

ANGEL OAK MORTGAGE SOLUTIONS

Broker Wholesale Agreement

This Wholesale Broker Agreement (hereinafter "Agreement") is entered into this _____ day of _____ 20____, by and between Angel Oak Mortgage Solutions LLC ("Angel Oak"), having its principal place of business at 980 Hammond Drive, Suite 850, Atlanta, GA 30328 and _____ ("Broker"), having its principal place of business at _____.

NMLS ID: _____

RECITALS

Whereas, Broker is a duly licensed mortgage broker engaged in the business of originating one-to-four family residential mortgage loans for brokering to wholesale lenders.

Whereas, Angel Oak and Broker wish to establish a non-exclusive relationship whereby Broker will, from time to time, submit to Angel Oak for underwriting and funding by Angel Oak, single family first and second lien mortgage loans that meet the wholesale Broker program requirements for those mortgage loan programs offered by Angel Oak.

Whereas, Broker agrees to submit such loans to Angel Oak, and Angel Oak agrees to review, underwrite, and approve such loans, in accordance with and subject to the terms, conditions and warranties provided herein.

Now, therefore, in consideration of the mutual covenants made herein and for other good and valuable consideration, the parties agree as follows:

ARTICLE 1

GENERAL

1.1 Definitions

- 1.1.1 "Applicable Law" means, without limitation, any federal, state or local law, rule, act, regulations and interpreting comments, opinions or rulings, as amended, including without limitation, applicable law for any governmental body or agency granting a license or authority to originate Loans, and applicable loan program guidelines as amended from time to time, whether issued by a government agency, quasi-governmental agency, GSE, investor, or Angel Oak.
- 1.1.2 "Applicant" means the person or persons who submit an Application to Broker that Broker subsequently submits to Angel Oak and who, if Angel Oak agrees to fund the Mortgage Loan, will be liable to Angel Oak as the borrower on the Note upon Closing.
- 1.1.3 "Application" means a completed credit application for a Mortgage Loan, the terms and conditions of which Angel Oak shall specify and provide to Broker, including without limitation, terms and conditions relating to the principal amount, credit terms, rates, security and other requirements. "Broker" means an entity that submits a Mortgage Loan Package to Angel Oak for underwriting and funding.
- 1.1.4 "Loan" means one-to-four, single family, residential first and second lien mortgage loan(s). "Mortgage Loan Package" means, without limitation, the Applicant's Loan application and all the documents, information and reports necessary and required by Angel Oak to determine both an Applicant's eligibility for and ability to repay a Loan prior to making a decision whether to approve a Loan and any documents, information and reports necessary for Angel Oak to fund a Loan in accordance with Angel Oak's then existing Wholesale Broker program requirements, as may be amended from time to time.
- 1.1.5 "Underwrite" or "Underwriting" means the examination of an Applicant's application, credit history, income and financial resources, and other pertinent documentation from the Mortgage Loan Package for the purpose

of determining whether to extend credit to the Applicant. "Wholesale Broker program requirements" means, without limitation, the terms, conditions, guidelines, policies, procedures, pricing information, secondary market standards or any other requirements of Angel Oak (as amended from time to time) in determining whether to accept, approve, underwrite or fund a Loan, that are in effect at the time each Mortgage Loan Package is submitted to Angel Oak.

1.2 Broker Responsibilities

With respect to each Loan submitted by Broker to Angel Oak for underwriting, approval, funding or purchase, Broker shall furnish to Angel Oak, at Broker's expense, such credit data, financial statements, appraisals, real estate information and such additional items as Angel Oak may from time to time require prior to making a decision on whether to fund a Loan. Further, Broker agrees to perform such other functions as Angel Oak may require from time to time, including:

- 1.2.1 Undertake all personal interviews with Applicant and assist Applicant in filling out the Loan application(s);
- 1.2.2 Have and maintain ongoing contact with Applicant from the time of application until closing;
- 1.2.3 Educate and assist Applicant in understanding the home buying and financing process, discuss the different types of loan products available, explain the qualification and eligibility requirements for each product, and demonstrate how closing costs and monthly payments may vary under each product;
- 1.2.4 Provide to Applicant such additional disclosures as are required to be provided by Broker, Angel Oak or Applicable Law including, without limitation, disclosures required by Angel Oak or Applicable Law in connection with fees and charges, including mortgage insurance and broker compensation, disclosures required by federal, state or local truth-in-lending laws, disclosures required by applicable law that govern and regulate mortgage broker conduct and disclosures related to the risks of certain loans to Applicant;
- 1.2.5 Gather all information and documentation needed to complete the Loan application including applicable information required by Applicable Law;
- 1.2.6 Collect and analyze financial information and related documents and assist Applicant in determining the mortgage that Applicant can afford;
- 1.2.7 Assist Applicant in identifying potential credit problems and obtaining letters of explanation;
- 1.2.8 Keep Applicant apprised of the status of Applicant's application and communicate any changes in the Loan terms within a reasonable timeframe and in compliance with Applicable Laws;
- 1.2.9 Maintain regular contact with Applicant, real estate agents and Angel Oak, as needed from time of application to closing;
- 1.2.10 Order the property appraisal in compliance with Appraisal Independence Requirements (AIR) and federal loan program guidelines (as applicable);
- 1.2.11 Participate in the Loan closing, if applicable; Assist Angel Oak with any post-closing issues and/or document requests, if applicable; and,
- 1.2.12 Perform any other service as Angel Oak may from time to time reasonably request.

1.3 Mortgage Loan Packages

Broker shall be responsible for the accurate preparation and execution of a complete Mortgage Loan Package on each Loan request submitted to Angel Oak for underwriting and funding. Each Mortgage Loan Package shall include, but is not limited to, those items listed below:

- 1.3.1 Completed Loan application (Form 1003) signed by Applicant and all disclosures as required by Applicable Law;
- 1.3.2 Supporting credit information;
- 1.3.3 All supporting documentation required by the applicable loan program, including, without limitation, verifications of credit, employment, deposits and mortgage payment history, and financial statements;
- 1.3.4 Copies of all disclosures and information required to be provided to Applicant by this Agreement, the applicable

loan program or Applicable Law, including timely re-disclosure as required by Applicable Law;

- 1.3.5 All other supporting information necessary to substantiate borrower's qualifications for the Loan; and,
- 1.3.6 Such other documents as Angel Oak may from time to time reasonably request.

1.4 Licenses, Fidelity Bond, Errors and Omissions Insurance Policy and Surety Bond.

Broker shall annually provide to Angel Oak copies of its licenses and qualifications to conduct business in each state for which Broker originates Loans, updated financial statements, and proof of any errors and omissions insurance or bond coverage as may be required in conjunction with state-licensing, or by Angel Oak.

1.5 Additional Duties

- 1.5.1 If Broker contracts out for services through a third party service, such as contract processing, then Broker is ultimately responsible for the actions, errors and omissions of contract processor's actions relative to the loan file, loan documents, financial documents and the Applicant.
- 1.5.2 Broker has no authority to obligate, commit or bind Angel Oak to any agreement for any purpose without Angel Oak's prior written consent, and Broker shall not represent or warrant to any Applicant that Angel Oak has finally approved, or will approve or Close, any Mortgage Loan until Angel Oak so notifies Broker in writing.
- 1.5.3 Broker warrants that it understands the distinction between an "application" and an "inquiry" within the meaning of HMDA and ECOA, and that, unless otherwise set forth in this Agreement, or unless notified by Angel Oak, it is responsible for complying with the recordkeeping and disclosure requirements of those laws with respect to "applications" that it receives. Broker shall timely notify Angel Oak of all "applications" that it has placed with Angel Oak. Broker shall be responsible for determining if an Application is "incomplete" or has been "withdrawn" as those terms are construed under HMDA and ECOA, and shall timely apprise Angel Oak of these decisions. In such circumstances, Broker will complete and send the appropriate notice to Applicant in accordance with ECOA and all applicable law, with a copy to Angel Oak. In the event that Angel Oak decides that it will not approve a particular Mortgage Loan submitted by Broker, Angel Oak will not deliver to any Applicant an "Adverse Action" notice. Rather, Angel Oak shall deliver a completed Adverse Action notice to Broker specifying the reasons Angel Oak has declined to close the Mortgage Loan. Broker shall then send the Adverse Action notice to Applicant in compliance with ECOA and any other applicable federal, state and local laws.
- 1.5.4 Broker shall promptly notify Angel Oak if (A) any substantial change in the ownership, financial condition or management of Broker occurs, within thirty (30) days of change, (B) Broker relocates their office(s) notification will occur within fifteen (15) days, (C) Broker knows or has reason to believe that any information in any Application or other document delivered to Angel Oak is or becomes untrue or fails to state any material fact or (D) any government or other agency has made any adverse finding or taken any adverse actions with respect to Broker, or its owners, directors, officers or employees.
- 1.5.5 Broker shall execute and deliver all such instruments and take all such actions as Angel Oak may reasonably request from time to time in order to effect the purposes of this Agreement and to consummate the transactions contemplated hereby. Without limiting the generality of the foregoing, Broker shall cooperate with Angel Oak with respect to a submitted Mortgage Loans after Closing, if Angel Oak requests Broker's assistance with a non-performing or defaulted Mortgage Loan.

ARTICLE 2

UNDERWRITING, LOAN APPROVAL AND FUNDING

2.1 Underwriting the Loans

Upon receipt from Broker of a complete Mortgage Loan Package, in its sole and absolute discretion, Angel Oak may underwrite and approve or deny a Loan based on Angel Oak's then current guidelines or requirements applicable to the type of Loan being sought, as the same may be amended by Angel Oak from time to time. Angel Oak and Broker agree that Angel Oak may conclusively rely on all information, documents, and reports contained in the Mortgage

Loan Package supplied to it and submitted by Broker and the authenticity and accuracy contained therein. Angel Oak's failure to conduct an independent investigation with respect to the Mortgage Loan Package shall not affect or modify the representations and warranties made by Broker herein or the rights and remedies available to Angel Oak for a breach thereof. Broker is solely responsible for the authenticity and accuracy of all information, documents, and reports contained in the Mortgage Loan Package.

2.2 No Liability

Angel Oak shall have no liability to Broker for Angel Oak's failure to underwrite any Loan in accordance with the applicable guidelines except to the extent such failure constitutes willful misconduct by Angel Oak. Angel Oak shall have no liability for any delays in determining whether a Mortgage Loan meets its underwriting standards.

2.3 Approval of Loans by Angel Oak

If Angel Oak, in its sole and absolute discretion, approves a Mortgage Loan Package, Angel Oak shall issue an approval setting forth the conditions upon which Angel Oak shall fund the subject Loan, along with the expiration date of the approval (the "Loan Approval"). Angel Oak shall have no obligation to fund a Loan prior to the fulfillment of all funding conditions contained in or after expiration of the Loan Approval. Angel Oak shall not be obligated to fund any Loan that does not, in Angel Oak's sole discretion, comply with the terms of this Agreement, or the related Loan Approval. Notwithstanding anything to the contrary contained in this Agreement, Angel Oak shall have no obligation to accept, approve or fund any Loan submitted to it by Broker. Broker and Angel Oak expressly agree and acknowledge that Broker shall have no right, power or authority, express or implied, to approve a Loan application, orally or in writing, on behalf of Angel Oak or to issue to Applicant any type of commitment to loan funds on behalf of Angel Oak or to represent to any person that Angel Oak has approved or will approve any Mortgage Loan Package or that Angel Oak has issued or will issue a binding commitment to fund any Mortgage Loan Package.

2.4 No Table Funding

Broker understands that Angel Oak does not "table fund" loans (defined as where the closing documents are prepared by Angel Oak or a third party in the name of Broker with the settlement funds provided by Angel Oak) and Broker agrees not to submit table funded loans to Angel Oak.

ARTICLE 3

WARRANTIES AND REPRESENTATIONS OF BROKER

3.1 Warranties and Representations Regarding the Broker

Broker represents, warrants and covenants to Angel Oak that, with respect to itself, including each office or branch operated by Broker and any of its owners, directors, officers, employees, agents, independent contractors, licensees or other personnel originating Loans under Broker's license to originate Loans and the Loans, the following are true and correct as of the date hereof and shall remain true and correct during the term of this Agreement:

- 3.1.1 Broker is and shall continue to be a duly organized and validly existing entity and that it is in good standing under applicable law of the state of its organization.
- 3.1.2 Broker is duly licensed, registered or approved to perform the activities set forth in this Agreement in the jurisdictions in which it conducts business and where the property securing a Loan is located. Broker shall maintain such licenses, registrations or approvals in good standing throughout the term of this Agreement. Broker shall submit copies of all licenses, registration or approvals to Angel Oak upon execution of this Agreement and upon request by Angel Oak. Broker is in full compliance with the Secure and Fair Enforcement for Mortgage Licensing Act, 12 U.S.C. §§ 5101 et seq., to the extent applicable. Broker has obtained and shall maintain in good standing all Angel Oak's and/or broker's licenses to originate first and/or subordinate lien residential mortgage loans, filings, permits, foreign qualifications, business licenses and other licenses as may be required by applicable, federal, state or local laws, rules or regulations. Copies of all Angel Oak's and/or broker's licenses held by Broker and that authorize Broker to engage in the business of brokering residential mortgage loans have been, and renewals will be, provided to Angel Oak.

- 3.1.3 Broker shall immediately notify Angel Oak if any license, registration or approval is not renewed or is suspended, terminated or cancelled for any reason or if Broker fails to be in compliance with qualification or licensing laws of any jurisdiction where it conducts business.
- 3.1.4 Broker shall immediately notify Angel Oak if any government or other agency has made any adverse finding or taken any adverse actions with respect to Broker or its owners, directors, officers, employees or agents, including any formal or informal administrative or judicial action.
- 3.1.5 Broker has the requisite power and authority to execute and deliver this Agreement, and to originate Loans in accordance herewith, and Broker will have done all acts necessary to approve the execution and delivery of this Agreement.
- 3.1.6 Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated by this Agreement, shall conflict with or result in a breach of, or constitute a default under any of Broker's organizational documents or any instrument or agreement to which Broker is a party, or by which it or its properties may be bound, nor be in violation of any law, rule, regulation, governmental decree, order or ruling as to which Broker may be bound.
- 3.1.7 No consent, waiver or approval of any entity (public or private) is or will be required in connection with the execution, delivery, performance, validity or enforcement of this Agreement or any other agreement, instrument or document to be executed or delivered in connection herewith or pursuant hereto.
- 3.1.8 There is no pending or threatened suit, action, arbitration, or legal, administrative, or other proceeding or investigation, against Broker or its current or former owners, officers, directors, employees, representatives and agents that would prevent the execution, delivery, and performance by Broker of its obligations under this Agreement or which could have a material adverse effect upon Broker's business, assets, financial condition or reputation or upon any Mortgage Loan Package submitted to Angel Oak.
- 3.1.9 Broker is not a party to, bound by or in breach or violation of any agreement or instrument, or subject to or in violation of any statute, order or regulation of any court, regulatory body, administrative agency or governmental body having jurisdiction over it, which materially and adversely affects, or may in the future materially and adversely affect, the ability of Broker to perform its obligations under this Agreement.
- 3.1.10 Broker has not entered into any agreement, commitment or understanding and has no current plans to enter into any agreement, commitment or understanding to merge with or into, or sell all or substantially all of its assets to, any other person or entity or dissolve, liquidate or otherwise terminate its corporate rights, existence or franchise.
- 3.1.11 This Agreement, when duly executed by the Broker and Angel Oak, shall represent a legal, valid and binding obligation of the Broker, enforceable against the Broker, including its officers, directors, employees, representatives, and agents enforceable in accordance with its terms.
- 3.1.12 All information, reports or other documents submitted by Broker to Angel Oak in connection with Angel Oak's review and approval of Broker continues to be true, correct and accurate and no such information, reports or other documents contain any untrue statement of fact or omits to state a fact necessary to make the statements contained herein or therein not misleading.
- 3.1.13 No representation, warranty or written statement made by Broker in connection with this Agreement or in any Mortgage Loan Package or any document submitted to Angel Oak in connection with the transactions contemplated hereby by Broker contains, or will contain, any untrue statement of material fact or omits, or will omit, to state a material fact necessary to make the statements contained herein or therein not misleading.
- 3.1.14 Broker shall make prompt, timely, full, accurate, and truthful disclosures to Angel Oak of all facts, information and documentation of which Broker may know, suspect, or have actual or constructive notice that could or has affected the validity, collectability, security or enforceability of any Loans submitted to Angel Oak hereunder, including all facts, information and documentation relating to any disputes, proceedings, litigation or governmental action threatened, anticipated, or pending, respecting the Applicant, the property, or Loans, as well as all facts, information and documentation relating to the Applicant, their creditworthiness or the

value or condition of the property.

- 3.1.15 Broker shall not use Angel Oak's name, trademarks or service marks in any manner, including, without limitation, in any advertising or marketing materials, or other promotional campaign, including any internet or website materials without the express prior written consent of Angel Oak.
- 3.1.16 Broker has entered into a written origination agreement with each Applicant if required by Applicable Law and disclosed all information to Applicant as required by Applicable Law, including all compensation to be paid to Broker.
- 3.1.17 Each loan originator employed by or affiliated with Broker is properly qualified, licensed or registered as required by Applicable Law to transact business in each state where property securing a Loan is located, and Broker and its loan originators have complied with all mortgage loan originator laws and regulations, including but not limited to Regulation Z, the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank"), and its implementing regulations. Broker and its loan originators have complied with all loan originator compensation requirements under Regulation Z and Dodd-Frank, and which Angel Oak may publish from time to time.
- 3.1.18 Broker and each loan originator is, and shall at all times remain, knowledgeable and in compliance with all federal, state and local laws, ordinances, regulations, and any federal, interagency or state guidelines applicable to it and the operation of its business, including but not limited to RESPA, the Home Ownership and Equity Protection Act of 1974, the Fair Credit Reporting Act, the Fair Housing Act, the Equal Credit Opportunity Act, the Truth in Lending Act, the Home Mortgage Disclosure Act, and all regulations and interpretive rulings promulgated under each such law, as each may be amended from time to time.
- 3.1.19 Broker agrees to notify Angel Oak, in writing, of the termination or resignation of any loan originator employed or working on behalf of Broker within ten (10) days of said termination or resignation if such termination or resignation is related in any way to fraudulent loan origination activity or loan origination activity that violates Applicable Law.

3.2 Warranties and Representations Regarding Each Loan

Broker represents, warrants and covenants to Angel Oak that the following are true and correct with respect to each Loan as of the date Angel Oak approves and funds such Loan:

- 3.2.1 Applicant Identification and Privacy. Broker warrants that it employed commercially reasonable standard to confirm the identity of the Applicants and obtained written verification (*i.e.*, photo driver's license or passport) of such Applicant's identity to verify the Applicant's identity. With respect to each Loan and the related Applicant, Broker shall comply with Title V of the Gramm-Leach-Bliley Act of 1999, as amended, and all applicable regulations promulgated thereunder, and shall provide all notices required thereunder or any applicable state privacy laws.
- 3.2.2 Credit Report. Broker shall obtain authorization from each Applicant to investigate Applicant's credit and shall obtain accurate and reliable credit reports from credit reporting agencies, at Broker's cost and expense.
- 3.2.3 Investigation. Broker warrants that all Mortgage Loan Packages have been fully investigated by Broker. Broker further warrants that all representations contained in the Loan application and Mortgage Loan Package are true and correct and meet the requirements and specifications of this Agreement and Angel Oak's eligibility criteria to the best of broker's knowledge.
- 3.2.4 Documents and Information. All information, reports or documents submitted by Broker to Angel Oak in connection with any Mortgage Loan Package or pursuant to this Agreement are in every respect valid and genuine, being on their face what they purport to be, true, correct and accurate and all signatures are the true signatures of the appropriate Applicant to the best of the broker's knowledge. No information, reports or documents submitted by Broker to Angel Oak in connection with any Mortgage Loan Package contain any untrue statement of fact or omits to state a fact necessary to otherwise make the statements contained therein misleading, regardless of whether the document was prepared by the Broker, Applicant, or appraiser.

- 3.2.5 Appraisals. Broker will order the property appraisal included in the Mortgage Loan Package in accordance with Angel Oak appraisal guidelines and through Angel Oak approved AMCs. Broker will comply with appraiser independence requirements of applicable program guidelines, federal, state or local law. Acceptance of a transferred appraisal, or any appraisal completed prior to submission of the Mortgage Loan Package to Angel Oak will be at the sole discretion of Angel Oak.
- 3.2.6 No Omissions. To the best of the Broker's knowledge, no omission, misrepresentation, negligence, fraud or similar occurrence with respect to a Loan, including without limitation, the related documentation has taken place on the part of any person, including without limitation, the Broker, the Applicant, any appraiser, any builder or developer, any real estate agent or any other party involved in the origination of the Loan or in the application of any insurance in relation to such Loan.
- 3.2.7 Compliance with Angel Oak Requirements. The Loan has been originated in accordance with the Wholesale Broker program requirements set forth by Angel Oak and all documents submitted by Broker in connection with any Mortgage Loan Package comply in all respects with the terms and conditions of this Agreement.
- 3.2.8 Applicant's Funds. No funds (including, without limitation, the down payment or any future monthly payments under the related Note) have been advanced by the Broker, a broker or a third party on behalf of the Applicant or any other obligor in connection with such Loan; and all costs, fees, and expenses incurred in originating such Loan have been paid in full. To the best of the Broker's knowledge, any and all funds advanced to pay costs, fees and expenses in connection with such Loan came from the Applicant, unless otherwise submitted to Angel Oak in writing and approved by Angel Oak prior to the date of Loan approval.
- 3.2.9 No Oral Promises. There are no agreements or promises, either oral or written, between Broker and the Applicant pertaining to such Loan, other than those submitted to Angel Oak in writing and approved by Angel Oak prior to the date of Loan approval.
- 3.2.10 Broker Compensation. Broker may negotiate with and receive from the Applicant, payable at the time of closing, a reasonable fee for its services, including taking the Loan application and additional services performed, provided such fees are allowed by Applicable Law and are reasonably related to the reasonable value of the services provided by Broker to the Applicant. Angel Oak shall disclose all fees, including Angel Oak-paid compensation, on the Loan Estimate in accordance with Applicable Law. Such fees shall also be disclosed on the Closing Disclosure and shall be collected at closing and remitted to Broker. In no case shall Broker receive compensation from both the Applicant and Angel Oak. Broker also warrants that the Loan was not originated by anyone else other than the Broker.
- 3.2.11 Points and Fees. Broker shall include in their submission documentation all amounts Broker will charge Applicant or earn in connection with the Loan, including any Angel Oak-paid compensation. Notwithstanding anything to the contrary contained herein, Broker shall not upcharge any Applicant in excess of the actual charge and shall not charge any amount that exceeds the applicable pricing policy, as published by Angel Oak from time to time, and such amount must be set forth on the Loan Estimate or otherwise shown to have been properly disclosed to Applicant in compliance with Applicable Law. No Applicant was charged fees payable prior to closing, except as permitted by and in compliance with Applicable Law. No Applicant was charged "points and fees" (whether or not financed) in an amount greater than any "points and fees" threshold as defined in TILA or any other Applicable Law. All points and fees related to each Loan are accurately described and disclosed to Applicant. "Points and fees" shall have the meaning as defined in TILA or Applicable Law.
- 3.2.12 Reasonable Fees. All fees paid to Broker, whether by Angel Oak or Applicant, are reasonably related to the value of goods or facilities actually furnished or services actually delivered by Broker. Broker has performed services of a type and in the quantity required under applicable law to receive such compensation. Broker has disclosed, and shall disclose, such compensation to the Applicant for each Mortgage Loan where such compensation is paid, or is expected to be paid, pursuant to applicable law. No fees of any kind, other than a reasonable credit report fee not exceeding the actual cost of the credit report, have been charged to or collected from Applicant by Broker, or any employee or agent of Broker, prior to the Applicant's receipt of the initial disclosures from Angel Oak, as required under Regulation Z and Regulation X.
- 3.2.13 No High Cost Loans. To the best of Broker's knowledge, the Loan does not constitute a high cost mortgage as

defined by Section 32 of the Truth-in-Lending Act (“TILA”) and does not exceed any high cost “points and fees threshold” or high cost “APR or Rate threshold” as defined in TILA or in any applicable federal, state or local law.

- 3.2.14 No Predatory Loans. The Loan was not originated through the use of predatory lending practices or in violation of any federal, state, or local predatory lending law or fair lending law, regardless of the name of the law. The Loan is in compliance with the anti-predatory lending eligibility for purchase requirements of Fannie Mae’s Selling Guide or Freddie Mac’s Seller/Servicer Guide.
- 3.2.15 Mortgage Insurance (If applicable). No action has been taken or failed to be taken, no event has occurred and no state of facts exists or has existed that has resulted or will result in an exclusion from, denial of, or defense to coverage under any mortgage insurance policy, if applicable, whether arising out of actions, representations, errors, omissions, negligence or fraud of Broker, the Applicant or any party involved in the application for such coverage or the origination of the Loan or related documents, including the appraisal, plans and specifications and other exhibits or any other document, or for any other reason under such coverage.
- 3.2.16 Fair Lending. Broker has complied with the fair lending requirements of the FHA and all regulations promulgated pursuant thereto and with all other applicable federal, state and local laws, rules and regulations pertaining to fair lending. With respect to each Applicant, Broker has not discriminated in the provision of or in the availability of financial assistance because of the consideration of (A) trends, characteristics or conditions in the neighborhood or geographic area surrounding a housing accommodation, unless Broker can demonstrate in the particular case that such consideration is required to avoid an unsafe and unsound business practice, or (B) race, color, religion, sex, handicap, marital status, domestic partnership, national origin or ancestry. Further with respect to each Applicant, Broker has not considered the racial, ethnic, religious or national origin composition of a neighborhood or geographic area surrounding a housing accommodation or whether or not such composition is undergoing change, or is expected to undergo change, in appraising a housing accommodation or in determining whether or not, or under what terms and conditions, to provide financial assistance.
- 3.2.17 Compliance with FNMA, FHLMC or Investor Guidelines. If the Loan is a conventional conforming loan, it has been originated in conformance with all applicable Angel Oak requirements and all applicable requirements of Fannie Mae or Freddie Mac for sale to Fannie Mae or Freddie Mac and inclusion in a Fannie Mae or Freddie Mac mortgage backed securities pool, as applicable, and is otherwise originated in compliance with investor guidelines and is an investment quality Loan suitable for sale on the secondary market to a secondary market investor.
- 3.2.18 Compliance with Laws. As originated, the Loan complies with Applicable Law in all respects, including, but not limited to, RESPA, the Flood Disaster Protection Act, the Federal Consumer Credit Protection Act, including the Truth-in-Lending and Equal Credit Opportunity Acts, the Federal Fair Housing Act, the Home Ownership and Equity Protection Act, Gramm-Leach-Bliley Act, the Home Valuation Code of Conduct and applicable law governing fraud, lack of consideration, unconscionability, consumer credit transactions, consumer protection and consumer privacy, interest or other charges, licensing of mortgage brokers, Angel Oaks and loan officers, and mortgage insurance applicable to the Loan, including without limitation, the origination, servicing and collection thereof. The Loan is not subject to the Federal Trade Commission’s “Preservation of Consumer’s Claims and Defenses Rule”, 16 C.F.R. part 433.
- 3.2.19 Anti-Steering. Broker has complied with the anti-steering provisions of Regulation Z, 12 C.F.R. § 226.36, and the related Official Staff Commentary and any amendments thereto. Broker presented Applicant with sufficient information to satisfy the safe harbor (anti-steering) provision which includes Mortgage Loan options for each type of transaction in which Applicant expressed an interest and the Mortgage Loan options included a Mortgage Loan with the lowest interest rate, a Mortgage Loan with the lowest interest rate and which does not contain any risky features, and a Mortgage Loan with the lowest total dollar amount of origination points/fees and discount points. No Applicant was encouraged or required to select a loan product offered by the Broker which is a higher cost product designed for a less creditworthy Applicant, taking into account such facts as, without limitation, the loan product requirements and the Applicant’s credit history income, assets and liabilities. Any Applicant who sought financing through a Broker’s higher-priced subprime or Alt-A lending channel was directed to the Broker’s standard loan products if the Applicant was able to qualify

for one of the standard loan products. Broker and its loan originators have complied with all anti-steering rules and regulations, including but not limited to Regulation Z, Dodd-Frank, and its implementing regulations, and all of Angel Oak's requirements regarding the same as it may publish from time to time.

- 3.2.20 No Third Party Originators. The Loan was not originated by a person other than Broker (commonly referred to in the industry as a "third party origination" or "TPO"). For purposes of this subsection, "originated by a person other than Broker" shall mean that any or all of the following conditions exist: (i) the Loan application was taken by, or (ii) documents evidencing the credit-worthiness of the Loan were collected by, or (iii) the appraisal of the property was obtained by, or (iv) the Loan was originated by or in the name, of a person other than Broker or other than a person in the direct and principal employment of Broker. There is no agreement between Broker and any other person or entity for the payment of any referral fee, rebate, bonus, kickback, or other payment and no payment of such referral fee, rebate, bonus or kickback, or other payment has been or will be made to any person, including, but not limited to, the Applicant or Broker. No Mortgage Loan Package will be submitted that has been referred or brokered to Broker by a person other than Broker who will directly or indirectly receive any fee or compensation from Broker.
- 3.2.21 Insurance Refunds. Insurance refunds or credits of any kind whatsoever, for insurance of any kind sold by Broker in conjunction with a Loan shall be the sole responsibility of the Broker in the event of prepayment of such Loan, cancellation of insurance or any other event requiring refunding or crediting of unearned insurance premiums. In the event Angel Oak is required to pay or credit Applicant in connection with the cancellation of such insurance, Broker shall pay to Angel Oak, from the Broker's own funds, any required insurance premium rebate resulting from the prepayment, cancellation, refinancing or other termination of any Loan. Upon such payment, Angel Oak shall assign in writing any rights it had to require that the insurer reimburse user for any rebate made to Applicant.
- 3.2.22 Communications Received by Broker. Within five (5) days of receipt by Broker, Broker shall forward to Angel Oak all communications, inquiries and remittances which Broker may receive with reference to the Loan. Broker shall promptly provide such other information as Angel Oak may reasonably request.
- 3.2.23 True and Correct. All representations and warranties made by Broker with respect to the Loan are true and correct.
- 3.2.24 Disclosure of Relationships. Except as otherwise disclosed to Angel Oak and approved by Angel Oak in writing prior to Closing, Broker does not have, and shall not have, any direct or indirect ownership interest, or any familial relationship interest, in any Mortgaged Property intended to secure a proposed Mortgage Loan.

ARTICLE 4

REMEDIES

4.1 Repurchase and Indemnification

Upon the occurrence of any Repurchase Obligation (as defined below), Broker shall be obligated to repurchase the related Loan and indemnify Angel Oak for such related Loans(s) in accordance with the terms and conditions contained herein. At Angel Oak's sole option, Angel Oak shall have the right to require Broker to (i) repurchase the related Loan, (ii) indemnify Angel Oak for such related Loan or (iii) enter into an Indemnification Agreement (as defined below) in lieu of repurchasing the related Loan, in any case, in accordance with the terms and conditions contained herein. Angel Oak's prior knowledge of any fact, at any time, concerning the Loan, or any delay by Angel Oak in making demand or request for repurchase or indemnification hereunder, shall neither impair Angel Oak's rights nor constitute a waiver of Broker's obligations hereunder.

4.2 Repurchase Obligations

An occurrence of any of the following shall be considered a "Repurchase Obligation":

- 4.2.1 If Broker failed to observe or perform or has breached any of the representations, warranties, covenants or agreements contained in this Agreement or Angel Oak's requirements with respect to the Loan.

4.2.2 If the Mortgage Loan Package contains evidence of fraud or misrepresentation.

4.3 Request for Repurchase; Repurchase Price; Repurchase Procedures

- 4.3.1 Request for Repurchase. In the event of an occurrence of any Repurchase Obligation, upon the request of Angel Oak, Broker hereby agrees to repurchase the related Loan (or, if the related Loan has been foreclosed, to repurchase the related property) within ten (10) days after Angel Oak's written request therefore for an amount equal to the Repurchase Price (as defined below). For the purpose hereof, the term "foreclosure" shall include judicial foreclosure, non-judicial foreclosure, deed in lieu of foreclosure, short sale or any other mechanism of obtaining title to the property.
- 4.3.2 Repurchase Price. The repurchase price for any Loan which Angel Oak has requested Broker to repurchase (the "Repurchase Price") shall be an amount equal to the sum of
- 4.3.2a The current unpaid principal balance of the Loan at the time of repurchase (or at the time of the foreclosure sale date if the related Loan has been foreclosed),
 - 4.3.2b accrued but unpaid interest on such principal balance at the note rate from the paid-to date of the Loan through and including the last day of the month in which the Repurchase Price is paid,
 - 4.3.2c all costs and expenses, including without limitation, reasonable attorneys' fees and expenses, incurred by Angel Oak as a result of Broker's breach of this Agreement or enforcing the terms of this Agreement or Broker's obligation to repurchase the Loan,
 - 4.3.2d any premium paid by Angel Oak in excess of the principal balance of the Loan at the time of purchase (excluding the service release premium) if Angel Oak has not sold the Loan at the time of Broker's repurchase or if Angel Oak has sold the Loan and it is required to reimburse the purchaser, the premium that the purchaser paid to Angel Oak,
 - 4.3.2e any origination fees paid by Applicant to Broker,
 - 4.3.2f any unreimbursed advances made by Angel Oak, including without limitation taxes or insurance or payments authorized by the note or the mortgage or applicable law to protect Angel Oak's interest in the Loan or related property, and
 - 4.3.2g any other fees, costs or amounts relating thereto.
- 4.3.3 The Repurchase Price shall be reduced by (i) any proceeds of mortgage insurance collected by Angel Oak with respect to the Loan that have not been applied to the unpaid principal balance; and (ii) if the Loan has been foreclosed and the property has been sold to a third party, the proceeds of the sale price received by Angel Oak net of all advances, costs and expenses, including but not limited to reasonable attorneys' fees and expenses, incurred by Angel Oak in connection with such sale.
- 4.3.4 Repurchase Procedures. Upon Angel Oak's receipt of the Repurchase Price, Angel Oak shall execute and deliver to Broker (i) an assignment of the mortgage, an endorsement to the note, and the related Loan file and other loan documents, each without representation, warranty or recourse, and (ii) if Angel Oak previously foreclosed the Loan and at such time then owns the property, a deed to the property, without representation, warranty or recourse, and (iii) if Angel Oak previously foreclosed the Loan but either sold the property or a third party purchased the property at the foreclosure, an assignment of all deficiency obligations of the Mortgagor, without representation, warranty or recourse. With respect to the servicing of any Loan repurchased by Broker, Angel Oak shall transfer such servicing, or cause such servicing to be transferred, to Broker or its designee. If the Broker is unable to service any Loan or does not have a designee for such servicing, Angel Oak may, at its sole option, service such Loan for a fee equal to Angel Oak's then current rate until such time as Broker is capable of servicing such Loan or designates a successor servicer. All costs of transferring servicing of any repurchased Loan from Angel Oak to Broker or its designee shall be borne by Broker and Broker shall reimburse Angel Oak for any costs incurred in connection therewith. Broker's Repurchase Obligation with respect to a Loan shall not be eliminated, reduced or otherwise modified as a result of any modification, workout or assumption of the Loan.

- 4.3.5 Effect of Foreclosure. It is agreed by the parties that Broker's Repurchase Obligation with respect to a Loan shall not be obviated by the fact that the property securing the Loan has been foreclosed upon and said property has been acquired by Angel Oak or a third party, it being understood that Broker's Repurchase Obligation encompasses the repurchase of the property from Angel Oak if Angel Oak has acquired the property, or, if a third party has acquired the property, reimbursing Angel Oak as set forth herein. Notwithstanding anything to the contrary, in no event shall a full credit bid made by Angel Oak its successors or assigns any related party at a foreclosure sale of any Loan affect in any way the rights and remedies of Angel Oak or the obligations of Broker under this Agreement, including, without limitation, the obligations of Broker to repurchase and indemnify Angel Oak as provided herein.

ARTICLE 5

INDEMNIFICATION

5.1 Indemnification

Broker hereby agrees to protect, indemnify and hold Angel Oak and its officers, directors, employees, agents, shareholders, affiliates and representatives harmless from and against any and all losses, liabilities, costs, and expenses, (including reasonable attorneys' fees), judgments, damages, claims, counterclaims, demands, actions or proceedings, by whomsoever asserted in whatsoever jurisdiction or forum, by any person or entity who prosecutes or defends any actions or proceedings as representatives of or on behalf of a class or interested group, or any governmental body, agency, department or commission having jurisdiction pursuant to any applicable law or the settlement or compromise of any of the foregoing relating to, arising out of or in connection with Broker's breach or alleged breach of any representation, warranty or covenant contained herein.

5.2 Indemnification Agreement in Lieu of Repurchase

At Angel Oak's sole option and in lieu of repurchasing the related Loan subject to a Repurchase Obligation, Angel Oak may require the Broker to enter into a written indemnification agreement in a form acceptable to Angel Oak (the "Indemnification Agreement") which requires the Broker to indemnify Angel Oak, including, without limitation, reimbursing Angel Oak for any losses incurred by Angel Oak as a result of such Repurchase Obligation with respect to the related Loan.

5.3 Indemnification for Reporting

Broker understands and acknowledges that Angel Oak may report information about any Mortgage Loan Package that Angel Oak believes to contain misrepresentations or violates Applicable Law to the appropriate governmental body or regulatory agency, Fannie Mae, Freddie Mac, HUD or any mortgage industry background database, including, but not limited to, databases operated by Mortgage Asset Research Institute, Inc., such as the Mortgage Industry Date Exchange ("MIDEX") or any cooperative industry database. Broker acknowledges that Broker and any owner, officer, agent or employee may be named as the originating entity or loan originator on any such Loan. Broker acknowledges the importance of Angel Oak's right and necessity to disclose such information. Broker, for itself and its directors, officers and employees and their respective successors or assigns and Mortgage Asset Research Institute, Inc., indemnifies and holds Angel Oak and its officers, directors, employees, shareholders, representatives, successors, assigns, agents and affiliates from any and all damage, loss, liability, cost, actions, causes of action, claims, demands or expense both direct and indirect (including without limitation reasonable legal and accounting fees and expenses actually incurred) that may arise from the reporting or use by any database subscriber or any governmental body or agency of any information submitted by Angel Oak with respect to Broker and any owner, officer, agent or employee to any mortgage industry database, including MIDEX.

5.4 Survival. The obligations of Broker under this Article are continuing and shall survive the termination of this Agreement.

5.5 Right of Offset. In addition to any other rights and remedies available to Angel Oak, including, without limitation, the rights and remedies of Angel Oak under this Agreement, Angel Oak shall have the right, at any time, and from time to time, without notice, to offset and to appropriate or apply any and all deposits of money or property or any other indebtedness at any time held or owing by Angel Oak to or for the credit of the account of Broker against and on

account of the obligations and liabilities of Broker under this Agreement or any other agreement between Broker and Angel Oak or between Broker and any of Angel Oak's parent entities, subsidiaries or affiliates, irrespective of whether or not Angel Oak shall have made any demand hereunder and whether or not said obligations and liabilities shall have matured. For purposes of the right of offset, the determination as to whether Broker has any obligations and liabilities under this Agreement or any other agreement between Broker and Angel Oak and the extent of such obligations and liabilities shall be made by Angel Oak in its sole and reasonable discretion. Unless otherwise agreed by the parties, such offset shall not be construed as an accord and satisfaction of any obligation due from Broker to Angel Oak.

ARTICLE 6

BOOKS AND RECORDS; QUALITY CONTROL

- 6.1 **Record Keeping.** During the term of this Agreement, Broker shall maintain a complete and accurate account of all funds collected and paid relating to the Mortgage Loans Closed with Angel Oak. Angel Oak or its agent shall have the right, during reasonable business hours, to examine and audit the books, records, correspondence, collections, quality control and collection procedures, internal audit reports and other papers and electronically-stored information relating to a Mortgage Loan or to the matters contemplated by this Agreement and to make copies of any of the foregoing.
- 6.2 **Quality Control Program.** Broker shall establish a quality control program to ensure that its policies, procedures and practices conform to the requirements of this Agreement and to all applicable laws, rules and regulations. Broker shall conduct periodic internal audits to determine if its practices conform to its own policies and procedures, to the requirements of this Agreement and to the requirements of all applicable laws, rules and regulations. Such internal audits shall occur not less frequently than annually. If an internal audit reveals any material deficiency in its policies, procedures or practices, Broker shall immediately notify Angel Oak of all such deficiencies and shall promptly undertake remedial actions to cure such deficiencies. Broker shall document the results of such internal audits and any remedial actions undertaken and shall retain such documentation in its books and records for inspection by Angel Oak pursuant to Section 8.1. Upon Angel Oak's request, Broker shall deliver a copy of such documentation to Angel Oak without charge.
- 6.3 **Audit.** Angel Oak or its agent shall have the right to conduct its own independent audit of Broker to ascertain if the policies, procedures and practices of Broker conform to the requirements of this Agreement and to all applicable laws, rules and regulations. Angel Oak or its agent may conduct such independent audits at such times during reasonable business hours and with such frequency as Angel Oak deems appropriate in its sole discretion.

ARTICLE 7

TERMINATION

- 7.1 **Termination.** Angel Oak and Broker shall have the right to terminate or suspend this Agreement at any time for any reason, which termination or suspension shall be effective immediately upon the other party's receipt of written notice thereof. Notwithstanding any such termination or suspension, this Agreement shall continue to apply with respect to any Loan applications which have been locked-in, submitted or otherwise committed to Angel Oak under this Agreement. Notwithstanding anything to the contrary contained herein, this Agreement (including without limitation all of Broker's representations and warranties) shall survive any termination or suspension of this Agreement and shall remain in full force and effect with respect to each Loan brokered to or funded by Angel Oak prior to the effective date of such termination or suspension, for so long as there is outstanding principal or interest due Angel Oak or Angel Oak's assignee on the related note, or until such time as Angel Oak's interest or assignee's interest in such note has been completely liquidated. In the event Angel Oak sells or transfers the Loan, the provisions and obligations contained in this Agreement (including without limitation all of Broker's representations and warranties) shall survive any such sale or transfer and shall remain in full force and effect with respect to each such sold or transferred Loan.
- 7.2 **Suspension.** In the event that any government or agency initiates an investigation of Broker, Angel Oak may suspend

Broker's eligibility, in addition to any other right or remedy Angel Oak may have, until the investigation is complete. Such suspension shall not operate as a termination of this Agreement under Section 10.1 unless Angel Oak subsequently so elects. During the period of suspension, Angel Oak may, in its sole discretion, continue to Underwrite Mortgage Loans without waiving any of its rights under this Agreement, including its rights under this Article 10. No such suspension shall operate in any way to terminate or otherwise limit the obligations of Broker under this Agreement, nor shall it operate to excuse or relieve Broker from the continuing performance of each of its obligation under this Agreement.

ARTICLE 8

MISCELLANEOUS

8.1 Notification of Change in Status or Adverse Information Related to any loan

Broker shall immediately notify Angel Oak of any of the following:

- 8.1.1 Any material change in the ownership, financial condition or management of Broker, including a change in control as defined by any jurisdiction from which it conducts business.
- 8.1.2 Broker changes the name or address under or from which it conducts business.
- 8.1.3 Broker is notified or has reason to believe that any Loan submitted by Broker to Angel Oak was originated in violation of Applicable Law.
- 8.1.4 Broker knows or has reason to believe that any information in any Mortgage Loan Package or other document submitted to Angel Oak is or becomes untrue or fails to state any material fact or constitutes a misrepresentation.
- 8.1.5 Broker is notified or has reason to know of any complaint by an Applicant or any federal, state or local regulatory agency related to any Loan submitted by Broker to Angel Oak.
- 8.1.6 Broker is notified or has reason to know of an Applicant's request to rescind a Loan submitted by Broker to Angel Oak.
- 8.1.7 Broker, Broker's owner or principal, or any entity owned by Broker or Broker's owner or principal files a bankruptcy petition or is a party to any similar proceeding.
- 8.1.8 Broker shall notify Angel Oak in the event Broker intends to originate Loans through multiple locations or branches or by multiple loan originators. Broker agrees to provide Angel Oak with such information as Angel Oak may reasonably request regarding such locations and loan originators. Notwithstanding anything to the contrary contained in this Agreement, Broker shall be liable for the acts and omissions of its officers, employees and agents, including, without limitation, its loan originators.

8.2 No Solicitation of Refinancing

Broker shall not solicit or encourage, directly or indirectly, the refinancing of a Loan funded by Angel Oak for a period of twelve (12) months immediately following the closing of such Loan without the express prior written consent of Angel Oak.

8.3 Notification of Rescission

In the event that the submission of a Mortgage Loan Package to Angel Oak by Broker results in the closing and funding of a Loan to the Applicant by Angel Oak, which Loan is subsequently rescinded by the borrower pursuant to the Truth-in-Lending Act, Regulation Z or any similar law or regulation, Broker shall immediately notify Angel Oak of the borrower's rescission in writing within two (2) business days.

8.4 Relationship of the Parties

Angel Oak and Broker acknowledge and agree that at all times they are operating as independent parties. This Agreement is for the sole and exclusive benefit and obligation of the parties hereto and nothing contained herein shall be construed to give any party, other than Angel Oak and Broker, any legal or equitable right, remedy or claim

under or in connection with any provision of this Agreement. Nothing contained herein shall constitute a partnership, joint venture or agency relationship between Angel Oak and Broker and neither party shall at any time hold itself out to any third party to be an agent or employee of the other.

8.5 Non-Exclusive Arrangement

This is a non-exclusive agreement and Broker shall not be obligated to submit any or all loans that it brokers to Angel Oak.

8.6 Cooperation

The parties hereto each agree to cooperate with each other to perform all their duties hereunder and effectuate the purposes and intents of this Agreement; such cooperation shall include, but shall not be limited to, the correction of errors that may have arisen in connection with the origination of any Loan and provision of any and all information that may be requested regarding any of the Loans underwritten pursuant to this Agreement. Broker shall use its best efforts to obtain any necessary correction to any documents related to the Loan, upon request by Angel Oak.

8.7 Notices

Except where telephonic instructions or notices are authorized herein to be given, all notices, demands, instructions and other communications required or permitted to be given to or made upon any party hereto shall be in writing and mailed (certified mail, return receipt requested, postage prepaid), sent by overnight courier (charges prepaid), or sent by facsimile (and confirmed by return facsimile with a copy sent by first class mail), or personally delivered, addressed to the respective party at the address or facsimile number set forth below:

If to Angel Oak:

Angel Oak Mortgage Solutions LLC Attn: Wholesale Division

980 Hammond Drive, Suite 850, Atlanta, GA 30328

Telephone: 404-637-0396

Email: compliance@angeloakms.com

If to Broker:

Address: _____

Attn: _____

Telephone: _____ Facsimile: _____

Email: _____

Each party shall promptly provide written notice to the other of a change in its address, telephone number, facsimile number or designated email address. Notices delivered personally or by overnight courier shall be effective upon delivery. Notices transmitted by facsimile shall be effective when transmitted. Notices delivered by certified mail shall be effective on the date set forth on the receipt of certified mail, or the third business day after mailing, whichever is earlier.

8.8 Communications with Broker

Broker acknowledges and agrees that Angel Oak may communicate with Broker and provide Broker with information related to this Agreement or otherwise by any means legally permissible, including, without limitation, telephone, electronic mail and facsimile. To the extent Angel Oak is required by applicable law to obtain Broker's prior consent to receive such communications from Angel Oak via any such means, Broker hereby grants Angel Oak such prior consent for any such applicable law and Angel Oak shall not be required to obtain any additional consents from Broker.

8.9 Due Diligence and Information Related to Broker

Broker acknowledges and agrees that any information obtained by Angel Oak from Broker or otherwise in connection with Angel Oak's review and approval of Broker or any Loan submitted to Angel Oak for funding or

purchasing may be provided by Angel Oak to any of its parent entities, subsidiaries or affiliates, if permitted by applicable law. With respect to any information related to a Loan submitted to Angel Oak for funding, Broker expressly consents to the release of such information by Angel Oak to its parent entities, subsidiaries or affiliates which may have a need to know such information. Further, any other information provided by Broker to Angel Oak in connection with this Agreement, including, without limitation, any financial reports with respect to Broker, may be shared with and used by such parent entities, subsidiaries or affiliates for similar purposes.

8.10 Mutual Confidentiality

Any part receiving any Confidential Information (herein after “Receiving Party”) hereby agrees that the terms and conditions of this Agreement, shall be kept confidential and their contents shall not be divulged to any party without the Disclosing Party’s express prior written consent. The obligations under this section are continuing and shall survive any termination of this Agreement.

Receiving Party shall not disclose any “Confidential Information” (defined below) to any person who is not an officer, employee, or agent of Receiving Party. Receiving Party shall restrict the disclosure of Confidential Information only to its employees, officers, or agents who have a need to know the Confidential Information. Receiving Party shall only use Confidential Information in connection with the purposes of this Agreement.

“Confidential Information” is defined to include all information supplied to Receiving Party by, or at the direction of, Angel Oak, including any list of entities that are precluded from participating in Angel Oak’s wholesale broker programs to varying degrees, to include, but not limited to, any “Exclusionary List,” all information, data, and material prepared for, or at the direction of Disclosing Party, any information relating to Applicants (past, current and prospective), the Loans, this Agreement, accounts, vendors, marketing activities or plans, business plans, employees, pricing, financial matters, financial statements, the financial condition of the parties, any information revealed to third parties under any confidentiality agreement, understanding or duty, any information generally regarded as confidential in the consumer and commercial credit industries, and any information treated as confidential information or non-public personal information under the Gramm-Leach-Bliley Act, as amended, related regulations, and state privacy laws.

Upon the termination of this Agreement and without further request from Disclosing Party, Receiving Party shall promptly return all materials, data, forms, discs, charts, spreadsheets, and all other materials and information provided by or at Disclosing Party’s direction to Receiving Party or any designee of the Receiving Party, relating to any information used to determine the eligibility of any person or entity for lending purposes by Angel Oak or any designee of Angel Oak. Any other Confidential Information shall be returned to Disclosing Party within ten (10) days of request by Disclosing Party, except that Receiving Party may retain one copy of certain Applicant information if required by applicable law.

Should disclosure of any information or material covered by this Agreement be sought by way of subpoena, court order, administrative decree or by any means while the same is in the possession of Broker or anyone acting for, or at the direction of, Receiving Party, then Receiving Party shall promptly advise the Disclosing Party in writing. In addition, it shall provide Disclosing Party by the most expeditious means available with copies of any papers seeking the disclosure of such information together with copies of all material sought if the same exist and are under Receiving Party’s control. Receiving Party shall not disclose any information voluntarily in such circumstances and shall, if requested by Disclosing Party take appropriate action to protect the confidentiality of such information including, but not limited to, at Disclosing Party’s expense, seeking a protective order of a court of competent jurisdiction.

Receiving Party shall safeguard the Confidential Information from disclosure to any third party using the same precautions that it uses to safeguard its own confidential information, but in no event will such precautions be less than reasonable or less than as required by law. Receiving Party represents and warrants that it has and will have an information security program reasonably designed to (i) ensure the security and confidentiality of the Confidential Information, (ii) protect against any anticipated threats or hazards to the security or integrity of the Confidential Information, and (iii) protect against unauthorized access to or use of such Confidential Information. Receiving Party will advise Disclosing Party of all of its procedures designed to safeguard Confidential Information. Angel Oak may request additional security procedures be implemented and if so requested, Broker shall undertake such steps promptly.

Receiving Party shall require all of its employees, agents, independent contractors, licensees and other personnel performing services for purposes of this Agreement, to abide by the terms of this Agreement prior to being given access to any Confidential Information.

Receiving Party recognizes that no remedy at law for damages is adequate to compensate for breach of the covenants contained in this section. In addition to any other remedies available to Disclosing Party in this Agreement, Disclosing Party shall be entitled to temporary and permanent injunctive relief against breaches of this section without the necessity of proving damages. Such permanent or temporary injunctive relief shall in no way limit any other remedies that may result from the breach of this Agreement.

8.11 Notification of any Modifications and Amendments to Agreement

Angel Oak may modify or amend the terms and conditions of this Agreement from time to time and will notify the Broker of any modifications and amendments by providing a copy to Broker of any modification of amendment within ten (10) business days. A copy of such amendments can be provided in electronic format, including but not limited to posting to Angel Oak's Wholesale website, and releasing via email or fax to the contact of record. Submission of a Mortgage Loan Package by Broker to Angel Oak after the effective date of such modification or amendment is deemed acceptance of the modification or amendment by Broker with respect to each Loan.

8.12 Waiver

No waiver of any provision of this Agreement or of the rights and obligations of the parties shall be effective unless in writing and signed by an authorized representative of the party waiving compliance. Any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing.

8.13 Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Broker may not transfer or assign any of its obligations, rights or interests under this Agreement without the express prior written consent of Angel Oak and any attempted or purported assignment without such consent shall be null and void.

8.14 Severability

If any term, clause or provision of this Agreement shall be deemed invalid or unenforceable for any reason, the remainder of this Agreement shall remain valid and enforceable in accordance with its terms. The invalidity or unenforceability of any term, clause or provision in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

8.15 Attorneys' Fees

If any claim, legal action or any arbitration or other proceeding is brought for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement, Angel Oak shall be entitled to recover reasonable attorneys' fees and other costs incurred, in addition to any other relief to which Angel Oak may be entitled.

8.16 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument. Facsimile signatures shall be deemed valid and binding to the same extent as an original.

8.17 Governing Law

This Agreement shall be governed by and construed and enforced under the laws of the State of Georgia, without regard to its conflict of laws principles. In the event of any lawsuit or other proceeding relating to this Agreement, each party hereby consents to jurisdiction in the federal or state courts located in the State of Georgia.

8.18 Entire Agreement

This Agreement is the final and exclusive statement of all agreements and understandings between the parties with respect to the subject matter described herein and all oral and written correspondence relating to the subject

matter hereof, and any previous agreements entered into between Broker and Angel Oak, are superseded by this Agreement. The section headings of this Agreement are intended solely for convenience of reference and shall not in any manner amplify, limit, modify or otherwise be used in the interpretation of any of the provisions hereof.

IN WITNESS WHEREOF, the undersigned, by their respective authorized signatories, have executed this Agreement as of the date first above written.

BROKER

ANGEL OAK MORTGAGE SOLUTIONS LLC

Signature: _____

Signature: _____

Typed Name: _____

Typed Name: _____

Title: _____

Title: _____

BROKER'S MAIN CONTACT (if different from authorized signer)

Name: _____

Title: _____