

Toll Free: 1-888-814-8191
Web: www.mimbroker.com

Thank you for your interest in becoming an approved Broker with Mid-Island Mortgage Corp. It is our sincere desire to provide your company with a broad variety of Broker Loan programs and most importantly, service excellence second to none.

At Mid-Island Mortgage Corp., we understand the unique relationship between Broker and Investor. We view each Broker as a strategic business partner and in any successful partnership, communication, consistency and trust are the most important elements of a long term business relationship.

In order to expedite the approval of your Broker Application, please follow these instructions carefully. Your failure to provide complete and accurate information or documentation could result in your application being declined or suspended.

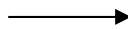
Broker Application Checklist

Please include every item listed or you will delay your process and approval.

- Completed Broker Application – signed and dated by an authorized officer or principal.
- Original Broker Agreement – initial each page and sign the last page.
- Confidentiality Agreement – initial each page and sign the last page.
- Original Fair Lending Disclosure.
- Copies of current licenses for all states in which Broker is licensed.
- Credit Authorization Form.
- Investor Release Form.
- Brief written history and organizational outline of company.
- Resumes of principals.
- Office Personnel Sheet.
- Articles of Incorporation.
- Quality Control Procedures.
- Agency Approvals – HUD letter and VA if applicable.
- Net Worth Statement – what Broker sent to HUD for FHA approval.
- Certified Financials.
- Original completed W-9.
- Sample of Pre-Application Disclosure – this is also known as the Broker Fee Agreement.

All submissions should be mailed to: Mid-Island Mortgage Corp.
400 West Cummings Park, Suite 5800
Woburn, MA 01801
Attn: Wholesale Compliance Department

Attention Brokers!
Please insert your AE's
name here



Broker Application

(Please Type or Print and Answer all Questions)

Company Name: _____

Broker of Record: _____

Mailing Address: _____

City/State/Zip: _____

Telephone: _____ () _____ **Fax:** _____ () _____

Email Address: _____ **Website:** _____

Organized Under the State of: _____ **Date Company Organized:** _____

Company Organized as (select one): () **Sole Proprietorship** () **S-Corp.**
() **C-Corp.** () **LLC** () **LLP** () **LP**
() **GP** () **Other:** _____

Please list principals and officers names and titles:

(1) Name:			
Title:			
Percent of Ownership		Social Security Number:	
Phone Number:		Fax Number:	
Email Address:		Date of Birth:	
(2) Name:			
Title:			
Percent of Ownership		Social Security Number:	
Phone Number:		Fax Number:	
Email Address:		Date of Birth:	
(3) Name:			
Title:			
Percent of Ownership		Social Security Number:	
Phone Number:		Fax Number:	
Email Address:		Date of Birth:	
(4) Name:			
Title:			
Percent of Ownership		Social Security Number:	
Phone Number:		Fax Number:	
Email Address:		Date of Birth:	

General Information

Number of Employee(s): _____ Number of Office(s): _____

State(s) in which company originates loans:

State(s) licensed in:

Do you own any part of an escrow company or real estate office? Yes ____ No ____

If an escrow owned company exists, how is it licensed? _____

Select Agency, as Applicable to Current Approvals:

FNMA () FHLMC () FHA () VA () HUD ()

Approval # Approval # Approval # Approval # Approval #

Disclosure/Diligence

Have you or any other principal(s) of subject broker shop have prior or present ownership in another broker shop? () YES () NO

If YES, please explain: _____

Has Applicant had any adverse findings regarding mortgage originations by any regulatory agency during the past 5 years? () YES () NO

If YES, please explain: _____

Are there any current or pending claims or lawsuits against the Applicant? () YES () NO

If YES, please explain: _____

Has Applicant ever been suspended or terminated from originating/selling by a mortgage investor? () YES () NO

If YES, please explain: _____

Does the Applicant insure appropriate and correct disclosures that are timely provided?
() YES () NO

If HUD approved, does the Applicant have a current Quality Control Plan, which is implemented into the Company's operation? () YES () NO () NA

Business References

Please list 5 Lender References with whom you currently do business:

	Company Name	Person To Contact	Phone Number	Fax Number
1.	_____	_____	() _____	() _____
2.	_____	_____	() _____	() _____
3.	_____	_____	() _____	() _____
4.	_____	_____	() _____	() _____
5.	_____	_____	() _____	() _____

The undersigned declares that the foregoing information and all accompanying information is true to the best of his/her knowledge and belief. Mid-Island Mortgage Corp. is hereby authorized to obtain verification of information from any source; check credit references and obtain credit reports concerning the Company and the undersigned. A copy of this authorization shall be as valid as the original. Mid-Island Mortgage Corp. will treat the information obtained as confidential. Mid-Island Mortgage Corp. agrees that any financial information provided herein or any references contacted will be treated confidential. By typing my name below, I acknowledge that this application is being made by electronic means and I agree to be bound by this application and any agreement entered into with Mid-Island Mortgage Corp. electronically. All electronic transaction and transmittals between Mid-Island Mortgage Corp. and me shall be equivalent to a non-electronic transaction or transmittal in force and effect.

Company Name: _____

By: _____ **Title:** _____ **Date:** _____

Mid-Island Mortgage Corp.

Mid-Island Mortgage Corp.

Licensed Mortgage Banker – NYS and NH Banking Departments; CT, MA, VA and VT Licensed Lender/Broker; DE and NJ Licensed Lender; Licensed Mortgage Lender FL, MD and ME; RI Banker

Toll Free 1 800 964-5363
Web: www.mimbroker.com

BROKER AGREEMENT

THIS BROKER AGREEMENT (Agreement) is entered into as of this _____ day of _____, 20____, by and between Mid-Island Mortgage Corp. (“LENDER” and/or “MID-ISLAND”), having its principal office at 900 Merchants Concourse, Westbury, NY 11590 and _____, a _____ (“Broker”) having its principal office at _____ (“Office”).

WHEREAS, Lender engages in the business of originating residential loans (“Mortgage Loans”); and

WHEREAS, Broker is in the business of submitting to Lenders loan application packages on behalf of its clients who are seeking residential loans.

WHEREAS, from time to time, Mid-Island desires to underwrite and close such Mortgage Loans, and sell the Mortgage Loans in the secondary mortgage market under Mid-Island Mortgage Corp. Mortgage Loan Programs, and Broker agrees to submit Mortgage Loans to Mid-Island Mortgage Corp. on the terms and conditions set forth herein.

NOW THEREFORE, for mutual consideration the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

DEFINITIONS

Borrower. The person or persons who submit an application to Broker and receive a Mortgage Loan the subject of this Agreement.

Laws. All federal, state, county, local, and foreign laws, regulations, licensing requirements, ordinances, codes, and orders that may be applicable to Broker’s business and ability to perform its obligations hereunder, as may be amended or supplemented from time to time.

Mortgage. A valid enforceable mortgage, Deed of Trust, or other instrument pledging property as security for payment of a Note.

Mortgage Loan. A loan secured by a lien on residential property which is the subject of this Agreement, evidenced by a Note and Mortgage, including the Mortgage Loan Documents and all other instruments evidencing a borrower’s indebtedness.

Mortgage Loan Documents. Any and all other documents or materials which are required to be maintained or prepared in connection with the origination and closing of Mortgage Loans pursuant to this Agreement.

Mortgage Loan Program. A type of Mortgage Loan, the terms and conditions of which are described in the Policies, and which can be offered to prospective Borrowers as an eligible Mortgage Loan under the terms of this Agreement.

Mortgaged Property. The property encumbered by the Mortgage.

Note. A valid and enforceable Promissory Note or other instrument, which evidences a Borrower’s obligation to repay a Mortgage Loan.

Initials

Policies. All documents and information containing the Policies and Procedures issued from time to time by Mid-Island Mortgage Corp. applicable to the origination of Mortgage Loans pursuant to this Agreement. These Policies can be modified in part or in whole at any time by Mid-Island Mortgage Corp. immediately upon written notice to Broker. The Policies and all revisions thereto are expressly incorporated by reference and are made a part of this Agreement in all respects.

Third Party Investor. Any purchaser of Mortgage Loans from Mid-Island Mortgage Corp. identified as such in the Policies of Mid-Island Mortgage Corp.

Underwrite. “Underwrite” or “Underwriting” means the examination of a Borrower’s application, credit history, income and financial resources using underwriting standards for the purposes of determining whether to extend credit to a Borrower.

ARTICLE 1 ELIGIBLE LOANS; PRICING

- 1.1 MORTGAGE LOAN PROGRAMS. Mid-Island shall from time to time, distribute to Broker information with respect to the types of Mortgage Loans originated by Broker that it is willing to close. Mid-Island will close only Mortgage Loans eligible for the Mortgage Loan Programs offered by Mid-Island. Broker acknowledges that Mid-Island reserves the right to alter, add, or delete Mortgage Loan Programs from time to time by amending its Policies and Broker accepts responsibility for knowing which Mortgage Loan Programs are offered by Mid-Island Mortgage Corp. at any given time.
- 1.2 STANDARDS AND GUIDELINES. Mid-Island reserves the right to use the standards and guidelines of Third Party Investors and the Agencies and to incorporate their respective standards and guidelines for its Mortgage Loan Programs.
- 1.3 MORTGAGE LOAN PRICING. Mid-Island shall issue to Broker on periodic basis pricing information applicable to Mortgage Loans it will close. Such pricing information is subject to change without notice. All payments to Broker, either by borrower upon closing of the Mortgage Loan, or by Mid-Island via a yield spread premium, shall be upon mutual agreement of the parties consistent with Mid-Island’s Loan Programs.

ARTICLE 2 DUTIES OF BROKER

- 2.1 ORIGINATION. Broker shall originate all Mortgage Loans at its offices, in its own name, and shall be responsible for providing the Mortgage Loan Application and related disclosures required by any and all Laws to prospective Borrowers. Broker shall be responsible for obtaining the original executed Mortgage Loan Application and disclosure forms from the borrower.
- 2.2 UNDERWRITING. Broker shall promptly submit each complete Mortgage Loan for Underwriting by Mid-Island or its agent for approval prior to closing.
- 2.3 PROCESSING. Broker shall process the Mortgage Loan Application according to Mid-Island’s Policies, and in accordance with any and all Laws.
- 2.4 COMPLIANCE OF HUD/FHA REQUIREMENTS AND QUALITY CONTROL TESTING. If Mortgage Broker is FHA-Approved Correspondent of Mid-Island, Mortgage Broker agrees that all applicable HUD/FHA requirements are met and that broker is FHA compliant. In addition, Correspondent Mortgage Broker assumes responsibility for all quality control testing. Copies of reports are to be made readily available to Mid-Island. Correspondent acknowledges responsibilities, as outlined above, and recognizes that consistently poor results of quality control testing would require a re-evaluation of the relationship.

Initials

ARTICLE 3
DUTIES OF MID-ISLAND MORTGAGE CORP.

- 3.1 **REGISTRATION OF MORTGAGE LOANS.** Mid-Island shall send Broker a written confirmation for the registration of each Mortgage Loan. Neither Broker's registration nor Mid-Island's confirmation of the registration shall obligate Mid-Island to close the Mortgage Loan if the Mortgage Loan does not otherwise meet the criteria set forth in this Agreement, in the Policies, or if the Mortgage Loan does not satisfy Mid-Island's underwriting standards.
- 3.2 **UNDERWRITING OF REGISTERED MORTGAGE LOANS.** Mid-Island or its agent in Mid-Island's discretion, shall underwrite every registered Mortgage Loan. Mid-Island shall have no obligation to approve a Mortgage Loan, which in its sole discretion does not meet Mid-Island's underwriting requirements. In making its determination to approve a Mortgage Loan, Mid-Island expressly disclaims any inference Broker may draw as to the general quality or acceptability of the Mortgage Loan Application. Mid-Island retains sole and absolute discretion to reject any Mortgage Loan Application submitted for approval which does not comply with the terms and conditions of this Agreement or Mid-Island's Policies, or for any reason whatsoever (except as prohibited by law). Mid-Island retains sole and absolute discretion to set the terms and conditions for any approval of a Mortgage Loan. Mid-Island shall notify Broker of Mid-Island's disposition regarding a Mortgage Loan Application submitted for approval consistent with its policies.
- 3.3 **REJECTION OF MORTGAGE LOANS.** Mid-Island in its sole discretion, may reject any Mortgage Loan, which does not comply with the terms and conditions of this Agreement, or the Policies, or for any other reason within its total discretion. Nothing contained in this Agreement shall be construed to require Mid-Island to approve or close a Mortgage Loan registered by Broker.

ARTICLE 4
GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS OF BROKER

As an inducement to Mid-Island to enter into this Agreement and to consummate the transactions contemplated hereunder, Broker represents, warrants and covenants to Mid-Island as follows:

- 4.1 **DUE ORGANIZATION; GOOD STANDING.** Broker was, and continues to be duly organized, validly existing and in good standing during the time of its activities with respect to the origination of the Mortgage Loan subject to this Agreement.
- 4.2 **AUTHORITY AND CAPACITY.** Broker has all power, authority and capacity legally required to enter into this Agreement and to perform the obligations required of it hereunder. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, have been duly and validly authorized by all necessary action legally required. This Agreement constitutes a valid and legally binding Agreement between Mid-Island and Broker enforceable in accordance with its terms herein.
- 4.3 **EFFECTIVE AGREEMENT; NO CONFLICTS.** The execution, delivery and performance of this Agreement by Broker, its compliance with the terms hereof and consummation of the transactions contemplated hereby, will not violate, conflict with, result in a breach of, give rise to any right of termination, cancellation or acceleration or constitute a default under, be prohibited by or require any additional approval under its charter or other applicable organizational documents or any instrument or agreement to which it is a party or by which it is bound, or any Law, or any judicial or administrative decree, order, ruling or regulation, applicable to it.

Initials

- 4.4 COMPLIANCE WITH LAWS. Broker has complied, and shall comply, both in the conduct of its business generally, and in its origination of each Mortgage Loan, with all applicable Laws, including, without limitation upon the generality of the foregoing, the Equal Credit Opportunity Act (“ECOA”) and Regulation B, including without limitation its requirements relating to nondiscrimination; the Truth-In-Lending Act and Regulation Z; the Real Estate Settlement Procedures Act (“RESPA”) and Regulation X; and state laws and regulations governing mortgage lending and mortgage brokerage.
- 4.5 NOTICE OF THREATENED ACTIONS. Broker has not been issued any administrative order, cease and desist decree or been the subject of regulatory action. Broker shall immediately advise Mid-Island in writing of any inquiry pending or threatened action, by way of a proceeding or otherwise, to revoke or limit any license, permit, authorization or approval issued or granted by any federal, state or local government or quasi-governmental body, or any agency or instrumentality thereof, necessary for Broker to conduct its business, or to impose any penalty or other disciplinary sanction in connection therewith, or any other sanction that would materially affect Broker’s business. In addition, if the Broker receives any letter, notice, or other writing (“Notice”) from a Third-Party Investor or any regulatory agency with respect to any Mortgage Loan sold to Mid-Island, Broker shall advise Mid-Island immediately of such Notice and deliver a copy of the Notice to Mid-Island.
- 4.6 LITIGATION. Except as previously disclosed in writing to and acknowledged in writing by Mid-Island, Broker is not a party to (a) any litigation, as a defendant, involving fraud, misrepresentation, violation of any state or federal lending laws or regulatory compliance, or (b) any negative investor or regulatory finding through audits or examinations or mortgage guaranty insurance investigations.
- 4.7 NO UNTRUE OR MISLEADING STATEMENTS. No representation, warranty or written statement made by Broker to Mid-Island in this Agreement, any schedule, written statement, or document furnished by Broker in connection with the mortgage loan transactions contemplated by this Agreement, including documents obtained from a borrower, contain or will contain any untrue statement of material fact or omit or will omit to state a material fact.
- 4.8 EARLY PAYMENT DEFAULT. “Early Payment Default” is defined as “Borrower defaults on first payment or is 60 days late during any of the first six (6) scheduled payments or 90 days late during any of the first twelve (12) scheduled payments.” In the event of an Early Payment Default, Broker shall repurchase the Mortgage Loan if requested by Mid-Island (or its successors or assigns), or reimburse Mid-Island (or its successors or assigns) in accordance with Article 7 of this Agreement. Broker’s liability under this paragraph shall be limited to the maximum amount recoverable under Article 7 of this Agreement.
- 4.9 INSURANCE. Unless otherwise agreed to in writing, Broker possesses and shall maintain, at no expense to Mid-Island, during the term of this Agreement, Fidelity Bond coverage, Errors and Omissions insurance, and shall furnish evidence of such coverage to Mid-Island. Such policies shall be in reasonable amounts, with acceptable standard coverages, satisfactory to Mid-Island. Broker shall notify Mid-Island of changes thereto or cancellations thereof.
- 4.10 ABILITY TO PERFORM. Broker represents that it employs or will employ a sufficient number of knowledgeable and capable individuals to perform the services and/or duties required by this Agreement.

ARTICLE 5
REPRESENTATIONS, WARRANTIES AND COVENANTS
AS TO MORTGAGE LOANS

As further inducement to Mid-Island to enter into this Agreement and to close the Mortgage Loans hereunder, Broker represents, warrants and covenants to Mid-Island as follows:

- 5.1 VALID LIEN. To the best of the Broker’s knowledge, the borrower has no rights of rescission, set-offs, counterclaims or defenses to the Note or Mortgage securing the Note arising from the acts and/or omissions of Broker in the origination, processing or closing of the Mortgage Loan.

Initials

- 5.2 LEGAL CAPACITY. To the best of the Broker's knowledge, all parties signing the Mortgage Loan documents have and/or had the legal capacity and authority to sign the documents, and the documents have been duly signed and delivered by each such party.
- 5.3 GENUINE DOCUMENTS. All documents submitted by Broker pursuant to this Agreement are genuine and complete in all respects; all certified copies of original documents are true copies of the originals.
- 5.4 COMPLIANCE WITH LAWS. In brokering the Mortgage Loan to Mid-Island, the Broker has acted in compliance with all applicable Laws.
- 5.5 COMPLIANCE WITH MID-ISLAND'S POLICIES AND PROCEDURES. The origination and closing of the Mortgage Loan comply in all respects with Mid-Island's policies, procedures and requirements. Every Mortgage Loan submitted for approval from the Broker was originated by the Broker and not originated by a third party. All Mortgage Loan Documents and applications for Mortgage Loans and information and documentation submitted in connection with such applications have been prepared and/or completed in accordance with Mid-Island policies, procedures, and requirements and all information provided by Borrower and Broker contained in such Mortgage Loan Documents, applications or other documents and/or provided to any Agency or private mortgage insurer is true and correct in all respects and does not fail to disclose any facts which could be material or which would make such information misleading.
- 5.6 FACTUALITY DISCLOSURE. With regard to all Mortgage Loans submitted to Mid-Island hereunder, all facts relating to any Mortgage Loan transaction which are known or should be known to Broker which may adversely affect the value of the Mortgaged Property, the credit/character/capacity of the Borrower, the validity of the Mortgage, or any other aspect of the transaction have been disclosed in writing to Mid-Island and, if applicable, the appropriate agency.
- 5.7 NO ADVERSE CIRCUMSTANCES. Regarding the Mortgage Loan Applications submitted by Broker, Broker does not have any knowledge of any circumstances or conditions with respect to any Mortgage Loan, Mortgaged Property, Borrower or Borrower's credit standing that reasonably could be expected to cause Third Party Investors or Agencies to regard any Mortgage Loan as an unacceptable investment, cause any Mortgage Loan to become delinquent or adversely affect the value or marketability of the Mortgage Loan.
- 5.8 NO OTHER AGREEMENTS. Broker or any other person or entity known to Broker has not made, directly or indirectly, any payment on the Mortgage Loan application or on any other loan of Borrower. Broker has also not made any agreement with any Borrower providing for any variation of the Note rate, schedule of payment or other terms and conditions of the Mortgage Loan; and Broker has not received a request for approval or notice of any proposed assumption, loss draft or payoff of the Mortgage Loan.
- 5.9 APPRAISAL. The appraisal for each Mortgaged Property, if ordered by the Broker, sets forth the appraised value of the related Mortgaged Property, was made in connection with the origination of the related Mortgaged Loan and was signed, prior to the approval of the Mortgage Loan, by an appraiser who has no interest, direct or indirect, in the Mortgaged Property or any loan made on the security thereof, and whose compensation was in no way affected by the approval or disapproval of the application for the Mortgage Loan.

Each of the above representations and warranties: (a) applies to any and all Mortgage Loans brokered by Broker to Mid-Island, (b) is for the benefit of Mid-Island and its successors and assigns, (c) continues in full force and effect for so long as the Mortgage Loan remains outstanding and for such time that Mid-Island is subject to any risk or loss or liability as to any Mortgage Loan sold by Broker, and (d) is in addition to any other specific representations or warranties contained elsewhere herein.

Initials

ARTICLE 6
RESPONSIBILITY FOR FRAUD

6.1 RESPONSIBILITY FOR FRAUD. Broker shall not submit any Mortgage Loan application or other Mortgage Loan Document containing false or misrepresented information. Broker shall be responsible for all actions taken in the course of its performance or its obligations under this Agreement, whether performed by Broker, its employees, its agents, its solicitors or licensees. Broker shall repurchase any Mortgage Loan, upon request of Mid-Island or its successors or assigns, if fraud has occurred in the origination of such Mortgage Loan if Broker, or its employees, agents, solicitors or licensees, was aware of such fraud or should have been aware of such fraud through reasonable commercial practices. Broker's liability under this paragraph shall be limited to the maximum amount recoverable under Article 7 of this Agreement.

ARTICLE 7
INDEMNIFICATION

- 7.1 INDEMNIFICATION. Without limiting the remedies otherwise available to Mid-Island in this Agreement, Broker shall indemnify, defend and hold Mid-Island harmless against and with respect to, and shall reimburse Mid-Island for any and all losses, claims, damages, and costs including without limitation, attorney's fees and costs, which arise out of, result from or relate to the following: a) the breach by Broker of any covenant, condition, term, obligation, representation or warranty contained in this Agreement or any Addendum hereto, or any of Mid-Island's Policies; b) the submission by Broker of any false or misleading written statement, certificate or document, including statements or documents submitted by a borrower or by an employee, agent, solicitor or licensee of Broker, pursuant to this Agreement or any Addendum hereto; or c) any material act or omission of Broker or any employee, agent, solicitor or licensee of the Broker, which adversely affects any Mortgage Loan, closed by Mid-Island hereunder; or d) any Early Payment Default as described in Article 4.8 of this Agreement; or e) any fraud as described in Article 6 of this Agreement; provided, however, that the liability of the Broker under Articles 4.8, 6 and 7 of this Agreement shall be limited to \$10,000 for any one Mortgage Loan, or 5% of the unpaid principal balance of such Mortgage Loan at the time the loan goes into default plus any yield spread premium paid at loan closing by Mid-Island to broker, whichever is greater .
- 7.2 ACTIONS WITH THIRD PARTIES. In all actions with third parties in which Mid-Island has the right to be indemnified hereunder, Mid-Island shall have the complete and exclusive right to determine the conduct and defense of such legal proceeding or investigation with such third party including, without limitation, the right to compromise, settle, defend or continue any such action.

ARTICLE 8
EARLY PAYOFF

8.1 EARLY PAYOFF. If a Mortgage Loan is repaid in-full within six (6) months immediately following the closing of such Mortgage Loan, the Broker shall reimburse Mid-Island the amount of any premium or fee that was paid to the Broker by Mid-Island in connection with the application and origination of such Mortgage Loan.

ARTICLE 9
TERM; TERMINATION

- 9.1 TERM. The term of this Agreement shall commence as of the date hereof and shall extend until the termination of this Agreement pursuant to this Article. Broker acknowledges that Mid-Island may terminate Broker's participation in Mid-Island's Brokerage program, without cause, at Mid-Island's sole discretion, pursuant to this Article. Broker and Mid-Island agree that this Agreement does not constitute an obligation or commitment for Broker to submit, sell or deliver any specific loan, or for Mid-Island to approve or purchase any specific loan.
- 9.2 TERMINATION WITHOUT CAUSE. Mid-Island or Broker may terminate this Agreement with or without cause upon written notice to the other party. Such termination shall not in any respect change or modify the obligations of the parties with respect to (a) loan applications which have been registered with Mid-Island

Initials

prior to the date of termination or (b) Broker's obligations under this Agreement accruing prior to the date of termination.

- 9.3 SURVIVAL. All of Broker's representations and warranties, including without limitation obligations of repurchase in Articles 4.8 & 6, and of indemnification in Article 7, shall survive any termination of this Agreement and shall be fully applicable whether or not Mid-Island relies thereon or has knowledge of any facts at variance therewith.

ARTICLE 10 MISCELLANEOUS

- 10.1 ASSIGNMENT. Mid-Island has the right to assign or transfer this Agreement and its duties, obligations or rights hereunder. Broker may not assign, transfer or subcontract any of its duties, obligations or rights under this Agreement without Mid-Island's prior written consent. A change in the ownership of, or merger or consolidation of Broker, or sale by Broker of substantially all (21%) of its assets shall be considered an assignment for purposes of this Agreement. In the event Mid-Island assigns any of its rights in the Mortgage Loans closed hereunder, such assignee shall have the same rights as Mid-Island with respect to this Agreement.
- 10.2 NOTICES. Any notice or demand shall be in writing and shall be deemed to have been properly served if: either served personally; sent by prepaid, registered or certified mail, return receipt requested; or by overnight courier. Notices shall be addressed to each party as indicated on the page of this Agreement where such party has executed this Agreement. Each party must give notice of its change of address by written notice only.
- 10.3 BOOKS AND RECORDS. Broker shall prepare and maintain files of Mortgage Loan Documents in accordance with applicable guidelines established in the Policies and applicable Third-Party Investor and Agency guidelines. Broker and Mid-Island shall keep and maintain a complete and accurate account, satisfactory to Mid-Island, of all funds collected and paid relating to the Mortgage Loans. Broker shall give Mid-Island, its employees, and its representatives, including without limitation internal and external auditors, quality control auditors, attorneys and regulatory agency examiners, access, upon reasonable notice and during normal business hours, to audit and inspect Broker's files, books, reports, statistics and other documents of Broker relating to its obligations under this Agreement. In addition, Broker will cooperate with Mid-Island, its auditors and/or regulatory examiners in any audit of Mid-Island and in any regulatory examination of Mid-Island.
- 10.4 RELATIONSHIP OF PARTIES. Neither party is the partner, agent, employee or representative of the other and nothing in this Agreement shall be construed or deemed to create a partnership, joint venture, agency or employment relationship between Mid-Island and Broker. Broker shall conduct business in its own name and not in the name of Mid-Island. Broker shall not represent that its office is an office, branch or agent of Mid-Island or in any other way connected with Mid-Island. Broker shall have no authority to sign any documents on behalf of Mid-Island. Broker shall be responsible for its overhead and operations costs, payroll costs and all other costs.
- 10.5 BROKERS. Each party represents and warrants that there are no claims for brokerage commissions or finder's fees or other claims for money from any agent or similar intermediary in connection with Broker's entering into this Agreement with Mid-Island. Each party agrees to indemnify and hold harmless the other party with respect to any and all liability for any such fee or commission which is required to be paid to any such agent or broker.
- 10.6 CONFIDENTIALITY. Broker understands that all information provided to Broker in connection with this Agreement, including but not limited to that information contained in its Policies, is confidential and proprietary to Mid-Island. Broker agrees to keep in confidence and not disclose to any third party, duplicate, or use for the benefit of any third party, any such information given to Broker, and agrees to return all documents and other media containing such information to Mid-Island upon termination of this Agreement. Broker further agrees not to sell, transfer or otherwise give to any person or firm, or otherwise use, directly or indirectly, any compilation or list of Borrowers.

Initials

- 10.7 **ADVERTISING AND TRADEMARK.** Broker shall not engage in any form of advertising whatsoever utilizing either the name of Mid-Island or any subsidiary or affiliate of Mid-Island or any of the product names, trade names, symbols or trade-marks of any of Mid-Island's loan products, unless specifically licensed in writing to do so.
- 10.8 **ENTIRE AGREEMENT.** This Agreement, any Addenda (if executed by the parties concurrently herewith or in the future), the Policies, and any other agreement, document or instrument attached hereto or referred to herein or in the Policies, contains the entire Agreement between the parties and supersedes all prior agreements and understandings with respect to the subject matter hereof. In the event of any conflict between the terms, conditions and provisions of this Agreement, the Addenda, the Policies, and any such agreement, documents or instrument, the terms, conditions and provisions of the Policies shall prevail.
- 10.9 **MODIFICATIONS AND WAIVER.** No termination, cancellation, modification, amendment, deletion, addition or other change in this Agreement, or any provision hereof, or waiver of any right or remedy herein provided, shall be effective for any purpose unless specifically set forth in writing signed by an authorized officer of the party or parties to be bound thereby. The waiver of any right or remedy in respect of any one occasion shall not be deemed a waiver of such right or remedy in respect of such occurrence or event on any other occasion. Nothing in this paragraph shall be interpreted to restrict Mid-Island's right to modify its Policies as provided for elsewhere in this Agreement.
- 10.10 **SURVIVAL OF PROVISIONS.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of the other provisions, all of which shall remain in full force and effect. All of the covenants, agreements, representations and warranties made herein by the parties hereto shall survive and continue in effect after the termination of the Agreement or the consummation of the transactions contemplated hereby.
- 10.11 **GOVERNING LAW; JURISDICTION.** This Agreement shall be governed by, and construed and enforced in accordance with, applicable federal law and the laws of the State of New York. Any action arising out of this Agreement or the transactions contemplated hereby may be instituted in any state or federal court located in the State of New York. Further, each party expressly waives any objection, which such party may have to the laying of venue of any such action, and irrevocably submits to the jurisdiction of any such court and agrees to be fully bound by any final unappealed decision of those courts.
- 10.12 **AGREEMENT FAIRLY CONSTRUED.** This Agreement shall be construed fairly as to both parties and not in favor or against either party, regardless of which party prepared this Agreement.
- 10.13 **HEADINGS.** The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.
- 10.14 **GOOD FAITH DEALING.** The parties hereto agree to deal in good faith with each other at all times.
- 10.15 **EXPENSES.** Each party shall pay its own expenses incident to this Agreement and the transactions contemplated hereby, but not limited to, all fees of its counsel and accountants, whether or not any of the transactions contemplated shall be consummated.
- 10.16 **COUNTERPARTS.** This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

Initials

If to Lender: Mid-Island Mortgage Corp.
900 Merchants Concourse
Westbury, NY 11590
Attn: Broker Approval Department

If to Broker: _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and sealed as of the day and year first above written.

Mid-Island Mortgage Corp.

a, New York Corporation

By: _____

Its: _____

BROKER: _____

a, _____ Corp./Partnership/ LLC

By: _____

Its: _____

Initials

**MID-ISLAND MORTGAGE CORP.
CONFIDENTIALITY AGREEMENT**

THIS CONFIDENTIALITY AGREEMENT (the "Agreement") is effective this _____ day of _____, 20____ by and between Mid-Island Mortgage Corp. (the "Company"), and _____ ("Service Provider / Broker").

WHEREAS, the Company and Service Provider / Broker are parties to one or more agreements ("Service Agreements") pursuant to which the Service Provider / Broker has agreed to act as a Service Provider / Broker to the Company in connection with certain residential mortgage transactions;

WHEREAS, in the course of performing the Services under the Services Agreements, Service Provider / Broker may receive certain Confidential Material (defined below) from the Company and the Company may receive certain Confidential Material from the Service Provider / Broker; and

WHEREAS, the Customer Information (defined below) is subject to various state and federal consumer privacy laws and regulations, and the Confidential Business Information (defined below) has been developed by, is proprietary to, and has significant value to the parties, the parties therefore desire to enter into this Agreement to provide for the protection and treatment of each such component of the Confidential Material.

NOW, THEREFORE, in consideration of the parties' agreement to provide each other with the information described herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. "Confidential Material" means the Customer Information and Confidential Business Information.

"Customer Information" means all "non-public personal information" as defined in Title V of the Gramm-Leach-Bliley Act (15 U.S.C. Section 6801, *et seq.*) and its implementing regulations (collectively, the "GLB Act"), as the same may be amended from time to time, whether oral, written, via computer disk or electronic media or otherwise, that either party receives pursuant to the Service Agreements and that concerns the other party's "customers" and/or "consumers" (as defined in the GLB Act).

"Confidential Business Information" means and includes any data or information that is proprietary and not generally known as public whether in tangible or intangible forms, including but not limited to the following information: inventions, trade secrets, know-how, software, databases, customer lists, and other customer or consumer specific data deemed to be non-public personal information. Confidential Business Information also includes, without limitation, all lists of customers, former customers, applicants and prospective customers and all information relating to and identifies with such persons; business volumes or usage; financial information; pricing information; software, software documentation; and information concerning business or business strategy.

2. Except as expressly provided below or with the prior written consent of the other party, each of Company and Service provider / broker/ Broker shall (a) hold all of the other party's Confidential Material in confidence; (b) not disclose any Confidential Material to any person or entity, other than directors, officers, employees, affiliates, agents, representatives or service providers (collectively, the "Representatives") who have a need to know such Confidential Material in connection with the purpose(s) for which it was provided to such party; and (c) not use any such Confidential Material for any other purpose. Each party will be responsible for any breach of this Agreement by itself or by its Representatives.

Initials

3. Should either party become aware that any person or entity (including, but not limited to, any Representative) is taking or threatens to take any action that would violate any of the provisions of this Agreement or that the security or confidentiality of the Confidential Material has otherwise been breached, the discovering party shall promptly and fully advise the other party of all facts known to the discovering party and shall cooperate with the other party to prevent or mitigate such breach or threatened breach.
4. Notwithstanding anything to the contrary contained herein, either party to this Agreement may disclose Confidential Information pursuant to a requirement or official request of a governmental agency, a court or administrative subpoena or order, any applicable legislative or regulatory requirement, or in defense of any claim or cause of action asserted against it; provided, however, that it shall use reasonable efforts to first notify the other party of the anticipated disclosure, unless such notification is prohibited by statute, rule or court order. Nothing herein shall require either party to fail to honor on a timely basis any requirement or official request of a governmental agency, court or administrative subpoena or order, or any legislative, administrative or regulatory requirement.
5. With respect to the Customer Information, each party shall comply with (a) the GLB Act; (b) the applicable federal regulations implementing such act and codified at 12 CFR Parts 40, 216, 332, and/or 573 and 16 CFR Parts 313 and 314, as applicable; (c) Interagency Guidelines Establishing Standards For Safeguarding Customer Information and codified at 12 CFR Part 364, App. B (such guidelines and/or rules the "Interagency Guidelines"); and (d) other applicable federal, state and local laws, rules, regulations, and orders relating to the privacy and security of Customer Information, including, without limitation, the federal Fair Credit Reporting Act, 15 U.S.C. §§1681 *et seq.*, the Massachusetts Standards for the Protection of Personal Information of Residents of the Commonwealth, 201 C.M.R. §§ 17.00 *et seq.* (the "Massachusetts Standards"), and similar laws. For the protection of the Customer Information, each party hereby represents that it has instituted and will maintain security measures designed to meet the objectives of the Interagency Guidelines and the Massachusetts Standards. Such measures are designed to prevent unauthorized use, disclosure, destruction, and alteration of the Customer Information. Either party may, with prior written notice, inspect and test the other party's controls.
6. If the parties terminate the Service Agreements or if the owner of any Confidential Material otherwise requests in writing, the party that received Confidential Material from the owner will promptly return to the owner or destroy at the receiving party's own expense all Confidential Material in the receiving party's or its Representatives' possession with the exception of copies retained in accordance with the receiving party's or its Representatives' record retention procedures, in electronic automatic back-up systems or otherwise for legal or regulatory purposes. Notwithstanding the return or destruction of such written Confidential Material, all written and oral Confidential Material will continue to be subject to the terms of this Agreement.
7. No failure or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.
8. Inasmuch as any breach of this Agreement may result in immediate and irreparable injury, which cannot be sufficiently remedied by money damages, it is recognized and agreed that the either party shall be entitled for any breach or threatened breach of this Agreement to equitable relief, including injunctive relief and specific performance, in addition to all other remedies available at law, without proof of actual damages.
9. Each party hereby agrees that it shall indemnify and hold the other party and its shareholders, affiliates, directors, and officers harmless from any actual, direct, out of pocket damages, loss, cost or liability (including court costs and reasonable attorneys' fees and the cost of enforcing this indemnity provision) arising out of or resulting from any unauthorized use or disclosure of the Confidential Information by that party, or any other violation of this

Initials

Agreement by that party.

10. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by either party without the other party's prior written consent.
11. This instrument represents the complete agreement of the parties hereto as to the matters addressed herein and supersedes all previous oral or written contracts with respect to the matters addressed herein. Neither party has been influenced to enter into this Agreement in reliance upon any statements or representations, oral or written, by either party, or by any other person or entity not otherwise expressly set forth herein, and neither party shall be entitled to benefits other than those specified herein. No changes in or additions to this Agreement shall be recognized unless incorporated herein by amendment as provided herein, such amendment(s) to become effective on the date stipulated in such amendment(s).
12. This Agreement shall be governed by the laws of the State of New York, without regard to its conflicts of law principles. Each party hereto consents to personal jurisdiction in the state and federal courts located in the State of New York and voluntarily and irrevocably submit to the personal jurisdiction of the courts of the State of New York in any action or proceeding with respect to this Agreement.
13. It is expressly acknowledged that the parties hereto are "independent contractors," and nothing in this Agreement is intended and nothing shall be construed to create an employer/employee, partnership, or joint venture relationship.
14. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to constitute, a waiver of any subsequent breach of the same or another provision hereof.
15. This Agreement may be executed in multiple counterparts, all of which, taken together, shall constitute one and the same Agreement.
16. Except as expressly provided herein, nothing in this Agreement is intended to confer any right, remedy, obligation or liability on any person or entity other than the parties hereto and their successors and permitted assigns.
17. The parties hereto have negotiated and prepared the terms of this Agreement in good faith with the intent that each and every one of the terms, covenants and conditions herein be binding upon and inure to the benefit of the respective parties. Accordingly, if any one or more of the terms, provisions, promises, covenants or conditions of this Agreement or the application thereof to any person or circumstance shall be adjudged to any extent to be invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction or an arbitration tribunal, such provision shall be as narrowly construed as possible, and each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement or their application to other persons or circumstances shall not be affected thereby and shall be valid and enforcement to the fullest extent permitted by law. To the extent this Agreement is in violation of applicable law, then the parties agree to negotiate in good faith to amend the Agreement, to the extent possible consistent with its purposes, to conform to law.
18. All notices required or given with regard to the provisions of this Agreement shall be in writing and delivered to the parties hereto at the following addresses by hand-delivery, overnight courier, or certified mail return receipt requested:

Initials

Mid-Island Mortgage Corp.
900 Merchants Concourse
Suite 112
Westbury, NY 11590

Service Provider / Broker Name

Address

City, State, Zip Code

IN WITNESS WHEREOF, each of the undersigned parties has caused this Agreement to be executed by a duly authorized representative, as of the date first written above.

Mid-Island Mortgage Corp.

By: _____
Terri Cutting, Sales Manager

Service Provider / Broker Name

By: _____
Signature

Typed Name and Title

Initials

Fair Lending Principles and Broker Disclosure

Mid-Island Mortgage Corp. is committed to the spirit and letter of Federal and State Fair Lending Laws and Regulations, which are designed to promote fair and equal access credit. Mid-Island Mortgage Corp. will fulfill this commitment while maintaining prudent credit discipline and achieving an acceptable return for its shareholders. In keeping with this policy statement, Mid-Island Mortgage Corp. expects all officers, employees, correspondents, and brokers to comply with the following Fair Lending Principles as a condition of employment or as a condition for conduction business with Mid-Island Mortgage Corp.

1. We shall not discriminate against a loan applicant on the prohibited bases of race, color, religion, national origin, sex, marital status, handicap, familial status, age, sexual orientation, the fact that all of part of an applicant's income comes from any public assistance program, or because the applicant has in good faith exercised any right under the Consumers Credit Protection Act or any similar state law.
2. We shall not fail to provide information or services or provide different information or services, including credit availability, applications procedures, or lending standards on a prohibited basis.
3. We shall not selectively encourage applicants and we will take no action that would, on a prohibited basis, discourage a reasonable person from applying for a mortgage loan. We will not refuse to deal with individuals inquiring about credit, discourage inquiries or applicants by delays, discourtesy, or other means.
4. We shall not, on a prohibited basis, provide different, incomplete, or misleading information about the availability of loans, applications requirements, and processing and approval standards and procedures (including selectively informing applicants about certain loans products while failing to inform them of alternatives).
5. We shall not, verbally or in writing, express a preference based on a prohibited factor or indicate that we will treat applicants differently on a prohibited basis.
6. We shall not, on a prohibited basis, refuse to make a loan, vary the terms offered including the amount, interest rate, period of type of loan, or use different standards to evaluate collateral or decide whether to extend credit.
7. We shall not, on a prohibited basis, treat similarly situated applicants differently, including the amount of assistance offered, encouragement, or information we give the applicant during the application process.
8. We shall not, on a prohibited basis, discriminate because of the characteristics of a person associated with the applicants including a joint applicant, spouse, business partner, the present or prospective occupants of the property to be financed, or the area where the property is located.
9. We shall avoid practices or policies that may have a discriminatory impact.
10. We are committed to nondiscriminatory marketing.
11. We have a policy of providing services and making mortgage loans in such a way that we help meet the credit needs of our communities, including low and moderate income neighborhoods, consistent with the safe and sound operations of this company.
12. We shall not treat a borrower differently in servicing a loan or invoking default remedies on a prohibited basis.

ACKNOWLEDGMENT: I, _____ the undersigned, acknowledge that I have read, understand, accept, and agree to comply with the fair lending principles referred to and described herein.

Broker Name: _____

By: _____ (Date)

(Signature)

(Print Name, Title)

Mid-Island Mortgage Corp.

Credit Authorization

I hereby give my consent to Mid-Island Mortgage Corp., a New York Corporation or any Credit Reporting Bureau in which Mid-Island Mortgage Corp. may designate, to obtain a Business/Personal Credit Report.

Company: _____

Name: _____

Title: _____

Residence Address: _____

Social Security Number: _____

Buyer agrees that any financial information provided by Credit Agency in the Credit Report will be treated as confidential and not released to any third party unrelated to Buyer, without first obtaining Broker's consent or pursuant court or administrative order requiring such a release.

Signature

Date

Mid-Island Mortgage Corp.

Investor Release Form

To: _____ Phone #: _____
(Company Name / Investor Reference) Fax #: _____

To be completed by the Broker:
Authorized Release: In connection with our application to broker mortgage loans with Mid-Island Mortgage Corp., the undersigned hereby authorizes the release of any and all information concerning our business relationship with the company listed above:
Lender's Legal Name _____

Signature / Authorization of Broker _____ **Print Name / Title** _____

FOR MID-ISLAND MORTGAGE CORP. USE ONLY

To Be Completed for Faxed Requests Only

The company referenced above has filed an application for a correspondent with our company and has given your name as a reference. We would appreciate your providing the information requested on this verification. This information will be held in strict confidence and will be used only for our application process purposes. Upon completion, please return to:

Name Fax Number

INFORMATION REQUESTED

1. Has the applicant submitted loans to your organization in the past 12 months: YES NO
2. What type of loans? _____
3. How much business does the applicant average monthly? _____
4. What is the quality of the packages when you receive them for purchase?
 Excellent Good Poor
5. If you perform underwriting for the applicant, what is the quality of their package submitted for underwriting?
 Excellent Good Poor
6. How would you rate them as a Broker?
7. Comments:

Telephone Reference Report Date Called:

Telephone Number Called:

Name and Title of person interviewed & Date:

Completed and certified as true by: (Signature and Title)

OFFICE PERSONNEL

Owner: _____

Office / Branch Manager: _____

Office / Branch Manager: _____

Sales Manager: _____

Loan Agents: _____

Processing Staff: _____

Location of Additional Branch Offices: _____

What type of computer software do you use to originate loans: _____

E-Mail Address

Owner: _____

Office / Branch Manager: _____

Processing Staff: _____

Other: _____

By: _____

Title: _____

By: _____

Title: _____