



AURORA MORTGAGE, LLC BROKER APPROVAL POLICY

A. POLICY OVERVIEW:

Aurora Mortgage, LLC Broker approval Policy and Procedures will streamline the process of approving Brokers and retain only the strongest and most reputable Brokers to deliver loans to Aurora Mortgage, LLC. Broker relationships are defined as mortgage loan brokers who originate and process loans that are submitted to Aurora Mortgage, LLC for loan approval and funding in Aurora Mortgage, LLC's name. A complete application is required before loans are funded.

B. BROKER CRITERIA:

- The Broker must meet the following criteria:
 - Be properly licensed and authorized to originate and broker loans that meet Aurora Mortgage, LLC product line and underwriting requirements.
 - Have been in business for at least two years. In cases of newer firms, principals should have at least five years experience in mortgage lending.
 - Have a good reputation in the industry with proven references, and a high level of professionalism and strong ethical standards.
 - Have a minimum net worth of \$25,000.00
 - Have a "good standing" rating with all governmental licensing and revenue collection agencies and have a public record clear of any civil or criminal judgments. A Broker whose firm has been suspended, is currently under investigation by any agency or has an open judgment in excess of \$5,000 will not be approved or may not be renewed to do business with Aurora Mortgage, LLC.
 - Have a personal credit profile of "A" or better for all sole proprietors and partners. In the case of corporations, Aurora Mortgage, LLC may request personal credit reports from the corporate officers if the corporation's credit report is not satisfactory. Past credit difficulties will be reviewed on a case-by-case basis.
- A letter from the Broker explaining the derogatory item(s) will be required.



**AURORA MORTGAGE, LLC
WHOLESALE BROKER APPLICATION**

Account Executive: _____

Company Name: _____ Tax I.D. #: _____
Address: _____ City: _____ State: _____ Zip: _____
Primary Phone No.: _____ Primary Fax No. _____ Web Site Address: _____
Parent Company (if applicable): _____
Address: _____ City: _____ State: _____ Zip: _____

Date Organized/Incorporated: _____ Form of Organization: Corporation Sole Owner Limited Liability Company
Organized/Incorporated In What State: _____ (check one) Bank Charter Partnership Limited Liability Partnership

Lending State(s): _____

If closely held, list owners showing relative ownership and position:

Name: Position: Percentage:

_____ %

_____ %

_____ %

Number of Full-Time Employees: ____ Number of Branches: ____ List Address, Phone Number and Branch Manager separately

LIST NAME, TITLE AND SOCIAL SECURITY NUMBER OF ALL COMPANY OFFICERS

Name	Title	*SS#	_____	_____
Name	Title	*SS#	_____	_____
Name	Title	*SS#	_____	_____

PLEASE PROVIDE THE FOLLOWING NAME AND PHONE NUMBERS

Please indicate on a separate sheet the address for any of the below individuals if different from the Company's main address above:

Primary Contact Name: _____ email Address: _____
Telephone No: _____ Fax No: _____
Guideline & Product Update Contact Name: _____ email Address: _____
Telephone No: _____ Fax No: _____
Price Changes Contact Name: _____ email Address: _____
Telephone No: _____ Fax No: _____



**AURORA MORTGAGE, LLC
CREDIT CONSENT**

We hereby give our consent to have Aurora Mortgage, LLC and/or its designated credit reporting bureau, obtain any and all information concerning our employment, checking and /or savings accounts, obligations and all other credit matters which they may require in connection with our application to broker to broker loans.

This form may be reproduced or photocopied. A copy of the original signed form shall be considered effective consent.

Broker of Record (Name/Signature)

Date

Owner or Partner (Name/Signature)

Date

Owner or Partner (Name/Signature)

Date



AURORA MORTGAGE, LLC BROKER AGREEMENT

THIS AGREEMENT made this _____ day of _____ 200____, by and between Aurora Mortgage, LLC located at 8150 Leesburg Pike, Suite 1070, Vienna VA, 22182 and _____ located at _____ (Hereinafter referred to as "Broker").

WHEREAS, Broker is engaged in the activity of brokering loans evidenced by notes ("Notes") and secured by mortgages ("Mortgages") on real property (hereinafter the Mortgages and Notes are collectively referred to as "Loans") for mortgage lenders and Aurora is engaged in the activity of making Loans evidenced by Notes and secured by Mortgages and is desirous of having Broker submit to it loan applications generated by the Broker from Borrowers; and WHEREAS, Aurora and Broker desire to enter into this agreement to govern the brokering of Loans by Broker to Aurora.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and with the foregoing recitals incorporated herein by reference, the parties hereto, intending to be legally bound, hereby agree as follows:

1. LOAN APPLICATIONS/INFORMATION REQUIRED FOR LOANS.

Broker shall submit to Aurora from time to time loan application packages, including, but not limited to, a loan application, credit report, appraisal, title report, income and mortgage verification and proof of insurance (hereinafter collectively referred to as "Loan Applications"), the types of which are within the guidelines as to dollar minimums and maximums, terms, rates, collateral and other requirements as will be from time to time mutually agreed upon by and between Broker and Aurora, provided however, that nothing herein shall be construed as creating any obligation on the part of Aurora to grant such Loans to Borrowers. Broker shall devote its best efforts to perform the origination services set forth on Exhibit "A" attached hereto.

2. TERM.

The term of this Agreement shall be for a period of _____. The Agreement will automatically renew at the end of the current term unless either party provides thirty (30) days written notice to the other party of its desire to terminate the Agreement or unless either party breaches a material term of the Agreement and the non breaching party desires to terminate the Agreement.

3. REPRESENTATIONS AND WARRANTIES OF BROKER.

It is understood and agreed by Broker and Aurora that as a material inducement to Aurora to enter into this Agreement, Broker hereby represents, warrants and covenants to Aurora with respect to each Loan Application submitted to Aurora as follows:

A. This Agreement constitutes, when duly executed and delivered by Broker, a legal, valid and binding obligation of Broker enforceable against Broker according to its terms. Upon request by Aurora, the Broker shall deliver certified copies of relevant corporate or similar resolutions to Aurora.

B. Broker is duly organized, validly existing and in good standing under laws applicable to its organization and existence and is duly qualified as a foreign business in all jurisdictions wherein the character of the property owned or leased or the nature of the business transacted by Broker makes qualification as a foreign business necessary. Broker is a licensed first and/or secondary mortgage lender/broker in good standing in all states in which it is offering or will offer Loans for brokering to Aurora. Upon request by Aurora, the Broker shall deliver to Aurora copies of licenses or copies of a good standing certificate for the state of its incorporation and, if requested by Aurora, for each state in which Broker is or should be registered to do business.

C. The execution and delivery of this Agreement by Broker and the performance by Broker of the obligations by it to be performed hereunder do not, and will not, violate any provision of any law, rule or regulation, (federal, state or local), order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to the Broker or to the charter or bylaws of the Broker, if applicable. Broker has the authority to make, deliver and perform this Agreement and all transactions contemplated hereunder. No consent of any other Person including Broker's shareholders, if applicable, or its governmental regulators, and no consent, license, approval or authorization of or registration with, or declaration by or with, any governmental authority, bureau or agency is required in connection with the execution, delivery, validity, enforceability or performance of this Agreement or the brokering of any Loan to Aurora, which consent, license, approval, authorization, registration or declaration has not been obtained.

D. There are no actions, suits, or proceedings pending or, to the knowledge of Broker, threatened against or affecting Broker or the properties of Broker before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which, if determined adversely to Broker, would have a material adverse effect on the financial condition, properties or operation of Broker or its ability to broker or originate the Loans.

E. Broker has not, in connection with the Loans submitted to Aurora, violated any applicable federal, state or local law or regulation, including without limitation, the Fair Credit Reporting Act and Regulations, the Federal Truth In Lending Act and Regulation Z, the Federal Equal Credit Opportunity Act and Regulation B, the Federal Real Estate Settlement Procedures Act and Regulations or usury laws and regulations. Broker will originate all Loans in a prudent manner consistent with the normal and customary practices generally followed by businesses engaged in the origination or brokering of their own and others mortgages.

F. Broker warrants the accurateness and the truthfulness of all information, credit or otherwise, submitted in connection with such loans or other credit and hereby represents, warrants and covenants that all documents or instruments submitted by Broker in connection with such loans or other credit will in every respect be valid and genuine, being what on their face they purport to be, except to the extent that such information, documentation or instruments have been supplied directly from the individual or individuals without origination, alteration or modification by Broker.

G. Broker has not, in connection with any Loan submitted to Aurora, received any compensation, fee or item of value directly from the Borrower for any of the settlement services itemized in Exhibit "A" which was or is to be provided by Broker in connection with the loan contemplated to be closed by Aurora by this Agreement, and for which Broker may or will be compensated by Aurora.

4. INDEMNIFICATION.

Broker shall indemnify Aurora, its shareholders, directors, officers, employees, successors and assigns and hold it harmless from and against any and all claims, costs and expenses that Aurora may sustain arising, attributable to and/or resulting from a breach of any terms or provisions of this Agreement including but not limited to any representation, warranty, covenant or agreement by Broker in and under this Agreement. Such indemnification shall include, but not be limited to (a) repurchase of the mortgage loan and/or (b) return of any premium paid to Broker by Aurora.

Early Pay-off: If a loan funded by Aurora under this Agreement is paid in full within one-hundred eighty (180) days of the date of closing, Broker shall refund to Aurora the excess of (a) the yield spread premium paid to Broker by Aurora less (b) the prepayment penalty, if any, collected by Aurora under the terms of the loan.

Early Payment Default: At the option and direction of Aurora, the Broker shall immediately purchase from Aurora any mortgage loan where any of the first three (3) scheduled payments due are not made by the borrower within the calendar month due. In lieu of purchasing any such delinquent Mortgage Loan from Aurora, in Aurora's sole discretion, Broker may enter into an indemnification agreement to reimburse Aurora for any and all casts, expenses, losses, etc. relation to such delinquent loan.

5. RELATIONSHIP OF THE PARTIES.

It is agreed that Broker and Aurora are not partners, joint ventures, or any other form of association which would impose on either party liability for the act or failure to act of the other party and that Broker is not acting as an employee or agent for Aurora in the origination and brokering of Loans for Aurora.

6. MISCELLANEOUS.

A. Additional Documents. Broker shall from time to time, execute and deliver or cause to be executed and delivered, such additional instruments, papers and documents as Aurora may at any time reasonably request for the purpose of carrying out this Agreement and the transactions provided for herein.

B. Power of Attorney. In order to enforce Aurora's rights under this Agreement, Broker shall, upon the request of Aurora or its successors and assigns, do and perform or cause to be done and performed, every reasonable act and thing necessary or advisable to put Aurora or its successors and assigns in position to enforce the payment of the Loans and to carry out the intent of this Agreement, including the execution of and, if necessary, the recordation of additional documents including separate endorsements and assignments upon request of Aurora.

C. Survival of Covenants, Agreements, Representations and Warranties; Successors and Assigns. All warranties, representations, and covenants made by Broker in this Agreement or in any other instrument delivered by the Broker, or on Broker's behalf under this Agreement shall be considered to have been relied upon by Aurora and shall survive the delivery to Aurora of any Loan Application, settlement of any Loans by Aurora and the termination of this Agreement, regardless of any investigation made by Aurora or on its behalf. Aurora reserves the right to proceed against third parties to enforce any representations, warranties and covenants made by them for the benefit of Broker.

D. Severability & Waiver. If any provision, or part thereof, of this Agreement is invalid or unenforceable under any law, such provision, or part thereof, is and will be totally ineffective to that extent, but the remaining provisions, or part thereof, will be unaffected. No waivers of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances, shall be deemed to be, or construed as a further or continuing waiver of any such term, provision or condition, or of any other term, provision or condition of this Agreement.

E. Notice. Any notice for this Agreement provided or permitted to be given by one party to the other must be in writing and given by personal delivery or by depositing the same in the United States Mail or delivering by overnight courier. For purposes of notice, the addresses of the party shall be those set forth above.

F. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with Laws of the State of Connecticut. This Agreement shall be interpreted fairly in accordance with its provisions and without regard to which party drafted it.

G. Entire Agreement. This Agreement and the documents referred to herein and executed concurrently herewith constitute the entire Agreement between the parties hereto with regard to the subject matter hereof. H. Consent to Receipt of Marketing Material. Broker consents to receiving marketing materials via any medium from Aurora. Such consent shall remain in effect until the termination of this Agreement. IN WITNESS WHEREOF, the parties hereto executed this Agreement on the date first above written.

AURORA MORTGAGE, LLC, LENDER
BY _____
ITS _____

BROKER _____
BY _____
ITS _____

Print Name and Title

Print Name and Title



**AURORA MORTGAGE, LLC
EXHIBIT "A"**

LOAN ORIGINATION SERVICES TO BE PERFORMED BY BROKER

Aurora Mortgage, LLC may compensate the Broker for the following services rendered by the Broker in the origination of a Loan.

Broker must perform *ALL* the services listed in numbers one (1) through twelve (12).

- (1) Interview the Borrower
- (2) Obtain the appropriate and necessary information and documentation
- (3) Complete the loan application
- (4) Initiating/ordering VOE's (verifications of employment) and VOD's (verifications of deposits)
- (5) Initiating/ordering requests for mortgage and other loan verifications
- (6) Initiating/ordering appraisals
- (7) Initiating/ordering inspections or engineering reports
- (8) Analyzing the prospective borrower's income and debt and pre-qualifying the prospective borrower to determine the maximum mortgage that the prospective borrower can afford
- (9) Educating the prospective borrower in the home buying and financing process, advising the borrower about the different types of loan products available and demonstrating how closing costs and monthly payments would vary under each product
- (10) Collecting financial information (tax returns, bank statements) and other related documents that are part of the application process
- (11) Assisting the borrower in understanding and clearing credit problems;
- (12) Maintaining regular contact with the borrower, realtors and lender between application and closing to apprise them of the status of the application and to gather any additional information as needed. The services listed in numbers thirteen (13) through sixteen (16) may be performed either solely by Aurora or in combination with a broker. Aurora will not be compensating for these duplicative services.
- (13) Providing disclosures (truth in lending good faith estimate, others) to the borrower;
- (14) Ordering legal documents
- (15) Determining whether the property was located in a flood zone or ordering such service
- (16) Participating in the loan closing.



CORPORATE RESOLUTION

I hereby certify that the Secretary of _____, a corporation of the State of _____, and that as such Secretary, I have custody of the records of this Corporation, and by virtue of such action, the board of Directors passed the following resolution at a meeting dated _____, _____, which is now in force and is not in conflict with the Charter of Bylaws of Corporation.

RESOLVED, that the officers and agents of this Corporation appointed and named below are hereby authorized in the name of and on behalf of the Corporation to enter into an agreement with Aurora Mortgage, LLC and its operation subsidiaries to sell and/or broker mortgage loans, and that these individuals are each and severally authorized to sign on said agreement and on behalf of the Corporation and to effect and changes with respect thereto.

FURTHER RESOLVED, that these individuals are each and severally authorized to enter into commitments with Aurora Mortgage, LLC and to execute any and all other documents on behalf of this Corporation.

FURTHER RESOLVED, this Corporation is authorized to sign an agreement as required by Aurora mortgage, LLC.

FURTHER RESOLVED, that this authorization shall remain in force until Aurora Mortgage, LLC receives, at its office, a certified copy of a resolution of this Corporation to the contrary, revoking all pervious authorizations heretofore given. The revocation of previous authorizations, with respect to said account, shall not affect the validity of any item signed by the persons, at the time authorized to act.

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

Authorized Agent (Typed Name/Signature)

IN WITNESS WHEREOF, I have executed this resolution in my capacity as Secretary of this Corporation this _____ day of _____, in the year 20____.

Secretary



AURORA MORTGAGE, LLC LOAN FRAUD ZERO TOLERANCE

All approved Wholesale Loan Brokers and Correspondents must be aware that the licensed real estate brokers bears the responsibility for all actions of the broker's employees or licenses. The broker is responsible for the content and quality of each application taken and each loan submitted to Aurora Mortgage.

THE SUBMISSION OF A LOAN APPLICATION CONTAINING FALSE INFORMATION IS A CRIME!

Types of Loan Fraud

- 1) Submission of inaccurate information, including false statements on loan application(s) and falsification of documents purporting to substantiate credit, employment, deposit and asset information, personal information including identity, ownership/non-ownership of real property etc.
- 2) Forgery of partially or predominantly accurate information.
- 3) Incorrect statements regarding current occupancy or intent to maintain minimum continuing occupancy as stated in the security instrument.
- 4) Lack of due diligence by broker/loan officer/interviewer/processor, including failure to obtain all information required by the application and failure to request further information as dictated by Borrower's response to other questions.
- 5) Unquestioned acceptance of information or documentation that is known, should be known, or should be suspected to be inaccurate.
 - A. Simultaneous or consecutive processing multiple owner-occupied loans from one applicant supplying different information on each application.
 - B. Allowing applicant or interested party to "assist with the processing of the loan."
- 6) Broker's non-disclosure of relevant information.

Impact of Loan Fraud

The effects of "Loan Fraud" is costly to all parties involved. Aurora Mortgage stands behind the quality of its loan production. Fraudulent loans cannot be sold into the secondary market and, if sold, will require repurchase by Aurora Mortgage. Fraudulent loans damage our reputation with our investors and mortgage insurance providers.

The price paid by those who participate in "Loan Fraud" is even more costly. The following is a list of a few of the potential consequences that may be incurred:

Consequences to Broker

1. Criminal prosecution.
2. Loss of Real Estate Broker's license.
3. Loss of lender access due to exchange of information between lender, mortgage insurance companies including submission of information to investors (Freddie Mac/Fannie Mae), police agencies, and the State Licensing Agencies.
4. Civil action by Aurora Mortgage.
5. Civil action by applicant/borrower or other parties to the transaction.
6. Loss of approval status with Aurora Mortgage.

I have read the foregoing and understand Aurora Mortgage's position on "Loan Fraud".

COMPANY NAME

SIGNATURE OF "BROKER OF RECORD"

SIGNATURE OF PRINCIPAL OFFICER



AURORA MORTGAGE, LLC BROKER APPLICATION CHECKLIST

Thank you for your interest in Aurora Mortgage, LLC. Client Administration is responsible for preparing and approving the Broker application. Documentation needed to support the Broker approval may vary, but in all cases the below items are required from applicants. Please use this checklist to ensure the application is complete and to expedite processing. A complete application is required before loans are funded.

- A completed and signed Wholesale Broker Application.
- In the case of sole proprietorships or partnerships, completed Corporate Resolution form signed by the owners/partners and the broker of record.
- Two (2) Completed signed Wholesale Broker Agreement.
- In the case of corporation, a completed Corporate Resolution form. The Corporate Resolution must include the corporate name as well as its commonly known “d/b/a”
- For limited liability companies, a copy of the Operating Agreement indicating the members authorized to enter into commitments or execute agreements is acceptable.
- Copies of all current lending licenses from states in which the Broker currently does business. The license must show the fictitious business name (if applicable).
- Current financial statements (Balance sheet and Profit & Loss) dated within the past 11 months.
- Resumes of the principal officers and key managers of the firm.
- A signed Loan Fraud Zero Tolerance form.
- Completed W-9 form
- FHLMC exclusionary list
- Copy of QC plan from TPO
- FHA/VA approval if applicable

Please send the documentation to Aurora Mortgage, LLC via standard mail.

All approved Wholesale Loan Brokers and Correspondents will be subject to the following:

- MARI check on all principals
- Background check on all principals

Aurora Mortgage, LLC
8150 Leesburg Pike, Suite 1070
Vienna, Va. 22182
Ph: 703-734-7704
Fax: 703-734-2779
e-mail: support@auroramtg.com

We look forward to receiving your application package and will generally provide a response to your application within five business days of receipt.

Sincerely,
Aurora Mortgage, LLC