



Fraud Policy

Overview

Purpose and Scope:

It is the policy of our Company, Agire Mortgage Corporation (Agire Mortgage) to establish controls and procedures to prevent, detect, report, and investigate any possibility of questionable loan activity.

General Policy:

Agire Mortgage expects all individuals and entities, and their affiliates, that are involved in creating and processing loans to use diligence to prevent fraud for the protection of our borrowers, investors and the Company. Agire Mortgage will take appropriate disciplinary and/or legal actions against individuals, entities and their affiliates that violate (or enable their affiliates to violate) the Company policy. This may include the possibility of employment termination, restitution, and/or forwarding information to the appropriate authorities for criminal prosecution. If necessary, Agire Mortgage may also sever relationships with brokers, appraisers, or other third parties who may have been associated, knowingly or unknowingly, with incidents of fraudulent activity.

Prevention:

Agire Mortgage is proactive in preventing and detecting fraud using several methods:

- CoreLogic LoanSafe reports are utilized on every submitted loan. The CoreLogic tools are utilized to assess possible fraudulent activity using integrated analysis of the mortgage broker, collateral and borrower.
- Agire's agreements with brokers and vendors, and our lender instructions to closing agents clearly state Agire Mortgage's requirements to report any fraudulent activity if detected.
- Pre- and post-funding Quality Control (QC) audits. All key Operating units perform QC audits. Results of these audits are reported regularly to the Executive Management Committee (EMC) for review and action. QC data are retained and analyzed to detect any potential patterns that may need to be addressed.

Suspicious information may be found in the following sources:

- Social Security Number validation
- Credit Reports, which are reviewed on each file
- Document misrepresentation
 - Income
 - W-2's are reviewed for inconsistency and for any evidence of inaccuracy.
 - Federal ID or W-2 numbers are reviewed for accuracy as to the number of digits and geographic location.
 - Rental verification
- Address that does not match with the 1003 application, title report, credit or appraisal report.
- Reviews, which are completed of all appraisal reports
 - If the loan purpose is a refinance, determination is made whether the borrower is the owner and the occupant.
 - The subject photographs are compared to determine if the house number matches the address on the appraisal and loan applications.
- Missing funds, securities, or other assets



Possible consequences for violating the Agire Mortgage Fraud Policy may include, but are not limited to, the following:

- Criminal prosecution, which could result in fines, imprisonment or both.
- Revocation of state/professional licenses.
- Loss of access privileges to lenders resulting from the exchange of legally permissible information between lenders, mortgage insurance companies; FHLMC, FNMA and other investors; policy agencies; and state and federal regulatory agencies including the Department of Justice and the FBI.
- Civil action by borrower, Agire Mortgage and/or other parties involved in the transaction.
- Loss of approval status with Agire Mortgage.

The objective of Agire Mortgage Corporation's fraud policy is to perform due diligence at all stages on the lending process in order to protect all participants involved the transaction: The consumer, the broker, the investor and Agire Mortgage.