

**AGREEMENT FOR SHARING
OF CONFIDENTIAL INFORMATION and CONDUCTING COORDINATED
EXAMINATIONS and/or INVESTIGATIONS OF NATIONWIDE RESIDENTIAL
MORTGAGE COMPANIES or SOLE PROPRIETORSHIPS
BY STATE REGULATORS**

WHEREAS, the Signatories to this Agreement (Signatories) recognize that greater communication and coordination on situations of mutual supervisory concern is necessary;

WHEREAS, two or more of the Signatories may wish to jointly examine and/or investigate residential mortgage companies or sole proprietorships operating in more than one state and share information regarding such joint examinations and/or investigations;

WHEREAS, the Signatories may also wish to exchange information, including reports of examination and/or investigation, relating to companies or sole proprietorships for which one or more of the Signatories has supervisory jurisdiction in order to more effectively examine and/or investigate as well as assess situations of supervisory concern; and

WHEREAS, the Signatories are aware of the need to preserve the confidentiality of information exchanged and to ensure that the information is used only for authorized supervisory purposes.

NOW THEREFORE, each of the Signatories agree as follows:

ARTICLE 1. DEFINITIONS

For the purposes of this Agreement and any attachments hereto:

1. An "emergency" shall include, but not be limited to, the existence of conditions or circumstances which, if allowed to continue, can be reasonably expected to result in harm to the public.
2. An "Entry Letter," also known as a "First Day Letter," is a pre-examination and/or pre-investigation request for information.
3. "Residential Mortgage Company" or "RMC" means a residential mortgage company or sole proprietorship licensed or registered in any state in or territory of the United States.
4. "Residential Mortgage Company (or "RMC") with multi-state operations" means a residential mortgage company or sole proprietorship licensed or registered in any state or United States territory with operations in more than one state in or territory of the United States.
5. "Originating authority" means the state supervisory agency that originally compiles or drafts an examination and/or investigation for the residential mortgage company or sole proprietorship.
6. "Primary Contact Person" means the individual designated by a State Coordinator responsible for the coordination of the examination and/or investigation of the RMC.
7. "State Coordinator" means the state residential mortgage supervisory agency primarily responsible for coordination of the examination and/or investigation of the RMC with multi-state operations and, as specified in Section 6.1 of this Attachment, for resolution of consumer complaints related to the RMC.

8. The "Agreement" means the Agreement for Sharing of Confidential Information and Conducting Coordinated Examinations and/or Investigations of Nationwide Residential Mortgage Companies or Sole Proprietorships by State Regulators dated ~~2001~~ **2001**.
9. "State Supervisor" means the state residential mortgage supervisory agency that licenses or registers a RMC in that state.
10. "Supervisory action" means any action, whether civil, criminal, administrative, or the equivalent, to enforce applicable federal or state laws, or any other applicable laws or regulations including those for the correction of unsafe or unsound conditions or practices.
11. "Supervisory information" means all information and reports compiled or drafted by a State Supervisor in the ordinary course of supervising and examining and/or investigating an RMC, including supervision memoranda, reports of examination and information relating to applications, complaints, and supervisory actions, or copies thereof.

ARTICLE 2. STATEMENT OF PURPOSE

Section 2.1. Intent

This Agreement is designed to assist states in their efforts to maintain, safe and sound residential mortgage services for the citizens of their states, while ensuring that RMCs engage in lending practices that comply with applicable consumer protection laws and regulations. The planning process will focus on ensuring that examinations and/or investigations cover safety and soundness and consumer protection. Participating

State Supervisors will also develop and issue a joint examination and/or investigative report whenever practicable.

Section 2.2 Goals.

The Signatories to this Agreement are committed to promoting an enhanced level of cooperation in the examination of the multi-state operations of RMCs that operate under state license or registration. Toward this end, the parties to this Agreement agree to use their best efforts to: (1) provide for a seamless examination process; (2) minimize regulatory burden and cost; and (3) enhance consumer protection.

In conjunction with each other, the State Supervisors shall work together to promote rationalization of policies and regulations governing RMCs with the intent of achieving maximum certainty, consistency, efficiency and consumer protection in the examination of RMCs with multi-state operations.

ARTICLE 3. RESPONSIBILITIES

The Signatories agree to participate in joint examinations and/or investigations of RMCs as follows and in accordance with the attached model examination and/or investigative procedures:

1. The type and frequency of such examinations and/or investigations will be determined by the State Supervisors. The State Supervisors will coordinate their schedules and keep the other State Supervisors informed of any material events that could impact the examination and/or investigative

schedule and result in any State Supervisor being unable to fulfill the requirements of the agreed upon schedule.

2. Any of the State Supervisors may conduct additional examinations and/or investigations at its discretion.
3. Each State Supervisor retains all rights and obligations to individually examine and/or investigate any RMC under its existing statutes and regulations. Nothing in this Agreement is intended to affect the right of a State Supervisor to add additional items to a scope of examination and/or investigation that is particular to an RMC licensed or registered or required to be licensed or registered in that state, to the laws or regulations of that state, or to a residential mortgage loan made in that state. Rather, the purpose of the coordinated examination and/or investigative plan is to identify all relevant and significant issues in order to effectively and efficiently focus the scope of the examination and/or investigation.
4. If any State Supervisor arranges to meet with the management of an RMC as part of an examination and/or investigation, appropriate notification will be provided to the State Supervisors.

ARTICLE 4. DEVELOPMENT OF A SINGLE REPORT OF EXAMINATION and/or INVESTIGATION

The Signatories agree to work toward the development of a single report, with any necessary state attachments, of examination and/or investigation. Such report would be produced by the State Coordinator jointly or in cooperation with the other participating State Supervisors and would be used in situations where it is possible under law and regulation and practicable to do so.

ARTICLE 5. STATE LAW

This Agreement recognizes that a state's law governs the operations of an RMC licensed or registered or required to be licensed or registered in that state. Nothing in this Agreement is meant to interfere with a state's enforcement authority or ability to make a referral to a law enforcement or prosecutorial authority without having to notify or coordinate with other State Supervisors

ARTICLE 6. CONFIDENTIALITY AND SHARING INFORMATION

The Signatories agree to share information as follows and in accordance with the attached model examination and/or investigative procedures.

1. To provide, upon request by another Signatory, confidential supervisory information including, but not limited to, reports of examination, reports of investigation and other relevant records made and maintained in the ordinary

course of business relating to RMCs for which one or more of the Signatories has supervisory jurisdiction subject to the conditions, obligations and responsibilities of this Agreement and any Attachments hereto.

2. Supervisory information shared under this Agreement shall be presumed to be confidential unless otherwise specified by the originating authority. To the fullest extent permitted by law, the parties will treat information obtained under this Agreement with the same degree of confidentiality that applies to the information in the hands of the originating authority. Supervisory information shared under this Agreement remains the property of the originating authority and shall not be further disclosed by the recipient without the written permission of the originating authority, except as otherwise required by applicable law or order of a court of competent jurisdiction. Examination and/or investigative information obtained under this Agreement should be returned or destroyed as soon as practicable after the requesting Agency completes its review, to the extent not prohibited by applicable law.
3. The Signatories give express assurance that under the applicable laws, regulations, and judicial rulings they have the authority to comply fully with the use and disclosure limitations and conditions of this Agreement and that they will provide written notification to the other Signatories within ten days of any material change to this authority or any violation of this Agreement.
4. No Signatory shall disclose information of a providing party, except with the consent of the providing party communicated through its authorized

representative, or in accordance with applicable regulations of the providing party and any other applicable law.

5. It is understood that many state laws prohibit or regulate the disclosure of confidential examination and/or investigative information that is the property of State Supervisors. State Supervisors shall cooperate in the preparation of any memoranda, request for protective order or pleadings deemed desirable by the originating authority in order to protect the confidentiality of supervisory information.
6. The Signatories expressly agree further to limit the use of any such information they receive under the Agreement to functions related to the exercise of their supervisory authority.
7. Upon receipt of a subpoena or other legal process by any court, legislative body or governmental agency, or any request from another person or entity not a Signatory to this Agreement seeking disclosure of supervisory information supplied by the Originating Authority, and before disclosing any supervisory information, a state supervisor shall notify the Originating Authority so that the Originating Authority may have an opportunity to challenge the release of the Information. Originating authorities and recipients of information shall cooperate in the preparation of any memoranda, requests for protection orders, or pleadings deemed desirable by the Originating Authority to protect the confidentiality of supervisory information. Nothing in this Agreement shall exempt the Signatories from the requirements of the applicable Freedom of Information Laws of their

respective jurisdictions or from the requirements of any Order issued by a court of competent jurisdiction.

ARTICLE 7. PARTIES

Section 7.1. Representations and Warranties

Each signatory State Supervisor represents and warrants that he or she has all requisite power and authority to enter into and perform this Agreement and to the extent consistent with state law, any party acting within the scope of this Agreement shall be deemed to be acting within the scope of the signatory State Supervisor's statutory authority.

Section 7.2 Change in Power or Authority

If there is any material change in the power or authority of any signatory State Supervisor to perform this Agreement, such State Supervisor shall promptly give notice of the change to the other State Supervisors.

ARTICLE 8. EXECUTION, ENFORCEABILITY, OTHER AGREEMENTS AND TERMINATION

Section 8.1 Execution

The terms of this Agreement shall become effective when a State Supervisor has executed the original or a counterpart signature page. Also, this Agreement is not intended to be limited to the original signatories, and other parties may sign after the initial execution of this document.

Section 8.2. Binding and Enforceable

This Agreement shall be binding and enforceable on the parties to the extent allowed by the laws of the respective jurisdictions.

Section 8.3. Other Agreements

This Agreement is not intended to prevent the parties from entering into other agreements with individual parties, state financial institutions supervisory agencies, or other regulatory agencies as may be necessary or appropriate.

Section 8.4. Amendment and Termination

Any Signatory to this Agreement may propose an amendment at any time, but no amendment shall become effective until a new agreement incorporating the amendment is executed by all parties.

Notwithstanding the preceding paragraph, technical changes to this Agreement that are necessary and appropriate shall take effect 30 days after such changes have been made and written notice thereof has been provided to all signatory State Supervisors, and no such State Supervisor has objected thereto.

Any Signatory may withdraw and revoke its participation in this Agreement upon written notice to the other Signatories. In the event of such withdrawal, all documents in the possession of the withdrawing party or provided by the withdrawing party under the terms of this Agreement shall be either immediately returned to the Originating Authority, or alternatively, and with the consent of the Originating Authority, may be destroyed in a manner consistent with their confidential status. In addition, and without terminating this Agreement, the Originating Authority may, in its sole discretion, require the return of all documents and derivative information previously supplied on a particular mortgage banker, lender, broker, or servicer or any of its subsidiaries or parent companies, or it may authorize the requesting agency to routinely and properly destroy the material which is no longer needed.

ARTICLE 9. MISCELLANEOUS

Section 9.1. Captions

The captions in this Agreement are for convenience of reference only, do not constitute a part of this Agreement, and shall not affect the meaning or construction of any provision of this Agreement.

Section 9.2. Waiver

The waiver by any State Supervisor of the performance of any provision of this Agreement shall not invalidate this Agreement, nor shall it be considered a waiver of any other provision. The waiver by any State Supervisor of the time for performing any act required by this Agreement shall not be considered a waiver of the time for performing any other act or an identical act required to be performed at a later time.

Section 9.3. Survival

In the absence of state law to the contrary, this Agreement shall survive any change in the identity of the executive in charge of any State Supervisor.

The termination of this Agreement by one or more parties shall not terminate such party's obligation with respect to confidential information it may have received from another party pursuant to this Agreement

Section 9.4. Severability

If any provision of this Agreement or the application thereof to any person or circumstances is held invalid or illegal, such invalidity or illegality shall not affect other provisions or applications of this Agreement which can be given effect without the invalid or illegal provision or application, and to this end, the provisions of this Agreement are declared to be severable.

Section 9.5. No Preemption of State Law

Nothing in this Agreement is intended or shall be construed to preempt or otherwise contravene applicable state law governing residential mortgage bankers, brokers, lenders, or servicers except to the extent, if any, explicitly adopted and given the force of law by a state supervisory agency with state law authority to do so.

Section 9.6. Denial of Future Requests

This Agreement shall in no way limit the discretion of the Signatories to deny future requests for Information, in whole or part, for any reason consistent with the Parties' own supervisory interests and obligations.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the (date) so indicated below.

Signed:

State/Agency

Date:

Print name

Alabama

Print name

Alaska

Print name

Arizona

Print name

Arkansas

Signed:

Print name

Print name

Print name

Print name

Print name

Print name

Print name

Print name

Print name

State/Agency

California

Colorado

Connecticut

Delaware

District of Columbia

Florida

Georgia

Guam

Hawaii

Idaho

Illinois

Indiana

Iowa

Kansas

Kentucky

Louisiana

Maine

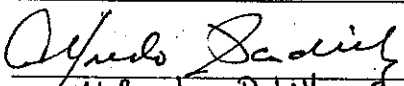
Maryland

Massachusetts

Michigan

Date:

Signed:


Alfredo Padilla - Commissioner

State/Agency

Minnesota

Mississippi

Missouri

Montana

Nebraska

Nevada

New Hampshire

New Jersey

New Mexico

New York

North Carolina

North Dakota

Ohio

Oklahoma

Oregon

Pennsylvania

Puerto Rico

Rhode Island

South Carolina

South Dakota

Tennessee

Date:

September 10, 2004

Signed:

State/Agency

Texas

Utah

Vermont

Virginia

Virgin Islands

Washington

West Virginia

Wisconsin

Wyoming

Date:

Coordinated Nationwide Residential Mortgage Company Examination and/or Investigation Procedures

ARTICLE 1. USE OF MODEL PROCEDURES

These model procedures are designed to be utilized in conjunction with the Agreement for Sharing of Confidential Information and Conducting Coordinated Examinations and/or Investigations of Nationwide Residential Mortgage Companies or Sole Proprietorships by State Regulators dated (the "Agreement").

ARTICLE 2. RESPONSIBILITIES

The Signatories shall, to the extent agreed to by the State Coordinator and State Supervisor of Residential Mortgage Companies ("RMCs") with multi-state operations as set forth in the Agreement and, at a minimum, take the following steps:

- A. All RMCs with multi-state operations will be subject to an examination and/or investigative process directed by a State Coordinator. The State Supervisors sharing responsibility for an RMC will designate a representative to serve as the State Coordinator for the examination of each RMC with multi-state operations. In selecting the State Coordinator, the State Supervisors will factor into their decision (i) the relative size and complexity of the offices in each state and (ii) patterns of significant or widespread consumer complaints in a given state(s). Such designation may be changed by agreement among the State Supervisors if a material change occurs in the above factors.
- B. The State Coordinator for an RMC with multi-state operations will act as the single point of contact for coordination of the examination and/or investigation of the RMC, and to the extent applicable, for the coordination of the release of examination and/or investigative information and the resolution of multi-state consumer complaints related to the RMC. Each State Supervisor remains primarily responsible for supervising its own state-licensed or registered RMC operations, and for informing the State Coordinator of any regulatory action(s) or concerns involving the RMC.

Overall, the parties will cooperate to assure that each of their material interests, authorities and responsibilities is fulfilled.

ARTICLE 3. INFORMATION SHARING

Section 3.1. Request for Information.

The State Coordinator will receive copies of all RMC examination and/or investigative findings prepared by other State Supervisors participating in the examination and/or investigation of an RMC with multi-state operations.

A State Supervisor may at any time request from another State Supervisor supervisory information regarding an RMC operating residential mortgage offices or making residential mortgage loans in both states. Where time permits, the request will be made in writing by the State Supervisor or the supervisor's designee. Requests for information made in any other manner will be followed by a written request.

A request by a State Supervisor should be reasonably specific as to the documents or information sought. The State Supervisor may request items relating to a particular event, such as specific examination and/or investigative findings, or may make a standing request for all items of a particular nature relating to the operations of an RMC.

The State Supervisor shall limit its use of information obtained under the Agreement to purposes directly related to its supervisory authority.

Section 3.2. Providing Information.

The State Supervisor will comply with a request for supervisory information within a reasonable time to the fullest extent permitted by state law

ARTICLE 4. RESPONSIBILITY FOR SUPERVISION AND EXAMINATION AND/OR INVESTIGATIONS

Section 4.1. Examination and/or Investigation Planning and Scheduling

Each State Coordinator will designate a Primary Contact Person for each RMC with multi-state operations. Each participating State Supervisor will designate an examiner-in-charge or other appropriate contact person for the examination and/or investigation of the RMC within its supervisory jurisdiction. These individuals jointly will coordinate the examination and/or investigative responsibilities of their respective supervisory agencies with other state supervisory agencies according to the principles of this Agreement. The State Coordinator and its designated Primary Contact Person will take the necessary steps to ensure that the goals of the Agreement are achieved.

The designated Primary Contact Person and the State Coordinator will be responsible, in coordination with the other State Supervisors, for the development of a written comprehensive examination and/or investigative plan. The plan will be prepared annually and updated as needed. The plan may include, but is not limited to the following:

1. An examination and/or investigative plan as described below;
2. Review and assessment of pending issues, such as the status of applications and compliance with supervisory actions;

3. Off-site monitoring plans; and
4. Such other matters as are necessary to promote the safety and soundness of the RMC and ensure consumer protection.

The State Coordinator and its designated Primary Contact Person, in cooperation with other State Supervisors, will ensure that a written examination and/or investigative plan is developed that details the type, timing and location of on-site examinations and/or investigations. It also will detail how participating State Supervisors will convey findings on a coordinated basis to management of the RMC and to the State Coordinator.

The plan also will include: (a) schedules for examination planning meetings; (b) the scope of on-site examinations and/or investigations to be conducted for each office to be examined and/or investigated; (c) the estimated resource requirements for conducting on-site examinations and/or investigations for each office scheduled for examination and/or investigation; (d) an Entry Letter(s); (e) the schedule of on-site examinations and/or investigations; and (f) the type and format for the reporting of examination and/or investigative findings, recommendations and conclusions.

The State Coordinator will furnish a copy of the proposed written examination and/or investigative plan to other participating State Supervisors for their review and comment.

Section 4.2. Examination and/or Investigative Findings, Recommendations and Conclusions

Results of all examinations and/or investigations of an RMC must be supported by a written analysis documenting the findings, recommendations and conclusions derived from the examination and/or investigative process. It will be prepared in accordance with the description contained in Section 4.1 of this Attachment.

The State Coordinator will receive copies of all examination and/or investigative reports or examination and/or investigative memoranda reflecting the findings, recommendations and conclusions derived from the on-site examination and/or investigation of each office subject to examination and/or investigation. The State Coordinator, in cooperation with other participating State Supervisors, will use this information, together with other supervisory information deemed appropriate, in preparing an assessment of the operations of the RMC.

In order to minimize regulatory burden and maximize efficiency, examinations and/or investigations may be conducted on a joint basis or on an alternate year basis between participating State Supervisors to the extent permitted under applicable law and regulation.

Although State Supervisors are committed to the principles of coordinated supervision of multi-state RMCs, nothing in this protocol will interfere with any State Supervisor's right or responsibility to conduct examinations and/or investigations in that state or to transmit examination and/or investigative findings, recommendations and conclusions to any supervised institution.

Section 4.3. Efficient Use of State Resources

As necessary, the State Supervisors may enter into separate bilateral agreements governing the sharing of resources and compensation for services rendered to the extent permitted by the laws of their respective jurisdictions. State Supervisors, will be responsible for providing sufficient examiner resources for the conduct of the portion of the examination and/or investigative plan for which they are responsible.

ARTICLE 5. SUPERVISORY ACTIONS

Section 5.1. Notification and Action.

The parties will, in all cases to the greatest extent practicable, consult one another regarding enforcement and supervisory actions involving the operations of an RMC.

The State Coordinator, in consultation with other State Supervisors, will coordinate supervisory actions that are to be taken jointly by involved State Supervisors against all effected offices of an RMC. Actions affecting RMCs in only one state will continue to be the responsibility of the supervisor in that state. In all cases a State Supervisor will notify the State Coordinator, which in turn will notify all other State Supervisors, of any type of supervisory action taken against an RMC in that state. If possible, notification by the State Supervisor will be given in advance of the supervisory action. Where possible, supervisory actions addressing violations of laws by all or some of the RMC's operations will be taken jointly by the State Coordinator and State Supervisors in the affected states.

Section 5.2. Emergency Actions by State.

Notwithstanding Section 5.1, any State Supervisor may in an emergency take any supervisory action against an RMC permitted under that state's law. Any State Supervisor doing so will notify the State Coordinator as soon as practicable. The State Coordinator will communicate notice of such action to all other appropriate State Supervisors.

ARTICLE 6. CONSUMER COMPLAINTS

Section 6.1. Responsibilities.

Each State Supervisor will process and resolve routine consumer complaints against offices of an RMC licensed or registered or required to be licensed or registered in its state. Instances of serious consumer abuse, violations of law and/or patterns or practices which cause serious supervisory concerns should be promptly reported to the State Coordinator in order for the states jointly to determine whether supervisory action should be taken against the RMC. To the extent that complaints concern an RMC licensed or registered or required to be licensed or registered in more than one state,

the State Coordinator will coordinate resolution of the complaint(s) upon consultation and agreement with all other involved State Supervisors. Information summarizing the volume, nature and resolution of consumer complaints will be provided by each supervisor to the State Coordinator on at least a quarterly basis, and the State Coordinator shall furnish a complete list of all such consumer complaints to each supervisor.

Section 6.2. Supervisory Actions

To the greatest extent practicable, any supervisory action resulting from a complaint against an RMC will be taken as provided in Article 5 of this Attachment.