



BROKER MEMO

Date: February 26, 2010

Subject: Revised GFE Procedures

We have discovered, in cases where you lock your loan or otherwise experience a changed circumstance after initial submission, that we are not certain of your desired fees when we generate a revised GFE.

Furthermore, we have been advised by the regulatory agencies that we must issue a revised GFE every time we receive a lock-in request...even if the lock-in matches exactly the initial GFE prepared by you.

In order to remedy these problems, we need you to do two things for us:

1. We need you to send the attached 'Borrower Directed Changed Circumstance' form – fully completed and executed by you and the borrower – to us within 2 days of locking in or changing circumstances, and
2. We need you to send an updated 'Closing Cost Estimate' (or equivalent) from your loan origination system to us within 2 days of locking in or changing circumstances.

This will enable us to accurately prepare a revised GFE inclusive of all your fees...which we must do within 3 days of locking in or changing circumstances. Otherwise our revised GFE may not be accurate and could result in an unwelcome fee reduction for you. Of course we would like to avoid this problem.

Also, please ensure that you discard any previous versions of our Borrower Directed Changed Circumstance form as it has been updated to accommodate these required steps.

If you have any questions, please contact your Account Executive. Thank you for your business.

David Baker
VP - Wholesale

