 2016, April 20, 2016, June 20, 2016, June 16, 2017, August 18, 2017, September 28, 2018 and August 29, 2019 (as so amended, the "Repurchase Agreement"), between GUILD MORTGAGE COMPANY and GUILD MORTGAGE COMPANY, LLC (the "Sellers") and U.S. BANK NATIONAL ASSOCIATION (the "Buyer"). Terms not otherwise expressly defined herein shall have the meanings set forth in the Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Repurchase Agreement is amended as follows.

## ARTICLE I - AMENDMENTS TO THE REPURCHASE AGREEMENT

1.1 Termination Date. The definition of "Termination Date" in Section 1.1 is amended to read as follows:

"Termination Date' means the earliest of (a) October 15, 2019, (b) the date on which the Purchase Commitment is terminated pursuant to Section 10.2 hereof or (c) the date on which the Purchase Commitment Amount is reduced to zero pursuant to Section 2.3 hereof."

1.2 Construction. All references in the Repurchase Agreement to "this Agreement", "herein" and similar references shall be deemed to refer to the Repurchase Agreement as amended by this Amendment.

## ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to continuing to Purchase Mortgage Loans under the Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform their obligations under the Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

## ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent:

3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Buyer and the Sellers shall have executed and delivered this Amendment.

ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys' fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Repurchase Agreement.

4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. Except as hereby amended, the Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

*(signature page follows)*

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes

Title: Vice President

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry L. Schmidt

Title: CFO, EVP

GUILD MORTGAGE COMPANY

By: /s/ Terry L. Schmidt

Title: CFO, EVP

*(signature page to Ninth Amendment)*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

#### TENTH AMENDMENT TO MASTER REPURCHASE AGREEMENT

THIS TENTH AMENDMENT, dated as of October 15, 2019, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended by Amendments dated as of June 24, 2015, March 15, 2016, April 20, 2016, June 20, 2016, June 16, 2017, August 18, 2017, September 28, 2018, August 29, 2019 and September 13, 2019 (as so amended, the “Repurchase Agreement”), between GUILD MORTGAGE COMPANY and GUILD MORTGAGE COMPANY, LLC (the “Sellers”) and U.S. BANK NATIONAL ASSOCIATION (the “Buyer”). Terms not otherwise expressly defined herein shall have the meanings set forth in the Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Repurchase Agreement is amended as follows.

#### ARTICLE I - AMENDMENTS TO THE REPURCHASE AGREEMENT

1.1 Definitions. The following definitions in Section 1.1 are amended to read as follows:

“Purchase Commitment Amount’ means the maximum Purchase Price for all Open Transactions which may from time to time be outstanding, being either (a) [\*\*\*] on and after effectiveness of the Tenth Amendment hereof through and including January 1, 2020, or (b) [\*\*\*] on and after January 2, 2020 through and including the Termination Date, as each such amount may be reduced from time to time pursuant to Section 2.3.”

“Termination Date’ means the earliest of (a) September 11, 2020, (b) the date on which the Purchase Commitment is terminated pursuant to Section 10.2 hereof or (c) the date on which the Purchase Commitment Amount is reduced to zero pursuant to Section 2.3 hereof.”

1.2 Price Differential. Section 3.1 is amended to read as follows:

“(a) Prior to an Event of Default. Except as provided in (b) below, Price Differential on all Open Transactions shall be determined by applying to the Purchase Price of all Purchased Mortgage Loans under such Open Transaction an annual rate equal to [\*\*\*] plus the greater of (i) zero percent (0%), or (ii) the one-month LIBOR rate quoted by Buyer from Reuters Screen LIBOR01 or any successor thereto which may be designated by the Buyer as provided below, which shall be that one-month LIBOR rate in effect and reset each Business Day, adjusted for any reserve requirement and any subsequent costs arising from a change in government regulation, such rate rounded up to the nearest one-sixteenth percent. Notwithstanding the foregoing, in the event the Buyer determines (which determination shall be conclusive absent manifest error) that (i) the Price Differential rate applicable to Purchases hereunder is not ascertainable or does not adequately and fairly reflect the cost of making or maintaining such Purchases and such circumstances are unlikely to be temporary, (ii) ICE Benchmark Administration (or any Person that takes over the administration of such rate) discontinues its administration and publication of interest settlement rates for deposits in Dollars, or (iii) the supervisor for the administrator of such interest settlement rate or a Governmental Authority having jurisdiction over the Buyer has made a public statement identifying a specific date after which such interest settlement rate shall no longer be used for determining interest rates for loans or Price Differential for Purchases, then the Buyer shall determine an alternate Price Differential rate to the one-month LIBOR rate that gives due consideration to the then prevailing market convention for determining a rate of Price

Differential or interest for comparable bank-originated commercial loans in the United States at such time, and, if necessary, the Buyer and the Seller shall enter into an amendment to this Agreement to reflect such alternate Price Differential rate and such other related changes to this Agreement as may be applicable. Such alternate Price Differential rate shall be adjusted for any reserve requirement and any subsequent costs arising from a change in government regulation. Until an alternate Price Differential rate shall be determined in accordance with this Section 3.1(a), Price Differential on each Open Transaction shall accrue at the Prime Rate plus the margin referenced above. If the alternate Price Differential rate determined pursuant to this Section 3.1(a) shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement. The Buyer's internal records of applicable Price Differential (including without limitation the Buyer's designation of any successor interest rate index if the rate index described above shall become temporarily unavailable) shall be determinative in the absence of manifest error."

1.3 Non-Use Fee. Section 3.2 is amended by deleting "less than [\*\*\*] of the Purchase Commitment Amount" (as the threshold for applicability of the Non-Use Fees) and inserting "less than [\*\*\*] of the Purchase Commitment Amount" in place thereof.

1.4 Timing of Requests and Confirmations. Section 2.2 is amended as follows:

(a) Reference to "2:30 p.m., Denver time" in subsection (a) is changed to "3:00 p.m., Denver time".

(b) Reference to "12:00 noon, Denver time" in subsection (f) is changed to "1:00 p.m., Denver time".

1.5 Adjusted Tangible Net Worth. Section 9.14 is amended to read as follows:

"Section 9.14 Adjusted Tangible Net Worth. Permit the Sellers' Adjusted Tangible Net Worth to be less than [\*\*\*] at any time."

1.6 Adjusted Leverage Ratio. Section 9.15 is amended to read as follows:

"Section 9.15 Adjusted Leverage Ratio. Permit the Adjusted Leverage Ratio of the Sellers to be greater than [\*\*\*] at any time."

1.7 Exhibits. Exhibits A ("Calculation of Purchase Value, Aggregate Purchase Sublimits, Eligible and Ineligible Mortgage Loans"), B ("Approved Investors") and D ("Compliance Certificate") are replaced by Exhibits A [Omitted pursuant to Item 601(a)(5) of Regulation S-K], B [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and D [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached to this Amendment.

1.7 Construction. All references in the Repurchase Agreement to "this Agreement", "herein" and similar references shall be deemed to refer to the Repurchase Agreement as amended by this Amendment.

## ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to continuing to Purchase Mortgage Loans under the Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform their obligations under



the Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

### ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent:

3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Buyer and the Sellers shall have executed and delivered this Amendment. The Sellers shall have provided an incumbency certificate for any officer signing this Amendment, if different than prior signing officers.

### ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys' fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Repurchase Agreement.

4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the

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successors and assigns of the Buyer. Except as hereby amended, the Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

*(signature page follows)*

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes

Title: Vice President

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry L. Schmidt

Title: CFO, EVP

GUILD MORTGAGE COMPANY

By: /s/ Terry L. Schmidt

Title: CFO, EVP

*(signature page to Tenth Amendment)*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

ELEVENTH AMENDMENT TO MASTER REPURCHASE AGREEMENT

THIS ELEVENTH AMENDMENT, dated as of April 1, 2020, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended by Amendments dated as of June 24, 2015, March 15, 2016, April 20, 2016, June 20, 2016, June 16, 2017, August 18, 2017, September 28, 2018, August 29, 2019, September 13, 2019 and October 15, 2019 (as so amended, the “Repurchase Agreement”), between GUILD MORTGAGE COMPANY and GUILD MORTGAGE COMPANY, LLC (the “Sellers”) and U.S. BANK NATIONAL ASSOCIATION (the “Buyer”). Terms not otherwise expressly defined herein shall have the meanings set forth in the Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Repurchase Agreement is amended as follows.

ARTICLE I - AMENDMENTS TO THE REPURCHASE AGREEMENT

1.1 Definitions. The following definitions in Section 1.1 are amended to read as follows:

“Purchase Commitment Amount” means the maximum Purchase Price for all Open Transactions which may from time to time be outstanding, being [\*\*\*] through and including the Termination Date, as such amount may be reduced from time to time pursuant to Section 2.3.”

1.2 Exhibit. Exhibits A (“Calculation of Purchase Value, Aggregate Purchase Sublimits, Eligible and Ineligible Mortgage Loans”) is replaced by Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached to this Amendment.

1.3 Construction. All references in the Repurchase Agreement to “this Agreement”, “herein” and similar references shall be deemed to refer to the Repurchase Agreement as amended by this Amendment.

ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to continuing to Purchase Mortgage Loans under the Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform their obligations under the Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent:

3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Buyer and the Sellers shall have executed and delivered this Amendment.

#### ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys' fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Repurchase Agreement.

4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. Except as hereby amended, the Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

*(signature page follows)*

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes

Title: Senior Vice President

GUILD MORTGAGE COMPANY, LLC

By: /s/ Terry L. Schmidt

Title: E.V.P. President

GUILD MORTGAGE COMPANY

By: /s/ Terry L. Schmidt

Title: E.V.P. President

*(signature page to Eleventh Amendment)*

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

## TWELFTH AMENDMENT TO MASTER REPURCHASE AGREEMENT

THIS TWELFTH AMENDMENT, dated as of July 24, 2020, amends and modifies a certain Master Repurchase Agreement, dated as of March 24, 2015, as amended by Amendments dated as of June 24, 2015, March 15, 2016, April 20, 2016, June 20, 2016, June 16, 2017, August 18, 2017, September 28, 2018, August 29, 2019, September 13, 2019, October 15, 2019 and April 1, 2020 (as so amended, the “Repurchase Agreement”), between GUILD MORTGAGE COMPANY and GUILD MORTGAGE COMPANY, LLC (the “Sellers”) and U.S. BANK NATIONAL ASSOCIATION (the “Buyer”). Terms not otherwise expressly defined herein shall have the meanings set forth in the Repurchase Agreement.

FOR VALUE RECEIVED, the Sellers and the Buyer agree that the Repurchase Agreement is amended as follows.

### ARTICLE I - AMENDMENTS TO THE REPURCHASE AGREEMENT

1.1 Definitions. Section 1.1 is amended as follows:

(a) The following definitions are amended to read as follows:

“Adjusted Tangible Net Worth” shall mean (a) total members’ equity in GMCLLC (including membership interests, additional paid-in capital, and retained earnings), on a consolidated basis; less all of the following: (i) any advances or loans to shareholders, members, officers or Affiliates by the Sellers, (ii) investments by the Sellers in Affiliates, (iii) assets pledged by the Sellers to secure any liabilities not included in the Indebtedness of the Sellers, (iv) any other assets of the Sellers that would be treated as intangibles under GAAP, including, without limitation, all such items as goodwill, trademarks, trade names, service marks, copyrights, patents, licenses, unamortized debt discount and unamortized deferred charges, and (v) any other assets deemed unacceptable by the Buyer in its sole discretion, plus (b) Subordinated Debt. In determining assets of the Sellers, capitalized servicing rights shall be included in an amount equal to the lesser of market value or value determined in accordance with GAAP.”

“Adjusted Total Liabilities” means at any time of determination, the sum of (a) the amount, on a consolidated basis, of the liabilities of the Sellers and the Subsidiaries, determined in accordance with GAAP, plus (b) all obligations of the Sellers and the Subsidiaries on “off-balance sheet” transactions, including mortgage purchase programs (except for ultimate sale of mortgage loans) and purchase agreements with repurchase obligations (other than conventional representations and warranties), and minus, (c) GNMA Delinquency Liabilities.

“Purchase Commitment Amount” means the maximum Purchase Price for all Open Transactions which may from time to time be outstanding, being [\*\*\*] through and including the Termination Date, as such amount may be reduced from time to time pursuant to Section 2.3.”

(b) The following definition is added:

“GNMA Delinquency Liabilities” means balance sheet liabilities of the Seller arising from the accounting treatment of Mortgage Loans the have been sold into a GNMA mortgage loan pool that are delinquent for three or more month, and which the Sellers are not under a legal obligation to purchase.

1.2 Price Differential. Section 3.1(a) is amended to read as follows:

“(a) Prior to an Event of Default. Except as provided in (b) below, Price Differential on all Open Transactions shall be determined by applying to the Purchase Price of all Purchased Mortgage Loans under such Open Transaction an annual rate equal to [\*\*\*] plus the greater of (i) zero percent (0%), or (ii) the one-month LIBOR rate quoted by Buyer from Reuters Screen LIBOR01 or any successor thereto which may be designated by the Buyer as provided below, which shall be that one-month LIBOR rate in effect and reset each Business Day, adjusted for any reserve requirement and any subsequent costs arising from a change in government regulation, such rate rounded up to the nearest one-sixteenth percent (the index rate under this subsection (ii) is called the ‘LIBOR Rate’). If the Buyer has determined that (a) the index or sources on which the LIBOR Rate is based (‘LIBOR’) are no longer available, either because (i) LIBOR is not being quoted or published, (ii) any relevant agency or authority has announced that LIBOR will no longer be published or is no longer representative, or (iii) any similar circumstance exists such that LIBOR has become unavailable or ceased to exist, or (b) similar loans are being documented with a replacement rate to LIBOR, the Buyer may, in its discretion, replace LIBOR with a replacement rate (which may include a successor index and a spread adjustment to the rate of Price Differential), taking into consideration any selection or recommendation of a replacement rate by any relevant agency or authority and evolving or prevailing market conventions. In connection with the selection and implementation of any such replacement rate, the Buyer may make any technical, administrative or operational changes that the Buyer decides may be appropriate to reflect the adoption and implementation of such replacement rate. the Buyer does not warrant or accept any responsibility for the administration or submission of, or any other matter related to, LIBOR or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation whether any such alternative, successor or replacement rate will have the same value as, or be economically equivalent to, LIBOR. The Buyer’s internal records of applicable Price Differential shall be determinative in the absence of manifest error.”

1.3 Exhibits. Exhibits A (“Calculation of Purchase Value, Aggregate Purchase Sublimits, Eligible and Ineligible Mortgage Loans”) and D (“Compliance Certificate”) are replaced by Exhibits A [Omitted pursuant to Item 601(a)(5) of Regulation S-K] and D [Omitted pursuant to Item 601(a)(5) of Regulation S-K] to this Amendment.

1.4 Construction. All references in the Repurchase Agreement to “this Agreement”, “herein” and similar references shall be deemed to refer to the Repurchase Agreement as amended by this Amendment.

## ARTICLE II - REPRESENTATIONS AND WARRANTIES

To induce the Buyer to enter into this Amendment and to continuing to Purchase Mortgage Loans under the Repurchase Agreement as amended hereby, the Sellers hereby warrant and represent to the Buyer that they are duly authorized to execute and deliver this Amendment, and to perform their obligations under the Repurchase Agreement as amended hereby, and that this Amendment constitutes the legal, valid and binding obligation of the Sellers, enforceable in accordance with its terms.

## ARTICLE III - CONDITIONS PRECEDENT

This Amendment shall become effective on the date first set forth above, provided, however, that the effectiveness of this Amendment is subject to the satisfaction of each of the following conditions precedent:



3.1 Warranties. Before and after giving effect to this Amendment, the representations and warranties in Article VII of the Repurchase Agreement shall be true and correct as though made on the date hereof, except for changes that are permitted by the terms of the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.2 Defaults. Before and after giving effect to this Amendment, no Default and no Event of Default shall have occurred and be continuing under the Repurchase Agreement. The execution by the Sellers of this Amendment shall be deemed a representation that the Sellers have complied with the foregoing condition.

3.3 Documents. The Buyer and the Sellers shall have executed and delivered this Amendment.

#### ARTICLE IV - GENERAL

4.1 Expenses. The Sellers agree to reimburse the Buyer upon demand for all reasonable expenses (including reasonable attorneys' fees and legal expenses) incurred by this Buyer in the preparation, negotiation and execution of this Amendment and any other document required to be furnished herewith, and in enforcing the obligations of the Sellers hereunder, and to pay and save the Buyer harmless from all liability for, any stamp or other taxes which may be payable with respect to the execution or delivery of this Amendment, which obligations of the Sellers shall survive any termination of the Repurchase Agreement.

4.2 Counterparts. This Amendment may be executed in as many counterparts as may be deemed necessary or convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same instrument.

4.3 Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

4.4 Law; Consent to Jurisdiction; Waiver of Jury Trial. This Amendment shall be a contract made under the laws of the State of Minnesota, which laws shall govern all the rights and duties hereunder. This Amendment shall be subject to the Consent to Jurisdiction and Waiver of Jury Trial provisions of the Repurchase Agreement.

4.5 Successors; Enforceability. This Amendment shall be binding upon the Sellers and the Buyer and their respective successors and assigns, and shall inure to the benefit of the Sellers and the Buyer and the successors and assigns of the Buyer. Except as hereby amended, the Repurchase Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed at Minneapolis, Minnesota by their respective officers thereunto duly authorized as of the date first written above.

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U.S. BANK NATIONAL ASSOCIATION

By: /s/ Timothy C. Hayes

Title: Senior Vice President

GUILD MORTGAGE COMPANY, LLC

By: /s/ Amber Elwell

Title: CFO, SVP

GUILD MORTGAGE COMPANY

By: /s/ Amber Elwell

Title: CFO, SVP

*(signature page to Twelfth Amendment)*

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CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

MASTER REPURCHASE AGREEMENT

Between

GUILD MORTGAGE COMPANY, A CALIFORNIA CORPORATION

and

GUILD MORTGAGE COMPANY, LLC, A DELAWARE LIMITED LIABILITY COMPANY

as Sellers

and

WESTERN ALLIANCE BANK, AN ARIZONA CORPORATION

as Buyer

-----  
dated as of  
April 29, 2020  
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MASTER REPURCHASE AGREEMENT

This MASTER REPURCHASE AGREEMENT (together with all exhibits and schedules attached hereto, this “Agreement”) is made as of this 29<sup>th</sup> day of April, 2020, between Guild Mortgage Company, a California corporation and Guild Mortgage Company, LLC, a Delaware limited liability company (each a “Seller,” and jointly and severally, “Sellers”) and Western Alliance Bank, an Arizona corporation (“Buyer”).

ARTICLE I.

APPLICABILITY

From time to time, Buyer agrees to purchase certain Mortgage Loans from Sellers, on a servicing released basis, and Sellers agree to re-purchase such Purchased Loans, on a servicing released basis, in accordance with the terms of this Agreement (each a “Transaction”) and each such Transaction shall be governed by this Agreement. This Agreement is not a commitment by Buyer to enter into any Transaction with Sellers but rather sets forth the procedures to be used in connection with periodic requests by Sellers, for Buyer to enter into a Transaction with Sellers. Sellers hereby acknowledge that Buyer is under no obligation to enter into any Transaction pursuant to this Agreement.

ARTICLE II.

CERTAIN DEFINITIONS

Section 2.01 DEFINITIONS. As used in this Agreement, the following terms shall, unless the context otherwise requires, have the following meanings (such meanings to be equally applicable to the singular and plural forms of such terms and to the masculine, feminine and neuter genders of such terms):

“Actual Utilization Amount” shall have the meaning set forth in Section 3.07.

“Affiliate” of any Person means any other Person, directly or indirectly controlling, or controlled by, or under common control with such Person. For the purposes of this definition, “control” means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting equity, by contract or otherwise.

“Agreement” is defined in the preamble.

“Approved Takeout Investor” means GNMA, Fannie Mae, Freddie Mac and any other investor listed on Schedule 2 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] as the same may be amended from time to time at the sole discretion of Buyer.

“Bailee Letter” shall have the meaning set forth in Section 4.04.

“Business Day” means any day except Saturday, Sunday or other day on which banks located in the city of Phoenix, Arizona are authorized or obligated by law or executive order to be

closed and any day on which Buyer is authorized or obligated by law or executive order to be closed.

“Buyer” is defined in the preamble set forth above.

“Buyer’s Repurchase Request” means a request executed by Buyer and delivered to Sellers in substantially the form of Exhibit C [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

“Cash” shall have the meaning set forth on Schedule 4 [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

“Cash Equivalents” shall have the meaning set forth on Schedule 4.

“Change of Control” means:

(a) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of 50% or more of the equity interests of any Seller Party (or its direct or indirect parent company) entitled to vote for members of the board of directors or equivalent governing body of the Seller Party (or its direct or indirect parent company) on a fully diluted basis; or

(b) a Seller’s immediate parent company shall cease to own and control, of record and beneficially, directly 100% of each class of capital stock of such Seller free and clear of all Liens.

“Compliance Certificate” shall mean a compliance certificate delivered by Guild Mortgage Company, LLC to Buyer, in form and substance satisfactory to Buyer, in its sole and absolute discretion.

“Consolidated” means the consolidation of any Person, with its properly consolidated subsidiaries, in accordance with GAAP.

“Conventional Mortgage Loan” shall have the meaning set forth on Schedule 3 [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

“Custodial Agreement” shall mean the Tri-Party Custody Agreement, dated as of April 29, 2020, by and among the Custodian, Sellers and Buyer.

“Custodial Delivery” shall mean the form executed by Sellers in order to deliver the Purchased Loan Schedule and the Purchased Loan Files to Buyer or its designee (including the Custodian) pursuant to Section 3.02 hereof, a form of which is attached hereto as Schedule 5 [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

“Custodian” shall mean The Bank of New York Mellon Trust Company, N.A., or any successor Custodian appointed by Buyer with the prior written consent of Sellers (which consent shall not be unreasonably withheld or delayed).

“Default” shall mean an Event of Default or an event that with the giving of notice or lapse of time or both would become an Event of Default.

“Eligible Mortgage Loan” means a Conventional Mortgage Loan, or other Mortgage Loan acceptable to Buyer in its sole and absolute discretion that satisfies the applicable criteria set forth on Schedule 3 and that, at all times during the term of this Agreement: (a) is evidenced by loan documents that are the standard forms approved by VA, FHA, Fannie Mae, or Freddie Mac or forms previously approved, in writing, by Buyer in its sole discretion; (b) is made to a natural person or persons, or individual’s personal revocable trust; (c) is evidenced by a Mortgage Note made payable to the order of Sellers; (d) is not in default in the payment of principal and interest or in the performance of any obligation under the Mortgage Note or the Mortgage evidencing or securing such Mortgage Loan; (e) except as expressly permitted on Schedule 3 has closed less than [\*\*\*] prior to the Purchase Date of such Mortgage Loan (or less than [\*\*\*] prior to the Purchase Date in the case of a TPO Mortgage Loan so long as [1] such TPO Mortgage Loan is not in forbearance or subject to early payment default, and [2] verification of the Mortgagor’s employment has been completed within [\*\*\*] prior to the Purchase Date); (f) the Repurchase Date applicable to such Mortgage Loan has not occurred; (g) is not subject to a voluntary or involuntary bankruptcy or an act of fraud by the Mortgagor or any other related Person; (h) is or before its Repurchase Date will be fully covered by a Takeout Commitment; and (i) satisfies each of the applicable representations and warranties set forth in Section 6.02 hereof.

“Event of Default” shall have the meaning specified in Article IX hereof, provided that any requirement in connection with such event for the giving of notice or the lapse of time, or the happening of any further condition, event or act necessary for such event to constitute an Event of Default, has been satisfied.

“Event of Insolvency” means: (i) the filing of a petition, commencing, or authorizing the commencement of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar law relating to the protection from creditors, or suffering any such petition or proceeding to be commenced by another with respect to any Seller Party or an Affiliate of any Seller Party; (ii) seeking or consenting to the appointment of a receiver, trustee, custodian or similar official for any Seller Party or an Affiliate of any Seller Party or any substantial part of the property of either; (iii) the appointment of a receiver, conservator, or manager for any Seller Party or an Affiliate of any Seller Party by any governmental agency or authority having the jurisdiction to do so; (iv) the making or offering by any Seller Party or an Affiliate of any Seller Party of a concession with its creditors or a general assignment for the benefit of creditors; (v) the admission by any Seller Party or an Affiliate of any Seller Party of any Seller Party’s or such Affiliate’s inability to pay its debts or discharge its obligations as they become due or mature; or (vi) any governmental authority or agency or any other Person acting or purporting to act under governmental authority shall have taken any action to condemn, seize or appropriate, or to assume custody or control of, all or any substantial part of the property of any Seller Party or of any of its Affiliates, or shall have taken any action to displace the management of any Seller Party or of any of its Affiliates or to curtail its authority to conduct of the business.

“FHA” means the Federal Housing Administration or any successor thereto.

“Fidelity Insurance” shall mean insurance coverage with respect to employee errors, omissions, dishonesty, forgery, theft, disappearance and destruction, robbery and safe burglary, property (other than money and securities) and computer fraud.

“Fiscal Quarter” shall mean each period of three calendar months ending March 31, June 30, September 30 and December 31 of each year.

“Fiscal Year” shall mean each period of twelve (12) calendar months ending December 31 of each year.

“Fannie Mae” means the Federal National Mortgage Association or any successor thereto.

“Freddie Mac” means the Federal Home Loan Mortgage Corporation or any successor thereto.

“GAAP” means generally accepted accounting principles in the United States of America, consistently applied.

“GNMA” means the Government National Mortgage Association or any successor thereto.

“Income” shall mean, with respect to any Purchased Loan at any time, any principal, interest, dividends or other distributions payable thereon.

“Index Rate” shall have the meaning set forth on Schedule 4.

“Investor Requirements” means, with respect to any Mortgage Loan, the documentation and other requirements (including, without limitation, all those set forth in the applicable Sale Agreement and Takeout Commitment) for the purchase by the Approved Takeout Investor of such Mortgage Loan.

“Leverage Ratio” shall have the meaning set forth on Schedule 4.

“Liabilities” shall have the meaning set forth on Schedule 4.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (whether statutory or otherwise), or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of any financing statement under the UCC or comparable law of any jurisdiction in respect of any of the foregoing).

“Liquid Assets” shall have the meaning set forth on Schedule 4.

“Market Value” at any time shall be determined by Buyer, in its sole and absolute discretion, based upon information then available to Buyer regarding quotes to dealers for the purchase of mortgage notes similar to the Mortgage Notes that have been delivered to Buyer pursuant to this Agreement.

“Material Adverse Effect” means, in each case as determined by Buyer in its reasonable discretion, a material adverse effect on: (a) the property, business, operations, financial condition or prospects of any Seller Party or any Affiliate, (b) the ability of any Seller Party or any Affiliate to perform its obligations under any of the Repurchase Documents to which it is a party, (c) the validity or enforceability of any of the Repurchase Documents, (d) the rights and remedies of Buyer under any of the Repurchase Documents, (e) the timely payment of any amounts payable under the Repurchase Documents, or (f) the Market Value of the Purchased Loans taken as a whole.

“Maturity Date” shall have the meaning set forth on Schedule 4.

“Maximum Dwell Date” shall have the meaning set forth in Section 3.06(a).

“Maximum Rate” means the maximum rate of non-usurious interest permitted by applicable law.

“MERS” means Mortgage Electronic Registration, Inc., a Delaware corporation, or any successor thereto.

“MERS Agreement” means that certain Electronic Tracking Agreement among Sellers, Buyer, MERS and MERSCORP, Inc.

“MERS(R) System” means the system of recording transfers of mortgages electronically maintained by MERS.

“MIN” means, with respect to each Mortgage Loan, the Mortgage Identification Number for such Mortgage Loan registered with MERS on the MERS(R) System.

“Minimum Rate” shall have the meaning set forth on Schedule 3.

“Minimum Utilization Amount” shall have the meaning set forth on Schedule 4.

“MOM Loan” means, with respect to any Mortgage Loan, MERS acting as the mortgagee of such Mortgage Loan, solely as nominee for Sellers, as the case may be, of such Mortgage Loan.

“Monthly Payment” means a scheduled monthly payment of principal and interest on a Mortgage Loan.

“Mortgage” means the trust deed, mortgage, deed of trust, or other instrument creating a first–priority lien (or a second priority lien in the case of a Piggy Back Second Mortgage) (or a first or second priority lien in the case of a Bridge Loan) on real property securing a Mortgage Note.

“Mortgage Assets” shall have the meaning set forth in Section 3.04.

“Mortgage Documents” means, with respect to each Mortgage Loan, the documents and other items described on Schedule 1 [Omitted pursuant to Item 601(a)(5) of Regulation S-K] hereto relating to such Mortgage Loan.



“Mortgage Loan” means a mortgage loan made to an individual person(s) or a person(s) individual revocable trust that is not a non-residential commercial loan, is evidenced by a valid Mortgage Note, and is secured by a Mortgage that grants a perfected first-priority lien (or a second priority lien in the case of a Piggy-Back Second Mortgage) (or a first or second priority lien in the case of a Bridge Loan) on a Single Family Dwelling. Any reference herein to a Mortgage Loan shall mean and include the Mortgage Assets relating thereto.

“Mortgage Note” means a promissory note evidencing the indebtedness of a Mortgagor under a Mortgage Loan.

“Mortgaged Property” means, with respect to any Mortgage Loan, the property covered by the Mortgage securing such Mortgage Loan.

“Mortgagor” means the current and unreleased obligor(s) on a Mortgage Note.

“Net Worth” shall have the meaning set forth on Schedule 4.

“Non-Utilization Fee” shall have the meaning set forth on Schedule 4.

“Obligations” means (a) any amounts due and payable by Sellers to Buyer in connection with a Transaction hereunder, together with the Price Differential thereon (and including interest which would be payable as post-petition interest in connection with any bankruptcy or similar proceeding) and all other fees or expenses which are payable hereunder or under any of the Repurchase Documents; and (b) all other obligations or amounts due and payable by Sellers to Buyer under the Repurchase Documents.

“Operating Account” means the non-interest bearing demand checking account (whether one or more) established by Sellers with Buyer which shall be used for Sellers’ operations.

“Par Value” shall mean, with respect to any Mortgage Loan at the time of any determination, the unpaid principal balance of such Mortgage Loan on such date.

“Person” means any individual, corporation, limited liability company, business trust, association, company, partnership, joint venture, governmental authority or other entity.

“Post-Default Rate” shall mean, at the time in question, with respect to all Obligations, the sum of (i) [\*\*\*] per annum, plus (ii) the per annum Pricing Rate otherwise payable in respect of the Obligations, provided that in no event shall the Post-Default Rate ever exceed the Maximum Rate.

“Power of Attorney” means a Power of Attorney dated the date hereof executed by Sellers for the benefit of Buyer in substantially the form of Exhibit D [Omitted pursuant to Item 601(a)(5) of Regulation S-K] attached hereto.

“Pre-Tax Net Profit” shall have the meaning set forth on Schedule 4.

“Price Differential” means, with respect to any Purchased Loan as of any date, the aggregate amount obtained by daily application of the Pricing Rate (or, during the continuation of an Event of Default, by daily application of the Post Default Rate) for such Transaction to the

Purchase Price for such Transaction on a 360 day per year basis for the actual number of days during the period commencing on (and including) the Purchase Date for such Transaction and ending on (but excluding) the Repurchase Date (reduced by any amount of such Price Differential previously paid by Sellers to Buyer with respect to such Transaction).

“Pricing Rate” means, with respect to any Purchased Loan, the rate per annum applicable to such Purchased Loan as set forth on Schedule 3, provided that in no event will the Pricing Rate be less than the Minimum Rate.

“Purchase Acceptance Deadline” means 2:00 p.m. (Pacific Time) on the requested Purchase Date.

“Purchase Date” means any day on which a Mortgage Loan is sold by Sellers to Buyer.

“Purchase Fee” means a non-refundable fee, fully-earned at the time a Mortgage Loan is purchased in the amount set forth on Schedule 3.

“Purchase Price” means with respect to each Mortgage Loan purchased by Buyer on a Purchase Date, an amount equal to the applicable Purchase Price Percentage times the lesser of (i) the Takeout Commitment Price under the applicable Takeout Commitment, or (ii) the Par Value of the Mortgage Loan.

“Purchase Price Haircut” means, with respect to each Mortgage Loan purchased by Buyer on a Purchase Date, the difference between the amount necessary to be paid thereunder to fully fund the Mortgage Loan at its original closing and the Purchase Price.

“Purchase Price Percentage” means, with respect to any Eligible Mortgage Loan purchased by the Buyer on a Purchase Date, the purchase price percentage applicable to such Eligible Mortgage Loan as set forth on Schedule 3

“Purchase Request” means a request by Sellers for the purchase of Mortgage Loans by Buyer made in the form of Exhibit A [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

“Purchase Request Deadline” means 1:00 p.m. (Pacific Time) on the requested Purchase Date.

“Purchased Loan” means a Mortgage Loan (including the Mortgage Assets relating thereto) purchased by Buyer hereunder.

“Purchased Loan File” shall mean the documents specified in Section 3.02 and Schedule 2, together with any additional documents and information required to be delivered to Buyer or its designee (including the Custodian) pursuant to this Agreement.

“Purchased Loan Schedule” shall mean a schedule of Purchased Loans attached to each Trust Receipt and Custodial Delivery.

“Remaining Proceeds” shall have the meaning set forth in Section 4.04.

“Repurchase Date” means the date on which Sellers are to repurchase the Purchased Loans subject to a Transaction from Buyer, which date shall be the earliest of: (i) the applicable date requested pursuant to Sections 4.01 or 4.02 hereof; (ii) any date determined by application of the provisions of Section 3.06(a), or (iii) the Termination Date, including any date determined by application of the provisions of Section 10.01.

“Repurchase Documents” means this Agreement, the Custodial Agreement, the MERS Agreement, the Power of Attorney, and any and all other agreements, documents, and instruments executed and delivered in connection with any Transactions thereunder, and any amendments thereto, or restatements thereof, together with any and all renewals, extensions, restatements of, and amendments and modifications to, any such agreements, documents and instruments.

“Repurchase Price” means for any Purchased Loan repurchased by Sellers hereunder or sold to an Approved Takeout Investor pursuant to Section 4.04 hereof, an amount equal to the sum of the following calculated as of the Settlement Date: (i) the Purchase Price paid by Buyer for such Purchased Loan; plus (ii) the Transaction Fees; plus (iii) accrued and unpaid Price Differential on such Purchased Loan at the Pricing Rate from the Purchase Date through the day immediately preceding the Settlement Date, both inclusive; plus (iv) all other fees Sellers have agreed to pay Buyer under this Agreement or otherwise with respect to such Purchased Loan; plus (v) any other amount owed to Buyer hereunder with respect to the Purchased Loan which is due but unpaid; less (vi) all Income on such Purchased Loan received by Buyer during such period; and less (vii) all Price Differential previously paid to Buyer in accordance with Section 3.06(b) hereof.

“Sale Agreement” means the agreement providing for the purchase by an Approved Takeout Investor of Mortgage Loans from Sellers.

“Seller” and “Sellers” are defined in the preamble as set forth above.

“Seller Party” means each Seller, including Affiliates.

“Sellers’ Repurchase Request” means a request executed by Sellers and delivered to Buyer in substantially the form of Exhibit B [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

“Sellers’ Concentration Limit” shall have the meaning set forth on Schedule 4.

“Servicer Files” means, with respect to any Mortgage Loan, all Mortgage Loan papers and documents required to be maintained pursuant to the Sale Agreement and all other papers and records of whatever kind or description, whether developed or originated by Sellers, or others, required to document or service the Mortgage Loan including any other documentation included in the loan documentation package, excluding the Mortgage Documents.

“Settlement Account” means the non-interest bearing demand deposit account established by Sellers with Buyer to be used for (i) the deposit of proceeds from the repurchase of a Purchased Loan, (ii) the deposit of all Income upon and during the continuance of an Event of Default, and (iii) the payment of the Obligations. The Settlement Account shall be pledged to Buyer, and Sellers shall not be entitled to withdraw funds from the Settlement Account.

“Settlement Date” means, with respect to any Purchased Loan, the date of payment of the Takeout Proceeds by an Approved Takeout Investor to Buyer on behalf of Sellers or the date of payment of the Repurchase Price by Sellers to Buyer in connection with Sellers’ repurchase of such Purchased Loan.

“Single Family Dwelling” means residential real property consisting of land and a completed (except in the case of a Construction Loan) one-to-four unit single family dwelling or condominium unit (but not a co-op, or a multi-family dwelling for more than four families) thereon which is fully completed and legally ready for occupancy (except in the case of a Construction Loan).

“State of Organization” shall have the meaning set forth on Schedule 4.

“Sublimit” means the maximum aggregate amount of all Purchase Prices that is permitted to be outstanding at any one time for Purchased Loans in a specific type of Eligible Mortgage Loan, as set forth in Schedule 3 to this Agreement (expressed as a dollar amount or a percentage of Sellers’ Concentration Limit).

“Subordinated Debt” shall have the meaning set forth on Schedule 4.

“Successor Servicer” means an entity designated by Buyer, with notice provided in conformity with Section 8.05, to replace Sellers, as servicer of the Mortgage Loans.

“Takeout Commitment” means a written commitment of an Approved Takeout Investor to purchase any Mortgage Loan or a pool of Mortgage Loans under which such Mortgage Loan(s) will be delivered to such Approved Takeout Investor on terms satisfactory to Buyer, in its reasonable discretion.

“Takeout Commitment Price” means, with respect to any Mortgage Loan, the purchase price the applicable Approved Takeout Investor has agreed to pay for such Mortgage Loan under the related Takeout Commitment.

“Takeout Proceeds” means, with respect to any Purchased Loan, the proceeds received from the sale of the Purchased Loan under the Takeout Commitment.

“Termination Date” means the date on which this Agreement shall be terminated in accordance with the provisions of Section 11.13 hereof.

“Third Party Underwriter” means any third party, including but not limited to a mortgage loan pool insurer, who underwrites a Mortgage Loan prior to the purchase thereof by Buyer.

“Third Party Underwriter’s Certificate” means a certificate issued by a Third Party Underwriter with respect to a Mortgage Loan, certifying that such Mortgage Loan complies with its underwriting requirements.

“Transaction” has the meaning set forth in Article I.

“Transaction Fees” means the amounts specified on Schedule 3, which are due and payable by Sellers to Buyer.

“Transfer Taxes” means any tax, fee or governmental charge payable by Sellers or Buyer to any federal, state or local government attributable to the assignment of a Mortgage Loan.

“Trust Receipt” shall mean a trust receipt issued by Custodian to Buyer confirming the Custodian’s possession of certain Purchased Loan Files which are the property of and held by Custodian for the benefit of the Buyer (or any other holder of such trust receipt) or a bailment arrangement with counsel or other third party acceptable to Buyer in its sole discretion.

“UCC” means the Uniform Commercial Code as in effect in the State of Arizona.

“VA” means the United States Department of Veterans Affairs.

“Wet Sublimit” shall have the meaning set forth on Schedule 4.

Section 2.02 TERMS GENERALLY. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. Unless the context requires otherwise: (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, and (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement. Terms used herein, which are defined in the UCC, unless otherwise defined herein, shall have the meanings determined in accordance with the UCC.

### ARTICLE III.

#### PURCHASE OF MORTGAGE LOANS AND SALE TO APPROVED TAKEOUT INVESTOR

Section 3.01 REQUEST FOR PURCHASE OF MORTGAGE LOANS. Subject to the terms and conditions of this Agreement, a Seller or Sellers may, in its sole and absolute discretion, offer to sell to Buyer, and Buyer may, in its sole and absolute discretion, agree to purchase from Seller or Sellers, one or more Mortgage Loans on the terms and conditions set forth herein, including without limitation, one or more Bridge Loans. Notwithstanding any other provision of this Agreement, Sellers understand that Buyer’s consideration of any such Purchase Request constitutes an independent decision which Buyer retains the sole and absolute discretion to make and that no commitment to make any purchase is hereby given by Buyer. **Sellers acknowledge that Buyer will not consider purchasing a Mortgage Loan on any date if, as of such date: (a) a Default exists, (b) the aggregate outstanding balance of Purchased Loans with original Mortgage Notes not in Buyer’s possession equals or exceeds the Wet Sublimit, (c) any applicable Sublimit hereunder is exceeded, or (d) the aggregate outstanding principal**

**balance of all Purchased Loans which Buyer continues to own on such date equals or exceeds Sellers' Concentration Limit.**

Section 3.02 PROCEDURES FOR PURCHASE OF MORTGAGE LOANS. Sellers may request that Buyer purchase one or more Mortgage Loans by delivering or causing to be delivered to Buyer a Purchase Request and the items listed in Schedule 1 for each such Mortgage Loan no later than the Purchase Request Deadline, and a Custodial Delivery in the form attached as Schedule 5 and the Purchased Loan Documents identified therein. Each Mortgage Loan included in such Purchase Request must be an Eligible Mortgage Loan. Buyer shall notify Sellers whether or not Buyer agrees to purchase any Mortgage Loan included in such Purchase Request on or before Purchase Acceptance Deadline.

Section 3.03 PURCHASE PRICE. If Buyer agrees to purchase a Mortgage Loan described in any Purchase Request, then in consideration of the sale by Sellers to Buyer of such Mortgage Loans and the transfer of the Mortgage Documents relating thereto, Buyer shall, on the Purchase Date, cause the Purchase Price relating to such Mortgage Loan in the form of cash by federal wire transfer (same day) to be paid to the applicable title company. Buyer shall have no obligation to pay the Purchase Price with respect to any Mortgage Loan until the Purchase Price Haircut is or has been paid by Sellers and satisfactory evidence of such payment has been provided to Buyer.

Section 3.04 ASSIGNMENT. Effective upon the payment by Buyer of the Purchase Price with respect to each Mortgage Loan submitted for purchase hereunder, Sellers hereby sell, assign and transfer to Buyer, all of Sellers' right, title and interest in and to the Mortgage Loan identified in the Purchase Request (including the Mortgage Assets relating thereto). The term "Mortgage Assets" means, with respect to each Mortgage Loan, all right, title and interest of Sellers in the following relating to such Mortgage Loan: (i) all Mortgage Documents; (ii) all Monthly Payments received thereon after such Purchase Date and all other right to receive any payment made under the Mortgage Documents; (iii) all insurance policies and insurance proceeds related to any Purchased Loan or the related Mortgaged Property, including without limitation, related title, hazard, or mortgage or other insurance policies and proceeds thereunder; (iv) all escrow and other amounts held by Sellers in connection therewith; (v) the servicing rights, (vi) the Servicer Files, (vii) the real property and improvements securing the Mortgage Loan, including all rights of Sellers as mortgagee with respect to such real property and improvements, (viii) all supporting obligations, including any insurance or guaranty of the Mortgage Loan by FHA, Fannie Mae or other governmental related entity; (ix) the Takeout Commitment for such Mortgage Loan and the Takeout Proceeds payable thereunder; (x) all Income relating thereto, and (xi) all of the following relating to, or arising from or in connection with, such Mortgage Loan: accounts (including interest in escrow accounts) and other payments, rights of payment, contract rights, money, chattel paper, instruments, general intangibles, commercial tort claims, any other property related to the Mortgage Loan, and all products and proceeds of the Mortgage Loan and of any of the other property described in this definition. If a Purchased Loan is registered on the MERS® System, Sellers shall enter the name of Buyer in the "Interim Funder" category of such system with respect to such Purchased Loan.

Section 3.05 NO ASSUMPTION. The foregoing assignment, transfer and conveyance does not constitute and is not intended to result in any assumption by Buyer of any obligation of

Sellers to the Mortgagors, the Approved Takeout Investors, the insurers or any other Person in connection with any Purchased Loan.

Section 3.06 REPURCHASE DATE, PRICE DIFFERENTIAL.

(a) The Repurchase Date for each Purchased Loan shall not be later than the last day of the Repurchase Period which is specified in Schedule 3 for such Purchased Loan (the "Maximum Dwell Date").

(b) Notwithstanding that Buyer and Sellers intend that the Transactions hereunder be sales to Buyer of the Purchased Loans, Sellers shall pay to Buyer the accrued and unpaid Price Differential (less any amount of such Price Differential previously paid by Sellers to Buyer) on the first (1<sup>st</sup>) day of each month, commencing with the first month following the date of this Agreement, and continuing on the first (1<sup>st</sup>) day of each succeeding month thereafter until this Agreement has been terminated and the entire unpaid Repurchase Prices have been paid to Buyer, in full.

Section 3.07 NON-UTILIZATION FEE. On a quarterly basis and on the Termination Date, Buyer shall determine the average aggregate Purchase Prices outstanding during the preceding calendar quarter (or with respect to the Termination Date, during the period from the date through which the last calculation has been made to the Termination Date) (the "Actual Utilization Amount") by dividing (a) the sum of the aggregate Purchase Prices outstanding on each day during such period, by (b) the number of days in such period. If the Actual Utilization Amount for any such period is less than the Minimum Utilization Amount, Sellers shall pay to Buyer on such date, a Non-Utilization Fee for such period. If the utilization in any period is greater than or equal to the Minimum Utilization Amount, Buyer shall not be paid a Non-Utilization Fee for that period. All payments shall be made to Buyer in Dollars, in immediately available funds, without deduction, setoff or counterclaim.

Section 3.08 SECURITY INTEREST. Although the parties intend that all Transactions hereunder be sales and purchases (other than for accounting and tax purposes) and not loans, in the event any such Transactions are deemed to be loans, Sellers hereby pledge to Buyer as security for the performance by Sellers of their Obligations, together with any other obligations of Sellers to Buyer (other than the Transactions made hereunder) whether now or hereafter arising, and hereby grants, assigns and pledges to Buyer a first-priority security interest in the Purchased Loans, the servicing records and any other property relating to any Purchased Loan or the related Mortgage Assets, the Operating Account, the Settlement Account, and in all instances, including, but not limited to, any products or proceeds of any of the foregoing, whether now owned or hereafter acquired, now existing or hereafter created (collectively, the "Repurchase Assets").

ARTICLE IV.

REPURCHASES

Section 4.01 REPURCHASE IN GENERAL. Sellers unconditionally and irrevocably agree to repurchase from Buyer each Purchased Loan on or before the Repurchase Date therefore by payment of the Repurchase Price in the form of cash by federal wire transfer (same day) funds

to Buyer. If the proposed Repurchase Date is before both the Maximum Dwell Date or the Termination Date, then (i) Sellers shall submit a Sellers' Repurchase Request not less than one (1) Business Day prior to the date on which Sellers wish to consummate the repurchase and (ii) the date designated in Sellers' Repurchase Request shall be the "Repurchase Date" with respect to each Purchased Loan identified therein. Each repurchase by Sellers shall be on a whole-loan, servicing-released basis without recourse, representation or warranty of Buyer, at the Repurchase Price.

Section 4.02 IMMEDIATE REPURCHASE. Sellers unconditionally and irrevocably agrees to repurchase from Buyer each Purchased Loan immediately, if:

(a) Buyer identifies any evidence of fraud or material misrepresentation in the origination, creation or underwriting of a Purchased Loan by Sellers or the sale of the Purchased Loan to Buyer; or

(b) Buyer is unable to sell the Purchased Loan to the Approved Takeout Investor who has issued the Takeout Commitment for any reason; or

(c) the Purchased Loan is not an Eligible Mortgage Loan; or

(d) any of Sellers' representations or warranties set forth herein applicable to the Purchased Loan are determined by Buyer to be untrue in any material respect as of the Purchase Date for the Purchased Loan, then Buyer may require Sellers to repurchase the affected Purchased Loan by the delivery to Sellers of a Buyer's Repurchase Request. Sellers unconditionally and irrevocably agree to repurchase each such Purchased Loan identified on a Buyer's Repurchase Request three (3) Business Days after Sellers' receipt of Buyer's Repurchase Request by the payment of the Repurchase Price on such day in the form of cash by federal wire transfer (same day) funds to Buyer. Such repurchase shall be on a whole-loan, servicing-released basis without recourse, representation or warranty of Buyer, at the Repurchase Price.

Section 4.03 RE-ASSIGNMENT. Effective on the date of payment by Sellers to Buyer of the Repurchase Price for a Purchased Loan, Buyer hereby sells, assigns and transfers to Sellers, all of Sellers' right, title and interest in and to the Purchased Loan identified in the applicable repurchase request (including the Mortgage Assets relating thereto). The assignment by Buyer under this Section 4.03 is without recourse, representation or warranty to Buyer; provided that Buyer represents that the Purchased Loan is free of any Lien created by, through or under Buyer and Buyer has not transferred the Purchased Loan to any other Person.

Section 4.04 NOTE SHIPMENT TO APPROVED TAKEOUT INVESTORS. Provided that no Default or Event of Default exists, if Sellers desire that Buyer send a Mortgage Note to facilitate the sale of the Purchased Loans to the applicable Approved Takeout Investor under the applicable Takeout Commitment, rather than to Sellers directly in connection with its repurchase of the related Purchased Loans, then Sellers shall prepare and send to Buyer shipping instructions to instruct Buyer when and how to send such Mortgage Note to such Approved Takeout Investor. If shipping instructions are received by Buyer before 2:00 p.m. (Phoenix, Arizona Time) of any Business Day, Buyer will ship such Mortgage Note under a Bailee letter in form and substance reasonably satisfactory to Buyer (the "Bailee Letter") to the applicable Approved Takeout Investor



on the same Business Day, otherwise Buyer will ship the documents the next Business Day following receipt of shipping instructions. Under the Bailee Letter delivered thereunder, Takeout Proceeds for each Purchased Loan are required to be sent to Buyer. Buyer shall deduct the Repurchase Price for each Purchased Loan from the Takeout Proceeds. If the Takeout Proceeds of any such sale of such Purchased Loans are insufficient to cover the aggregate Repurchase Prices for such Purchased Loans, Sellers will pay to Buyer the amount of any such deficiency on the Settlement Date in the form of cash by federal wire transfer (same day) funds to Buyer. If the Takeout Proceeds of any such sale of such Purchased Loans are greater than the sum of the aggregate Repurchase Prices for such Purchased Loans (the positive difference herein referred to as the "Remaining Proceeds"), Buyer shall pay to Sellers, as additional consideration for Sellers' sale of such Purchased Loans to Buyer and to compensate Sellers for the servicing obligations under this Article VIII, the Remaining Proceeds within one (1) Business Day of the Settlement Date.

## ARTICLE V.

### CONDITIONS PRECEDENT

Section 5.01 INITIAL PURCHASE. Buyer's obligation to enter into the initial Transaction hereunder, is subject to the satisfaction, immediately prior to or concurrently with the making of such Transaction, of the condition precedent that Buyer shall have received from Sellers any fees and expenses then due and payable hereunder, and all of the following documents, each of which shall be satisfactory to Buyer in form and substance:

(a) Documents. The Repurchase Documents (including, but not limited to, this Agreement, the Custodial Agreement, the MERS Agreement, the Power of Attorney and the Compliance Certificate) shall be duly executed, issued and/or delivered by the parties thereto and delivered to Buyer.

(b) Authorization. Buyer shall have received such documents and certificates as Buyer or its counsel may reasonably request relating to the organization, existence and good standing of each Seller Party, the authorization of the transactions contemplated by the Repurchase Documents and any other legal matters relating to Seller Parties, the Repurchase Documents or the transactions contemplated thereby, all in form and substance satisfactory to Buyer and its counsel.

(c) Fees and Expenses. Buyer shall have received all fees and other amounts due and payable on or prior to the date hereof, including, to the extent invoiced, reimbursement or payment of all out of pocket expenses (including fees, charges and disbursements of counsel) required to be reimbursed or paid by Sellers under the Repurchase Documents.

(d) UCC Matters. Buyer shall have received: (i) the results of a search of the Uniform Commercial Code (or equivalent) filings made with respect to Sellers in the jurisdiction in which Sellers are organized and copies of the financing statements (or similar documents) disclosed by such search and evidence reasonably satisfactory to Buyer that any Liens reflected thereon encumbering any of the Purchased Loans or other property sold to Buyer hereunder have been released; and (ii) all documents and instruments, including Uniform Commercial Code

financing statements, required by law or reasonably requested by Buyer to be filed, registered or recorded to create or perfect the Liens intended to be created under this Agreement and to otherwise protect or perfect Buyer's interests in the Purchased Loans.

(e) Insurance. Sellers shall have delivered to Buyer evidence that Sellers have added Buyer as an additional loss payee under Sellers' Fidelity Insurance and copies thereof.

(f) Other Documents. Sellers shall have delivered to Buyer such other documents as Buyer may reasonably request.

Section 5.02 CONDITIONS TO ALL PURCHASES. All purchases of Mortgage Loans by Buyer are subject to the satisfaction of the following conditions:

(a) No Default. No Default or Event of Default shall have occurred and be continuing under the Repurchase Documents;

(b) Representations and Warranties True. Both immediately prior to the Transaction and also after giving effect thereto the representations and warranties made by Sellers in Sections 6.01 and 6.02 hereof, shall be true, correct and complete on and as of such Purchase Date in all respects with the same force and effect as if made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific earlier date, as of such specific earlier date).

(c) Files Marked; Files and Records Owned by Buyer. Sellers shall, at their own expense, on or prior to each Purchase Date, indicate in their files that the Mortgage Loans sold to Buyer on such Purchase Date have been sold, assigned and transferred to Buyer pursuant to this Agreement. Further, Sellers hereby agree that the computer files and other physical records of the Mortgage Loans maintained by Sellers will bear an indication reflecting that the Mortgage Loans have been sold, assigned and transferred to Buyer pursuant to this Agreement.

(d) Purchase Decision. Buyer shall have determined in its sole discretion to purchase the Mortgage Loan hereunder.

(e) Other Documents. Sellers shall have delivered to Buyer such other documents as Buyer may reasonably request.

Each Purchase Request shall be deemed to constitute a representation and warranty by Sellers on the date thereof as to the matters specified in paragraphs (a) and (b) of this Section.

## ARTICLE VI.

### REPRESENTATIONS AND WARRANTIES OF SELLERS

Section 6.01 GENERAL REPRESENTATIONS AND WARRANTIES OF SELLERS. Sellers hereby represent and warrant that, as of the date hereof and as of each Purchase Date

(except for the representations and warranties contained in Sections 6.01(c) through (h), which shall be true and correct at all times):

( a ) Organization and Authority. Sellers are duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted, and is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required. Sellers are not operating under any type of agreement or order (including, without limitation, a supervisory agreement, memorandum of understanding, cease and desist order, capital or supervisory directive, or consent decree) with or by the Consumer Financial Protection Bureau or any other applicable regulatory authority, and Sellers are in compliance with any and all capital, leverage and other financial requirements imposed by any applicable regulatory authority. Sellers have obtained all licenses and effected all registrations required under all applicable local, state and federal laws, regulations and orders by virtue of any of the activities conducted, or property owned, by it.

( b ) Authority. Sellers have all requisite power and authority to execute and deliver the Repurchase Documents, to perform in accordance with each of the terms thereof, and to enter into and consummate all transactions contemplated by the Repurchase Documents. Sellers have duly executed and delivered the Repurchase Documents.

( c ) No Conflicts. Neither the execution and delivery of any of the Repurchase Documents, the acquisition and/or making of each Mortgage Loan by Sellers, the sale of each Mortgage Loan to Buyer, the consummation of the other transactions contemplated by the Repurchase Documents nor any other fulfillment of or compliance with the terms and conditions of any Repurchase Document will conflict with or result in a breach or violation of: (i) any of the terms, conditions or provisions of any of the Sellers' organizational documents, (ii) any law, rule, regulation, order, judgment or decree to which Sellers or any of its property is subject; or (iii) any agreement or instrument to which Sellers are now a party or by which it is bound (including, without limitation, any Takeout Commitment or Sale Agreement).

( d ) No Consent Required. No consent, approval, authorization, order or review by or on behalf of any Person, court, authority or agency, governmental or otherwise, is required for the execution and performance by Sellers, or compliance by Sellers with, any Repurchase Document.

( e ) No Litigation Pending. There is no action, suit, proceeding, inquiry, review, audit or investigation pending or threatened against Sellers or Seller Parties: (i) that could reasonably be expected to have any Material Adverse Effect; (ii) which would draw into question the validity of any Mortgage Loan or enforceability of any Mortgage Documents; or (iii) which would be likely to materially impair the ability of Sellers to perform their Obligations under any Repurchase Document.

( f ) Compliance with Laws and Agreements. Sellers are in material compliance with all laws, regulations and orders of any governmental authority applicable to it or its property and all indentures, agreements and other instruments (including, without limitation, each Sale Agreement and each Takeout Commitment) binding upon it or its property.

(g) Disclosure. No reports, financial statements, certificates or other information furnished by or on behalf of any Seller Party to Buyer in connection with this Agreement or any other Repurchase Document or delivered hereunder or thereunder contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Each copy of a federal income tax return delivered to Buyer pursuant to this Agreement, whether or not it bears the manual signature(s) of the applicable tax filer(s) or tax preparer(s), is a true, correct, complete and exact copy of the federal income tax return that was duly and properly filed by or on behalf of the applicable Seller Party for the applicable tax year.

(h) Name; Locations; Organizational Identification Numbers. Sellers' exact legal name is set forth in the preamble of this Agreement and Sellers do not do business under any other names. Sellers are the type of entity specified in the preamble of this Agreement and is organized under the laws of its State of Organization. Within the last four completed calendar months prior to the date hereof, Sellers have not had any other chief executive office or jurisdiction of organization. Sellers are each a registered organization and the organizational identification number issued by the applicable State of Organization and federal employee tax identification number provided to Buyer with respect to each of the Sellers are accurate and correct.

Section 6.02 REPRESENTATIONS AND WARRANTIES OF SELLERS REGARDING EACH MORTGAGE LOAN. Sellers hereby represent and warrant as to each Mortgage Loan sold hereunder, that:

(a) Title and Encumbrances. Sellers have good title to, and are the sole owners of, the Mortgage Loan. The sale and assignment of the Mortgage Loan contemplated by this Agreement validly transfers the Mortgage Loan to Buyer free and clear of any Lien or any other encumbrance.

(b) Underwriting, Origination and Servicing. Except as expressly otherwise permitted in Schedule 3, the Mortgagor has a credit score of at least [\*\*\*], issued by an institution acceptable to Buyer and the Mortgage Loan otherwise complies with the Investor Requirements. The Mortgage Loan has been underwritten, originated and serviced in compliance with: (i) all of the Investor Requirements (including, without limitation, those of Fannie Mae, GNMA or Freddie Mac), (ii) Sellers' underwriting standards and procedures; and (iii) all other applicable law, rules, regulations and guidelines. The underwriting, origination and servicing of the Mortgage Loan has been in all respects legal, proper, prudent and customary, and has conformed to customary standards of the residential mortgage origination and servicing business. Without limiting the generality of the foregoing, all federal and state laws, rules and regulations applicable to the Mortgage Loan have been complied with (including, without limitation, the following: the Real Estate Settlement Procedures Act; the Flood Disaster Protection Act; the Federal Consumer Credit Protection Act, the Truth-in-Lending and Equal Credit Opportunity Acts, statutes, rules or regulations governing fraud, lack of consideration, unconscionability, consumer credit transactions and interest charges) and all consumer disclosures have been properly and timely given to Mortgagor and any guarantor.

(c) Proper Licensing and Qualification. All parties which have had any interest in the Mortgage Documents, whether as mortgagee, assignee, pledgee or otherwise, are (or, during

the period in which they held and disposed of such interest, were): (i) in compliance with any and all applicable licensing requirements of the laws of the state wherein the Mortgaged Property is located, and (ii) organized under the laws of such state, or qualified to do business in such state, or a federal savings and loan association or national bank having its principal offices in such state, or not doing business in such state so as to require qualification as a foreign entity in order to use the courts of such state to enforce the Mortgage Documents.

(d) TPO Mortgage Loans. If the Mortgage Loan was completely or partially originated and/or packaged by any Person other than Sellers (each such third-party originated mortgage loan, a “TPO Mortgage Loan”): (i) each Mortgage Note evidencing the TPO Mortgage Loan is endorsed in blank or endorsed to Sellers; (ii) Sellers have implemented, and the TPO Mortgage Loan was subject to, prudent third-party origination risk management procedures which identify potential deficiencies in TPO Mortgage Loans including, but not limited to, misrepresentations of borrower income and assets and inaccuracies in appraisal reports; (iii) each entity that participated in the origination of the TPO Mortgage Loan (each a “TPO”) was duly organized, validly existing and in good standing under the laws of such TPO’s state of organization and had all licenses, registrations and certifications in all applicable jurisdictions and such licenses, registrations and certifications were in full force and effect at such times; (iv) each TPO complied with all applicable agreements, contracts, laws and regulations with respect to, and the violation of which might adversely affect, the TPO Mortgage Loan or result in any cost or liability to Buyer; and (v) the TPO and the TPO Mortgage Loan comply with all applicable Approved Takeout Investor and Takeout Commitment requirements for third party originated mortgage loans.

(e) No Defenses to Sale. The sale of the Mortgage Loan is not subject to any right of rescission, set-off, counterclaim or defense, including the defense of usury, nor will the operation of any of the terms of this Agreement, or the exercise of any right hereunder, render the sale unenforceable, in whole or in part, or subject to any right of rescission, set off, counterclaim or defense, and no such right of rescission, set off, counterclaim or defense has been asserted with respect thereto.

(f) Terms of Mortgage Documents. Each Mortgage Document contains customary and enforceable provisions which render the rights and remedies of the holder adequate to the benefits of the security against the Mortgaged Property, including: (i) in the case of a Mortgage Document designed as a deed of trust, by trustee’s sale, (ii) by summary foreclosure, if available under applicable law, and (iii) otherwise by foreclosure, and there are no homestead or other exemptions of dower, courtesy or other rights or interests available to the Mortgagor or the Mortgagor’s spouse, survivors or estate, or any other Person that would, or could, interfere with such right to sell at a trustee’s sale or right to foreclose, except for those arising by operation of law. To the extent necessary to protect the interests of the holder of the Mortgage Note and the Mortgage Documents, both spouses are signatories on, and jointly and severally liable under, the Mortgage Note and the Mortgage Documents.

(g) Enforceability. The Mortgage Loan is a binding and valid obligation of the Mortgagor thereon, in full force and effect and enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization or other similar terms affecting creditor’s rights in general and by general principles of equity. The Mortgage Loan is

genuine in all respects as appearing on its face and as represented in the books and records of Sellers, and all information set forth in the Mortgage Documents is true and correct.

(h) No Default under or Defenses to the Mortgage Loan. The Mortgage Loan is free of any default of any party thereto (including Sellers), counterclaims, offsets and defenses, including the defense of usury, and not subject to any right of rescission, cancellation or avoidance, and all right thereof, whether by operation of law or otherwise. The Mortgagor is not in bankruptcy, no lawsuit or other proceeding has been filed against the Mortgagor with respect to the Mortgage Loan and the Mortgage Loan is not subject to any foreclosure or similar proceeding.

(i) Entire Agreement. Where required, the Mortgage Documents have been prepared by a licensed attorney and have not been modified or amended in any respect not expressed in writing therein and the Mortgage Loan is free of any concessions or understandings with the Mortgagor thereon of any kind not expressed in writing in the Mortgage Documents. Without limiting the generality of the forgoing, Sellers have not made arrangements with the Mortgagor for any payment forbearance or future refinancing with respect to the Mortgage Loan except to the extent provided in the related Mortgage Documents.

(j) Takeout Commitment. Except for Bridge Loans, an Approved Takeout Investor has committed to purchase the Mortgage Loan pursuant to a Takeout Commitment for an amount which will not be less than the Repurchase Price which is in full force and effect and is valid binding and enforceable except as enforceability may be limited by bankruptcy, insolvency, reorganization or other similar terms affecting creditor's rights in general and by general principles of equity. The Mortgage Loan may be sold to the Approved Takeout Investor under the Takeout Commitment after its purchase by Buyer hereunder.

(k) Status of Payments. All advance payments and other deposits on the Mortgage Loan have been paid in cash, and no part of said sums has been loaned, directly or indirectly, by Sellers to the Mortgagor, and there have been no prepayments.

(l) Maturity and Interest Rate. Except for Bridge Loans, the Mortgage Loan matures no later than thirty (30) years after the Purchase Date, the principal amount of the Mortgage Loan will amortize over the term of the Mortgage Loan and is repayable in equal monthly installments of principal and interest.

(m) Appraisal. The appraisal made with respect to the Mortgaged Property was made by an appraiser who is licensed or certified as appropriate under applicable state law and meets the minimum qualifications for appraisers required by Buyer and the Investor Requirements.

(n) Collateral. The Mortgage Loan is secured by a first lien (or a second priority lien in the case of a Piggy-Back Second Mortgage) (or a first or second priority lien in the case of a Bridge Loan) on Mortgaged Property consisting of a Single Family Dwelling which is not used for commercial purposes and which is not under construction or other renovation. There are no delinquent taxes, insurance premiums, water, sewer and municipal charges, governmental assessments or any other outstanding charges affecting the Mortgaged Property. The Mortgaged Property is free of any material damage and in good repair, is free from toxic materials (other than consumer cleaning products, pesticides, fertilizers, paint, or other similar products typically used

by consumers and homeowners as permitted by applicable law) or other environmental hazards, no notice of condemnation has been given with respect to the Mortgaged Property and the Mortgaged Property is in compliance with local, state or federal laws or regulations designed to protect the health and safety of the occupants of the Mortgaged Property. All improvements included for the purpose of determining the appraised value of the Mortgaged Property lie wholly within the boundaries, the building restriction lines and the setback lines of the Mortgaged Property, and no improvements or structures of any kind on adjoining properties encroach upon the Mortgaged Property. If the Mortgage is a deed of trust, a trustee duly qualified under applicable law to serve as such is properly named, designated and serving. Except in connection with a trustee's sale after default by the Mortgagor, no fees or expenses are or will become payable by Sellers or Buyer to the trustee under any such deed of trust.

( o ) Closing: Future Purchases. The Mortgage Loan has been closed less than seven (7) calendar days prior to the Purchase Date of such Mortgage Loan in accordance with this Agreement and, except in the case of a Construction Loan, there is no requirement for future advances thereunder.

( p ) Title Policy. Except for Bridge Loans, a commitment or policy for title insurance, in the form and amount required by the Sale Agreement, Takeout Commitment and the other Investor Requirements is in effect as of the closing of the Mortgage Loan, is valid and binding, and remains in full force and effect. No claims have been made under such title insurance policy and no holder of the related mortgage, including Sellers, has done or omitted to do anything which would impair the coverage of such title insurance policy. As to each Mortgage Loan secured by a Mortgaged Property located in Iowa, and if an American Land Title Association (ALTA) policy of title insurance has not been provided, an attorney's certificate, in the form and amount required by this Agreement, duly delivered and effective as of the closing of each such Mortgage Loan, is valid and binding, and remains in full force and effect.

( q ) Mortgage Insurance. Except for Bridge Loans, if required by the Sale Agreement, the Takeout Commitment, or any other Investor Requirements, primary mortgage insurance has been obtained, the premium has been paid, and the mortgage insurance coverage is in full force and effect meeting the requirements of the Investor Requirements.

( r ) Casualty and Flood Insurance. The Mortgaged Property covered by the Mortgage Loan is insured against loss or damage by fire and all other hazards normally included within standard extended coverage in accordance with the provisions of the Mortgage Loan with Sellers named as a loss payee thereon. The improvements upon the Mortgaged Property are insured against flood if required under the National Flood Insurance Act of 1968, as amended. The Mortgage Documents require the Mortgagor to maintain such casualty and if applicable, flood insurance at the Mortgagor's cost and expense, and on the Mortgagor's failure to do so, authorizes the holder of the Mortgage Documents to obtain and maintain such insurance at the Mortgagor's cost and expense and to seek reimbursement therefore from the Mortgagor.

( s ) Third Party Guaranty or Insurance. Except for Bridge Loans, if the Mortgage Loan is insured or guaranteed by FHA, Fannie Mae, GNMA, or some other governmental related entity, such insurance or guaranty is in full force and effect and no action

has been taken or failed to be taken which has resulted or will result in an exclusion from, denial of, or defense to, coverage under any such insurance or guarantee.

(t) MERS. If the Mortgage Loan is registered on the MERS(R) System, Sellers have entered the name of Buyer in the "Interim Funder" category of such system with respect to such Mortgage Loan.

(u) Third Parties in Possession. No third party Person other than the Custodian, applicable title company or the applicable County Recorder's Office has possession of any of the Mortgage Documents.

( v ) Bridge Loans. Each Bridge Loan matures no later than one (1) year after the Purchase Date, the principal amount of the Bridge Loan is due in full on or before the end of the term of the Bridge Loan, and interest accrues on the Bridge Loan on a monthly basis.

## ARTICLE VII.

### COVENANTS OF SELLERS

Sellers further covenant and agree with Buyer as follows:

Section 7.01 FURTHER ASSURANCES. Sellers will, at its expense as from time to time reasonably requested by Buyer, promptly execute and deliver all further instruments, agreements, filings and registrations, and take all further action, in order to confirm and validate this Agreement and Buyer's rights and remedies hereunder, or to otherwise give Buyer the full benefits of the rights and remedies described in or granted under this Agreement and the other Repurchase Documents. Sellers hereby authorize Buyer to file such UCC financing statements as Buyer may deem necessary naming Sellers as debtors and describing the sale of Purchased Loans hereunder.

Section 7.02 NAME CHANGE. At least ten (10) Business Days prior to making any change in their name, identity, jurisdiction of organization or organizational structure which would make any financing statement or continuation statement filed in accordance with this Agreement seriously misleading, Sellers shall give Buyer written notice thereof. Upon receipt of such notice, Buyer is authorized to file such UCC financing statements or amendments to existing UCC financing statements as Buyer may deem necessary in connection with any such change.

Section 7.03 TRANSFER TAXES. In the event that Buyer receives actual notice of any Transfer Taxes arising out of the transfer, assignment and conveyance of the Mortgage Loans on written demand by Buyer or upon Sellers' otherwise being given notice thereof by Buyer, Sellers shall pay, indemnify, and hold harmless Buyer for, from and against, on an after-tax basis, any and all such Transfer Taxes (it being understood that Buyer shall have no obligation to pay such Transfer Taxes).



Section 7.04 FINANCIAL STATEMENTS AND REPORTS. Sellers shall furnish to Buyer, in form and detail reasonably satisfactory to Buyer, the financial statements and reports set forth on Schedule 4.

Section 7.05 NOTICES OF MATERIAL EVENTS. Sellers will furnish to Buyer prompt written notice of the following:

- (a) the occurrence of any default or any event of default under any Mortgage Loan;
- (b) the discovery that Sellers' representations and warranties applicable to any Mortgage Loan are untrue in any respect;
- (c) the filing or commencement of any action, suit or proceeding by or before any arbitrator or governmental authority against or affecting any Seller or any Mortgage Loan; and
- (d) any other development that results in, or could reasonably be expected to result in, a material adverse effect on any Purchased Loan or the ability of any Seller to fulfill its obligations hereunder.

Each notice delivered under this Section shall be accompanied by a statement of a financial officer or other executive officer of Seller setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 7.06 INSURANCE AND GUARANTEES. Sellers will cooperate fully and in a timely manner with Buyer in connection with: (i) the filing of any claims with an insurer or guarantor or any agent of any insurer or guarantor under any insurance policy or guaranty affecting a Mortgagor or any of the Mortgaged Property; (ii) supplying any additional information as may be requested by Buyer or any such agent or insurer in connection with the processing of any such claim; and (iii) the sale of any Mortgage Loan under a Takeout Commitment. Sellers shall take all such actions as may be reasonably requested by Buyer to protect the rights of Buyer in and to any proceeds under any and all of the foregoing insurance policies and Takeout Commitments. Seller shall not take or cause to be taken any action which would impair the rights of Buyer in and to any proceeds under any of the foregoing insurance policies or Takeout Commitments.

Section 7.07 BOOKS AND RECORDS; INSPECTION AND AUDIT RIGHTS. Sellers will keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities, including Sellers' underwriting of each Mortgagor, Sellers' servicing of the Purchased Loans and the other transaction contemplated by the Repurchase Documents. Sellers will permit any representatives designated by Buyer (including Buyer's auditors and governmental examiners), upon reasonable prior notice, to visit, inspect and audit its books and records, and to discuss the transactions contemplated by any Repurchase Documents with its officers and employees, all at such reasonable times and as often as reasonably requested.

Section 7.08 COMPLIANCE WITH LAWS AND AGREEMENTS. Sellers will comply with: (a) all laws, rules, regulations and orders of any governmental authority applicable to it or its property; (b) each Sale Agreement, each Takeout Commitment and all other requirements of

all Approved Takeout Investors who have committed to purchase Mortgage Loans purchased by Buyer hereunder; and (c) all other agreements binding upon it or its property.

Section 7.09 LIENS. Sellers will not create, incur, assume or permit to exist any Lien on any Mortgage Loan or any Mortgaged Property except as contemplated by this Agreement.

Section 7.10 EXISTENCE; CONDUCT OF BUSINESS. Sellers will do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges, franchises, patents, copyrights, trademarks and trade names material to the conduct of its business.

Section 7.11 FINANCIAL COVENANTS. Sellers covenant and agree that, until the satisfaction and payment in full of all of the Obligations of Sellers to Buyer, Sellers will comply with each of the financial covenants set forth on Schedule 4.

## ARTICLE VIII.

### SERVICING OF THE MORTGAGE LOANS

Section 8.01 SERVICING. Upon payment of the Purchase Price for a Purchased Loan, Buyer shall own each Purchased Loan, all rights to service such Purchased Loan, all Servicer Files and Mortgage Documents for such Purchased Loan and all derivative information created by Sellers or other third party used or useful in servicing such Purchased Loan. As a condition of purchasing a Mortgage Loan, Buyer may require Sellers to service such Mortgage Loan as subservicer for Buyer for a term of thirty (30) days, which is renewable as provided in Section 8.05 below. Sellers (or a sub-servicer approved by Buyer) shall service and administer such Purchased Loan on behalf of Buyer in accordance with prudent Mortgage Loan servicing standards and procedures generally accepted by prudent buyers in the mortgage banking industry and in accordance with the Investor Requirements, provided that Sellers shall at all times comply with the Investor Requirements, applicable law, the terms of the related Mortgage Documents and the requirements of any applicable insurer or guarantor. At the request and in accordance with the directions of Buyer, Sellers shall deliver to Buyer copies of any Servicer Files in its possession within three (3) Business Days of such request by Buyer.

Section 8.02 PAYMENTS ON PURCHASED LOANS. Sellers shall endeavor to collect or cause to be collected, as and when due, any and all amounts owing under each Purchased Loan. Collections received in respect of the Purchased Loans shall be deposited into the Settlement Account and held in trust for the Buyer as the owner of such amounts until the Settlement Date.

Section 8.03 SALE OF PURCHASED LOANS TO APPROVED TAKEOUT INVESTORS. To facilitate the sale of the Purchased Loans to the applicable Approved Takeout Investor under the applicable Takeout Commitment, but subject to the provisions of Section 4.04 hereof, Buyer hereby appoints Sellers as its agent and authorizes Sellers to take only such actions on its behalf as are necessary to sell each Purchased Loan to the applicable Approved Takeout Investor under the related Takeout Commitment. Sellers agree to take such action as is necessary to sell each Purchased Loan under the applicable Takeout Commitment to the applicable Approved Takeout Investor in Seller's own name. Subject to the provisions of Section 4.04 hereof, Sellers

agrees to execute any and all further documents, agreements and instruments, and take all such further actions, which may be required under the Investor Requirements, or which Buyer may reasonably request, to effectuate the sale of each Purchased Loan to the applicable Approved Takeout Investor all at its own expense.

Section 8.04 MODIFICATIONS. Except for Bridge Loans, without the prior written consent of Buyer, Sellers shall not: (a) agree to any compromise, settlement, amendment or other modification of any of the Mortgage Documents for any Purchased Loan; (b) release, in whole or in part, any Mortgagor or other Person liable for payment on any Purchased Loan; or (c) release any Lien, guaranty or other supporting obligation securing any Purchased Loan. With respect to each Bridge Loan, Sellers may modify the Mortgage Documents one (1) time solely for the purpose of extending the maturity date of the Mortgage Loan for a maximum of six (6) months.

Section 8.05 TERMINATION OF INTERIM SERVICING RIGHTS. Sellers' rights and obligations to service each Purchased Loan as provided in this Agreement, shall terminate on the earlier of the related Settlement Date or the date which is [\*\*\*] following written notice by Buyer to Sellers. If any Default occurs at any time, Sellers' rights and obligations to service the Purchased Loan(s), as provided in this Agreement, shall at Buyer's election, terminate immediately upon notice or action by Buyer. Upon any such termination, Buyer is hereby authorized and empowered to sell and transfer such rights to service the Purchased Loan(s) for such price and on such terms and conditions as Buyer shall reasonably determine, and Sellers shall have no right to attempt to sell or transfer such rights to service. Sellers shall perform all acts and take all actions so that the Purchased Loan(s) and all files and documents relating to such Purchased Loan(s) held by Sellers, together with all escrow amounts relating to such Purchased Loan(s), are delivered to the Successor Servicer or as Buyer shall otherwise direct. To the extent that the approval of any Third Party Underwriter or any other insurer or guarantor is required for any such sale or transfer, Sellers shall fully cooperate with Buyer to obtain such approval. All amounts paid by the purchaser of such rights to service the Purchased Loan(s) shall be the property of Buyer.

Section 8.06 TRANSFER TO SUCCESSOR SERVICER. Each Purchased Loan delivered to Buyer hereunder shall be delivered on a servicing released basis free of any servicing rights in favor of Sellers and free of any title, interest, lien, encumbrance or claim of any kind of Sellers and Sellers hereby waive their right to assert any interest, lien, encumbrance or claim of any kind. Upon transfer of such servicing rights to any Successor Servicer, Sellers shall deliver or cause to be delivered all files and documents relating to each Purchased Loan held by Sellers to Successor Servicer or as Buyer shall otherwise direct. Sellers shall promptly take such actions and furnish to Buyer such documents that Buyer deems necessary or appropriate to enable Buyer to cure any defect in each such Purchased Loan or to enforce such Purchased Loans, as appropriate.

Section 8.07 SERVICING RELEASED. For the avoidance of doubt, Sellers retain no economic rights to the servicing of the Purchased Loans provided that Sellers shall continue to service the Purchased Loans hereunder as part of its Obligations hereunder. As such, Sellers expressly acknowledge that the Purchased Loan are sold to Buyer on a "servicing released" basis.

ARTICLE IX.

EVENTS OF DEFAULT

If any of the following events (each an “Event of Default”) occur, Buyer, shall have the rights set forth in Article 10, as applicable:

Section 9.01 PAYMENT FAILURE. Sellers shall default in the payment (a) of any Price Differential, Purchase Price Haircut or Repurchase Price, or of any other sum which has become due and payable under the terms hereof, for a period of [\*\*\*] or greater, or (b) on the Termination Date of the aggregate Repurchase Price for all Purchased Loans.

Section 9.02 BREACH OF COVENANTS. Sellers shall fail to observe or perform any term, covenant or agreement contained in this Agreement or any other Repurchase Document), and such failure to observe or perform shall continue un-remedied for a period of [\*\*\*]; or

Section 9.03 REPRESENTATION AND WARRANTY BREACH. Any representation or warranty made by Sellers in connection with this Agreement or contained herein is inaccurate or incomplete in any material respect on or as of the date made or hereafter becomes untrue.

Section 9.04 JUDGMENTS. A judgment or judgments for the payment of money in excess of [\*\*\*] in the aggregate shall be rendered against any Seller Party or any of its Affiliates by one or more courts, administrative tribunals or other bodies having jurisdiction and the same shall not be satisfied, discharged (or provision shall not be made for such discharge) or bonded, or a stay of execution thereof shall not be procured, within [\*\*\*] from the date of entry thereof, and such Seller Party shall not, within said period of [\*\*\*], or such longer period during which execution of the same shall have been stayed or bonded, appeal therefrom and cause the execution thereof to be stayed during such appeal.

Section 9.05 EVENT OF INSOLVENCY. An Event of Insolvency shall have occurred with respect to a Seller Party or any Affiliate.

Section 9.06 ENFORCEABILITY. For any reason, this Agreement at any time shall not be in full force and effect in all material respects or shall not be enforceable in all material respects in accordance with its terms, or any Lien granted pursuant thereto shall fail to be perfected and of first priority, or any party thereto (other than Buyer) shall contest the validity, enforceability, perfection or priority of any Lien granted pursuant thereto, or any party thereto (other than Buyer) shall seek to disaffirm, terminate, limit or reduce its obligations hereunder.

Section 9.07 LIENS. Sellers shall grant, or suffer to exist, any Lien on any Repurchase Asset (except any Lien in favor of Buyer); or at least one of the following fails to be true (A) the Mortgage Assets shall have been sold to Buyer, or (B) the Liens contemplated hereby are first-priority, perfected Liens on any Mortgage Assets in favor of Buyer or shall be Liens in favor of any Person other than Buyer.

Section 9.08 MATERIAL ADVERSE EFFECT. Buyer shall have determined that a Material Adverse Effect has occurred.

Section 9.09 CHANGE OF CONTROL. A Change of Control of any Seller Party shall have occurred without Buyer's prior written consent.

Section 9.10 CESSATION OF BUSINESS. Sellers shall terminate their existence or suspend or discontinue their business.

Section 9.11 BUSINESS CONDITION. A change occurs, or is reasonably likely to occur, in the business condition (financial or otherwise), operations, properties or prospects of Sellers, or the ability of Sellers to pay amounts owed to Buyer under the Repurchase Documents which could reasonably be expected to have a Material Adverse Effect.

Section 9.12 OTHER DEBT. Sellers shall default in the due and punctual payment of the principal of or the interest, on any debt (other than the Transactions made hereunder) with Buyer, secured or unsecured, or in the due performance or observance of any covenant or condition of any agreement executed in connection therewith, and such default shall have continued beyond any period of grace or cure provided with respect thereto. Sellers shall default in the due and punctual payment of the principal of or the interest, on any debt to any third party, secured or unsecured, or in the due performance or observance of any material covenant or condition of any agreement executed in connection therewith, and such default shall have continued beyond any period of grace or cure provided with respect thereto.

## ARTICLE X.

### REMEDIES

Section 10.01 EXERCISE OF REMEDIES. If an Event of Default occurs, Buyer may exercise the following rights and remedies in its sole discretion:

(a) By written notice (which may be delivered via email, telecopy, overnight mail, regular mail or any other method selected by Buyer in its sole discretion) to Sellers (which option shall be deemed to have been exercised, even if no notice is given, immediately upon the occurrence of an Event of Insolvency of Seller), the Repurchase Date for each Transaction hereunder, if it has not already occurred, shall be deemed immediately to occur. Any written notice given by Buyer hereunder shall be deemed to have been received by Sellers immediately upon such notice having been sent by Buyer to Sellers' address, fax number or email address, as the case may be, specified on the signature page hereof.

(b) If Buyer exercises or is deemed to have exercised the option referred to in subsection (a) of this Section,

(i) Sellers' obligations in such Transactions to repurchase all Purchased Loans, at the Repurchase Price therefore on the Repurchase Date determined in accordance with subsection (a) of this Section, shall thereupon become immediately due and payable, and all Income paid after such exercise or deemed exercise shall be retained by Buyer and applied to the aggregate unpaid Repurchase Price and any other amounts owed by Sellers hereunder;

(ii) to the extent permitted by applicable law, the Repurchase Price with respect to each such Transaction shall be increased by the aggregate amount accrued by daily

application of, on a 360 day per year basis for the actual number of days during the period from and including the date of the exercise or deemed exercise of such option to but excluding the date of payment of the Repurchase Price as so increased, (x) the Post-Default Rate to (y) the Repurchase Price for such Transaction as of the Repurchase Date as determined pursuant to subsection (a) of this Section (decreased as of any day by (i) any amounts actually in the possession of Buyer pursuant to Section 10.02, and (ii) any proceeds from the sale of Purchased Loans applied to the Repurchase Price pursuant to Section 10.03; and

(c) By written notice (which may be delivered via email, telecopy, overnight mail, regular mail or any other method selected by Buyer in its sole discretion) to Sellers, the Repurchase Price for each Transaction hereunder shall be deemed to be due and payable on each Repurchase Date therefor. Any written notice given by Buyer hereunder shall be deemed to have been received by Sellers immediately upon such notice having been sent by Buyer to Sellers' address, fax number or email address, as the case may be, specified on the signature page hereof.

Section 10.02 POSSESSION OF FILES. Upon the occurrence of one or more Events of Default, Buyer shall have the right to obtain physical possession of all files of Sellers relating to the Purchased Loans and the Repurchase Assets and all documents relating to the Purchased Loans which are then or may thereafter come in to the possession of Sellers or any third party acting for Sellers and Sellers shall deliver to Buyer such assignments as Buyer shall request. Buyer shall be entitled to specific performance of all agreements of Sellers contained in the Repurchase Documents.

Section 10.03 SALE OF PURCHASED LOANS. At any time on the second Business Day following notice to Sellers (which notice may be the notice given under Section 10.01(a) of this Section), in the event Sellers have not repurchased all Purchased Loans, Buyer may immediately sell, without demand or further notice of any kind, at a public or private sale and at such price or prices as Buyer may deem satisfactory any or all Purchased Loans and the Repurchase Assets, on a servicing released basis, and apply the proceeds thereof to the aggregate unpaid Repurchase Prices and any other amounts owing by Sellers hereunder. Buyer may be a purchaser of any Purchased Loan at any public or private sale and Buyer shall be entitled, for the purpose of bidding or making settlement or payment of the purchase price for all or portion of the Purchased Loan sold at any such sale to credit amounts owed to Buyer to such sale amount. The proceeds of any disposition of Purchased Loans and the Repurchase Assets shall be applied first to the costs and expenses incurred by Buyer in connection with Sellers' default; second to the Repurchase Price; and third to any other outstanding Obligations of Sellers.

Section 10.04 LIABILITY OF SELLERS. Sellers shall be liable to Buyer for (i) the amount of all legal or other expenses (including, without limitation, all costs and expenses of Buyer in connection with the enforcement of this Agreement or any other agreement evidencing a Transaction, whether in action, suit or litigation or bankruptcy, insolvency or other similar proceeding affecting creditors' rights generally, further including, without limitation, the fees and expenses of counsel (including the costs of internal counsel of Buyer) incurred in connection with or as a result of a Default), (ii) damages in an amount equal to the cost (including all fees, expenses and commissions) of entering into replacement transactions and entering into or terminating hedge transactions in connection with or as a result of a Default, and (iii) any other loss, damage, cost or expense directly arising or resulting from the occurrence of a Default in respect of a Transaction.

Section 10.05 CUMULATIVE RIGHTS. Buyer shall have, in addition to its rights hereunder, any rights otherwise available to it under any other agreement or applicable law.

Section 10.06 REMEDIES NON-EXCLUSIVE. Buyer may exercise one or more of the remedies available to Buyer immediately upon the occurrence of an Event of Default and, except to the extent provided in Sections 10.01(a) and 10.03, at any time thereafter without notice to Sellers. All rights and remedies arising under this Agreement as amended from time to time hereunder are cumulative and not exclusive of any other rights or remedies which Buyer may have.

Section 10.07 ENFORCEMENT. Buyer may enforce its rights and remedies hereunder without prior judicial process or hearing, and Sellers hereby expressly waive any defenses Sellers might otherwise have to require Buyer to enforce its rights by judicial process. Sellers also waive any defense (other than a defense of payment or performance) Sellers might otherwise have arising from the use of non-judicial process, enforcement and sale of all or any portion of the Repurchase Assets, or from any other election of remedies. Sellers recognize that non-judicial remedies are consistent with the usages of the trade, are responsive to commercial necessity and are the result of a bargain at arm's length.

Section 10.08 LIABILITY FOR ADDITIONAL AMOUNTS. To the extent permitted by applicable law, Sellers shall be liable to Buyer for interest on any amounts owing by Sellers hereunder, from the date Sellers become liable for such amounts hereunder until such amounts are (i) paid in full by Sellers or (ii) satisfied in full by the exercise of Buyer's rights hereunder. Interest on any sum payable by Sellers to Buyer under this Section 10.08 shall be at a rate equal to the Post-Default Rate.

## ARTICLE XI.

### MISCELLANEOUS PROVISIONS

Section 11.01 OBLIGATIONS OF SELLERS. The obligations of Sellers under this Agreement shall not be affected by reason of any invalidity illegality or irregularity of any Purchased Loan.

Section 11.02 AMENDMENT. This Agreement may be amended, restated or supplemented from time to time only by a written agreement duly executed and delivered by Sellers and Buyer.

Section 11.03 WAIVERS. No failure or delay on the part of Buyer in exercising any power, right or remedy under any Repurchase Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy. Any waiver of the terms and provisions hereof must be in writing and consented to in writing by Buyer.

Section 11.04 NOTICES. All notices, requests, consents and other communications hereunder shall be in writing and shall be delivered personally or mailed by first-class registered or certified mail, postage prepaid, or by telephonic facsimile transmission or electronic mail, to any party at its address shown on the signature pages of this Agreement or at such other address as may be designated by it by notice to the other party. All notices and other communications given

to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 11.05 SURVIVAL. The respective agreements (including without limitation, the agreements of Sellers contained in Sections 11.09 and 11.10), representations, warranties and other statements by Sellers set forth in or made pursuant to this Agreement shall remain in full force and effect and will survive each Purchase Date.

Section 11.06 HEADINGS. The various headings in this Agreement are included for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement.

Section 11.07 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona without regard to its principles of conflict of laws.

Section 11.08 COUNTERPARTS. This Agreement may be executed in two or more counterparts and by different parties on separate counterparts, each of which shall be an original, but all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or PDF copy by e-mail shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 11.09 EXPENSES. Sellers shall pay all reasonable out of pocket expenses incurred by Buyer, including the fees, charges and disbursements of counsel for Buyer, in connection with: (i) the transaction contemplated by the Repurchase Documents, (ii) the preparation and administration of the Repurchase Documents or any amendments, modifications or waivers of the provisions thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (iii) the enforcement or protection of its rights in connection with any Repurchase Documents, including its rights under this Section.

Section 11.10 INDEMNITY. SELLERS SHALL INDEMNIFY AND HOLD HARMLESS BUYER, BUYER'S AFFILIATES AND THE RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND ADVISORS OF BUYER AND ITS AFFILIATES (EACH SUCH PERSON BEING CALLED AN "INDEMNITEE") FOR, FROM AND AGAINST, ANY AND ALL LOSSES, CLAIMS, DAMAGES, LIABILITIES AND RELATED EXPENSES, INCLUDING THE FEES, CHARGES AND DISBURSEMENTS OF ANY COUNSEL FOR ANY INDEMNITEE, INCURRED BY OR ASSERTED AGAINST ANY INDEMNITEE ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (I) THE EXECUTION OR DELIVERY OF ANY REPURCHASE DOCUMENT, THE PERFORMANCE BY THE PARTIES TO THE REPURCHASE DOCUMENTS OF THEIR RESPECTIVE OBLIGATIONS THEREUNDER OR THE CONSUMMATION OF THE SALE OF PURCHASED LOANS TO BUYER OR THE APPLICABLE TAKEOUT INVESTOR OR ANY OTHER TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, (II) ANY BREACH OF ANY OF SELLERS' REPRESENTATIONS, WARRANTIES OR COVENANTS CONTAINED IN THIS AGREEMENT, (III) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY MORTGAGED PROPERTY, OR ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO ANY



MORTGAGED PROPERTY, (IV) ANY BREACH OF ANY REPRESENTATIONS OR WARRANTIES PROVIDED TO AN APPROVED TAKEOUT INVESTOR IN CONNECTION WITH THE SALE OF A PURCHASED LOAN UNDER A TAKEOUT COMMITMENT, AND (V) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO; PROVIDED THAT SUCH INDEMNITY SHALL NOT, AS TO ANY INDEMNITEE, BE AVAILABLE TO THE EXTENT THAT SUCH LOSSES, CLAIMS, DAMAGES, LIABILITIES OR RELATED EXPENSES ARE DETERMINED BY A COURT OF COMPETENT JURISDICTION BY FINAL AND NON-APPEALABLE JUDGMENT TO HAVE RESULTED FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNITEE.

Section 11.11 WAIVER OF DAMAGES. Sellers shall not assert, and waive, any claim against any Indemnitees, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, any Repurchase Document or the transactions contemplated thereby.

Section 11.12 SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that Sellers may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of Buyer (and any attempted assignment or transfer by Sellers without such consent shall be null and void). Buyer may assign or otherwise transfer all or any portion of its rights, titles and interests in and to any Purchased Loan or any Repurchase Document. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

Section 11.13 TERM. This Agreement shall continue until the Maturity Date unless and until earlier terminated as to future transactions by sixty (60) days advance notice signed by Sellers or Buyer and delivered to the other in compliance with Section 11.04 hereof, in which event termination will not affect the obligations hereunder; provided, however, that this Agreement will automatically and immediately terminate, without the necessity of a notice from Buyer, upon the occurrence of an Event of Insolvency. Termination will not affect the obligations hereunder as to any Purchased Loans purchased prior to the effective date of such termination.

Section 11.14 ENTIRE AGREEMENT. THIS AGREEMENT AND THE OTHER REPURCHASE DOCUMENTS EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES RELATING TO THE SUBJECT MATTER HEREOF AND SUPERSEDE ANY AND ALL PREVIOUS COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER ORAL OR WRITTEN, RELATING TO THE SUBJECT MATTER HEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

Section 11.15 SEVERABILITY. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 11.16 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER REPURCHASE DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 11.17 INTENT.

(a) The parties recognize that each Transaction is a “repurchase agreement” as that term is defined in Section 101 of Title 11 of the United States Code, as amended and a “securities contract” as that term is defined in Section 741 of Title 11 of the United States Code, as amended and that all payments hereunder are deemed “margin payments” or “settlement payments” as defined in Title 11 of the United States Code.

(b) It is understood that either party’s right to liquidate Purchased Loans delivered to it in connection with Transactions hereunder or to exercise any other remedies pursuant to Article X hereof is a contractual right to liquidate such Transaction as described in Sections 555 and 559 of Title 11 of the United States Code, as amended.

(c) The parties agree and acknowledge that if a party hereto is an “insured depository institution,” as such term is defined in the Federal Deposit Insurance Act, as amended (“FDIA”), then each Transaction hereunder is a “qualified financial contract,” a “repurchase agreement” and a “securities contract” as such terms are defined in FDIA and any rules, orders or policy statements thereunder.

(d) It is understood that this Agreement constitutes a “netting contract” as defined in and subject to Title IV of the Federal Deposit Insurance Corporation Improvement Act of 1991 (“FDICIA”) and each payment entitlement and payment obligation under any Transaction hereunder shall constitute a “covered contractual payment entitlement” or “covered contractual payment obligation”, respectively, as defined in and subject to FDICIA (except insofar as one or both of the parties is not a “financial institution” as that term is defined in FDICIA).

Section 11.18 NO FIDUCIARY RELATIONSHIP. The relationship between Sellers and Buyer is solely that of buyer and sellers, and Buyer has no fiduciary or other special relationship

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with Sellers, and no term or condition of any of the Repurchase Documents shall be construed so as to deem the relationship between Sellers and Buyer to be other than that of buyer and seller.

Section 11.19 EQUITABLE RELIEF. Sellers recognize that in the event they fail to pay, perform, observe, or discharge any or all of the obligations under the Repurchase Documents, any remedy at law may prove to be inadequate relief to Buyer. Sellers therefore agrees that Buyer, if it so requests, shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

Section 11.20 CONSTRUCTION. Sellers and Buyer acknowledge that each of them has had the benefit of legal counsel of its own choice and has been afforded an opportunity to review the Repurchase Documents with its legal counsel and that the Repurchase Documents shall be construed as if jointly drafted by the parties.

Section 11.21 SET-OFF. In addition to any rights and remedies of Buyer provided by this Agreement and by law, Buyer shall have the right, without prior notice to Sellers, any such notice being expressly waived by Sellers to the extent permitted by applicable law, upon any amount becoming due and payable by Sellers hereunder to set-off and appropriate and apply against such amount, to the extent permitted by law, any and all property and deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by Buyer or any Affiliate thereof to or for the credit or the account of Sellers. The exercise of any such right of set-off shall be without prejudice to Buyer's right to recover any deficiency.

**[Signature Page Follows]**

IN WITNESS WHEREOF, the parties hereby have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date and year first written above.

<p><u>Addresses for Notice:</u></p> <p>5898 Copley Drive, 5<sup>th</sup> Floor San Diego, California 92111</p> <p>Attn: <u>Amber Elwell</u> Fax: <u>[Redacted pursuant to Item 601(a)(6) of Reg. S-K]</u> Email: <u>[Redacted pursuant to Item 601(a)(6) of Reg. S-K]</u></p>	<p><b><u>SELLERS</u></b></p> <p>Guild Mortgage Company, a California corporation</p> <p>By: <u>/s/ Amber Elwell</u> Name: <u>Amber Elwell</u> Title: <u>Chief Financial Officer</u></p> <p>Guild Mortgage Company, LLC, a Delaware limited liability company</p> <p>By: <u>/s/ Amber Elwell</u> Name: <u>Amber Elwell</u> Title: <u>Chief Financial Officer</u></p>
<p>Western Alliance Bank 2701 East Camelback Road, Suite 110 Phoenix, AZ 85016</p> <p>Attn: <u>Joshua Ormiston</u> Fax: <u>[Redacted pursuant to Item 601(a)(6) of Reg. S-K]</u> Email: <u>[Redacted pursuant to Item 601(a)(6) of Reg. S-K]</u></p> <p>With a copy to:</p> <p>Attn: <u>Elizabeth Mix</u> Fax: <u>[Redacted pursuant to Item 601(a)(6) of Reg. S-K]</u> Email: <u>[Redacted pursuant to Item 601(a)(6) of Reg. S-K]</u></p>	<p><b><u>BUYER</u></b></p> <p>Western Alliance Bank, an Arizona corporation</p> <p>By: <u>/s/ Joshua Ormiston</u> Name: <u>Joshua Ormiston</u> Title: <u>Vice President</u></p>

Signature Page to Master Repurchase Agreement

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.

### FIRST AMENDMENT

This First Amendment (this “Amendment”) is entered into as of July 24, 2020 among GUILD MORTGAGE COMPANY, a California corporation and GUILD MORTGAGE COMPANY, LLC, a Delaware limited liability company (each a “Seller,” and jointly and severally, “Sellers”) having a mailing address at 5898 Copley Drive, 5<sup>th</sup> Floor, San Diego California 92111, and WESTERN ALLIANCE BANK, an Arizona corporation (“Buyer”) having a mailing address at 2701 East Camelback Road, Suite 110, Phoenix, Arizona 85016.

### RECITALS:

A. Sellers and Buyer have entered into a warehouse facility (the “Facility”) in the amount of [\*\*\*], the terms and conditions of which are more particularly described in the Master Repurchase Agreement dated as of April 29, 2020 (the “Agreement”). Except as otherwise provided in this Amendment, all terms defined in the Facility Documents shall have the same meaning when used in this Amendment. Such defined terms are denoted in the Facility Documents and in this Amendment by initial capital letters. The outstanding aggregate Purchase Prices as of the date hereof is [\*\*\*].

B. The Facility is evidenced by, among other things:

(i) one or more certificates, consents, resolutions, and authorizations of Sellers (collectively, the “Certificates”).

C. The Agreement and all other agreements, documents, and instruments evidencing, securing, or otherwise relating to the Facility, as amended herein, are sometimes referred to individually and collectively as the “Facility Documents”.

### AGREEMENT:

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sellers and Buyer agree as follows:

1. ACCURACY OF RECITALS. Sellers acknowledges the accuracy of the Recitals.
2. AMENDMENTS TO FACILITY DOCUMENTS. The Facility Documents are amended as follows:

2.1.1 Schedule 3 – PRICING AND ADVANCE RATE SCHEDULE. Notwithstanding anything contained in the Facility Documents to the contrary, Schedule 3 of the Agreement entitled “Pricing and Advance Rate Schedule” with an effective date of April 29, 2020 is hereby amended in its entirety and restated as set forth on the “Pricing and Advance Rate Schedule” with an effective date of July 24, 2020 attached hereto as Schedule 3 [Omitted pursuant to Item 601(a)(5) of Regulation S-K]. The definitions applicable to Schedule 3 that are set forth in the Agreement remain in full force and effect except as expressly amended herein.

2.1.2 Schedule 4 – FINANCIAL COVENANTS AND ADDITIONAL DEFINITIONS. Notwithstanding anything contained in the Facility Documents to the contrary, the definitions of Sellers’ Concentration Limit and Wet Sublimit in Schedule 4 Financial Covenants and Additional Definitions, are hereby amended in their entirety and restated as follows:

(LGL 516 – 10.01.19)

“Sellers’ Concentration Limit” means [\*\*\*] at any one time.

“Wet Sublimit” means [\*\*\*], except for the first [\*\*\*] and the [\*\*\*] of the month, when the Wet Sublimit shall mean [\*\*\*].”

2.1.3 Schedule 4 – FINANCIAL COVENANTS AND ADDITIONAL DEFINITIONS. Notwithstanding anything contained in the Facility Documents to the contrary, Item 1 Adjusted Tangible Net Worth, is hereby amended in its entirety and restated as follows:

“1. Adjusted Tangible Net Worth. At all times during the term of this Agreement, Guild Mortgage Company, LLC shall maintain an Adjusted Tangible Net Worth of at least [\*\*\*] to be tested by Buyer on a quarterly basis, as of the last day of each Fiscal Quarter, commencing on September 30, 2020, based upon the most recent financial statements delivered by Sellers to Buyer in accordance with Section 5 below.”

2.1.4 Exhibit E – COMPLIANCE CERTIFICATE. Notwithstanding anything contained in the Facility Documents to the contrary, the Compliance Certificate is hereby amended in its entirety and restated as set forth on the attached Exhibit E [Omitted pursuant to Item 601(a)(5) of Regulation S-K].

2.2 All other terms, conditions, covenants with respect to the Facility Documents shall remain in full force and effect as set forth therein.

2.3 Each of the Facility Documents is modified to provide that it shall be a default or an event of default thereunder if Sellers shall fail to comply with any of the covenants of Sellers herein or if any representation or warranty by Sellers herein is materially incomplete, incorrect, or misleading as of the date hereof.

2.4 Each reference in the Facility Documents to any of the Facility Documents shall be a reference to such document as modified herein.

3. **RATIFICATION OF FACILITY DOCUMENTS AND COLLATERAL**. The Facility Documents are ratified and affirmed by Sellers and shall remain in full force and effect as amended herein. In the event of any conflict between the terms and conditions of this Amendment and the terms and conditions of the Facility Documents, the terms and conditions of this Amendment shall control. Any property or rights to or interests in property granted as security in the Facility Documents shall remain as security for the Facility and the obligations of Sellers in the Facility Documents.

4. **SELLERS REPRESENTATIONS AND WARRANTIES**. Sellers represent and warrant to Buyer:

4.1 No default or event of default under any of the Facility Documents as amended herein, nor any event, that, with the giving of notice or the passage of time or both, would be a default or an event of default under the Facility Documents as amended herein has occurred and is continuing.

4.2 There has been no material adverse change in the financial condition of Sellers or any other person whose financial statement has been delivered to Buyer in connection with the Facility

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from the most recent financial statement delivered to Buyer.

4.3 Each and all representations and warranties of Sellers in the Facility Documents are complete and accurate in all material respects on the date hereof.

4.4 Sellers have no claims, counterclaims, defenses, or setoffs with respect to the Facility or the Facility Documents as amended herein.

4.5 The Facility Documents as amended herein are the legal, valid, and binding obligations of Sellers, enforceable against Sellers in accordance with their terms.

4.6 Sellers are validly existing under the laws of the State of their formation or organization and has the requisite power and authority to execute and deliver this Amendment and to perform the Facility Documents as amended herein. The execution and delivery of this Amendment and the performance of the Facility Documents as amended herein have been duly authorized by all requisite action by or on behalf of Sellers. This Amendment has been duly executed and delivered on behalf of Sellers.

5. **SELLERS COVENANTS.** Sellers covenants with Buyer:

5.1 Sellers shall execute, deliver, and provide to Buyer such additional agreements, documents, and instruments as reasonably required by Buyer to effectuate the intent of this Amendment.

5.2 Sellers fully, finally, and forever release and discharge Buyer and its successors, assigns, subsidiaries, affiliates, parent, directors, officers, employees, agents, and representatives from any and all actions, causes of action, claims, debts, demands, liabilities, obligations, and suits, of whatever kind or nature, in law or equity, that Sellers have, or in the future may have, whether known or unknown, (i) in respect of the Facility, the Facility Documents, or the actions or omissions of Buyer in respect of the Facility or the Facility Documents and (ii) arising from events occurring prior to the date of this Amendment.

5.3 Contemporaneously with the execution and delivery of this Amendment, Sellers shall pay to Buyer:

5.3.1 All accrued and unpaid interest due under the Facility Documents and all other amounts due and payable by Sellers under the Facility Documents as of the date hereof.

5.3.2 All of the internal and external costs and expenses incurred by Buyer in connection with this Amendment including, without limitation, inside and outside attorneys, appraisal, appraisal review, processing, title, filing and recording costs, expenses, and fees).

5.4 Contemporaneously with the execution and delivery of this Amendment, Sellers have provided to Buyer, each of the following items:

5.4.1 Updated certificates, consents and resolutions with respect to the Sellers, as Buyer may require in Buyer's sole and absolute discretion.

5.4.2 Any other documents that Buyer may reasonably require.

6. **EXECUTION AND DELIVERY OF AMENDMENT BY BUYER.** Buyer shall not be

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bound by this Amendment until each of the following shall have occurred:

6.1 Buyer and Sellers have executed and delivered this Amendment;

6.2 Sellers have performed all of the obligations of Sellers under this Amendment to be performed contemporaneously with the execution and delivery of this Amendment;

6.3 Buyer has received all of the items required to be provided by Sellers to Buyer in Section 5 above.

7 . **ENTIRE AGREEMENT, CHANGE, DISCHARGE, TERMINATION, OR WAIVER**. The Facility Documents as amended herein contain the entire understanding and agreement of Sellers and Buyer in respect of the Facility and supersede all prior representations, warranties, agreements, arrangements, and understandings. No provision of the Facility Documents as modified herein may be changed, discharged, supplemented, terminated, or waived except in a writing signed by Buyer and Sellers.

8 . **BINDING EFFECT**. The Facility Documents, as amended herein, shall be binding upon and inure to the benefit of Sellers and Buyer and their respective successors and assigns.

9. **CHOICE OF LAW**. This Amendment shall be governed by and construed in accordance with the laws of the State of Arizona, without giving effect to conflicts of law principles.

10 . **COUNTERPART EXECUTION**. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document. Signature pages may be detached from the counterparts and attached to a single copy of this Amendment to physically form one document.

11 . **NO REPRESENTATIONS OR WARRANTIES BY BUYER; TAX MATTERS**. Buyer makes no representation or warranty to Sellers concerning the credit reporting, income or other tax effect of this Amendment, or about any other matter whatsoever and Sellers acknowledge and agree that they are not relying on any statement of Buyer or any representative of Buyer with respect to any such matter. Sellers acknowledge and agree that Buyer has an obligation to report certain tax information in connection with the matters provided for in this Amendment to the United States Internal Revenue Service ("IRS") and among, other things, to issue one or more IRS form 1099s in connection therewith.

[SIGNATURE PAGES FOLLOW]

(LGL 516 – 10.01.19)



This Amendment is executed as of the date first set forth above.

SELLERS:

GUILD MORTGAGE COMPANY, a California corporation

By: /s/ Amber Elwell

Name: Amber Elwell

Title: Chief Financial Officer

GUILD MORTGAGE COMPANY, LLC, a Delaware limited liability company

By: /s/ Amber Elwell

Name: Amber Elwell

Title: Chief Financial Officer

BUYER:

WESTERN ALLIANCE BANK, an Arizona corporation

By: /s/ Joshua Ormiston

Name: Joshua Ormiston

Title: Vice President

(LGL 516 – 10.01.19)

**Subsidiaries of the Registrant**

The registrant currently has no subsidiaries. Assuming the completion of the reorganization transactions described in this registration statement, the registrant would have the following subsidiaries:

<u>Name of Subsidiary</u>	<u>State of Organization</u>
Guild Mortgage Company LLC	California
Guild Financial Express, Inc.	California
Guild Administration Corp.	California
Guild Mortgage Co SPE W40, LLC	Delaware
Mission Village Insurance Agency	California