

Penalties Exhibit

A. Late Delivery of Closed loan Package.

Correspondent must deliver each loan by the commitment expiration date. Late delivery will result in the worst case between the following options:

1. The investor penalty per day.
- (or)
2. Any loan received past expiration date will be re-priced to current market.

B. Late Deficiency Correction.

Deficiencies must be cleared within 7 calendar days from initial notice. If deficiencies are cleared after the (7) seven calendar days, 1.5 basis points per calendar day will be charged from the seventh day – up to a maximum of (45) forty-five days. After forty five days, a repurchase penalty will be assessed and billed.

Penalties will be deducted from the funding proceeds on closed loans. Invoices will be sent on table funded loans. Invoices are due in 15 days. Past due invoices will be deducted from the next table funding request.

C. Final Documentation

Final Documents must be delivered to Summit within 90 days of the date of purchase. Documents outstanding beyond 120 days from the date the loan was purchased are subject to a penalty as follows:

Title Policy	\$100.00
Mortgage/DOT	\$50.00
Assignment	\$50.00

NOTE: Penalty Assessment and/or Summit's efforts to obtain outstanding documents does not relieve the partner of their obligations to provide documents in a timely manner, nor do they eliminate Summit's recourse or remedies under the Summit Partner Seller Guide which may include, but not be limited to, Repurchase of the loan.

D. Failure to Deliver Closed Loan

All committed Best-Effort loans closed by the seller are considered mandatory by Summit. Summit will assess a non-delivery Pair-Off when a locked loan is closed, either prior to or up to and including 30 days after the expiration date, but not delivered to Summit, unless the seller receives specific written release of the obligation from Summit. The fee is calculated by determining the difference (Positive Market Movement), if any, between the opening 15 day price on the day after the expiration date and the existing Market price on the commitment. Summit will charge the seller a minimum of .50% point for any loan this is committed to Summit and is closed, but not delivered to Summit.