
MASTER POLICY ENDORSEMENT

ENHANCED COVERAGE COMMITMENT

Policy Issued To:

Attached to and Forming Part
of Master Policy No:

Effective Date of Master Policy: 10.01.2014

Effective Date of Endorsement: 10.01.2014

At the request of the Initial Insured under this endorsement, we will perform certain enhanced underwriting reviews based on information specified herein and, subject to the terms and conditions hereof, provide an Enhanced Coverage Commitment (defined below) with respect to eligible Certificates. All conditions of the Policy not modified by this Endorsement remain in full force and effect for all Loans insured under the Policy. Terms used and not defined in this Endorsement have the meanings set forth in the Policy.

1. Definitions

The following terms as used in this Endorsement shall have the meanings set forth below.

ECC Coverage Notice has the meaning specified in Section 2.3 (ECC Coverage Notice).

ECC Program Requirements means that (i) the Initial Insured delivers or causes to be delivered to us in accordance with our Underwriting Requirements the Verification Information within the Document Submission Period; (ii) none of the first 12 Loan Payments were 30 or more days Delinquent, which must be demonstrated by the payment history from the Servicing File or other reasonably requested evidence acceptable to us; (iii) all of the first 12 Loan Payments were made from the Borrower's Own Funds, which must be demonstrated by the payment history from the Servicing File or other reasonably requested evidence acceptable to us; and (d) the Loan is not subject to a Workout.

Document Submission Period means any time prior to the 60th day following the date that we receive notice that a Certificate Effective Date has been established and we activate the Loan on our system or as otherwise specified in the Servicing Guide in effect when we receive the Insurance Application.

Delegated Underwriting Loans means Loans insured pursuant to the above-referenced Delegated Underwriting Endorsement.

Enhanced Coverage Commitment has the meaning specified in Section 2.2 (Enhanced Coverage Commitment Independent Validation).

Independent Validation means, with respect to any Enhanced Coverage Commitment provided pursuant to this Endorsement, an independent underwriting review by us using commercially reasonable efforts, as more particularly described in Section 2.2 (Enhanced Coverage Commitment Independent Validation), that will be conducted regardless of whether we performed any initial underwriting with respect to the Certificate, to determine the extent to which a Loan is eligible for Enhanced Coverage Commitment.

Verification Information has the meaning specified in Section 2.1 (Enhanced Coverage Commitment Verification Information).

2. Conditions to Coverage; ECC Eligibility Decision

2.1. Enhanced Coverage Commitment Verification Information

The Initial Insured shall be responsible for submitting in accordance with our Underwriting Requirements the information set forth below that relates to the Enhanced Coverage Commitment sought by the Initial Insured (individually and collectively, "**Verification Information**").

- (a) In the case of an Enhanced Coverage Commitment pertaining to a Material Value Variance, the complete appraisal or other Property valuation documentation from the Loan Origination File;
- (b) In the case of an Enhanced Coverage Commitment pertaining to Eligibility Criteria Violation other than a Material Value Variance, the Loan File, which must include the Borrower's credit report, application, and verifications of income, employment and assets; and
- (c) Any other applicable information and documentation required to be submitted for Enhanced Coverage Commitment eligibility, as published in our Underwriting Requirements in effect when we receive an Insurance Application.

2.2. Enhanced Coverage Commitment Independent Validation

Subject to Section 3.1 (Reservation of Rights), we will not rescind coverage on a Loan (whether or not such Loan is a Delegated Underwriting Loan) submitted for review pursuant to this Endorsement on account of an Eligibility Criteria Violation to the extent provided for herein (an "**Enhanced Coverage Commitment**") if:

- (a) the ECC Program Requirements for such Loan are met; and
- (b) we determine that there is not Credible Evidence of a Material Value Variance or other Eligibility Criteria Violation, as applicable, as of the date we received the Insurance Application, based on an Independent Validation comprised of at least the following:
 - (i) With respect to any Eligibility Criteria Violation other than a Material Value Variance, our pre-closing or post-closing underwriting of all Loan File information for compliance with our Eligibility Criteria and Underwriting Requirements, and a comparison of the Insurance Application information to the Loan Origination File and Closing File information to evaluate whether there are material discrepancies;
 - (ii) With respect to Material Value Variance, our review of the Property valuation against the Origination Valuation documentation in the Loan File, which may include (x) an appraisal, (y) a reasonably reliable third-party automated valuation tool recognized as such in the mortgage origination industry; or (z) another method of reviewing Property valuation that is comprised of appraisal verification and collateral review processes that are reasonably adapted to detect material defects in appraisal methodology, analysis and descriptions performed by trained personnel; and
 - (iii) With respect to all Eligibility Criteria Violations, if we uncover discrepancies, errors or any other questionable data or other information that we determine, in our reasonable judgment, is in need of re-verification, we will use commercially reasonable efforts to independently obtain new information to re-verify accuracy and reassess compliance with the Eligibility Criteria or Delegated Underwriting Program, as applicable, using reasonably reliable third-party sources and records recognized as such in the mortgage origination industry.

2.3. ECC Coverage Notice

No later than 180 days after receipt of the Verification Information, we will provide the Servicer with notice if, and the extent to which, based on our Independent Validation, our Enhanced Coverage Commitment will apply, subject to verification that none of the first 12 Loan Payments were 30 or more days Delinquent and that all of the first 12 Loan Payments were made from the Borrower's Own Funds ("**ECC Coverage Notice**"). To the extent we do not grant Enhanced Coverage Commitment following our Independent Validation, the Rescission Limitation in Section 4.3(a) of the Master Policy will apply. Nothing in this Section 2.3 shall (i) limit our rights under Section 16.2 (Duty of Cooperation) of the Policy to obtain information, documents, or access as provided therein or (ii) limit our rights and remedies under the Policy, subject to Section 4.3(a) (Coverage Commitment) with respect to a Loan for which Enhanced Coverage Commitment has not been granted.

2.4. Appeal of ECC Coverage Decision

If the Servicer does not receive an ECC Coverage Notice with respect to a Loan within 180 days of our receipt of the Verification Information, or if the ECC Coverage Notice states that the Loan has not received the requested Enhanced Coverage Commitment, the Servicer may, within 30 days after the conclusion of the 180-day review period (or, if the Enhanced Coverage Notice has been delivered sooner, within 30 days after such delivery), request in writing a reconsideration of our decision not to issue an ECC Coverage Notice or to issue a limited ECC Coverage Notice, and submit all pertinent information in support of such a request. Within 60 days of receipt of such information, we will render a determination on the Servicer's request for reconsideration. If we do not render a decision within such 60 day period, the request for reconsideration will be deemed denied.

3. Limitations on Enhanced Coverage Commitment

3.1. Reservation of Rights

The Enhanced Coverage Commitment shall not limit our right to rescind coverage with respect to a Loan if we determine, on the basis of Credible Evidence, that there was (i) Pattern Activity or (ii) a First Party Misrepresentation, in which case we shall issue a Rescission Notice, rescinding coverage on the Certificate.

3.2. Effect on Investigation and Documentation Requests

Unless we become aware of Credible Evidence, either through our own investigation, through publicly available information, or otherwise, that there has been Pattern Activity or a First Party Misrepresentation, we will not request information or documentation from the Servicer to investigate an Eligibility Criteria Violation for which we have granted an Enhanced Coverage Commitment following the effectiveness of such Enhanced Coverage Commitment. We will not exercise our remedies under Section 4.1(a) of the Master Policy (Access to Information) as a result of a failure of the Initial Insured to respond to document requests if such document request would be impermissible under this Section 3.2 (Effect on Investigation and Documentation Requests). The foregoing provision does not prevent us from requesting (i) information or documentation required under Section 9.2(b) (Additional Claim Information) in connection with perfection and settlement of a Claim, (ii) servicing-related information or documentation not related to the Origination of the Loan, or (iii) information or documentation required for purposes of compliance with our legal or regulatory obligations.

* * *

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the above-mentioned Policy or any endorsement thereto, other than to the extent expressly set forth above.

IN WITNESS WHEREOF, we have caused this Endorsement to be signed by our duly authorized officers in facsimile.

President

Secretary

SAMPLE