

**FEDERAL HOME LOAN BANK OF INDIANAPOLIS  
MORTGAGE PURCHASE PROGRAM**

**MASTER COMMITMENT CONTRACT (SERVICING RELEASED - Newrez)**

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The Participating Financial Institution (“Seller”) named below hereby has commitment authority to sell to the Federal Home Loan Bank of Indianapolis (“FHLBI”) pursuant to Mortgage Purchase Program Mandatory Delivery Contracts, Mortgages, the sum of the unpaid principal balances of which will equal the commitment authority stated below, on the terms stated below, in accordance with FHLBI Guidelines, the Mortgage Purchase Program Guide (the “Guide”) in effect as it may be amended from time to time, the Mortgage Selling and Servicing Master Agreement (the “Master Agreement”), and all other Program Documents, all of which are fully incorporated into this Contract by reference. This also confirms that all Mortgages sold under this Contract will be serviced in accordance with FHLBI Guidelines, the Guide, the Master Agreement, and all Program Documents. Each of Seller and FHLBI intend that the transfers of Mortgages contemplated by this Contract and the other Program Documents be treated as a sale, and not as a secured loan, for legal, accounting and tax purposes.

This Master Commitment Contract is not transferable. This Master Commitment Contract may be terminated at any time by either party, provided that any Mandatory Delivery Contracts, once accepted by FHLBI, shall not be affected by such termination. All capitalized terms used herein shall have the same meaning as defined terms in the glossary of the Guide and the Master Agreement.

Seller Name  
Participating Financial Institution “Seller”

Scheduled/Scheduled Servicing  
 Actual/Actual Servicing

BPID  
Seller Identification Number

Manual Underwriting  
 Automated Underwriting

Address

Address

Phone  
Phone

MCC Number  
Master Commitment Number

Only Seller Personnel listed on the Seller’s Corporate Resolution or others designated in writing as noted in the Seller’s Corporate Resolution will be recognized by FHLBI as authorized to contract for and modify Master Commitment Contracts or Mandatory Delivery Contracts on behalf of the Seller.

The Seller agrees to make best efforts to sell Mortgages subject to the following conditions:

1. Additional requirements as outlined in the FHLBI Guide. The Seller understands and acknowledges that loans delivered under this MCC will be aggregated with other sellers as further detailed in the addendum attached as Exhibit “A.”
2. The Mortgages under this and all other commitment authority shall meet all of the requirements set forth in applicable FHLBI Guidelines and all Program Documents.
3. The total amount of commitment authority approved is \$2,000,000. The servicing for this Master Commitment shall be paid at 25 basis points. The Fill-up Period expires on: January 31, 2025. FHLBI may choose to change the Fill-up Period expiration date at its discretion, subject to a 7 calendar day advance notification to the Member via email.
4. The Seller understands and acknowledges that it must purchase class B stock of the FHLBI in the percentage amount that is currently in effect on the date of the execution of each Mandatory Delivery Contract under the FHLBI’s Capital Plan for each such contract. Any excess class B stock held by the Seller on the settlement date of each Mandatory Delivery Contract shall be applied against this purchase requirement and then the Seller shall purchase additional class B stock, if necessary, to meet the purchase requirement. Unless otherwise agreed, payment for such stock shall be made by crediting the total proceeds to be paid the Seller on each Mandatory Delivery Contract to the Seller’s CMS account and then deducting the amount needed to pay for the stock.
5. Composition of Mortgage Pool. The Seller has either delivered electronically a database of conforming conventional loans or in the case of Pool Aggregation the applicable sample created by FHLBI (“Representative Sample”) which represents the expected composition of the Mortgages under this Master Commitment. The Seller acknowledges and agrees that the Representative Sample is the basis upon which the FHLBI will establish pricing and other terms for the following credit enhancements for the mortgage pool (the “Mortgage Pool”) to be delivered under this Master Commitment Contract:

- a. The amount required to be placed in the Lender Risk Account as provided in paragraph 6 below,
- b. Based on the Representative Sample, the following are the general limitations of this MCC:

i. Loan-to-Value Ratios	
Maximum LTV/CLTV/HCLTV	95/90/90%
Maximum LTV/CLTV/HCLTV for Condominiums	95/90/90%
Maximum LTV for Cash-out Refinances (without fees)	75%
Maximum LTV for Cash-out Refinances (with fee)	80%
ii. Pool Percentage Limitations	
Cash-out Refinances LTV > 75% to ≤ 80%	20%*
Loans with 2nd Liens & CLTV/HCLTV > 75%	30%**
> 90% to ≤ 95% LTV	10%***
Cash Out Refinance with LTV > 60%	50%
Condominium with LTV > 60%	15%
2-4 Family Properties	5%
Second/Vacation Home with LTV > 60%	30%
Investment Properties	0%
Third Party Originated Loans	0%
iii. Pool Weighted Average FICO ≥	720

\* range 10% - 20%

\*\* range 25% - 35%

\*\*\* range 5% - 20%

Maximum pool limit within the identified ranges may be adjusted by FHLBank Indianapolis during the life of the open contract, subject to 7 calendar days advance notification to the Member via email.

6. Fixed Lender Risk Account ("Fixed LRA")

- a. The Fixed LRA is a funded account established and maintained by the FHLBI on behalf of the Seller and shall remain in effect for a period of twenty five (25) years following the end of the Fill-Up Period, unless it is reduced in full through Losses (as defined below), and releases as described below. The amount of the Fixed LRA shall be the percentage set forth below applied to the total outstanding principal balance of all loans at the time of purchase as determined by the FHLBI and shall be deducted before determining the purchase price of the loans. The percentage of the LRA as set forth below may be adjusted by FHLBI prior to the end of the Fill-up Period subject to a 7 calendar days advance notification to the Member via email.

<u>Commitment Size</u>	<u>Fixed Deductible % of</u> <u>Total Initial Balance</u>
\$2,000,000	1.35%

Any portion of the required Fixed LRA not used to pay for Losses will be released during the release period (the "Release Period") to the Seller beginning at the end of five (5) years after the end of the Fill-Up Period, according to the following release schedule under which LRA amounts in excess of the amount below are released to the Seller:

Number of years after end of fill up period	Required Fixed LRA Amount (% of Initial Fixed LRA)
0-4	100.0%
5	93.8%
6	87.5%
7	79.2%
8	75.0%
9	68.8%
10	64.6%
11	58.3%
12	55.4%
13	52.5%
14	49.6%
15	46.7%
16	43.8%
17	40.8%
18	37.9%
19	35.0%
20	29.2%
21	26.3%
22	23.3%
23	14.6%
24	11.7%
25	8.8%
26	0.0%

At the end of the Release Period, any Losses on a loan which was then in Default (as defined in the MPP Guide) or on a loan for which payment from the Fixed LRA had become payable but is unpaid, shall remain payable from the Fixed LRA and be paid after the Losses are determined.

- b. Losses covered by, and which are applied to reduce the balance in, the Fixed LRA, consist of all Losses on a loan which, due to a Default (as defined in the MPP Guide), by a borrower, would generally be payable on the loan.
  
- c. Losses on a loan arising from (1) a breach of the Seller's representations and warranties to the FHLBI on the sale of loans, (2) Servicer's failure to comply with the servicing guidelines of the FHLBI, or (3) any other amounts resulting from contractual breaches by the Seller or the Servicer must be absorbed by the Seller or Servicer. The FHLBI may offset against such Losses, or against any other amounts owed by FHLBI to the Seller pursuant to the Program Documents or any other contract or instrument between FHLBI and Seller, as provided in the Master Agreement.

The determination of whether there is a Loss payable from and applied to the Fixed LRA and the amount of such Loss shall be determined by the FHLBI, and its determination shall be final and binding on the Seller and the Servicer.

- d. An administrative fee will be deducted from the annual LRA release to the seller in an amount equal to 3% of the release amount.

7. The Seller acknowledges and agrees that the FHLBI has adopted a methodology (the "Ratings Methodology") to establish the amount of credit enhancement required for the Mortgage Pool to be delivered under a Master Commitment Contract. Upon the earliest of (a) the expiration date of the Fill-Up Period or (b) the date the Master Commitment has been satisfied in full by delivery of Mortgages with an initial Total Outstanding Principal Amount equal to the Master Commitment authority hereunder, FHLBI will apply the Ratings Methodology to the Mortgage Pool. In the event such Rating Methodology determines that the credit enhancement required for the Mortgage Pool is greater than the LRA balance for the pool, the FHLBI may require Seller to remediate the issue through actions that may include delivery of additional qualifying loans, repurchase of certain delivered loans, or submission of an additional cash contribution to the LRA such that the Ratings Methodology results in a required credit enhancement that is equal to or less than the LRA balance for the pool at the time of pool closing.
8. The Seller must meet all of FHLBI's eligibility requirements in effect at the time FHLBI and Seller complete execution of this commitment and must continue to meet such eligibility requirements.
9. The Seller has assigned servicing rights to a third party pursuant to a Consent and Acknowledgement of Servicing Transfer Agreement as detailed on the notice attached hereto as Exhibit B. The Seller (and, as applicable, its designated assignee) agrees to Service the Mortgages on behalf of FHLBI, pursuant to applicable FHLBI Guidelines and all Program Documents, and shall receive a Servicing Fee equal to the Servicing Spread as specified in the applicable Mandatory Delivery Contract Confirmation.
10. The FHLBI shall provide written notice to the Seller of any sale of ownership interests (whether whole or partial) in Mortgage Loans and any delegation of related LRA obligations to, and assumption by, one or more third parties, as authorized by the Guide. The Seller hereby irrevocably consents to any such sales of ownership interests and delegations and assumptions of related LRA obligations, whether or not the Seller receives or has received actual written notice thereof. The Seller hereby irrevocably releases the FHLBI from all liability with respect to the proportionate share of all LRA obligations so delegated to and assumed by any third party in connection with such third party's purchase of ownership interests in Mortgage Loans from the FHLBI.

Seller: Seller Name \_\_\_\_\_

By: \_\_\_\_\_

Dated: September 3, 2024 \_\_\_\_\_

Federal Home Loan Bank of Indianapolis

By: \_\_\_\_\_  
John D. Bingham, FVP, Sr. Director, MPP and Corporate Communications

By: \_\_\_\_\_  
Stephen Broviak, VP, Associate Director, MPP Operations

Dated: September 3, 2024 \_\_\_\_\_

## EXHIBIT A

### ADDENDUM TO THE MASTER COMMITMENT CONTRACT REGARDING POOL AGGREGATION

#### RECITALS:

The Seller and FHLBI have entered into the Master Commitment Contract (MCC) MCC Number dated September 3, 2024

#### Defined Terms

Aggregated pool ("Aggregated Pool") is a group of loans sold to FHLBI by multiple sellers under specified MCCs aggregated into one pool under MPP's pool aggregation program.

Capitalized terms not defined herein are defined in the MCC or the Guide.

#### Agreement and Notice

Seller and FHLBI agree as follows:

1. **Seller Requests Inclusion in Aggregated Pool of Loans Sold to FHLBI.** Seller is requesting that loans sold to FHLBI under MCC MCC Number be included in Aggregated Pool 821 along with the loans sold to FHLBI by other sellers.
2. **Seller Agreement Regarding Pooling of LRA Funds with Other Sellers.** Seller agrees to fund the LRA per Section 6 of the MCC and acknowledges that once funded, Seller's LRA may be used to absorb applicable Losses for all loans sold into the Aggregated Pool, regardless of the seller of the loan(s) causing the loss(es) as is further detailed in paragraph 3 below. **Seller may lose all value in the LRA due to losses on loans from other sellers participating in the Aggregated Pool.**
3. **Release of LRA Funds.** Per Section 6 of the MCC, release of LRA funds will occur, if available, in accordance with the MCC's Release Period. LRA funds will not be released until the sum of LRA funds from all MCC's in the Aggregate Pool exceeds the Aggregate Pool required amount which will equal the total Initial Balance of all LRAs in this Aggregate Pool multiplied by the Required Fixed LRA Amount percentage specified in Section 6 of the MCC. No funds will be released to an individual seller if the LRA balance for their MCC does not exceed the Required Amount for their MCC. If a seller's LRA balance exceeds the Required Amount for their MCC during the Release Period, the amount to be released to a seller in the Aggregate Pool will equal the result of the following:

All LRA funds in the Aggregate Pool minus the Aggregate Pool Required Amount multiplied by the following ratio: seller's LRA balance exceeding the MCC Required Amount divided by the sum of all Aggregate Pool MCC's LRA balances that exceed the MCC Required Amount.

4. **Seller Agreement Regarding Repurchase of Loans.** Seller agrees to repurchase their own individual loans from the Aggregated Pool if required to do so in accordance with the Guide.
5. **Participation of Sellers.** Seller acknowledges that participation in this Aggregated Pool is completely voluntary and that it has chosen to participate. However, Sellers requesting an MCC of \$100 million or less will be required to participate in the existing pool aggregation program, unless otherwise agreed to by FHLBI. Seller also acknowledges that any FHLBI seller of loans may participate in any Aggregated Pool and that Seller has no right to choose sellers included or excluded in the Aggregated Pool. The

composition of the sellers included within any Aggregated Pool will be at the sole discretion of the FHLBI and the FHLBI can at any time exclude or add sellers to the Aggregated Pool without notice or approval from Seller. FHLBI will at no time disclose to sellers participating in the Aggregated Pool the identity of any other seller participants.

- 6. Investment Grade Rating of Loans within Aggregated Pool.** FHLBI has complete discretion in granting loan level exceptions to all Aggregated Pool sellers but such exceptions will only be granted on a limited basis in order that the Aggregated Pool must maintain an AMA Investment Grade rating as determined by applicable regulation and the FHLBI ratings methodology.

Seller: Seller Name \_\_\_\_\_

By: \_\_\_\_\_

Dated: September 3, 2024 \_\_\_\_\_

Federal Home Loan Bank of Indianapolis

By: \_\_\_\_\_  
John D. Bingham, FVP, Sr. Director, MPP and Corporate Communications

By: \_\_\_\_\_  
Stephen Broviak, VP, Associate Director, MPP Operations

Dated: September 3, 2024 \_\_\_\_\_

**EXHIBIT B**  
**NOTICE TO**  
**FEDERAL HOME LOAN BANK OF INDIANAPOLIS**  
**PERTAINING TO**  
**SELLER NAME**

MASTER COMMITMENT NO. MCC Number

RECITALS:

SELLER NAME ("Seller") and the FEDERAL HOME LOAN BANK OF INDIANAPOLIS ("FHLBI") have entered into that certain Mortgage Selling and Servicing Master Agreement dated \_\_\_\_\_, (the "Agreement")

Pursuant to the Agreement, the Seller, FHLBI and NewRez, LLC. (the "Assignee"), have entered into a Consent and Acknowledgment of Servicing Transfer Agreement dated \_\_\_\_\_ (the "Contract"). The Agreement and the Contract are collectively referred to as the Seller Agreements.

Capitalized terms not defined herein are defined in the Seller Agreements.

Agreement and Notice

Seller and Assignee agree as follows and notify FHLBI of the following:

1. **Existing Agreement between Seller and Assignee.** As contemplated by the Seller Agreements, Seller and Assignee have entered into a Servicing Purchase and Sale Agreement dated \_\_\_\_\_, ("Assignment Contract"). Such Assignment Contract has not been terminated and remains in force.
2. **Assignee Performing Functions of Servicer.** As outlined in the Seller Agreements and as further provided in the Assignment Contract, Assignee will perform various functions of Seller as Servicer of the Specified Mortgages to be sold pursuant to the above referenced Master Commitment.
3. **Payments Remain Seller's Obligation.** All amounts required to be paid by the Seller to FHLBI under the terms of the Master Commitment shall remain the sole obligation of the Seller; Assignee shall have no obligation to purchase any stock, pay any insurance premiums, fund any accounts, provide any credit enhancement, or make any other payments required by the Seller under the Master Commitment.
4. **Notice to FHLBI.** Seller hereby notifies FHLBI that Assignee will perform the functions of the Servicer with respect to the Specified Mortgages identified in the above referenced Master Commitment and the Assignment Contract, all in accordance with the Seller Agreements.

IN WITNESS WHEREOF, the Seller and the Assignee have executed this notice as of September 3, 2024

Seller: Seller Name

Assignee: NewRez, LLC

By: \_\_\_\_\_

By: \_\_\_\_\_