

[REDACTED]

**Aggregate Excess of Loss Credit Insurance Policy
Declarations Page**

Policy Number: [REDACTED]

Insured Deal Number: CIRT 2022-M01A

Policy Period: That period of time between the Effective Date and the Termination Date, as set forth immediately below.

Effective Date: 12:00 A.M. Eastern Time, August 1, 2022, based on unpaid principal balances as of close of business July 31, 2022

Termination Date: 11:59 P.M. Eastern Time, July 31, 2034

Insured: Federal National Mortgage Association, also known as Fannie Mae, a government-sponsored enterprise chartered by the U.S. Congress

Mailing Address: Midtown Center
1100 15th Street, NW
Washington, DC 20005

Insurer: [REDACTED]

Insurance Structure: Aggregate excess of loss credit insurance

Covered Loans: A portfolio of Multifamily mortgage loans acquired between August 1, 2021 and June 30, 2022, as initially identified in the Set-up File and that meet the Eligibility Criteria

Total Initial Principal Balance: \$13,052,985,001.28

Limit of Liability: \$130,529,850.01

Limit of Liability Percentage: One percent (1.00%)

Insurer's Deal Percentage: [REDACTED]

Insurer's Limit of Liability: [REDACTED]

Aggregate Retention: \$293,692,162.53

Aggregate Retention Percentage: Two and one-quarter percent (2.25%)

Optional Policy Cancellation: On or after eighty-four (84) months after the Effective Date, the Insured may cancel this Policy upon making payment to the Insurer equal to the following: (i) the product of (a) the Monthly Premium, multiplied by (b) the factor of one-fifth (0.20), multiplied by (c) the number of months remaining until that date which is one hundred forty-four (144) months after the Effective Date as stated on the Declarations Page; multiplied by (ii) the Insurer's Deal Percentage. The Insured shall give prior written notice to the Insurer upon electing this action and when the cancellation shall be effective. The Insured's election shall apply to CIRT 2022-M01A, CIRT 2022-M01B and CIRT 2022-M01C and may not be applied to each Policy individually. No cancellation fee will be required if the Insured cancels this Policy on or after the date that is one hundred forty-four (144) months after the Effective Date. The cancellation date in such written notice shall become the Termination Date of this Policy, and the Insured shall make the required payment to the Insurer within forty-five (45) days of providing the written notice.

Currency: United States of America Dollars

Monthly Premium: Premium of \$ [REDACTED] payable in one hundred forty-four equal monthly installments of \$ [REDACTED] in advance beginning August 1, 2022. The first Monthly Premium payment is due not later than ten (10) Business Days after delivery of the Set-up File. Thereafter Monthly Premium shall be due on the first (1st) Business Day of each month.

Eligibility Criteria:

As to each Covered Loan, the Insured represents and warrants as follows. Without limiting any other provision of this Policy, any disclosure set forth in Schedule A shall constitute an exception to the specific representation and warranty for which such disclosure is listed for such Covered Loan.

- (a) Each Covered Loan met the requirements of the Guide, or any variances thereto granted in writing by the Insured prior to delivery, at the time the Covered Loan was Delivered to the Insured. The Insured makes no representation as to which variances, if any, apply to individual Covered Loans.
- (b) Each Covered Loan is a fully documented, Multifamily mortgage loan, which has an original term of no more than thirty (30) years and is secured by Multifamily residential Property located in the United States, including the District of Columbia, Puerto Rico, the U.S. Virgin Islands or Guam on its origination date.
- (c) Each Covered Loan was acquired from a Designated Lender.
- (d) Each Covered Loan was acquired by the Insured between August 1, 2021 and June 30, 2022.

- (e) Each Covered Loan had an original principal balance less than or equal to \$30,000,000.
- (f) No Covered Loan had an original loan-to-value ratio that was more than eighty percent (80%).
- (g) No Covered Loan has ever been delinquent thirty (30) days or more prior to the Effective Date.
- (h) No Covered Loan had been in forbearance when Delivered to the Insured or as of the Effective Date.

Policy All-Inclusive:

This Policy is comprised of this Declarations Page and the various terms and provisions attached to the Policy as of the Effective Date.

(Signature Page Follows)

IN WITNESS HEREOF, each party hereto has caused this Policy to be executed on its behalf by its duly authorized representative as of the date(s) specified below:

[REDACTED]

By: _____ [REDACTED]

Name: [REDACTED]

Date: [REDACTED]

Federal National Mortgage Association

By: _____ [REDACTED]

Name: _____ [REDACTED]

Date: [REDACTED]

Aggregate Excess of Loss Credit Insurance Policy

Table of Contents

- I. INSURING AGREEMENT**
- II. REPRESENTATIONS AND WARRANTIES OF THE INSURER**
- III. REPRESENTATIONS AND WARRANTIES OF THE INSURED**
- IV. LIMITATION OF LIABILITY**
- V. CLAIMS AND REPORTING**
- VI. CALCULATION OF LOSS**
- VII. LOSS ADJUSTMENTS**
- VIII. CANCELLATION**
- IX. MONTHLY PREMIUM**
- X. REDUCTION UNDER QUOTA SHARE CONTRACT**
- XI. EXCLUSIONS**
- XII. GENERAL CONDITIONS**
- XIII. DEFINITIONS**

Exhibit A: Notice of Claim

Exhibit B: Loss Calculation Example

Exhibit C: Form of Monthly Servicing Report

Schedule A: Exceptions to Declarations Page Eligibility Criteria

Aggregate Excess of Loss Credit Insurance Policy

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

In consideration of the Insured paying the Monthly Premium stated in the Declarations Page to the Insurer and in reliance upon the statements in the Declarations Page made a part hereof and subject to all of the terms of this Policy, the Insurer hereby agrees, subject to the Insurer's Limit of Liability stated in the Declarations Page, to pay Aggregate Losses to the Insured to the extent and in the manner set forth herein.

I. INSURING AGREEMENT

- (a) This Policy provides coverage for [REDACTED] of the Aggregate Losses of the Insured in excess of the Aggregate Retention of the Insured on Covered Loans that Default during the Policy Period, subject to the Insurer's Limit of Liability and all other terms, conditions and limitations of this Policy. Calculation of Loss in the Notices of Claim submitted by the Insured on Covered Loans is determined after deduction of the Lender Loss Sharing on such Covered Loans.
- (b) Notwithstanding the provisions of Article I.(a) above, with regard to any Loss(es) owed to the Insured by the Insurer, in the event that the Insured is paid directly by any Reinsurer under the Quota Share Contract, or if the Insured were to draw down upon any trust under which the Insured is a beneficiary or co-beneficiary with regard to this Policy, then, only and solely to the extent of any such Loss(es) so received by the Insured, the Insurer is relieved of all corresponding responsibilities and liability to the Insured under this Policy for payment of such Loss(es).

II. REPRESENTATIONS AND WARRANTIES OF THE INSURER

The Insurer represents and warrants as follows:

- (a) The Insurer is an insurance company duly organized, validly existing and in good standing under the laws of [REDACTED] and has all requisite company power and authority to own and lease its properties and to carry on its business as conducted by it.
- (b) The Insurer has taken all corporate action required to authorize the execution, delivery and performance of this Policy, and the performance of its obligations thereunder, and has received all necessary legal and regulatory approvals for it to execute, deliver and perform under this Policy.
- (c) The Insurer has the corporate power and authority to execute and deliver, and perform its obligations under this Policy.
- (d) The Insurer has secured, as of the Effective Date, reinsurance coverage under the Quota Share Contract for one hundred percent (100%) of its liabilities under this Policy with Reinsurers. Any changes to the participation percentages of the Reinsurers under the Quota Share Contract, including the addition of any new

Reinsurers, after the Effective Date must be approved in writing by the Insured.

- (e) The Insurer shall obtain written representations and warranties from the Reinsurers substantially similar to those set forth in this Article II.(b), (c), (f), (g), (i) and (j), and substantially similar to those set forth in this Article II.(a) and (h) as to the respective jurisdiction of organization of each of the Reinsurers.
- (f) This Policy, when executed and delivered shall constitute a legal, valid and binding obligation of the Insurer, enforceable except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting creditors' rights generally and subject to the application of equitable principles and the availability of equitable remedies.
- (g) The execution and delivery by the Insurer of this Policy, and the performance by the Insurer under this Policy, do not and shall not require the Insurer to possess, obtain, make, provide or deliver any consent, waiver, approval, license, permit, order, designation or authorization of, notice to, or registration, filing, qualification or declaration with, any governmental authority or other Person, other than (i) any of which have been unconditionally obtained or effected (as appropriate) and are in full force and effect or (ii) any of which the failure to possess, obtain, make, provide or deliver do not or shall not, individually or together with any one or more such other failures, result in the Insured incurring any liability, or have a material adverse effect on (a) the ability of the Insurer to perform and comply with its respective obligations under this Policy, or (b) the consummation of the transactions contemplated under this Policy.

██████████ The Insurer is, and shall use its best efforts to remain, in compliance at all times and in all material respects with all Applicable Law, with the conditions attached to its license and with any directions to the Insurer issued by the ██████████
██████████

- (i) There are no pending or, to Insurer's knowledge, threatened actions, suits, investigations or proceedings ("Proceedings") by or against the Insurer which are material to its business, at law or in equity or otherwise before any court, tribunal, agency, official, arbitrator or other governmental authority and the Insurer has not been the subject of any such Proceedings in the last two (2) years, other than to the extent that such Proceedings that are considered part of the normal operations of an insurance or a reinsurance company.
- (j) The Insurer has such knowledge and experience in financial, business and insurance matters that it is capable of evaluating the merits and risks of this Policy and the transactions hereunder. The Insurer has conducted its own independent review and analysis of the underwriting risk and acknowledges and agrees that the Insured has provided the Insurer with sufficient information for this purpose. In entering into this Policy, the Insurer has relied solely upon its own investigation and analysis, and the Insurer acknowledges and agrees that, except for representations and warranties of the Insured expressly provided in Article III., the Insured makes no, and has made no, representation or warranty, either express or implied, with respect to this Policy or as to the accuracy or completeness of any of the information (including projections, estimates or any other forward

looking forecasts) provided or otherwise made available to the Insurer.

III. REPRESENTATIONS AND WARRANTIES OF THE INSURED

In accepting this Policy, the Insured, to the best of its knowledge, hereby agrees, represents and warrants the following to the Insurer as of the Effective Date:

- (a) Statements and information with respect to any Covered Loan are true, correct and complete in all material respects.
- (b) Each Covered Loan meets the Eligibility Criteria, subject to the exceptions set forth in Schedule A.
- (c) Each Covered Loan shall be serviced in accordance with the Guide.
- (d) It has not withheld any information in its possession that would reasonably affect the decision of an insurer of risks similar to the risk under the Policy, and it has no knowledge of any circumstance related to the origination, underwriting or servicing of the Covered Loans which could give rise to or increase the likelihood of a Loss to such insurer at any time during the term of the Policy.
- (e) It is duly organized, validly existing and in good standing under the laws of [REDACTED].
- (f) It has taken all actions required to authorize the execution, delivery and performance hereunder.
- (g) It is accepting delivery of the Policy in [REDACTED].
- (h) The Policy, when executed and delivered, shall constitute a legal, valid and binding obligation of the Insured as to its obligations hereunder, enforceable except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting creditors' rights generally and subject to the application of equitable principles and the availability of equitable remedies.
- (i) The execution and delivery by the Insured of the Policy, and the performance by the Insured under the Policy, do not and shall not require the Insured to possess, obtain, make, provide or deliver any consent, waiver, approval, license, permit, order, designation or authorization of, notice to, or registration, filing, qualification or declaration with, any governmental authority or other Person, other than (1) any of which have been unconditionally obtained or effected (as appropriate) and are in full force and effect or (2) any of which the failure to possess, obtain, make, provide or deliver do not or shall not, individually or together with any one or more such other failures, result in the Insurer incurring any liability, or have a material adverse effect on (a) the ability of the Insured to perform and comply with its respective obligations under the Policy, or (b) the consummation of the transactions contemplated under the Policy.

- (j) To the best of the Insured's knowledge, the historical loss and loan information was accurate at the time provided.

IV. LIMITATION OF LIABILITY

- (a) The total liability of the Insurer for Aggregate Losses under this Policy shall in no event exceed the Insurer's Limit of Liability.
- (b) Each payment of a Loss by the Insurer in discharge of its obligations under this Policy, and other scheduled payments of Loss owed by insurers that have written other insurance policies for the pool of loans specified on the Declarations Page of this Policy, shall be credited against the Limit of Liability, and the result shall be the Remaining Limit of Liability as of the date of such payment.
- (c) If, after the Effective Date, a Covered Loan is identified by either the Insured or the Insurer as failing to meet the Eligibility Criteria, such loan shall be excluded from coverage pursuant to Article XI.(b), subject to the exceptions set forth in Schedule A. Such loan shall be treated as if it had paid-off, the Total Current Principal Balance shall be reduced accordingly, and any Loss previously paid in connection with such loan shall be returned by the Insured to the Insurer.
- (d) Any Covered Loan which is sold by the Insured to a Person in which the Insured has an ownership interest shall be excluded from coverage pursuant to Article XI.(c). Such loan shall be treated as if it had paid-off, the Total Current Principal Balance shall be reduced accordingly, and any Loss previously paid in connection with such loan shall be returned by the Insured to the Insurer.
- (e) Notwithstanding any other provision of this Policy to the contrary, the Insurer shall have no liability to pay any Loss once the Aggregate Losses paid by the Insurer equal the Insurer's Limit of Liability. The Insured shall be solely responsible for any Losses that would otherwise exceed the Limit of Liability.

V. CLAIMS AND REPORTING

- (a) The Insured shall submit to the Insurer monthly a Notice of Claim in the form substantially similar to Exhibit A herein. Where the Insured wishes to file a Claim, such monthly submission shall include a fully completed Notice of Claim on a Covered Loan within (i) one hundred twenty (120) calendar days of the end of the month in which a related Disposition occurred or (ii) if all monies owed to the Insured have not been accounted for at the conclusion of one hundred twenty (120) calendar days of the end of the month in which a related Disposition occurred, within thirty (30) calendar days of all monies having been accounted for; provided, however, the Insurer shall have no obligation to make payment for Loss on a Notice of Claim until the Aggregate Retention has been exceeded. The Insured's failure to provide a Notice of Claim within the foregoing period shall not relieve the Insurer of its obligations under this Policy, provided that such late notice does not prejudice the Insurer in any material way.

- (b) The Insured shall provide written notice to the Insurer that the Aggregate Retention has been exceeded, and thereafter the Insurer shall submit payment for Loss as presented in the Notice of Claim on a Covered Loan within ten (10) Business Days of its receipt of the Notice of Claim, and such date shall be the "Claim Due Date."
- (c) With respect to a Claim, in the event the Insurer does not pay the relevant Aggregate Losses by the applicable Claim Due Date, it shall pay interest at a rate per annum on such Aggregate Losses calculated on an actual/360 basis as follows: 1) if the relevant Aggregate Losses are paid on or before the sixtieth (60th) day following the applicable Claim Due Date, the Interest Rate due upon each relevant Covered Loan, commencing on and including the day immediately following the relevant Claim Due Date up to but excluding the date on which the relevant Aggregate Loss is paid; or 2) if the relevant Aggregate Loss is paid after the sixtieth (60th) day following the applicable Claim Due Date, the Interest Rate due upon each relevant Covered Loan, commencing on and including the day immediately following the applicable Claim Due Date up to and including the sixtieth (60th) day following the applicable Claim Due Date, plus the sum of the Interest Rate due upon each applicable Covered Loan and ten percent (10%), commencing on and including the day immediately following the sixtieth (60th) day following the applicable Claim Due Date up to but excluding the date on which the relevant Aggregate Loss is paid.
- (d) As a matter of routine reporting during the Policy, the Insured shall provide the Insurer with the Monthly Servicing Report, which shall be updated and transmitted by the Insured on a monthly basis by the thirtieth (30th) day following the end of each month and covering activity during the preceding month.

VI. CALCULATION OF LOSS

- (a) Upon a Disposition, the Loss shall be calculated as the sum of:
 - i. the Investment in Covered Loan at time of Disposition;
 - less**
 - ii. Net Proceeds of Disposition;
 - plus**
 - iii. Other Pre- and Post-Disposition Costs;
 - less**
 - iv. Lender Loss Sharing.

For purposes of clarity, if the resulting value is a negative (e.g. a credit), it shall be considered a gain and shall reduce Aggregate Losses by the same amount.

- (b) An example of the Loss calculation is provided in Exhibit B.

- (c) In the event that part or all of the Property is taken by eminent domain, condemnation or by any other proceedings by a federal, state or local governmental unit or agency, the Insured shall require that the Borrower apply the maximum permissible amount of compensation awarded to reduce the unpaid principal balance of the Covered Loan in accordance with Applicable Law and the terms of the Covered Loan.
- (d) Notwithstanding any other provision of this Policy to the contrary, the Insurer shall have no liability to pay any Loss unless and until the Aggregate Losses exceed the Aggregate Retention as specified in the Declarations Page. The Insured shall be solely responsible for Loss until Aggregate Losses exceed the Aggregate Retention.

VII. LOSS ADJUSTMENTS

- (a) Indemnification Proceeds. If the Insured is paid any indemnification or make-whole proceeds by a Servicer or any party otherwise responsible to the Insured in connection with a Covered Loan after the Insurer has paid a Loss on such Covered Loan, the Insured shall pay to the Insurer such proceeds up to the aggregate amount of Loss paid by the Insurer on such Covered Loan. All such proceeds paid by the Insured to the Insurer shall reduce Aggregate Losses, which shall increase the Remaining Limit of Liability by the same amount.
- (b) Collection Activities.
 - i. In connection with a Covered Loan prior to the date the Aggregate Retention has been exceeded, any amounts received by the Insured as a result of Collection Activities shall be retained by the Insured and all such proceeds shall reduce Aggregate Losses.
 - ii. In connection with a Covered Loan after the Aggregate Losses exceed the Aggregate Retention, any amounts received by the Insured as a result of Collection Activities shall be for the benefit of the Insurer and be paid to the Insurer, net of any third-party expenses incurred by the Insured to receive such amounts or the right to receive such amounts, up to the aggregate amount of Loss paid by the Insurer on such Covered Loan. For purposes of this Article VII.(b)(ii), the Insured shall apply its same standards as it would apply in the normal course of Collection Activities pursuant to Article VII.(b)(i) above. All such amounts paid by the Insured to the Insurer shall reduce Aggregate Losses, which shall increase the Remaining Limit of Liability by the same amount.

VIII. CANCELLATION

- (a) This Policy shall automatically cancel on the Termination Date set forth on the Declarations Page unless cancelled earlier in accordance with Article VIII.(b) through (f) below, in which event this Policy shall be cancelled on the Termination Date described in Article VIII.(b) through (f). Within sixty (60) days following the

Termination Date set forth on the Declarations Page or, if applicable, the Termination Date determined pursuant to Article VIII.(b) or (c):

- i. if the Insured determines that the Aggregate Retention has not been exceeded and would not be exceeded if the Total Current Principal Balance of all Covered Loans in Default on the Termination Date were added to the Aggregate Losses, then this Policy shall cancel on the Termination Date and the Insurer shall not be liable for any payment of Loss;
 - ii. if the Insured determines that the Aggregate Retention has not been exceeded, but would be exceeded if the Total Current Principal Balance of all Covered Loans in Default on the Termination Date were added to the Aggregate Losses, then such Covered Loans in Default shall remain covered under this Policy until the earlier of the date such Covered Loans are no longer in Default or become Liquidated Covered Loans, and the Insurer shall continue to pay Losses in connection with such Liquidated Covered Loans without further payment of premium by the Insured;
 - iii. if the Insured determines that the Aggregate Retention has been exceeded, then all Covered Loans in Default on the Termination Date shall remain covered under this Policy until the earlier of the date such Covered Loans are no longer in Default or become Liquidated Covered Loans, and the Insurer shall continue to pay Losses in connection with such Liquidated Covered Loans without further payment of premium by the Insured; and
 - iv. the Insured shall notify the Insurer whether subclause (a)i., (a)ii., or (a)iii. applies.
- (b) The Insurer may cancel this Policy in the event of non-payment of Monthly Premium if the Monthly Premium has not been paid pursuant to Article IX. In such case, the Insurer may cancel this Policy by providing written notice to the Insured stating when the cancellation shall be effective but in no case less than thirty (30) days from the missed Monthly Premium due date. The cancellation date in such written notice shall become the Termination Date of the Policy. If the Insured pays the Monthly Premium on or before the effective date of the cancellation, this Policy shall continue in full force and effect.
- (c) The Insured may cancel this Policy upon: (i) the insolvency of the Insurer or the Insurer having been placed into bankruptcy, liquidation, rehabilitation, receivership, supervision, administration, conservation, winding-up or under a scheme of arrangement or similar proceedings (whether voluntary or involuntary), or proceedings having been instituted against the Insurer, for the appointment of a receiver, liquidator, rehabilitator, supervisor, administrator, conservator or trustee in bankruptcy, or other agent known by whatever name, to take possession of its assets or control of its operations, or any similar proceeding has been commenced with respect to the Insurer unless, in each case, such proceeding is involuntary and is controverted within ten (10) calendar days and is dismissed within thirty (30) calendar days, of commencement of such proceeding; (ii) a breach in any material respect by the Insurer of any representation or warranty provided in Article II. or a breach in any material respect of any covenant or agreement of the Insurer contained herein; (iii) the receipt by the Insurer of a cease

and desist order or any similar order from a regulatory authority that it ceases and desist in writing all or part of its business; or (iv) material non-compliance by the Insurer with the terms of this Policy. The Insured shall give written notice to the Insurer stating the grounds for such action and when the cancellation shall be effective. The cancellation date in such written notice shall become the Termination Date of this Policy.

- (d) The Insured may cancel this Policy if the Total Current Principal Balance is reduced to no more than ten percent (10%) of the Total Initial Principal Balance. The Insured shall give written notice to the Insurer upon electing this action and when the cancellation shall be effective. The cancellation date in such written notice shall become the Termination Date of this Policy.
- (e) The Insured may cancel this Policy under the terms of the Optional Policy Cancellation as specified on the Declarations Page, and the cancellation date shall become the Termination Date each as described in the terms of the Optional Policy Cancellation as specified on the Declarations Page.
- (f) This Policy shall automatically cancel if the Remaining Limit of Liability at any monthly reporting period is zero dollars (\$0.00), subject to adjustment pursuant to Article VII., and the Insured shall not then be liable for any Monthly Premium, except for outstanding amounts that may have accrued prior to that time and may still be owed thereafter. The date of such automatic cancellation shall become the Termination Date of this Policy.
- (g) Under the cancellation provision in Article VIII.(b) above, the Insured shall remain liable to pay any Monthly Premium that accrues prior to, but is not payable until after, the Termination Date. In addition, in the event there are Covered Loans in Default as of the Termination Date, but for which the Insured has not filed a Claim, and thereafter the Insured files a Claim for Loss on such Covered Loans, the Insured shall be liable for Monthly Premium that would have otherwise accrued between the Termination Date and the date of the Claim as if the Policy had continued in full force and effect to the date of the Claim. Any such Monthly Premium still owed by the date of the Claim shall reduce Aggregate Losses, and shall reduce the Remaining Limit of Liability by the same amount, until the earlier of (i) all Covered Loans are no longer in Default or become Liquidated Covered Loans or (ii) the Remaining Limit of Liability at any monthly reporting period is zero dollars (\$0.00), subject to adjustment pursuant to Article VII. (For the avoidance of doubt, with respect to a cancellation described under Article VIII.(b) above, the Insurer shall not be liable for any Loss on Covered Loans that Default after the relevant Termination Date.)
- (h) Under the cancellation provision in Article VIII.(d) and (e) above, the Insured shall not be liable for any Monthly Premium that may accrue after the Termination Date, and the Insurer shall only be liable to pay Claims filed by the Insured prior to the Termination Date. (For the avoidance of doubt, with respect to a cancellation described under Article VIII.(d) and (e) above, the Insurer shall not be liable for Loss on Covered Loans that are in Default as of the relevant Termination Date, but for which the Insured has not filed a Claim.)

IX. MONTHLY PREMIUM

The initial Monthly Premium due and payable under this Policy shall be calculated as specified on the Declarations Page of this Policy, and the Insured shall make its best effort to pay the initial Monthly Premium within five (5) Business Days of delivery to the Insurer of the Set-up File but not later than ten (10) Business Days after delivery of the Set-up File. Each subsequent equal Monthly Premium payment shall be paid on the first (1st) Business Day of the month for which it is due.

X. REDUCTION UNDER QUOTA SHARE CONTRACT

Notwithstanding any other provision of this Policy to the contrary, in the event of a Quota Share Reduction to which the Insured has given its written consent, the Limit of Liability, the Remaining Limit of Liability, the Aggregate Retention, Losses on Covered Loans, and the Monthly Premium shall each be revised as follows:

- (a) the Limit of Liability shall be revised to equal the Limit of Liability on the date prior to the Reinsurer Reduction Date less the product of the Quota Share Reduction and the Remaining Limit of Liability on the date prior to the Reinsurer Reduction Date.
- (b) the Remaining Limit of Liability shall be revised to equal the Remaining Limit of Liability on the date prior to the Reinsurer Reduction Date less the product of the Quota Share Reduction and the Remaining Limit of Liability on the date prior to the Reinsurer Reduction Date.
- (c) the Aggregate Retention shall be revised to equal the Aggregate Retention on the date prior to the Reinsurer Reduction Date less the product of the Quota Share Reduction and the Remaining Aggregate Retention on the date prior to the Reinsurer Reduction Date.
- (d) where the Insurer pays a Loss on and after the Reinsurer Reduction Date, the Loss as otherwise calculated pursuant to Article VI.(a) shall be reduced in the same proportion as the Quota Share Reduction.
- (e) the Monthly Premium shall be reduced prospectively in the same proportion as the Quota Share Reduction as respects any month beginning with the month in which the Reinsurer Reduction Date occurs. The Reinsurer Reduction Date may only occur on the first calendar day of a month.

- (f) For avoidance of doubt, as examples:
- i. where the Limit of Liability is \$300,000,000, Aggregate Retention is \$50,000,000, and Aggregate Losses totaled \$30,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), as of the Reinsurer Reduction Date the Aggregate Retention would be revised to \$45,000,000 ($\$50,000,000 - [25\% \times \$20,000,000]$), the Limit of Liability would be revised to \$225,000,000 ($\$300,000,000 - [25\% \times \$300,000,000]$), and the Remaining Limit of Liability would be revised to \$225,000,000 ($[\$300,000,000 - \$0] - 25\% \times [\$300,000,000 - \$0]$);
 - ii. where the Limit of Liability is \$300,000,000, Aggregate Retention is \$50,000,000, and Aggregate Losses totaled \$80,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), as of the Reinsurer Reduction Date the Aggregate Retention would be unchanged (\$50,000,000), the Limit of Liability would be revised to \$232,500,000 ($\$300,000,000 - [25\% \times \$270,000,000]$), and the Remaining Limit of Liability would be revised to \$202,500,000 ($[\$300,000,000 - \$30,000,000] - 25\% \times [\$300,000,000 - \$30,000,000]$).

XI. EXCLUSIONS

The Insurer shall not be liable for any Loss in connection with a Covered Loan:

- (a) having a date of Default prior to the Effective Date of this Policy or that goes into Default after the Termination Date; or
- (b) that does not satisfy the Eligibility Criteria, subject to the exceptions set forth in Schedule A; or
- (c) that is sold to a Person in which the Insured has an ownership interest or the Property is sold to a Person in which the Insured has an ownership interest.

XII. GENERAL CONDITIONS

- (a) **Arbitration** - Unless prohibited by Applicable Law, any controversy or dispute, including any Claim made under this Policy, arising out of or relating to this Policy, may, upon the mutual consent of all parties to the dispute, be settled by binding arbitration in accordance with the rules of the American Arbitration Association deemed most appropriate by such association. If this remedy is elected by all parties to the dispute, then the decision of the arbitrator shall be final and binding on all the parties and shall be enforceable in any court of competent jurisdiction in [REDACTED].
- (b) **Suit** -
 - i. Each of the parties to this Policy consents to the sole and exclusive jurisdiction of the courts of [REDACTED].

- (g) **Electronic Data** - The Insurer and the Insured agree that each may originate, maintain, and share information, documents or other data (in this Article XII.(g) referred to as "data") as electronic records using electronic media generally accepted as usual and customary for business records (e.g., e-mail, secure web-portals) and that such data are as acceptable for all purposes under this Policy as data maintained in printed or written form, so long as the data is not denied legal effect or enforceability solely because it is in electronic form. Notices required by this Policy may be sent by electronic means and if so sent shall have the same effect as if sent in paper form.
- (h) **Non-Public Personally Identifiable Information** - Any disclosure of Non-Public Personally Identifiable Information shall comply with all state and federal statutes and regulations governing the disclosure of Non-Public Personally Identifiable Information. Disclosing or using such information for any purpose not authorized by Applicable Law is expressly forbidden without the prior written consent of the Insured.
- (i) **Public Statements** - The Insurer consents to the public disclosure of any or all terms of this Policy. The Insurer further agrees that it shall not make any public statements, including press releases, about this Policy without the prior written approval of the Insured unless required by law or regulation, in which case the Insurer shall give the Insured written notice no less than three (3) days in advance of such disclosure.
- (j) **Amendments; No Waiver; Rights and Remedies** -
 - i. No condition or requirement of this Policy shall be deemed waived, modified or otherwise compromised unless that waiver, modification or compromise is stated in a writing properly executed by the party so waiving. Each of the conditions and requirements of this Policy is severable, and a waiver, modification or compromise of one shall not be construed as a waiver, modification or compromise of any other.
 - ii. No right or remedy of the Insurer provided for by this Policy shall be exclusive of, or limit, any other rights or remedies set forth in this Policy or otherwise available to the Insurer at law or equity.
 - iii. This Policy shall not be altered, modified or amended without the prior written consent of the Insurer and the Insured.

XIII. DEFINITIONS

Aggregate Losses - means, as of any particular date, the sum of all Losses with respect to fully completed Notices of Claim submitted by the Insured to the Insurer on individual Covered Loans from the Effective Date to such particular date. Calculation of Loss in Notices of Claim submitted by the Insured are net of any Lender Loss Sharing (whether collectable or not). Aggregate Losses shall be net of Loss Adjustments pursuant to Article VII.

Aggregate Retention - means the amount of Aggregate Losses that shall be retained by the Insured before receiving insurance benefits under this Policy, as specified in the Declarations Page of this Policy. The Aggregate Retention shall be calculated by multiplying the Aggregate Retention Percentage by the Total Initial Principal Balance.

Aggregate Retention Percentage - means the percentage specified as such on the Declarations Page of this Policy.

Applicable Law - means any controlling: (i) federal, state, local, or foreign law, statute ordinance, or common law; or (ii) rule, regulation, directive, judgment, order, writ, injunction, ruling, decree, arbitration award, agency requirement, license, or permit of any governmental authority.

Appraisal - means an appraisal used to determine the market value of a Property that complies with: (i) the valuation requirements of the Guide.

Borrower - means any Person required to repay the debt obligation created pursuant to the Covered Loan. The Borrower may be more than one Person, and the term shall include any co-signer or guarantor or other obligor of the Covered Loan.

Business Day - means any day that the Insurer is normally scheduled to be open for business.

Claim - means the request to receive insurance benefits of this Policy filed in accordance with, and containing all information required by the Insurer pursuant to, Article V.

Claim Due Date - means the definition given to that term in Article V.(b).

Collection Activities - means activities pursued after Default for the purpose of mitigating Losses by obtaining funds from Borrowers, guarantors and any other party liable on the Covered Loan. Such activities include, without limitation: (i) pursuit of remedies relating to Default including, but not limited to, costs to commence and pursue foreclosure proceedings or appointment of a receiver; (ii) modification or restructure a Covered Loan; and (iii) to commence and pursue collection under a guaranty or similar obligation, including exceptions to nonrecourse under the Covered Loan documents. Costs are limited to attorneys' fees, court costs, recordation and transfer fees, environmental assessments, Appraisal costs (but only for an Appraisal obtained at the written direction of Insured) and similar costs necessary to enforce, assert or protect Insured's rights under the Covered Loan documents, all as approved by Insured.

Covered Loan - means any note or other evidence of indebtedness and the indebtedness it evidences, together with the mortgage, bond, deed of trust, or other instrument securing said indebtedness, that satisfies the Eligibility Criteria, subject to the exceptions set forth in Schedule A. The Covered Loans shall initially be identified on the Set-up File.

Declarations Page - means the cover pages of this Policy, signed by the Insurer, which extends the coverage indicated therein on the Covered Loans, subject to the terms, conditions, and limitations of this Policy.

Default - means the failure by a Borrower to pay when due a non-accelerated amount equal to or greater than two (2) regular scheduled payments due under the terms of a

Covered Loan or the failure by a Borrower to pay all amounts due under a Covered Loan after the exercise by the Insured of the acceleration of such Covered Loan. Default does not mean any non-monetary default or violation of any other term or condition of the Covered Loan that would allow for acceleration of the debt or foreclosure or other action to realize upon the security provided by the Covered Loan. A Covered Loan is deemed to be in Default for the period for which, as of the close of business on the installment due date, a scheduled installment payment has not been made, as reported on the Monthly Servicing Report. For example, a Covered Loan is "four (4) months in Default" if the monthly installments due on January 1, February 1, March 1, and April 1 remain unpaid as of the close of business on April 1.

Delivered - means, as used in the Guide, a Designated Lender's sale of a Multifamily mortgage loan to the Insured that the Insured conveys to a mortgage-backed security ("MBS") trust under the terms of the Insured's MBS program, or a Designated Lender's sale of a whole Multifamily mortgage loan to the Insured that the Insured holds in its portfolio and may include in a later MBS pool that it forms.

Designated Lender - means DUS Lenders and certain other lenders authorized to originate, underwrite and sell Multifamily mortgage loans to Insured.

Disposition - means a Covered Loan in Default where title to the Property securing such loan was transferred to a third-party via judicial foreclosure sale, non-judicial foreclosure sale, sale/short sale, or the related note is transferred to a third-party pursuant to a note sale/discounted note sale where the loan is at least one hundred twenty (120) days delinquent when offered for such sale.

DUS Lender - means designated lenders authorized to originate, underwrite and sell Multifamily mortgage loans to Insured.

Effective Date - means the date on which coverage under this Policy becomes effective as specified on the Declarations Page of this Policy.

Eligibility Criteria - means those conditions of coverage applicable to each Covered Loan as specified on the Declarations Page of this Policy.

Exclusions - mean those exclusions from coverage set forth in Article XI.

Guide - means: (a) the Insured's Multifamily Selling and Servicing Guide, as such Guide currently exists or as it may amended, superceded, revised or periodically amended by announcement, lender letter, notice, or other Servicer communication, for general application to Multifamily mortgage loans serviced by all of the Insured's Servicers; and (b) any exceptions, pilots, or variances to the Selling and Servicing Guide authorized by the Insured.

Initial Principal Balance - means the unpaid principal balance of a Covered Loan on the Effective Date.

Insured - means the Insured identified on the Declarations Page of this Policy.

Insurer - means the Insurer identified on the Declarations Page of this Policy.

Insurer's Limit of Liability - means the maximum amount of Aggregate Losses, exceeding the Aggregate Retention, for which the Insurer is responsible under this Policy. As of the Effective Date, the dollar limit for the Insurer's Limit of Liability is specified on the Declarations Page of this Policy. Subsequent to the Effective Date, the Insurer's Limit of Liability shall be calculated as the product of a) the Insurer's Deal Percentage, multiplied by b) the Limit of Liability.

Interest Rate - means interest at the contract rate stated in the Covered Loan (or as otherwise subject to Modification in accordance with the Guide, as provided in Article III.(c)).

Investment in Covered Loan at time of Disposition - includes the unpaid principal balance, net of unamortized premiums and discounts, other cost basis adjustments, and unpaid interest contractually due from the Borrower (net of any servicing fee) through Disposition.

Lender Loss Sharing - means the amount of loss on any Covered Loan allocated to the applicable Designated Lender. Loss in any Notice of Claim submitted by the Insured shall be net of any Lender Loss Sharing. The amount of Lender Loss Sharing shall be equal to the greater of (1) the amount of Lender Loss Sharing calculated pursuant to the method presented in the Set-up File or (2) if the Lender Loss Sharing is subsequently modified resulting in an increased Lender Loss Sharing amount, such increased amount. Lender Loss Sharing shall be deemed collected for purposes of this Policy whether or not actually received by the Insured.

Limit of Liability - means the maximum amount of Aggregate Losses, exceeding the Aggregate Retention, insured under all insurance policies for the pool of loans specified on the Declarations Page of this Policy. The dollar limit for the Limit of Liability is specified on the Declarations Page of this Policy. The Limit of Liability shall initially be calculated by multiplying the Limit of Liability Percentage by the Total Initial Principal Balance.

Limit of Liability Percentage - means the percentage specified as such on the Declarations Page of this Policy.

Liquidated Covered Loan - means a Covered Loan in Default where title to the Property securing such loan was transferred via Disposition and where a Claim has not yet been filed or where a Claim has been filed and is pending settlement. For avoidance of doubt, a Liquidated Covered Loan does not include any such loan where a Claim has been filed and settled. The date of any such title transfer shall be reported by the Insured to the Insurer in the Monthly Servicing Report.

Loss - means the amount as calculated in Article VI., subject to the terms, conditions, and limitations of this Policy.

Modification - means any change, unless such change is prescribed in the loan documents, to the: a) amount of indebtedness (for example, capitalization of interest arrearages, principal forgiveness); b) Interest Rate; c) Interest Rate adjustment period; d) use of escrow funds or other funds; or e) term or the amortization schedule of a Covered Loan.

Monthly Premium - means the amount to be paid by the Insured to the Insurer for the coverage afforded by this Policy, as specified on the Declarations Page of this Policy.

Monthly Servicing Report - means an electronic file, substantially in the form of Exhibit C unless otherwise mutually agreed, containing all active Covered Loans and Liquidated Covered Loans, including information on the status of Covered Loans in Default. The Monthly Servicing Report shall be the sole means by which the Insured shall notify the Insurer of Defaults on Covered Loans under this Policy. The Monthly Servicing Report shall be delivered to the Insurer in the format and manner that the Insured uses for its other insurance providers, which shall include notice of any Default on a Covered Loan if, within the month to which the Monthly Servicing Report relates: (i) the Borrower was in Default on the Covered Loan; or (ii) any proceeding was commenced, including but not limited to foreclosure, which may affect the Covered Loan or the Property or the Insured's or Borrower's interest in the Covered Loan or the Property.

Multifamily - means a residential property having five (5) or more dwelling units including, but not limited to, conventional, affordable, seniors, cooperatives, student, military and manufactured housing projects.

Net Proceeds of Disposition - means the gross sales price less all customary and necessary costs (including, but not limited to, brokerage fees, legal costs, third-party vendor disposition fees, title/escrow fees, transfer or recordation fees, prorations, etc.) incurred in obtaining and closing the Disposition.

Non-Public Personally Identifiable Information - means such term or similar term as defined under Applicable Law.

Notice of Claim - means the Claim submission form specified in Exhibit A of this Policy.

Optional Policy Cancellation - means the basis for cancellation of this Policy as specified on the Declarations Page.

Other Pre- and Post-Disposition Costs - means the following:

all "out of pocket" costs and expenses incurred by Insured or its designee in the performance of its servicing obligations related to a Disposition, including, but not limited to, costs and expenses incurred for or related to preservation and protection of the Property, delinquency resolution costs, repairs or replacements at the Property, the payment of taxes and insurance, the enforcement of judicial proceedings, and the management and disposition of acquired Properties;

less

the amount of any remaining cash or funds held by Insured or its designee in connection with the Property, including, but not limited to, any hazard or other insurance loss proceeds, net operating income, or Property tax or insurance premium refunds; related to the Property, and

any amount recovered on or prior to the Disposition from a guaranty, indemnification or similar obligation made with respect to the Covered Loan that benefits the Insured.

Person - means any natural person, or any corporation, partnership, association or other legally-recognized entity.

Policy - means this contract of insurance together with the Exhibits and the Declarations Page, which are incorporated herein and made part of this Policy with respect to the Covered Loans to which they relate.

Policy Period - means the period specified as such on the Declarations Page of this Policy.

Property - means a Multifamily residential property which consists of five or more dwelling units. Property includes the land (or, where applicable leasehold interest in land) and the improvements, together with fixtures, equipment, and furniture affixed or attached to or located on the land, that secure the Multifamily mortgage loan.

Quota Share Contract - means the quota share reinsurance contract entered into by and between the Insurer and the Reinsurers.

Quota Share Reduction - means a reduction in the liability reinsured under the Quota Share Contract.

Reinsurers - means, collectively, all duly licensed reinsurance entities accepting liability under the Quota Share Contract by signing an Interests and Liabilities Agreement attached thereto.

Reinsurer Reduction Date - means the effective date of a Quota Share Reduction under the Quota Share Contract.

Remaining Aggregate Retention - means, the Aggregate Retention reduced by Aggregate Losses and as adjusted by any applicable Quota Share Reduction. In the event of a Quota Share Reduction, the Remaining Aggregate Retention shall equal the remainder of the Aggregate Retention resulting from subtraction of Aggregate Losses determined on the date prior to the Reinsurer Reduction Date, as such remainder is reduced in the same proportion as the Quota Share Reduction. For avoidance of doubt, as an example, where the Aggregate Retention is \$50,000,000, Aggregate Losses totaled \$30,000,000, and the Quota Share Reduction results in the Aggregate Retention being reduced to seventy-five percent (75%), the Remaining Aggregate Retention as of the Reinsurer Reduction Date would be \$15,000,000 ($[\$50,000,000 - \$30,000,000] \times 0.75$).

Remaining Limit of Liability - means, as of any particular date, the Limit of Liability as reduced by Aggregate Losses, in excess of the Aggregate Retention and as adjusted by any applicable Quota Share Reduction. In the event of a Quota Share Reduction, the Remaining Limit of Liability shall equal the remainder of the Limit of Liability resulting from subtraction of Aggregate Losses in excess of the Aggregate Retention, determined on the date prior to the Reinsurer Reduction Date, as such remainder is reduced in the same proportion as the Quota Share Reduction. For avoidance of doubt, as examples, (i) where the Limit of Liability is \$300,000,000, Aggregate Retention is zero, Aggregate Losses totaled \$30,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), the Remaining Limit of Liability as of the Reinsurer Reduction Date would be \$202,500,000 ($[\$300,000,000 - \$30,000,000] \times 0.75$), and (ii)

where the Limit of Liability is \$300,000,000, Aggregate Retention is \$50,000,000, and Aggregate Losses totaled \$80,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), the Remaining Aggregate Retention as of the Reinsurer Reduction Date would be \$0, and the Remaining Limit of Liability as of the Reinsurer Reduction Date would be \$202,500,000 $([\$300,000,000 - \$30,000,000] \times 0.75)$.

Servicer - means that primary Person, other than a natural Person, responsible for servicing a Covered Loan whether such Person is the originator of the Covered Loan, the selling Designated Lender, or a third-party servicer. The Servicer acts on behalf of the Insured and pursuant to the Guide and any applicable delegation of authority that the Insured may have made to the Servicer to perform loss mitigation without the prior approval of the Insured. Actions required by this Policy to be performed by the Insured may, at the option of the Insured, be performed by a Servicer. The Servicer acts on behalf of the Insured in performing acts under this Policy.

Set-up File - means the electronic data submission from the Insured to the Insurer that provides loan level information regarding the initial population of Covered Loans insured under this Policy. The Set-up File shall be delivered to the Insurer between the tenth (10th) and twenty-fifth (25th) day of the month following the month in which the Effective Date occurs.

Termination Date - means the date on which this Policy terminates as specified on the Declarations Page of this Policy, or as effected in Article VIII.

Total Current Principal Balance - means the sum of the unpaid principal balance of all Covered Loans as reported in the applicable Monthly Servicing Report.

Total Initial Principal Balance - means the sum of the Initial Principal Balance of all Covered Loans, as stated on the Declarations Page of this Policy.

Pronouns, when used in this Policy, shall mean the singular or plural, masculine or feminine, as the context requires.

EXHIBIT B

Loss Calculation Example

Lenders who elect Loss Sharing @ Foreclosure		Lenders who elect Loss Sharing @ Disposition	
\$ 7,500,000	UPB	\$ 7,500,000	UPB
\$ 5,000,000	Appraisal	\$ 5,250,000	Disposition value*
\$ 2,500,000	Loss	\$ 2,250,000	Loss
\$ 825,000	Lender Loss Share**	\$ 742,500	Lender Loss Share**
\$ 1,675,000	FNM Loss Share	\$ 1,507,500	Total Fannie Mae Loss
\$ 4,175,000	Value on ROE books		
\$ 5,250,000	Disposition value*		
\$ 1,425,000	Total Fannie Mae Loss		

* Assumes FNMA invests in the property and have a 5% gain from appraisal value

** Pari Passu Loss Sharing example used above for simplicity. Share amount could be slightly different under Standard DUS Loss Sharing.

EXHIBIT C

Form of Monthly Servicing Report

- Policy ID
- Fannie Mae Loan Number
- Current UPB
- LPI Date
- Number of Days Delinquent
- Liquidation Date
- REO Date
- Disposition Date
- Cumulative-to-Date Credit Losses (reported at Disposition only)

SCHEDULE A

Exceptions to Declarations Page Eligibility Criteria

Covered Loans with an original term more than thirty (30) years:

[REDACTED]

Covered Loans with an original loan-to-value ratio more than eighty percent (80%):

[REDACTED]

[REDACTED]

**Aggregate Excess of Loss Credit Insurance Policy
Declarations Page**

Policy Number: [REDACTED]

Insured Deal Number: CIRT 2022-M01B

Policy Period: That period of time between the Effective Date and the Termination Date, as set forth immediately below.

Effective Date: 12:00 A.M. Eastern Time, August 1, 2022, based on unpaid principal balances as of close of business July 31, 2022

Termination Date: 11:59 P.M. Eastern Time, July 31, 2034

Insured: Federal National Mortgage Association, also known as Fannie Mae, a government-sponsored enterprise chartered by the U.S. Congress

Mailing Address: Midtown Center
1100 15th Street, NW
Washington, DC 20005

Insurer: [REDACTED]

Insurance Structure: Aggregate excess of loss credit insurance

Covered Loans: A portfolio of Multifamily mortgage loans acquired between August 1, 2021 and June 30, 2022, as initially identified in the Set-up File and that meet the Eligibility Criteria

Total Initial Principal Balance: \$13,052,985,001.28

Limit of Liability: \$130,529,850.01

Limit of Liability Percentage: One percent (1.00%)

Insurer's Deal Percentage: [REDACTED]

Insurer's Limit of Liability: [REDACTED]

Aggregate Retention: \$163,162,312.52

Aggregate Retention Percentage: One and one-quarter percent (1.25%)

Optional Policy Cancellation: On or after eighty-four (84) months after the Effective Date, the Insured may cancel this Policy upon making payment to the Insurer equal to the following: (i) the product of (a) the Monthly Premium, multiplied by (b) the factor of one-fifth (0.20), multiplied by (c) the number of months remaining until that date which is one hundred forty-four (144) months after the Effective Date as stated on the Declarations Page; multiplied by (ii) the Insurer's Deal Percentage. The Insured shall give prior written notice to the Insurer upon electing this action and when the cancellation shall be effective. The Insured's election shall apply to CIRT 2022-M01A, CIRT 2022-M01B and CIRT 2022-M01C and may not be applied to each Policy individually. No cancellation fee will be required if the Insured cancels this Policy on or after the date that is one hundred forty-four (144) months after the Effective Date. The cancellation date in such written notice shall become the Termination Date of this Policy, and the Insured shall make the required payment to the Insurer within forty-five (45) days of providing the written notice.

Currency: United States of America Dollars

Monthly Premium: Premium of \$ [REDACTED] payable in one hundred forty-four equal monthly installments of \$ [REDACTED] in advance beginning August 1, 2022. The first Monthly Premium payment is due not later than ten (10) Business Days after delivery of the Set-up File. Thereafter Monthly Premium shall be due on the first (1st) Business Day of each month.

Eligibility Criteria:

As to each Covered Loan, the Insured represents and warrants as follows. Without limiting any other provision of this Policy, any disclosure set forth in Schedule A shall constitute an exception to the specific representation and warranty for which such disclosure is listed for such Covered Loan.

- (i) Each Covered Loan met the requirements of the Guide, or any variances thereto granted in writing by the Insured prior to delivery, at the time the Covered Loan was Delivered to the Insured. The Insured makes no representation as to which variances, if any, apply to individual Covered Loans.
- (j) Each Covered Loan is a fully documented, Multifamily mortgage loan, which has an original term of no more than thirty (30) years and is secured by Multifamily residential Property located in the United States, including the District of Columbia, Puerto Rico, the U.S. Virgin Islands or Guam on its origination date.
- (k) Each Covered Loan was acquired from a Designated Lender.
- (l) Each Covered Loan was acquired by the Insured between August 1, 2021 and June 30, 2022.

- (m) Each Covered Loan had an original principal balance less than or equal to \$30,000,000.
- (n) No Covered Loan had an original loan-to-value ratio that was more than eighty percent (80%).
- (o) No Covered Loan has ever been delinquent thirty (30) days or more prior to the Effective Date.
- (p) No Covered Loan had been in forbearance when Delivered to the Insured or as of the Effective Date.

Policy All-Inclusive:

This Policy is comprised of this Declarations Page and the various terms and provisions attached to the Policy as of the Effective Date.

(Signature Page Follows)

IN WITNESS HEREOF, each party hereto has caused this Policy to be executed on its behalf by its duly authorized representative as of the date(s) specified below:

[REDACTED]

By: _____ [REDACTED] _____

Name: [REDACTED]

Date: [REDACTED]

Federal National Mortgage Association

By: _____ [REDACTED] _____

Name: _____ [REDACTED] _____

Date: [REDACTED]

Aggregate Excess of Loss Credit Insurance Policy

Table of Contents

- XIV. INSURING AGREEMENT**
- XV. REPRESENTATIONS AND WARRANTIES OF THE INSURER**
- XVI. REPRESENTATIONS AND WARRANTIES OF THE INSURED**
- XVII. LIMITATION OF LIABILITY**
- XVIII. CLAIMS AND REPORTING**
- XIX. CALCULATION OF LOSS**
- XX. LOSS ADJUSTMENTS**
- XXI. CANCELLATION**
- XXII. MONTHLY PREMIUM**
- XXIII. REDUCTION UNDER QUOTA SHARE CONTRACT**
- XXIV. EXCLUSIONS**
- XXV. GENERAL CONDITIONS**
- XXVI. DEFINITIONS**

Exhibit A: Notice of Claim

Exhibit B: Loss Calculation Example

Exhibit C: Form of Monthly Servicing Report

Schedule A: Exceptions to Declarations Page Eligibility Criteria

Aggregate Excess of Loss Credit Insurance Policy

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

In consideration of the Insured paying the Monthly Premium stated in the Declarations Page to the Insurer and in reliance upon the statements in the Declarations Page made a part hereof and subject to all of the terms of this Policy, the Insurer hereby agrees, subject to the Insurer's Limit of Liability stated in the Declarations Page, to pay Aggregate Losses to the Insured to the extent and in the manner set forth herein.

I. INSURING AGREEMENT

- (a) This Policy provides coverage for [REDACTED] of the Aggregate Losses of the Insured in excess of the Aggregate Retention of the Insured on Covered Loans that Default during the Policy Period, subject to the Insurer's Limit of Liability and all other terms, conditions and limitations of this Policy. Calculation of Loss in the Notices of Claim submitted by the Insured on Covered Loans is determined after deduction of the Lender Loss Sharing on such Covered Loans.
- (b) Notwithstanding the provisions of Article I.(a) above, with regard to any Loss(es) owed to the Insured by the Insurer, in the event that the Insured is paid directly by any Reinsurer under the Quota Share Contract, or if the Insured were to draw down upon any trust under which the Insured is a beneficiary or co-beneficiary with regard to this Policy, then, only and solely to the extent of any such Loss(es) so received by the Insured, the Insurer is relieved of all corresponding responsibilities and liability to the Insured under this Policy for payment of such Loss(es).

II. REPRESENTATIONS AND WARRANTIES OF THE INSURER

The Insurer represents and warrants as follows:

- (a) The Insurer is an insurance company duly organized, validly existing and in good standing under the laws of [REDACTED] and has all requisite company power and authority to own and lease its properties and to carry on its business as conducted by it.
- (b) The Insurer has taken all corporate action required to authorize the execution, delivery and performance of this Policy, and the performance of its obligations thereunder, and has received all necessary legal and regulatory approvals for it to execute, deliver and perform under this Policy.
- (c) The Insurer has the corporate power and authority to execute and deliver, and perform its obligations under this Policy.
- (d) The Insurer has secured, as of the Effective Date, reinsurance coverage under the Quota Share Contract for one hundred percent (100%) of its liabilities under this Policy with Reinsurers. Any changes to the participation percentages of the Reinsurers under the Quota Share Contract, including the addition of any new Reinsurers, after the Effective Date must be approved in writing by the Insured.

- (e) The Insurer shall obtain written representations and warranties from the Reinsurers substantially similar to those set forth in this Article II.(b), (c), (f), (g), (i) and (j), and substantially similar to those set forth in this Article II.(a) and (h) as to the respective jurisdiction of organization of each of the Reinsurers.
- (f) This Policy, when executed and delivered shall constitute a legal, valid and binding obligation of the Insurer, enforceable except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting creditors' rights generally and subject to the application of equitable principles and the availability of equitable remedies.
- (g) The execution and delivery by the Insurer of this Policy, and the performance by the Insurer under this Policy, do not and shall not require the Insurer to possess, obtain, make, provide or deliver any consent, waiver, approval, license, permit, order, designation or authorization of, notice to, or registration, filing, qualification or declaration with, any governmental authority or other Person, other than (i) any of which have been unconditionally obtained or effected (as appropriate) and are in full force and effect or (ii) any of which the failure to possess, obtain, make, provide or deliver do not or shall not, individually or together with any one or more such other failures, result in the Insured incurring any liability, or have a material adverse effect on (a) the ability of the Insurer to perform and comply with its respective obligations under this Policy, or (b) the consummation of the transactions contemplated under this Policy.

██████████ The Insurer is, and shall use its best efforts to remain, in compliance at all times and in all material respects with all Applicable Law, with the conditions attached to its license and with any directions to the Insurer issued by the ██████████

- (i) There are no pending or, to Insurer's knowledge, threatened actions, suits, investigations or proceedings ("Proceedings") by or against the Insurer which are material to its business, at law or in equity or otherwise before any court, tribunal, agency, official, arbitrator or other governmental authority and the Insurer has not been the subject of any such Proceedings in the last two (2) years, other than to the extent that such Proceedings that are considered part of the normal operations of an insurance or a reinsurance company.
- (j) The Insurer has such knowledge and experience in financial, business and insurance matters that it is capable of evaluating the merits and risks of this Policy and the transactions hereunder. The Insurer has conducted its own independent review and analysis of the underwriting risk and acknowledges and agrees that the Insured has provided the Insurer with sufficient information for this purpose. In entering into this Policy, the Insurer has relied solely upon its own investigation and analysis, and the Insurer acknowledges and agrees that, except for representations and warranties of the Insured expressly provided in Article III., the Insured makes no, and has made no, representation or warranty, either express or implied, with respect to this Policy or as to the accuracy or completeness of any of the information (including projections, estimates or any other forward looking forecasts) provided or otherwise made available to the Insurer.

III. REPRESENTATIONS AND WARRANTIES OF THE INSURED

In accepting this Policy, the Insured, to the best of its knowledge, hereby agrees, represents and warrants the following to the Insurer as of the Effective Date:

- (a) Statements and information with respect to any Covered Loan are true, correct and complete in all material respects.
- (b) Each Covered Loan meets the Eligibility Criteria, subject to the exceptions set forth in Schedule A.
- (c) Each Covered Loan shall be serviced in accordance with the Guide.
- (d) It has not withheld any information in its possession that would reasonably affect the decision of an insurer of risks similar to the risk under the Policy, and it has no knowledge of any circumstance related to the origination, underwriting or servicing of the Covered Loans which could give rise to or increase the likelihood of a Loss to such insurer at any time during the term of the Policy.
- (e) It is duly organized, validly existing and in good standing under the laws of [REDACTED]
- (f) It has taken all actions required to authorize the execution, delivery and performance hereunder.
- (g) It is accepting delivery of the Policy in [REDACTED]
- (h) The Policy, when executed and delivered, shall constitute a legal, valid and binding obligation of the Insured as to its obligations hereunder, enforceable except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting creditors' rights generally and subject to the application of equitable principles and the availability of equitable remedies.
- (i) The execution and delivery by the Insured of the Policy, and the performance by the Insured under the Policy, do not and shall not require the Insured to possess, obtain, make, provide or deliver any consent, waiver, approval, license, permit, order, designation or authorization of, notice to, or registration, filing, qualification or declaration with, any governmental authority or other Person, other than (1) any of which have been unconditionally obtained or effected (as appropriate) and are in full force and effect or (2) any of which the failure to possess, obtain, make, provide or deliver do not or shall not, individually or together with any one or more such other failures, result in the Insurer incurring any liability, or have a material adverse effect on (a) the ability of the Insured to perform and comply with its respective obligations under the Policy, or (b) the consummation of the transactions contemplated under the Policy.
- (j) To the best of the Insured's knowledge, the historical loss and loan information was accurate at the time provided.

IV. LIMITATION OF LIABILITY

- (a) The total liability of the Insurer for Aggregate Losses under this Policy shall in no event exceed the Insurer's Limit of Liability.
- (b) Each payment of a Loss by the Insurer in discharge of its obligations under this Policy, and other scheduled payments of Loss owed by insurers that have written other insurance policies for the pool of loans specified on the Declarations Page of this Policy, shall be credited against the Limit of Liability, and the result shall be the Remaining Limit of Liability as of the date of such payment.
- (c) If, after the Effective Date, a Covered Loan is identified by either the Insured or the Insurer as failing to meet the Eligibility Criteria, such loan shall be excluded from coverage pursuant to Article XI.(b), subject to the exceptions set forth in Schedule A. Such loan shall be treated as if it had paid-off, the Total Current Principal Balance shall be reduced accordingly, and any Loss previously paid in connection with such loan shall be returned by the Insured to the Insurer.
- (d) Any Covered Loan which is sold by the Insured to a Person in which the Insured has an ownership interest shall be excluded from coverage pursuant to Article XI.(c). Such loan shall be treated as if it had paid-off, the Total Current Principal Balance shall be reduced accordingly, and any Loss previously paid in connection with such loan shall be returned by the Insured to the Insurer.
- (e) Notwithstanding any other provision of this Policy to the contrary, the Insurer shall have no liability to pay any Loss once the Aggregate Losses paid by the Insurer equal the Insurer's Limit of Liability. The Insured shall be solely responsible for any Losses that would otherwise exceed the Limit of Liability.

V. CLAIMS AND REPORTING

- (a) The Insured shall submit to the Insurer monthly a Notice of Claim in the form substantially similar to Exhibit A herein. Where the Insured wishes to file a Claim, such monthly submission shall include a fully completed Notice of Claim on a Covered Loan within (i) one hundred twenty (120) calendar days of the end of the month in which a related Disposition occurred or (ii) if all monies owed to the Insured have not been accounted for at the conclusion of one hundred twenty (120) calendar days of the end of the month in which a related Disposition occurred, within thirty (30) calendar days of all monies having been accounted for; provided, however, the Insurer shall have no obligation to make payment for Loss on a Notice of Claim until the Aggregate Retention has been exceeded. The Insured's failure to provide a Notice of Claim within the foregoing period shall not relieve the Insurer of its obligations under this Policy, provided that such late notice does not prejudice the Insurer in any material way.
- (b) The Insured shall provide written notice to the Insurer that the Aggregate Retention has been exceeded, and thereafter the Insurer shall submit payment for Loss as

presented in the Notice of Claim on a Covered Loan within ten (10) Business Days of its receipt of the Notice of Claim, and such date shall be the "Claim Due Date."

- (c) With respect to a Claim, in the event the Insurer does not pay the relevant Aggregate Losses by the applicable Claim Due Date, it shall pay interest at a rate per annum on such Aggregate Losses calculated on an actual/360 basis as follows: 1) if the relevant Aggregate Losses are paid on or before the sixtieth (60th) day following the applicable Claim Due Date, the Interest Rate due upon each relevant Covered Loan, commencing on and including the day immediately following the relevant Claim Due Date up to but excluding the date on which the relevant Aggregate Loss is paid; or 2) if the relevant Aggregate Loss is paid after the sixtieth (60th) day following the applicable Claim Due Date, the Interest Rate due upon each relevant Covered Loan, commencing on and including the day immediately following the applicable Claim Due Date up to and including the sixtieth (60th) day following the applicable Claim Due Date, plus the sum of the Interest Rate due upon each applicable Covered Loan and ten percent (10%), commencing on and including the day immediately following the sixtieth (60th) day following the applicable Claim Due Date up to but excluding the date on which the relevant Aggregate Loss is paid.
- (d) As a matter of routine reporting during the Policy, the Insured shall provide the Insurer with the Monthly Servicing Report, which shall be updated and transmitted by the Insured on a monthly basis by the thirtieth (30th) day following the end of each month and covering activity during the preceding month.

VI. CALCULATION OF LOSS

- (a) Upon a Disposition, the Loss shall be calculated as the sum of:
 - i. the Investment in Covered Loan at time of Disposition;

less

 - ii. Net Proceeds of Disposition;

plus

 - iii. Other Pre- and Post-Disposition Costs;

less

 - iv. Lender Loss Sharing.

For purposes of clarity, if the resulting value is a negative (e.g. a credit), it shall be considered a gain and shall reduce Aggregate Losses by the same amount.

- (b) An example of the Loss calculation is provided in Exhibit B.
- (c) In the event that part or all of the Property is taken by eminent domain, condemnation or by any other proceedings by a federal, state or local governmental unit or

agency, the Insured shall require that the Borrower apply the maximum permissible amount of compensation awarded to reduce the unpaid principal balance of the Covered Loan in accordance with Applicable Law and the terms of the Covered Loan.

- (d) Notwithstanding any other provision of this Policy to the contrary, the Insurer shall have no liability to pay any Loss unless and until the Aggregate Losses exceed the Aggregate Retention as specified in the Declarations Page. The Insured shall be solely responsible for Loss until Aggregate Losses exceed the Aggregate Retention.

VII. LOSS ADJUSTMENTS

- (a) Indemnification Proceeds. If the Insured is paid any indemnification or make-whole proceeds by a Servicer or any party otherwise responsible to the Insured in connection with a Covered Loan after the Insurer has paid a Loss on such Covered Loan, the Insured shall pay to the Insurer such proceeds up to the aggregate amount of Loss paid by the Insurer on such Covered Loan. All such proceeds paid by the Insured to the Insurer shall reduce Aggregate Losses, which shall increase the Remaining Limit of Liability by the same amount.
- (b) Collection Activities.
 - i. In connection with a Covered Loan prior to the date the Aggregate Retention has been exceeded, any amounts received by the Insured as a result of Collection Activities shall be retained by the Insured and all such proceeds shall reduce Aggregate Losses.
 - ii. In connection with a Covered Loan after the Aggregate Losses exceed the Aggregate Retention, any amounts received by the Insured as a result of Collection Activities shall be for the benefit of the Insurer and be paid to the Insurer, net of any third-party expenses incurred by the Insured to receive such amounts or the right to receive such amounts, up to the aggregate amount of Loss paid by the Insurer on such Covered Loan. For purposes of this Article VII.(b)(ii), the Insured shall apply its same standards as it would apply in the normal course of Collection Activities pursuant to Article VII.(b)(i) above. All such amounts paid by the Insured to the Insurer shall reduce Aggregate Losses, which shall increase the Remaining Limit of Liability by the same amount.

VIII. CANCELLATION

- (a) This Policy shall automatically cancel on the Termination Date set forth on the Declarations Page unless cancelled earlier in accordance with Article VIII.(b) through (f) below, in which event this Policy shall be cancelled on the Termination Date described in Article VIII.(b) through (f). Within sixty (60) days following the

Termination Date set forth on the Declarations Page or, if applicable, the Termination Date determined pursuant to Article VIII.(b) or (c):

- i. if the Insured determines that the Aggregate Retention has not been exceeded and would not be exceeded if the Total Current Principal Balance of all Covered Loans in Default on the Termination Date were added to the Aggregate Losses, then this Policy shall cancel on the Termination Date and the Insurer shall not be liable for any payment of Loss;
 - ii. if the Insured determines that the Aggregate Retention has not been exceeded, but would be exceeded if the Total Current Principal Balance of all Covered Loans in Default on the Termination Date were added to the Aggregate Losses, then such Covered Loans in Default shall remain covered under this Policy until the earlier of the date such Covered Loans are no longer in Default or become Liquidated Covered Loans, and the Insurer shall continue to pay Losses in connection with such Liquidated Covered Loans without further payment of premium by the Insured;
 - iii. if the Insured determines that the Aggregate Retention has been exceeded, then all Covered Loans in Default on the Termination Date shall remain covered under this Policy until the earlier of the date such Covered Loans are no longer in Default or become Liquidated Covered Loans, and the Insurer shall continue to pay Losses in connection with such Liquidated Covered Loans without further payment of premium by the Insured; and
 - iv. the Insured shall notify the Insurer whether subclause (a)i., (a)ii., or (a)iii. applies.
- (b) The Insurer may cancel this Policy in the event of non-payment of Monthly Premium if the Monthly Premium has not been paid pursuant to Article IX. In such case, the Insurer may cancel this Policy by providing written notice to the Insured stating when the cancellation shall be effective but in no case less than thirty (30) days from the missed Monthly Premium due date. The cancellation date in such written notice shall become the Termination Date of the Policy. If the Insured pays the Monthly Premium on or before the effective date of the cancellation, this Policy shall continue in full force and effect.
- (c) The Insured may cancel this Policy upon: (i) the insolvency of the Insurer or the Insurer having been placed into bankruptcy, liquidation, rehabilitation, receivership, supervision, administration, conservation, winding-up or under a scheme of arrangement or similar proceedings (whether voluntary or involuntary), or proceedings having been instituted against the Insurer, for the appointment of a receiver, liquidator, rehabilitator, supervisor, administrator, conservator or trustee in bankruptcy, or other agent known by whatever name, to take possession of its assets or control of its operations, or any similar proceeding has been commenced with respect to the Insurer unless, in each case, such proceeding is involuntary and is controverted within ten (10) calendar days and is dismissed within thirty (30) calendar days, of commencement of such proceeding; (ii) a breach in any material respect by the Insurer of any representation or warranty provided in Article II. or a breach in any material respect of any covenant or agreement of the Insurer contained herein; (iii) the receipt by the Insurer of a cease

and desist order or any similar order from a regulatory authority that it ceases and desist in writing all or part of its business; or (iv) material non-compliance by the Insurer with the terms of this Policy. The Insured shall give written notice to the Insurer stating the grounds for such action and when the cancellation shall be effective. The cancellation date in such written notice shall become the Termination Date of this Policy.

- (d) The Insured may cancel this Policy if the Total Current Principal Balance is reduced to no more than ten percent (10%) of the Total Initial Principal Balance. The Insured shall give written notice to the Insurer upon electing this action and when the cancellation shall be effective. The cancellation date in such written notice shall become the Termination Date of this Policy.
- (e) The Insured may cancel this Policy under the terms of the Optional Policy Cancellation as specified on the Declarations Page, and the cancellation date shall become the Termination Date each as described in the terms of the Optional Policy Cancellation as specified on the Declarations Page.
- (f) This Policy shall automatically cancel if the Remaining Limit of Liability at any monthly reporting period is zero dollars (\$0.00), subject to adjustment pursuant to Article VII., and the Insured shall not then be liable for any Monthly Premium, except for outstanding amounts that may have accrued prior to that time and may still be owed thereafter. The date of such automatic cancellation shall become the Termination Date of this Policy.
- (g) Under the cancellation provision in Article VIII.(b) above, the Insured shall remain liable to pay any Monthly Premium that accrues prior to, but is not payable until after, the Termination Date. In addition, in the event there are Covered Loans in Default as of the Termination Date, but for which the Insured has not filed a Claim, and thereafter the Insured files a Claim for Loss on such Covered Loans, the Insured shall be liable for Monthly Premium that would have otherwise accrued between the Termination Date and the date of the Claim as if the Policy had continued in full force and effect to the date of the Claim. Any such Monthly Premium still owed by the date of the Claim shall reduce Aggregate Losses, and shall reduce the Remaining Limit of Liability by the same amount, until the earlier of (i) all Covered Loans are no longer in Default or become Liquidated Covered Loans or (ii) the Remaining Limit of Liability at any monthly reporting period is zero dollars (\$0.00), subject to adjustment pursuant to Article VII. (For the avoidance of doubt, with respect to a cancellation described under Article VIII.(b) above, the Insurer shall not be liable for any Loss on Covered Loans that Default after the relevant Termination Date.)
- (h) Under the cancellation provision in Article VIII.(d) and (e) above, the Insured shall not be liable for any Monthly Premium that may accrue after the Termination Date, and the Insurer shall only be liable to pay Claims filed by the Insured prior to the Termination Date. (For the avoidance of doubt, with respect to a cancellation described under Article VIII.(d) and (e) above, the Insurer shall not be liable for Loss on Covered Loans that are in Default as of the relevant Termination Date, but for which the Insured has not filed a Claim.)

IX. MONTHLY PREMIUM

The initial Monthly Premium due and payable under this Policy shall be calculated as specified on the Declarations Page of this Policy, and the Insured shall make its best effort to pay the initial Monthly Premium within five (5) Business Days of delivery to the Insurer of the Set-up File but not later than ten (10) Business Days after delivery of the Set-up File. Each subsequent equal Monthly Premium payment shall be paid on the first (1st) Business Day of the month for which it is due.

X. REDUCTION UNDER QUOTA SHARE CONTRACT

Notwithstanding any other provision of this Policy to the contrary, in the event of a Quota Share Reduction to which the Insured has given its written consent, the Limit of Liability, the Remaining Limit of Liability, the Aggregate Retention, Losses on Covered Loans, and the Monthly Premium shall each be revised as follows:

- (a) the Limit of Liability shall be revised to equal the Limit of Liability on the date prior to the Reinsurer Reduction Date less the product of the Quota Share Reduction and the Remaining Limit of Liability on the date prior to the Reinsurer Reduction Date.
- (b) the Remaining Limit of Liability shall be revised to equal the Remaining Limit of Liability on the date prior to the Reinsurer Reduction Date less the product of the Quota Share Reduction and the Remaining Limit of Liability on the date prior to the Reinsurer Reduction Date.
- (c) the Aggregate Retention shall be revised to equal the Aggregate Retention on the date prior to the Reinsurer Reduction Date less the product of the Quota Share Reduction and the Remaining Aggregate Retention on the date prior to the Reinsurer Reduction Date.
- (d) where the Insurer pays a Loss on and after the Reinsurer Reduction Date, the Loss as otherwise calculated pursuant to Article VI.(a) shall be reduced in the same proportion as the Quota Share Reduction.
- (e) the Monthly Premium shall be reduced prospectively in the same proportion as the Quota Share Reduction as respects any month beginning with the month in which the Reinsurer Reduction Date occurs. The Reinsurer Reduction Date may only occur on the first calendar day of a month.

- (f) For avoidance of doubt, as examples:
- i. where the Limit of Liability is \$300,000,000, Aggregate Retention is \$50,000,000, and Aggregate Losses totaled \$30,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), as of the Reinsurer Reduction Date the Aggregate Retention would be revised to \$45,000,000 ($\$50,000,000 - [25\% \times \$20,000,000]$), the Limit of Liability would be revised to \$225,000,000 ($\$300,000,000 - [25\% \times \$300,000,000]$), and the Remaining Limit of Liability would be revised to \$225,000,000 ($[\$300,000,000 - \$0] - 25\% \times [\$300,000,000 - \$0]$);
 - ii. where the Limit of Liability is \$300,000,000, Aggregate Retention is \$50,000,000, and Aggregate Losses totaled \$80,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), as of the Reinsurer Reduction Date the Aggregate Retention would be unchanged (\$50,000,000), the Limit of Liability would be revised to \$232,500,000 ($\$300,000,000 - [25\% \times \$270,000,000]$), and the Remaining Limit of Liability would be revised to \$202,500,000 ($[\$300,000,000 - \$30,000,000] - 25\% \times [\$300,000,000 - \$30,000,000]$).

XI. EXCLUSIONS

The Insurer shall not be liable for any Loss in connection with a Covered Loan:

- (a) having a date of Default prior to the Effective Date of this Policy or that goes into Default after the Termination Date; or
- (b) that does not satisfy the Eligibility Criteria, subject to the exceptions set forth in Schedule A; or
- (c) that is sold to a Person in which the Insured has an ownership interest or the Property is sold to a Person in which the Insured has an ownership interest.

XII. GENERAL CONDITIONS

Arbitration - Unless prohibited by Applicable Law, any controversy or dispute, including any Claim made under this Policy, arising out of or relating to this Policy, may, upon the mutual consent of all parties to the dispute, be settled by binding arbitration in accordance with the rules of the American Arbitration Association deemed most appropriate by such association. If this remedy is elected by all parties to the dispute, then the decision of the arbitrator shall be final and binding on all the parties and shall be enforceable in any court of competent jurisdiction in [REDACTED]

(b) **Suit** -

- i. Each of the parties to this Policy consents to the sole and exclusive jurisdiction of the courts of [REDACTED], in the case of any [REDACTED]

dispute or other matter arising under this Policy which is not disposed of with finality under Article XII.(a). No suit or action for recovery of any Loss under this Policy shall be sustained in favor of the Insured in any court of law or equity unless the Insured has materially complied with the terms and conditions of this Policy, except a suit or action where the issue is whether the Insured materially complied with the terms and conditions of this Policy or what was required to do so, and unless the suit or action in equity is commenced within three (3) years, or such longer period of time as may be permitted by Applicable Law, after (i) the Claim has been presented to the Insurer or (ii) the date on which the cause of action accrued, whichever is earlier. No suit or action on the Insurer's disposition of a Claim or Loss may be brought against the Insurer until sixty (60) days have elapsed from the relevant Claim Due Date. The parties to this Policy expressly waive the right to a jury trial.

- ii. If a dispute arises concerning a Covered Loan and involves either the Property or the Insured, the Insurer has the right to protect its interest by defending any action arising from such dispute, even if the allegations involved are groundless, false or fraudulent. The Insurer is not required to defend any lawsuit involving the Insured, the Property, or a Covered Loan. The Insurer and the Insured shall each bear its own costs and expenses for any litigation under this Article XII.(b).
- (c) **Parties in Interest** - This Policy shall be binding upon and inure to the benefit of the Insurer and its successors and assigns as approved by the Insured and the Insured and its successors and such assigns as may be permitted by the Insurer. Neither the Borrower, nor the Servicer, nor any successor owner of a Property, nor any other Person is included or intended as a third-party beneficiary to this Policy.
- (d) **Governing Law; Conformity to Statute** - This Policy shall be governed by, and construed and enforced in accordance with, the laws of [REDACTED] (excluding the conflict of laws rules). Any provision of this Policy that is in conflict with the law of that jurisdiction is amended by this Article XII.(d) to conform to the minimum requirements of that law.
- (e) **Co-ordination and Duplication of Insurance Benefits** - The coverage under this Policy shall be excess over any Lender Loss Sharing (whether or not collectable) that may apply to a Covered Loan.
- (f) **Duty of Cooperation; Access to Records** - The Insured and the Insurer shall cooperate in good faith with one another in the administration of this Policy, including the resolution of any disputes arising under this Policy. Upon reasonable notice from the Insurer, the Insured shall provide access to its records that pertain to this Policy for purposes of allowing the Insurer to obtain information related to any Covered Loan and the Insured's handling thereof under this Policy; provided, however, that any attorney-client privileged materials shall be excluded. For any such documents or information withheld, the Insured shall, in consultation with the Insurer, take steps as reasonably necessary to provide the Insurer with the information it reasonably requires to evaluate its obligations and/or potential exposure under this Policy without causing a loss of such privilege.

- (g) **Electronic Data** - The Insurer and the Insured agree that each may originate, maintain, and share information, documents or other data (in this Article XII.(g) referred to as "data") as electronic records using electronic media generally accepted as usual and customary for business records (e.g., e-mail, secure web-portals) and that such data are as acceptable for all purposes under this Policy as data maintained in printed or written form, so long as the data is not denied legal effect or enforceability solely because it is in electronic form. Notices required by this Policy may be sent by electronic means and if so sent shall have the same effect as if sent in paper form.
- (h) **Non-Public Personally Identifiable Information** - Any disclosure of Non-Public Personally Identifiable Information shall comply with all state and federal statutes and regulations governing the disclosure of Non-Public Personally Identifiable Information. Disclosing or using such information for any purpose not authorized by Applicable Law is expressly forbidden without the prior written consent of the Insured.
- (i) **Public Statements** - The Insurer consents to the public disclosure of any or all terms of this Policy. The Insurer further agrees that it shall not make any public statements, including press releases, about this Policy without the prior written approval of the Insured unless required by law or regulation, in which case the Insurer shall give the Insured written notice no less than three (3) days in advance of such disclosure.
- (j) **Amendments; No Waiver; Rights and Remedies** -
- i. No condition or requirement of this Policy shall be deemed waived, modified or otherwise compromised unless that waiver, modification or compromise is stated in a writing properly executed by the party so waiving. Each of the conditions and requirements of this Policy is severable, and a waiver, modification or compromise of one shall not be construed as a waiver, modification or compromise of any other.
 - ii. No right or remedy of the Insurer provided for by this Policy shall be exclusive of, or limit, any other rights or remedies set forth in this Policy or otherwise available to the Insurer at law or equity.
 - iii. This Policy shall not be altered, modified or amended without the prior written consent of the Insurer and the Insured.

XIII. DEFINITIONS

Aggregate Losses - means, as of any particular date, the sum of all Losses with respect to fully completed Notices of Claim submitted by the Insured to the Insurer on individual Covered Loans from the Effective Date to such particular date. Calculation of Loss in Notices of Claim submitted by the Insured are net of any Lender Loss Sharing (whether collectable or not). Aggregate Losses shall be net of Loss Adjustments pursuant to Article VII.

Aggregate Retention - means the amount of Aggregate Losses that shall be retained by the Insured before receiving insurance benefits under this Policy, as specified in the Declarations Page of this Policy. The Aggregate Retention shall be calculated by multiplying the Aggregate Retention Percentage by the Total Initial Principal Balance.

Aggregate Retention Percentage - means the percentage specified as such on the Declarations Page of this Policy.

Applicable Law - means any controlling: (i) federal, state, local, or foreign law, statute ordinance, or common law; or (ii) rule, regulation, directive, judgment, order, writ, injunction, ruling, decree, arbitration award, agency requirement, license, or permit of any governmental authority.

Appraisal - means an appraisal used to determine the market value of a Property that complies with: (i) the valuation requirements of the Guide.

Borrower - means any Person required to repay the debt obligation created pursuant to the Covered Loan. The Borrower may be more than one Person, and the term shall include any co-signer or guarantor or other obligor of the Covered Loan.

Business Day - means any day that the Insurer is normally scheduled to be open for business.

Claim - means the request to receive insurance benefits of this Policy filed in accordance with, and containing all information required by the Insurer pursuant to, Article V.

Claim Due Date - means the definition given to that term in Article V.(b).

Collection Activities - means activities pursued after Default for the purpose of mitigating Losses by obtaining funds from Borrowers, guarantors and any other party liable on the Covered Loan. Such activities include, without limitation: (i) pursuit of remedies relating to Default including, but not limited to, costs to commence and pursue foreclosure proceedings or appointment of a receiver; (ii) modification or restructure a Covered Loan; and (iii) to commence and pursue collection under a guaranty or similar obligation, including exceptions to nonrecourse under the Covered Loan documents. Costs are limited to attorneys' fees, court costs, recordation and transfer fees, environmental assessments, Appraisal costs (but only for an Appraisal obtained at the written direction of Insured) and similar costs necessary to enforce, assert or protect Insured's rights under the Covered Loan documents, all as approved by Insured.

Covered Loan - means any note or other evidence of indebtedness and the indebtedness it evidences, together with the mortgage, bond, deed of trust, or other instrument securing said indebtedness, that satisfies the Eligibility Criteria, subject to the exceptions set forth in Schedule A. The Covered Loans shall initially be identified on the Set-up File.

Declarations Page - means the cover pages of this Policy, signed by the Insurer, which extends the coverage indicated therein on the Covered Loans, subject to the terms, conditions, and limitations of this Policy.

Default - means the failure by a Borrower to pay when due a non-accelerated amount equal to or greater than two (2) regular scheduled payments due under the terms of a

Covered Loan or the failure by a Borrower to pay all amounts due under a Covered Loan after the exercise by the Insured of the acceleration of such Covered Loan. Default does not mean any non-monetary default or violation of any other term or condition of the Covered Loan that would allow for acceleration of the debt or foreclosure or other action to realize upon the security provided by the Covered Loan. A Covered Loan is deemed to be in Default for the period for which, as of the close of business on the installment due date, a scheduled installment payment has not been made, as reported on the Monthly Servicing Report. For example, a Covered Loan is "four (4) months in Default" if the monthly installments due on January 1, February 1, March 1, and April 1 remain unpaid as of the close of business on April 1.

Delivered - means, as used in the Guide, a Designated Lender's sale of a Multifamily mortgage loan to the Insured that the Insured conveys to a mortgage-backed security ("MBS") trust under the terms of the Insured's MBS program, or a Designated Lender's sale of a whole Multifamily mortgage loan to the Insured that the Insured holds in its portfolio and may include in a later MBS pool that it forms.

Designated Lender - means DUS Lenders and certain other lenders authorized to originate, underwrite and sell Multifamily mortgage loans to Insured.

Disposition - means a Covered Loan in Default where title to the Property securing such loan was transferred to a third-party via judicial foreclosure sale, non-judicial foreclosure sale, sale/short sale, or the related note is transferred to a third-party pursuant to a note sale/discounted note sale where the loan is at least one hundred twenty (120) days delinquent when offered for such sale.

DUS Lender - means designated lenders authorized to originate, underwrite and sell Multifamily mortgage loans to Insured.

Effective Date - means the date on which coverage under this Policy becomes effective as specified on the Declarations Page of this Policy.

Eligibility Criteria - means those conditions of coverage applicable to each Covered Loan as specified on the Declarations Page of this Policy.

Exclusions - mean those exclusions from coverage set forth in Article XI.

Guide - means: (a) the Insured's Multifamily Selling and Servicing Guide, as such Guide currently exists or as it may amended, superceded, revised or periodically amended by announcement, lender letter, notice, or other Servicer communication, for general application to Multifamily mortgage loans serviced by all of the Insured's Servicers; and (b) any exceptions, pilots, or variances to the Selling and Servicing Guide authorized by the Insured.

Initial Principal Balance - means the unpaid principal balance of a Covered Loan on the Effective Date.

Insured - means the Insured identified on the Declarations Page of this Policy.

Insurer - means the Insurer identified on the Declarations Page of this Policy.

Insurer's Limit of Liability - means the maximum amount of Aggregate Losses, exceeding the Aggregate Retention, for which the Insurer is responsible under this Policy. As of the Effective Date, the dollar limit for the Insurer's Limit of Liability is specified on the Declarations Page of this Policy. Subsequent to the Effective Date, the Insurer's Limit of Liability shall be calculated as the product of a) the Insurer's Deal Percentage, multiplied by b) the Limit of Liability.

Interest Rate - means interest at the contract rate stated in the Covered Loan (or as otherwise subject to Modification in accordance with the Guide, as provided in Article III.(c)).

Investment in Covered Loan at time of Disposition - includes the unpaid principal balance, net of unamortized premiums and discounts, other cost basis adjustments, and unpaid interest contractually due from the Borrower (net of any servicing fee) through Disposition.

Lender Loss Sharing - means the amount of loss on any Covered Loan allocated to the applicable Designated Lender. Loss in any Notice of Claim submitted by the Insured shall be net of any Lender Loss Sharing. The amount of Lender Loss Sharing shall be equal to the greater of (1) the amount of Lender Loss Sharing calculated pursuant to the method presented in the Set-up File or (2) if the Lender Loss Sharing is subsequently modified resulting in an increased Lender Loss Sharing amount, such increased amount. Lender Loss Sharing shall be deemed collected for purposes of this Policy whether or not actually received by the Insured.

Limit of Liability - means the maximum amount of Aggregate Losses, exceeding the Aggregate Retention, insured under all insurance policies for the pool of loans specified on the Declarations Page of this Policy. The dollar limit for the Limit of Liability is specified on the Declarations Page of this Policy. The Limit of Liability shall initially be calculated by multiplying the Limit of Liability Percentage by the Total Initial Principal Balance.

Limit of Liability Percentage - means the percentage specified as such on the Declarations Page of this Policy.

Liquidated Covered Loan - means a Covered Loan in Default where title to the Property securing such loan was transferred via Disposition and where a Claim has not yet been filed or where a Claim has been filed and is pending settlement. For avoidance of doubt, a Liquidated Covered Loan does not include any such loan where a Claim has been filed and settled. The date of any such title transfer shall be reported by the Insured to the Insurer in the Monthly Servicing Report.

Loss - means the amount as calculated in Article VI., subject to the terms, conditions, and limitations of this Policy.

Modification - means any change, unless such change is prescribed in the loan documents, to the: a) amount of indebtedness (for example, capitalization of interest arrearages, principal forgiveness); b) Interest Rate; c) Interest Rate adjustment period; d) use of escrow funds or other funds; or e) term or the amortization schedule of a Covered Loan.

Monthly Premium - means the amount to be paid by the Insured to the Insurer for the coverage afforded by this Policy, as specified on the Declarations Page of this Policy.

Monthly Servicing Report - means an electronic file, substantially in the form of Exhibit C unless otherwise mutually agreed, containing all active Covered Loans and Liquidated Covered Loans, including information on the status of Covered Loans in Default. The Monthly Servicing Report shall be the sole means by which the Insured shall notify the Insurer of Defaults on Covered Loans under this Policy. The Monthly Servicing Report shall be delivered to the Insurer in the format and manner that the Insured uses for its other insurance providers, which shall include notice of any Default on a Covered Loan if, within the month to which the Monthly Servicing Report relates: (i) the Borrower was in Default on the Covered Loan; or (ii) any proceeding was commenced, including but not limited to foreclosure, which may affect the Covered Loan or the Property or the Insured's or Borrower's interest in the Covered Loan or the Property.

Multifamily - means a residential property having five (5) or more dwelling units including, but not limited to, conventional, affordable, seniors, cooperatives, student, military and manufactured housing projects.

Net Proceeds of Disposition - means the gross sales price less all customary and necessary costs (including, but not limited to, brokerage fees, legal costs, third-party vendor disposition fees, title/escrow fees, transfer or recordation fees, prorations, etc.) incurred in obtaining and closing the Disposition.

Non-Public Personally Identifiable Information - means such term or similar term as defined under Applicable Law.

Notice of Claim - means the Claim submission form specified in Exhibit A of this Policy.

Optional Policy Cancellation - means the basis for cancellation of this Policy as specified on the Declarations Page.

Other Pre- and Post-Disposition Costs - means the following:

all "out of pocket" costs and expenses incurred by Insured or its designee in the performance of its servicing obligations related to a Disposition, including, but not limited to, costs and expenses incurred for or related to preservation and protection of the Property, delinquency resolution costs, repairs or replacements at the Property, the payment of taxes and insurance, the enforcement of judicial proceedings, and the management and disposition of acquired Properties;

less

the amount of any remaining cash or funds held by Insured or its designee in connection with the Property, including, but not limited to, any hazard or other insurance loss proceeds, net operating income, or Property tax or insurance premium refunds; related to the Property, and

any amount recovered on or prior to the Disposition from a guaranty, indemnification or similar obligation made with respect to the Covered Loan that benefits the Insured.

Person - means any natural person, or any corporation, partnership, association or other legally-recognized entity.

Policy - means this contract of insurance together with the Exhibits and the Declarations Page, which are incorporated herein and made part of this Policy with respect to the Covered Loans to which they relate.

Policy Period - means the period specified as such on the Declarations Page of this Policy.

Property - means a Multifamily residential property which consists of five or more dwelling units. Property includes the land (or, where applicable leasehold interest in land) and the improvements, together with fixtures, equipment, and furniture affixed or attached to or located on the land, that secure the Multifamily mortgage loan.

Quota Share Contract - means the quota share reinsurance contract entered into by and between the Insurer and the Reinsurers.

Quota Share Reduction - means a reduction in the liability reinsured under the Quota Share Contract.

Reinsurers - means, collectively, all duly licensed reinsurance entities accepting liability under the Quota Share Contract by signing an Interests and Liabilities Agreement attached thereto.

Reinsurer Reduction Date - means the effective date of a Quota Share Reduction under the Quota Share Contract.

Remaining Aggregate Retention - means, the Aggregate Retention reduced by Aggregate Losses and as adjusted by any applicable Quota Share Reduction. In the event of a Quota Share Reduction, the Remaining Aggregate Retention shall equal the remainder of the Aggregate Retention resulting from subtraction of Aggregate Losses determined on the date prior to the Reinsurer Reduction Date, as such remainder is reduced in the same proportion as the Quota Share Reduction. For avoidance of doubt, as an example, where the Aggregate Retention is \$50,000,000, Aggregate Losses totaled \$30,000,000, and the Quota Share Reduction results in the Aggregate Retention being reduced to seventy-five percent (75%), the Remaining Aggregate Retention as of the Reinsurer Reduction Date would be \$15,000,000 ($[\$50,000,000 - \$30,000,000] \times 0.75$).

Remaining Limit of Liability - means, as of any particular date, the Limit of Liability as reduced by Aggregate Losses, in excess of the Aggregate Retention and as adjusted by any applicable Quota Share Reduction. In the event of a Quota Share Reduction, the Remaining Limit of Liability shall equal the remainder of the Limit of Liability resulting from subtraction of Aggregate Losses in excess of the Aggregate Retention, determined on the date prior to the Reinsurer Reduction Date, as such remainder is reduced in the same proportion as the Quota Share Reduction. For avoidance of doubt, as examples, (i) where the Limit of Liability is \$300,000,000, Aggregate Retention is zero, Aggregate Losses totaled \$30,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), the Remaining Limit of Liability as of the Reinsurer Reduction Date would be \$202,500,000 ($[\$300,000,000 - \$30,000,000] \times 0.75$), and (ii)

where the Limit of Liability is \$300,000,000, Aggregate Retention is \$50,000,000, and Aggregate Losses totaled \$80,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), the Remaining Aggregate Retention as of the Reinsurer Reduction Date would be \$0, and the Remaining Limit of Liability as of the Reinsurer Reduction Date would be \$202,500,000 $([\$300,000,000 - \$30,000,000] \times 0.75)$.

Servicer - means that primary Person, other than a natural Person, responsible for servicing a Covered Loan whether such Person is the originator of the Covered Loan, the selling Designated Lender, or a third-party servicer. The Servicer acts on behalf of the Insured and pursuant to the Guide and any applicable delegation of authority that the Insured may have made to the Servicer to perform loss mitigation without the prior approval of the Insured. Actions required by this Policy to be performed by the Insured may, at the option of the Insured, be performed by a Servicer. The Servicer acts on behalf of the Insured in performing acts under this Policy.

Set-up File - means the electronic data submission from the Insured to the Insurer that provides loan level information regarding the initial population of Covered Loans insured under this Policy. The Set-up File shall be delivered to the Insurer between the tenth (10th) and twenty-fifth (25th) day of the month following the month in which the Effective Date occurs.

Termination Date - means the date on which this Policy terminates as specified on the Declarations Page of this Policy, or as effected in Article VIII.

Total Current Principal Balance - means the sum of the unpaid principal balance of all Covered Loans as reported in the applicable Monthly Servicing Report.

Total Initial Principal Balance - means the sum of the Initial Principal Balance of all Covered Loans, as stated on the Declarations Page of this Policy.

Pronouns, when used in this Policy, shall mean the singular or plural, masculine or feminine, as the context requires.

EXHIBIT B

Loss Calculation Example

Lenders who elect Loss Sharing @ Foreclosure		Lenders who elect Loss Sharing @ Disposition	
\$ 7,500,000	UPB	\$ 7,500,000	UPB
\$ 5,000,000	Appraisal	\$ 5,250,000	Disposition value*
\$ 2,500,000	Loss	\$ 2,250,000	Loss
\$ 825,000	Lender Loss Share**	\$ 742,500	Lender Loss Share**
\$ 1,675,000	FNM Loss Share	\$ 1,507,500	Total Fannie Mae Loss
\$ 4,175,000	Value on ROE books		
\$ 5,250,000	Disposition value*		
\$ 1,425,000	Total Fannie Mae Loss		

* Assumes FNMA invests in the property and have a 5% gain from appraisal value

** Pari Passu Loss Sharing example used above for simplicity. Share amount could be slightly different under Standard DUS Loss Sharing.

EXHIBIT C

Form of Monthly Servicing Report

- Policy ID
- Fannie Mae Loan Number
- Current UPB
- LPI Date
- Number of Days Delinquent
- Liquidation Date
- REO Date
- Disposition Date
- Cumulative-to-Date Credit Losses (reported at Disposition only)

SCHEDULE A

Exceptions to Declarations Page Eligibility Criteria

Covered Loans with an original term more than thirty (30) years:

[REDACTED]

Covered Loans with an original loan-to-value ratio more than eighty percent (80%):

[REDACTED]

[REDACTED]

**Aggregate Excess of Loss Credit Insurance Policy
Declarations Page**

Policy Number: [REDACTED]

Insured Deal Number: CIRT 2022-M01C

Policy Period: That period of time between the Effective Date and the Termination Date, as set forth immediately below.

Effective Date: 12:00 A.M. Eastern Time, August 1, 2022, based on unpaid principal balances as of close of business July 31, 2022

Termination Date: 11:59 P.M. Eastern Time, July 31, 2024

Insured: Federal National Mortgage Association, also known as Fannie Mae, a government-sponsored enterprise chartered by the U.S. Congress

Mailing Address: Midtown Center
1100 15th Street, NW
Washington, DC 20005

Insurer: [REDACTED]

Insurance Structure: Aggregate excess of loss credit insurance

Covered Loans: A portfolio of Multifamily mortgage loans acquired between August 1, 2021 and June 30, 2022, as initially identified in the Set-up File and that meet the Eligibility Criteria

Total Initial Principal Balance: \$13,052,985,001.28

Limit of Liability: \$78,317,910.01

Limit of Liability Percentage: Sixty hundredths of one percent (0.60%)

Insurer's Deal Percentage: [REDACTED]

Insurer's Limit of Liability: [REDACTED]

Aggregate Retention: \$84,844,402.51

Aggregate Retention Percentage: Sixty-five hundredths of one percent (0.65%)

Optional Policy Cancellation: On or after eighty-four (84) months after the Effective Date, the Insured may cancel this Policy upon making payment to the Insurer equal to the following: (i) the product of (a) the Monthly Premium, multiplied by (b) the factor of one-fifth (0.20), multiplied by (c) the number of months remaining until that date which is one hundred forty-four (144) months after the Effective Date as stated on the Declarations Page; multiplied by (ii) the Insurer's Deal Percentage. The Insured shall give prior written notice to the Insurer upon electing this action and when the cancellation shall be effective. The Insured's election shall apply to CIRT 2022-M01A, CIRT 2022-M01B and CIRT 2022-M01C and may not be applied to each Policy individually. No cancellation fee will be required if the Insured cancels this Policy on or after the date that is one hundred forty-four (144) months after the Effective Date. The cancellation date in such written notice shall become the Termination Date of this Policy, and the Insured shall make the required payment to the Insurer within forty-five (45) days of providing the written notice.

Currency: United States of America Dollars

Monthly Premium: Premium of \$ [REDACTED] payable in one hundred forty-four equal monthly installments of \$ [REDACTED] in advance beginning August 1, 2022. The first Monthly Premium payment is due not later than ten (10) Business Days after delivery of the Set-up File. Thereafter Monthly Premium shall be due on the first (1st) Business Day of each month.

Eligibility Criteria:

As to each Covered Loan, the Insured represents and warrants as follows. Without limiting any other provision of this Policy, any disclosure set forth in Schedule A shall constitute an exception to the specific representation and warranty for which such disclosure is listed for such Covered Loan.

- (q) Each Covered Loan met the requirements of the Guide, or any variances thereto granted in writing by the Insured prior to delivery, at the time the Covered Loan was Delivered to the Insured. The Insured makes no representation as to which variances, if any, apply to individual Covered Loans.
- (r) Each Covered Loan is a fully documented, Multifamily mortgage loan, which has an original term of no more than thirty (30) years and is secured by Multifamily residential Property located in the United States, including the District of Columbia, Puerto Rico, the U.S. Virgin Islands or Guam on its origination date.
- (s) Each Covered Loan was acquired from a Designated Lender.

- (t) Each Covered Loan was acquired by the Insured between August 1, 2021 and June 30, 2022.
- (u) Each Covered Loan had an original principal balance less than or equal to \$30,000,000.
- (v) No Covered Loan had an original loan-to-value ratio that was more than eighty percent (80%).
- (w) No Covered Loan has ever been delinquent thirty (30) days or more prior to the Effective Date.
- (x) No Covered Loan had been in forbearance when Delivered to the Insured or as of the Effective Date.

Policy All-Inclusive:

This Policy is comprised of this Declarations Page and the various terms and provisions attached to the Policy as of the Effective Date.

(Signature Page Follows)

IN WITNESS HEREOF, each party hereto has caused this Policy to be executed on its behalf by its duly authorized representative as of the date(s) specified below:

[REDACTED]

By: _____ [REDACTED]

Name: [REDACTED]

Date: [REDACTED]

Federal National Mortgage Association

By: _____ [REDACTED]

Name: _____ [REDACTED]

Date: [REDACTED]

Aggregate Excess of Loss Credit Insurance Policy

Table of Contents

XXVII. INSURING AGREEMENT
XXVIII. REPRESENTATIONS AND WARRANTIES OF THE INSURER
XXIX. REPRESENTATIONS AND WARRANTIES OF THE INSURED
XXX. LIMITATION OF LIABILITY
XXXI. CLAIMS AND REPORTING
XXXII. CALCULATION OF LOSS
XXXIII. LOSS ADJUSTMENTS
XXXIV. CANCELLATION
XXXV. MONTHLY PREMIUM
XXXVI. REDUCTION UNDER QUOTA SHARE CONTRACT
XXXVII. EXCLUSIONS
XXXVIII. GENERAL CONDITIONS
XXXIX. DEFINITIONS

Exhibit A: Notice of Claim

Exhibit B: Loss Calculation Example

Exhibit C: Form of Monthly Servicing Report

Schedule A: Exceptions to Declarations Page Eligibility Criteria

Aggregate Excess of Loss Credit Insurance Policy

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

In consideration of the Insured paying the Monthly Premium stated in the Declarations Page to the Insurer and in reliance upon the statements in the Declarations Page made a part hereof and subject to all of the terms of this Policy, the Insurer hereby agrees, subject to the Insurer's Limit of Liability stated in the Declarations Page, to pay Aggregate Losses to the Insured to the extent and in the manner set forth herein.

I. INSURING AGREEMENT

- (a) This Policy provides coverage for [REDACTED] of the Aggregate Losses of the Insured in excess of the Aggregate Retention of the Insured on Covered Loans that Default during the Policy Period, subject to the Insurer's Limit of Liability and all other terms, conditions and limitations of this Policy. Calculation of Loss in the Notices of Claim submitted by the Insured on Covered Loans is determined after deduction of the Lender Loss Sharing on such Covered Loans.
- (b) Notwithstanding the provisions of Article I.(a) above, with regard to any Loss(es) owed to the Insured by the Insurer, in the event that the Insured is paid directly by any Reinsurer under the Quota Share Contract, or if the Insured were to draw down upon any trust under which the Insured is a beneficiary or co-beneficiary with regard to this Policy, then, only and solely to the extent of any such Loss(es) so received by the Insured, the Insurer is relieved of all corresponding responsibilities and liability to the Insured under this Policy for payment of such Loss(es).

II. REPRESENTATIONS AND WARRANTIES OF THE INSURER

The Insurer represents and warrants as follows:

- (a) The Insurer is an insurance company duly organized, validly existing and in good standing under the laws of [REDACTED] and has all requisite company power and authority to own and lease its properties and to carry on its business as conducted by it.
- (b) The Insurer has taken all corporate action required to authorize the execution, delivery and performance of this Policy, and the performance of its obligations thereunder, and has received all necessary legal and regulatory approvals for it to execute, deliver and perform under this Policy.
- (c) The Insurer has the corporate power and authority to execute and deliver, and perform its obligations under this Policy.
- (d) The Insurer has secured, as of the Effective Date, reinsurance coverage under the Quota Share Contract for one hundred percent (100%) of its liabilities under this Policy with Reinsurers. Any changes to the participation percentages of the Reinsurers under the Quota Share Contract, including the addition of any new Reinsurers, after the Effective Date must be approved in writing by the Insured.

- (e) The Insurer shall obtain written representations and warranties from the Reinsurers substantially similar to those set forth in this Article II.(b), (c), (f), (g), (i) and (j), and substantially similar to those set forth in this Article II.(a) and (h) as to the respective jurisdiction of organization of each of the Reinsurers.
- (f) This Policy, when executed and delivered shall constitute a legal, valid and binding obligation of the Insurer, enforceable except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting creditors' rights generally and subject to the application of equitable principles and the availability of equitable remedies.
- (g) The execution and delivery by the Insurer of this Policy, and the performance by the Insurer under this Policy, do not and shall not require the Insurer to possess, obtain, make, provide or deliver any consent, waiver, approval, license, permit, order, designation or authorization of, notice to, or registration, filing, qualification or declaration with, any governmental authority or other Person, other than (i) any of which have been unconditionally obtained or effected (as appropriate) and are in full force and effect or (ii) any of which the failure to possess, obtain, make, provide or deliver do not or shall not, individually or together with any one or more such other failures, result in the Insured incurring any liability, or have a material adverse effect on (a) the ability of the Insurer to perform and comply with its respective obligations under this Policy, or (b) the consummation of the transactions contemplated under this Policy.

██████████ The Insurer is, and shall use its best efforts to remain, in compliance at all times and in all material respects with all Applicable Law, with the conditions attached to its license and with any directions to the Insurer issued by the ██████████

- (i) There are no pending or, to Insurer's knowledge, threatened actions, suits, investigations or proceedings ("Proceedings") by or against the Insurer which are material to its business, at law or in equity or otherwise before any court, tribunal, agency, official, arbitrator or other governmental authority and the Insurer has not been the subject of any such Proceedings in the last two (2) years, other than to the extent that such Proceedings that are considered part of the normal operations of an insurance or a reinsurance company.
- (j) The Insurer has such knowledge and experience in financial, business and insurance matters that it is capable of evaluating the merits and risks of this Policy and the transactions hereunder. The Insurer has conducted its own independent review and analysis of the underwriting risk and acknowledges and agrees that the Insured has provided the Insurer with sufficient information for this purpose. In entering into this Policy, the Insurer has relied solely upon its own investigation and analysis, and the Insurer acknowledges and agrees that, except for representations and warranties of the Insured expressly provided in Article III., the Insured makes no, and has made no, representation or warranty, either express or implied, with respect to this Policy or as to the accuracy or completeness of any of the information (including projections, estimates or any other forward looking forecasts) provided or otherwise made available to the Insurer.

III. REPRESENTATIONS AND WARRANTIES OF THE INSURED

In accepting this Policy, the Insured, to the best of its knowledge, hereby agrees, represents and warrants the following to the Insurer as of the Effective Date:

- (a) Statements and information with respect to any Covered Loan are true, correct and complete in all material respects.
- (b) Each Covered Loan meets the Eligibility Criteria, subject to the exceptions set forth in Schedule A.
- (c) Each Covered Loan shall be serviced in accordance with the Guide.
- (d) It has not withheld any information in its possession that would reasonably affect the decision of an insurer of risks similar to the risk under the Policy, and it has no knowledge of any circumstance related to the origination, underwriting or servicing of the Covered Loans which could give rise to or increase the likelihood of a Loss to such insurer at any time during the term of the Policy.
- (e) It is duly organized, validly existing and in good standing under the laws of [REDACTED]
- (f) It has taken all actions required to authorize the execution, delivery and performance hereunder.
- (g) It is accepting delivery of the Policy in [REDACTED]
- (h) The Policy, when executed and delivered, shall constitute a legal, valid and binding obligation of the Insured as to its obligations hereunder, enforceable except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting creditors' rights generally and subject to the application of equitable principles and the availability of equitable remedies.
- (i) The execution and delivery by the Insured of the Policy, and the performance by the Insured under the Policy, do not and shall not require the Insured to possess, obtain, make, provide or deliver any consent, waiver, approval, license, permit, order, designation or authorization of, notice to, or registration, filing, qualification or declaration with, any governmental authority or other Person, other than (1) any of which have been unconditionally obtained or effected (as appropriate) and are in full force and effect or (2) any of which the failure to possess, obtain, make, provide or deliver do not or shall not, individually or together with any one or more such other failures, result in the Insurer incurring any liability, or have a material adverse effect on (a) the ability of the Insured to perform and comply with its respective obligations under the Policy, or (b) the consummation of the transactions contemplated under the Policy.
- (j) To the best of the Insured's knowledge, the historical loss and loan information was accurate at the time provided.

IV. LIMITATION OF LIABILITY

- (a) The total liability of the Insurer for Aggregate Losses under this Policy shall in no event exceed the Insurer's Limit of Liability.
- (b) Each payment of a Loss by the Insurer in discharge of its obligations under this Policy, and other scheduled payments of Loss owed by insurers that have written other insurance policies for the pool of loans specified on the Declarations Page of this Policy, shall be credited against the Limit of Liability, and the result shall be the Remaining Limit of Liability as of the date of such payment.
- (c) If, after the Effective Date, a Covered Loan is identified by either the Insured or the Insurer as failing to meet the Eligibility Criteria, such loan shall be excluded from coverage pursuant to Article XI.(b), subject to the exceptions set forth in Schedule A. Such loan shall be treated as if it had paid-off, the Total Current Principal Balance shall be reduced accordingly, and any Loss previously paid in connection with such loan shall be returned by the Insured to the Insurer.
- (d) Any Covered Loan which is sold by the Insured to a Person in which the Insured has an ownership interest shall be excluded from coverage pursuant to Article XI.(c). Such loan shall be treated as if it had paid-off, the Total Current Principal Balance shall be reduced accordingly, and any Loss previously paid in connection with such loan shall be returned by the Insured to the Insurer.
- (e) Notwithstanding any other provision of this Policy to the contrary, the Insurer shall have no liability to pay any Loss once the Aggregate Losses paid by the Insurer equal the Insurer's Limit of Liability. The Insured shall be solely responsible for any Losses that would otherwise exceed the Limit of Liability.

V. CLAIMS AND REPORTING

- (a) The Insured shall submit to the Insurer monthly a Notice of Claim in the form substantially similar to Exhibit A herein. Where the Insured wishes to file a Claim, such monthly submission shall include a fully completed Notice of Claim on a Covered Loan within (i) one hundred twenty (120) calendar days of the end of the month in which a related Disposition occurred or (ii) if all monies owed to the Insured have not been accounted for at the conclusion of one hundred twenty (120) calendar days of the end of the month in which a related Disposition occurred, within thirty (30) calendar days of all monies having been accounted for; provided, however, the Insurer shall have no obligation to make payment for Loss on a Notice of Claim until the Aggregate Retention has been exceeded. The Insured's failure to provide a Notice of Claim within the foregoing period shall not relieve the Insurer of its obligations under this Policy, provided that such late notice does not prejudice the Insurer in any material way.
- (b) The Insured shall provide written notice to the Insurer that the Aggregate Retention has been exceeded, and thereafter the Insurer shall submit payment for Loss as

presented in the Notice of Claim on a Covered Loan within ten (10) Business Days of its receipt of the Notice of Claim, and such date shall be the "Claim Due Date."

- (c) With respect to a Claim, in the event the Insurer does not pay the relevant Aggregate Losses by the applicable Claim Due Date, it shall pay interest at a rate per annum on such Aggregate Losses calculated on an actual/360 basis as follows: 1) if the relevant Aggregate Losses are paid on or before the sixtieth (60th) day following the applicable Claim Due Date, the Interest Rate due upon each relevant Covered Loan, commencing on and including the day immediately following the relevant Claim Due Date up to but excluding the date on which the relevant Aggregate Loss is paid; or 2) if the relevant Aggregate Loss is paid after the sixtieth (60th) day following the applicable Claim Due Date, the Interest Rate due upon each relevant Covered Loan, commencing on and including the day immediately following the applicable Claim Due Date up to and including the sixtieth (60th) day following the applicable Claim Due Date, plus the sum of the Interest Rate due upon each applicable Covered Loan and ten percent (10%), commencing on and including the day immediately following the sixtieth (60th) day following the applicable Claim Due Date up to but excluding the date on which the relevant Aggregate Loss is paid.
- (d) As a matter of routine reporting during the Policy, the Insured shall provide the Insurer with the Monthly Servicing Report, which shall be updated and transmitted by the Insured on a monthly basis by the thirtieth (30th) day following the end of each month and covering activity during the preceding month.

VI. CALCULATION OF LOSS

- (a) Upon a Disposition, the Loss shall be calculated as the sum of:
 - i. the Investment in Covered Loan at time of Disposition;

less

 - ii. Net Proceeds of Disposition;

plus

 - iii. Other Pre- and Post-Disposition Costs;

less

 - iv. Lender Loss Sharing.

For purposes of clarity, if the resulting value is a negative (e.g. a credit), it shall be considered a gain and shall reduce Aggregate Losses by the same amount.

- (b) An example of the Loss calculation is provided in Exhibit B.
- (c) In the event that part or all of the Property is taken by eminent domain, condemnation or by any other proceedings by a federal, state or local governmental unit or

agency, the Insured shall require that the Borrower apply the maximum permissible amount of compensation awarded to reduce the unpaid principal balance of the Covered Loan in accordance with Applicable Law and the terms of the Covered Loan.

- (d) Notwithstanding any other provision of this Policy to the contrary, the Insurer shall have no liability to pay any Loss unless and until the Aggregate Losses exceed the Aggregate Retention as specified in the Declarations Page. The Insured shall be solely responsible for Loss until Aggregate Losses exceed the Aggregate Retention.

VII. LOSS ADJUSTMENTS

- (a) Indemnification Proceeds. If the Insured is paid any indemnification or make-whole proceeds by a Servicer or any party otherwise responsible to the Insured in connection with a Covered Loan after the Insurer has paid a Loss on such Covered Loan, the Insured shall pay to the Insurer such proceeds up to the aggregate amount of Loss paid by the Insurer on such Covered Loan. All such proceeds paid by the Insured to the Insurer shall reduce Aggregate Losses, which shall increase the Remaining Limit of Liability by the same amount.
- (b) Collection Activities.
 - i. In connection with a Covered Loan prior to the date the Aggregate Retention has been exceeded, any amounts received by the Insured as a result of Collection Activities shall be retained by the Insured and all such proceeds shall reduce Aggregate Losses.
 - ii. In connection with a Covered Loan after the Aggregate Losses exceed the Aggregate Retention, any amounts received by the Insured as a result of Collection Activities shall be for the benefit of the Insurer and be paid to the Insurer, net of any third-party expenses incurred by the Insured to receive such amounts or the right to receive such amounts, up to the aggregate amount of Loss paid by the Insurer on such Covered Loan. For purposes of this Article VII.(b)(ii), the Insured shall apply its same standards as it would apply in the normal course of Collection Activities pursuant to Article VII.(b)(i) above. All such amounts paid by the Insured to the Insurer shall reduce Aggregate Losses, which shall increase the Remaining Limit of Liability by the same amount.

VIII. CANCELLATION

- (a) This Policy shall automatically cancel on the Termination Date set forth on the Declarations Page unless cancelled earlier in accordance with Article VIII.(b) through (f) below, in which event this Policy shall be cancelled on the Termination Date described in Article VIII.(b) through (f). Within sixty (60) days following the

Termination Date set forth on the Declarations Page or, if applicable, the Termination Date determined pursuant to Article VIII.(b) or (c):

- i. if the Insured determines that the Aggregate Retention has not been exceeded and would not be exceeded if the Total Current Principal Balance of all Covered Loans in Default on the Termination Date were added to the Aggregate Losses, then this Policy shall cancel on the Termination Date and the Insurer shall not be liable for any payment of Loss;
 - ii. if the Insured determines that the Aggregate Retention has not been exceeded, but would be exceeded if the Total Current Principal Balance of all Covered Loans in Default on the Termination Date were added to the Aggregate Losses, then such Covered Loans in Default shall remain covered under this Policy until the earlier of the date such Covered Loans are no longer in Default or become Liquidated Covered Loans, and the Insurer shall continue to pay Losses in connection with such Liquidated Covered Loans without further payment of premium by the Insured;
 - iii. if the Insured determines that the Aggregate Retention has been exceeded, then all Covered Loans in Default on the Termination Date shall remain covered under this Policy until the earlier of the date such Covered Loans are no longer in Default or become Liquidated Covered Loans, and the Insurer shall continue to pay Losses in connection with such Liquidated Covered Loans without further payment of premium by the Insured; and
 - iv. the Insured shall notify the Insurer whether subclause (a)i., (a)ii., or (a)iii. applies.
- (b) The Insurer may cancel this Policy in the event of non-payment of Monthly Premium if the Monthly Premium has not been paid pursuant to Article IX. In such case, the Insurer may cancel this Policy by providing written notice to the Insured stating when the cancellation shall be effective but in no case less than thirty (30) days from the missed Monthly Premium due date. The cancellation date in such written notice shall become the Termination Date of the Policy. If the Insured pays the Monthly Premium on or before the effective date of the cancellation, this Policy shall continue in full force and effect.
- (c) The Insured may cancel this Policy upon: (i) the insolvency of the Insurer or the Insurer having been placed into bankruptcy, liquidation, rehabilitation, receivership, supervision, administration, conservation, winding-up or under a scheme of arrangement or similar proceedings (whether voluntary or involuntary), or proceedings having been instituted against the Insurer, for the appointment of a receiver, liquidator, rehabilitator, supervisor, administrator, conservator or trustee in bankruptcy, or other agent known by whatever name, to take possession of its assets or control of its operations, or any similar proceeding has been commenced with respect to the Insurer unless, in each case, such proceeding is involuntary and is controverted within ten (10) calendar days and is dismissed within thirty (30) calendar days, of commencement of such proceeding; (ii) a breach in any material respect by the Insurer of any representation or warranty provided in Article II. or a breach in any material respect of any covenant or agreement of the Insurer contained herein; (iii) the receipt by the Insurer of a cease

and desist order or any similar order from a regulatory authority that it ceases and desist in writing all or part of its business; or (iv) material non-compliance by the Insurer with the terms of this Policy. The Insured shall give written notice to the Insurer stating the grounds for such action and when the cancellation shall be effective. The cancellation date in such written notice shall become the Termination Date of this Policy.

- (d) The Insured may cancel this Policy if the Total Current Principal Balance is reduced to no more than ten percent (10%) of the Total Initial Principal Balance. The Insured shall give written notice to the Insurer upon electing this action and when the cancellation shall be effective. The cancellation date in such written notice shall become the Termination Date of this Policy.
- (e) The Insured may cancel this Policy under the terms of the Optional Policy Cancellation as specified on the Declarations Page, and the cancellation date shall become the Termination Date each as described in the terms of the Optional Policy Cancellation as specified on the Declarations Page.
- (f) This Policy shall automatically cancel if the Remaining Limit of Liability at any monthly reporting period is zero dollars (\$0.00), subject to adjustment pursuant to Article VII., and the Insured shall not then be liable for any Monthly Premium, except for outstanding amounts that may have accrued prior to that time and may still be owed thereafter. The date of such automatic cancellation shall become the Termination Date of this Policy.
- (g) Under the cancellation provision in Article VIII.(b) above, the Insured shall remain liable to pay any Monthly Premium that accrues prior to, but is not payable until after, the Termination Date. In addition, in the event there are Covered Loans in Default as of the Termination Date, but for which the Insured has not filed a Claim, and thereafter the Insured files a Claim for Loss on such Covered Loans, the Insured shall be liable for Monthly Premium that would have otherwise accrued between the Termination Date and the date of the Claim as if the Policy had continued in full force and effect to the date of the Claim. Any such Monthly Premium still owed by the date of the Claim shall reduce Aggregate Losses, and shall reduce the Remaining Limit of Liability by the same amount, until the earlier of (i) all Covered Loans are no longer in Default or become Liquidated Covered Loans or (ii) the Remaining Limit of Liability at any monthly reporting period is zero dollars (\$0.00), subject to adjustment pursuant to Article VII. (For the avoidance of doubt, with respect to a cancellation described under Article VIII.(b) above, the Insurer shall not be liable for any Loss on Covered Loans that Default after the relevant Termination Date.)
- (h) Under the cancellation provision in Article VIII.(d) and (e) above, the Insured shall not be liable for any Monthly Premium that may accrue after the Termination Date, and the Insurer shall only be liable to pay Claims filed by the Insured prior to the Termination Date. (For the avoidance of doubt, with respect to a cancellation described under Article VIII.(d) and (e) above, the Insurer shall not be liable for Loss on Covered Loans that are in Default as of the relevant Termination Date, but for which the Insured has not filed a Claim.)

IX. MONTHLY PREMIUM

The initial Monthly Premium due and payable under this Policy shall be calculated as specified on the Declarations Page of this Policy, and the Insured shall make its best effort to pay the initial Monthly Premium within five (5) Business Days of delivery to the Insurer of the Set-up File but not later than ten (10) Business Days after delivery of the Set-up File. Each subsequent equal Monthly Premium payment shall be paid on the first (1st) Business Day of the month for which it is due.

X. REDUCTION UNDER QUOTA SHARE CONTRACT

Notwithstanding any other provision of this Policy to the contrary, in the event of a Quota Share Reduction to which the Insured has given its written consent, the Limit of Liability, the Remaining Limit of Liability, the Aggregate Retention, Losses on Covered Loans, and the Monthly Premium shall each be revised as follows:

- (a) the Limit of Liability shall be revised to equal the Limit of Liability on the date prior to the Reinsurer Reduction Date less the product of the Quota Share Reduction and the Remaining Limit of Liability on the date prior to the Reinsurer Reduction Date.
- (b) the Remaining Limit of Liability shall be revised to equal the Remaining Limit of Liability on the date prior to the Reinsurer Reduction Date less the product of the Quota Share Reduction and the Remaining Limit of Liability on the date prior to the Reinsurer Reduction Date.
- (c) the Aggregate Retention shall be revised to equal the Aggregate Retention on the date prior to the Reinsurer Reduction Date less the product of the Quota Share Reduction and the Remaining Aggregate Retention on the date prior to the Reinsurer Reduction Date.
- (d) where the Insurer pays a Loss on and after the Reinsurer Reduction Date, the Loss as otherwise calculated pursuant to Article VI.(a) shall be reduced in the same proportion as the Quota Share Reduction.
- (e) the Monthly Premium shall be reduced prospectively in the same proportion as the Quota Share Reduction as respects any month beginning with the month in which the Reinsurer Reduction Date occurs. The Reinsurer Reduction Date may only occur on the first calendar day of a month.

- (f) For avoidance of doubt, as examples:
- i. where the Limit of Liability is \$300,000,000, Aggregate Retention is \$50,000,000, and Aggregate Losses totaled \$30,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), as of the Reinsurer Reduction Date the Aggregate Retention would be revised to \$45,000,000 ($\$50,000,000 - [25\% \times \$20,000,000]$), the Limit of Liability would be revised to \$225,000,000 ($\$300,000,000 - [25\% \times \$300,000,000]$), and the Remaining Limit of Liability would be revised to \$225,000,000 ($[\$300,000,000 - \$0] - 25\% \times [\$300,000,000 - \$0]$);
 - ii. where the Limit of Liability is \$300,000,000, Aggregate Retention is \$50,000,000, and Aggregate Losses totaled \$80,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), as of the Reinsurer Reduction Date the Aggregate Retention would be unchanged (\$50,000,000), the Limit of Liability would be revised to \$232,500,000 ($\$300,000,000 - [25\% \times \$270,000,000]$), and the Remaining Limit of Liability would be revised to \$202,500,000 ($[\$300,000,000 - \$30,000,000] - 25\% \times [\$300,000,000 - \$30,000,000]$).

XI. EXCLUSIONS

The Insurer shall not be liable for any Loss in connection with a Covered Loan:

- (a) having a date of Default prior to the Effective Date of this Policy or that goes into Default after the Termination Date; or
- (b) that does not satisfy the Eligibility Criteria, subject to the exceptions set forth in Schedule A; or
- (c) that is sold to a Person in which the Insured has an ownership interest or the Property is sold to a Person in which the Insured has an ownership interest.

XII. GENERAL CONDITIONS

- (a) **Arbitration** - Unless prohibited by Applicable Law, any controversy or dispute, including any Claim made under this Policy, arising out of or relating to this Policy, may, upon the mutual consent of all parties to the dispute, be settled by binding arbitration in accordance with the rules of the American Arbitration Association deemed most appropriate by such association. If this remedy is elected by all parties to the dispute, then the decision of the arbitrator shall be final and binding on all the parties and shall be enforceable in any court of competent jurisdiction in [REDACTED]
- (b) **Suit** -
 - i. Each of the parties to this Policy consents to the sole and exclusive jurisdiction of the courts of [REDACTED], in the case of any [REDACTED]

dispute or other matter arising under this Policy which is not disposed of with finality under Article XII.(a). No suit or action for recovery of any Loss under this Policy shall be sustained in favor of the Insured in any court of law or equity unless the Insured has materially complied with the terms and conditions of this Policy, except a suit or action where the issue is whether the Insured materially complied with the terms and conditions of this Policy or what was required to do so, and unless the suit or action in equity is commenced within three (3) years, or such longer period of time as may be permitted by Applicable Law, after (i) the Claim has been presented to the Insurer or (ii) the date on which the cause of action accrued, whichever is earlier. No suit or action on the Insurer's disposition of a Claim or Loss may be brought against the Insurer until sixty (60) days have elapsed from the relevant Claim Due Date. The parties to this Policy expressly waive the right to a jury trial.

- ii. If a dispute arises concerning a Covered Loan and involves either the Property or the Insured, the Insurer has the right to protect its interest by defending any action arising from such dispute, even if the allegations involved are groundless, false or fraudulent. The Insurer is not required to defend any lawsuit involving the Insured, the Property, or a Covered Loan. The Insurer and the Insured shall each bear its own costs and expenses for any litigation under this Article XII.(b).
- (c) **Parties in Interest** - This Policy shall be binding upon and inure to the benefit of the Insurer and its successors and assigns as approved by the Insured and the Insured and its successors and such assigns as may be permitted by the Insurer. Neither the Borrower, nor the Servicer, nor any successor owner of a Property, nor any other Person is included or intended as a third-party beneficiary to this Policy.
- (d) **Governing Law; Conformity to Statute** - This Policy shall be governed by, and construed and enforced in accordance with, the laws of [REDACTED] (excluding the conflict of laws rules). Any provision of this Policy that is in conflict with the law of that jurisdiction is amended by this Article XII.(d) to conform to the minimum requirements of that law.
- (e) **Co-ordination and Duplication of Insurance Benefits** - The coverage under this Policy shall be excess over any Lender Loss Sharing (whether or not collectable) that may apply to a Covered Loan.
- (f) **Duty of Cooperation; Access to Records** - The Insured and the Insurer shall cooperate in good faith with one another in the administration of this Policy, including the resolution of any disputes arising under this Policy. Upon reasonable notice from the Insurer, the Insured shall provide access to its records that pertain to this Policy for purposes of allowing the Insurer to obtain information related to any Covered Loan and the Insured's handling thereof under this Policy; provided, however, that any attorney-client privileged materials shall be excluded. For any such documents or information withheld, the Insured shall, in consultation with the Insurer, take steps as reasonably necessary to provide the Insurer with the information it reasonably requires to evaluate its obligations and/or potential exposure under this Policy without causing a loss of such privilege.

- (g) **Electronic Data** - The Insurer and the Insured agree that each may originate, maintain, and share information, documents or other data (in this Article XII.(g) referred to as "data") as electronic records using electronic media generally accepted as usual and customary for business records (e.g., e-mail, secure web-portals) and that such data are as acceptable for all purposes under this Policy as data maintained in printed or written form, so long as the data is not denied legal effect or enforceability solely because it is in electronic form. Notices required by this Policy may be sent by electronic means and if so sent shall have the same effect as if sent in paper form.
- (h) **Non-Public Personally Identifiable Information** - Any disclosure of Non-Public Personally Identifiable Information shall comply with all state and federal statutes and regulations governing the disclosure of Non-Public Personally Identifiable Information. Disclosing or using such information for any purpose not authorized by Applicable Law is expressly forbidden without the prior written consent of the Insured.
- (i) **Public Statements** - The Insurer consents to the public disclosure of any or all terms of this Policy. The Insurer further agrees that it shall not make any public statements, including press releases, about this Policy without the prior written approval of the Insured unless required by law or regulation, in which case the Insurer shall give the Insured written notice no less than three (3) days in advance of such disclosure.
- (j) **Amendments; No Waiver; Rights and Remedies** -
- iv. No condition or requirement of this Policy shall be deemed waived, modified or otherwise compromised unless that waiver, modification or compromise is stated in a writing properly executed by the party so waiving. Each of the conditions and requirements of this Policy is severable, and a waiver, modification or compromise of one shall not be construed as a waiver, modification or compromise of any other.
 - v. No right or remedy of the Insurer provided for by this Policy shall be exclusive of, or limit, any other rights or remedies set forth in this Policy or otherwise available to the Insurer at law or equity.
 - vi. This Policy shall not be altered, modified or amended without the prior written consent of the Insurer and the Insured.

XIII. DEFINITIONS

Aggregate Losses - means, as of any particular date, the sum of all Losses with respect to fully completed Notices of Claim submitted by the Insured to the Insurer on individual Covered Loans from the Effective Date to such particular date. Calculation of Loss in Notices of Claim submitted by the Insured are net of any Lender Loss Sharing (whether collectable or not). Aggregate Losses shall be net of Loss Adjustments pursuant to Article VII.

Aggregate Retention - means the amount of Aggregate Losses that shall be retained by the Insured before receiving insurance benefits under this Policy, as specified in the Declarations Page of this Policy. The Aggregate Retention shall be calculated by multiplying the Aggregate Retention Percentage by the Total Initial Principal Balance.

Aggregate Retention Percentage - means the percentage specified as such on the Declarations Page of this Policy.

Applicable Law - means any controlling: (i) federal, state, local, or foreign law, statute ordinance, or common law; or (ii) rule, regulation, directive, judgment, order, writ, injunction, ruling, decree, arbitration award, agency requirement, license, or permit of any governmental authority.

Appraisal - means an appraisal used to determine the market value of a Property that complies with: (i) the valuation requirements of the Guide.

Borrower - means any Person required to repay the debt obligation created pursuant to the Covered Loan. The Borrower may be more than one Person, and the term shall include any co-signer or guarantor or other obligor of the Covered Loan.

Business Day - means any day that the Insurer is normally scheduled to be open for business.

Claim - means the request to receive insurance benefits of this Policy filed in accordance with, and containing all information required by the Insurer pursuant to, Article V.

Claim Due Date - means the definition given to that term in Article V.(b).

Collection Activities - means activities pursued after Default for the purpose of mitigating Losses by obtaining funds from Borrowers, guarantors and any other party liable on the Covered Loan. Such activities include, without limitation: (i) pursuit of remedies relating to Default including, but not limited to, costs to commence and pursue foreclosure proceedings or appointment of a receiver; (ii) modification or restructure a Covered Loan; and (iii) to commence and pursue collection under a guaranty or similar obligation, including exceptions to nonrecourse under the Covered Loan documents. Costs are limited to attorneys' fees, court costs, recordation and transfer fees, environmental assessments, Appraisal costs (but only for an Appraisal obtained at the written direction of Insured) and similar costs necessary to enforce, assert or protect Insured's rights under the Covered Loan documents, all as approved by Insured.

Covered Loan - means any note or other evidence of indebtedness and the indebtedness it evidences, together with the mortgage, bond, deed of trust, or other instrument securing said indebtedness, that satisfies the Eligibility Criteria, subject to the exceptions set forth in Schedule A. The Covered Loans shall initially be identified on the Set-up File.

Declarations Page - means the cover pages of this Policy, signed by the Insurer, which extends the coverage indicated therein on the Covered Loans, subject to the terms, conditions, and limitations of this Policy.

Default - means the failure by a Borrower to pay when due a non-accelerated amount equal to or greater than two (2) regular scheduled payments due under the terms of a

Covered Loan or the failure by a Borrower to pay all amounts due under a Covered Loan after the exercise by the Insured of the acceleration of such Covered Loan. Default does not mean any non-monetary default or violation of any other term or condition of the Covered Loan that would allow for acceleration of the debt or foreclosure or other action to realize upon the security provided by the Covered Loan. A Covered Loan is deemed to be in Default for the period for which, as of the close of business on the installment due date, a scheduled installment payment has not been made, as reported on the Monthly Servicing Report. For example, a Covered Loan is "four (4) months in Default" if the monthly installments due on January 1, February 1, March 1, and April 1 remain unpaid as of the close of business on April 1.

Delivered - means, as used in the Guide, a Designated Lender's sale of a Multifamily mortgage loan to the Insured that the Insured conveys to a mortgage-backed security ("MBS") trust under the terms of the Insured's MBS program, or a Designated Lender's sale of a whole Multifamily mortgage loan to the Insured that the Insured holds in its portfolio and may include in a later MBS pool that it forms.

Designated Lender - means DUS Lenders and certain other lenders authorized to originate, underwrite and sell Multifamily mortgage loans to Insured.

Disposition - means a Covered Loan in Default where title to the Property securing such loan was transferred to a third-party via judicial foreclosure sale, non-judicial foreclosure sale, sale/short sale, or the related note is transferred to a third-party pursuant to a note sale/discounted note sale where the loan is at least one hundred twenty (120) days delinquent when offered for such sale.

DUS Lender - means designated lenders authorized to originate, underwrite and sell Multifamily mortgage loans to Insured.

Effective Date - means the date on which coverage under this Policy becomes effective as specified on the Declarations Page of this Policy.

Eligibility Criteria - means those conditions of coverage applicable to each Covered Loan as specified on the Declarations Page of this Policy.

Exclusions - mean those exclusions from coverage set forth in Article XI.

Guide - means: (a) the Insured's Multifamily Selling and Servicing Guide, as such Guide currently exists or as it may amended, superceded, revised or periodically amended by announcement, lender letter, notice, or other Servicer communication, for general application to Multifamily mortgage loans serviced by all of the Insured's Servicers; and (b) any exceptions, pilots, or variances to the Selling and Servicing Guide authorized by the Insured.

Initial Principal Balance - means the unpaid principal balance of a Covered Loan on the Effective Date.

Insured - means the Insured identified on the Declarations Page of this Policy.

Insurer - means the Insurer identified on the Declarations Page of this Policy.

Insurer's Limit of Liability - means the maximum amount of Aggregate Losses, exceeding the Aggregate Retention, for which the Insurer is responsible under this Policy. As of the Effective Date, the dollar limit for the Insurer's Limit of Liability is specified on the Declarations Page of this Policy. Subsequent to the Effective Date, the Insurer's Limit of Liability shall be calculated as the product of a) the Insurer's Deal Percentage, multiplied by b) the Limit of Liability.

Interest Rate - means interest at the contract rate stated in the Covered Loan (or as otherwise subject to Modification in accordance with the Guide, as provided in Article III.(c)).

Investment in Covered Loan at time of Disposition - includes the unpaid principal balance, net of unamortized premiums and discounts, other cost basis adjustments, and unpaid interest contractually due from the Borrower (net of any servicing fee) through Disposition.

Lender Loss Sharing - means the amount of loss on any Covered Loan allocated to the applicable Designated Lender. Loss in any Notice of Claim submitted by the Insured shall be net of any Lender Loss Sharing. The amount of Lender Loss Sharing shall be equal to the greater of (1) the amount of Lender Loss Sharing calculated pursuant to the method presented in the Set-up File or (2) if the Lender Loss Sharing is subsequently modified resulting in an increased Lender Loss Sharing amount, such increased amount. Lender Loss Sharing shall be deemed collected for purposes of this Policy whether or not actually received by the Insured.

Limit of Liability - means the maximum amount of Aggregate Losses, exceeding the Aggregate Retention, insured under all insurance policies for the pool of loans specified on the Declarations Page of this Policy. The dollar limit for the Limit of Liability is specified on the Declarations Page of this Policy. The Limit of Liability shall initially be calculated by multiplying the Limit of Liability Percentage by the Total Initial Principal Balance.

Limit of Liability Percentage - means the percentage specified as such on the Declarations Page of this Policy.

Liquidated Covered Loan - means a Covered Loan in Default where title to the Property securing such loan was transferred via Disposition and where a Claim has not yet been filed or where a Claim has been filed and is pending settlement. For avoidance of doubt, a Liquidated Covered Loan does not include any such loan where a Claim has been filed and settled. The date of any such title transfer shall be reported by the Insured to the Insurer in the Monthly Servicing Report.

Loss - means the amount as calculated in Article VI., subject to the terms, conditions, and limitations of this Policy.

Modification - means any change, unless such change is prescribed in the loan documents, to the: a) amount of indebtedness (for example, capitalization of interest arrearages, principal forgiveness); b) Interest Rate; c) Interest Rate adjustment period; d) use of escrow funds or other funds; or e) term or the amortization schedule of a Covered Loan.

Monthly Premium - means the amount to be paid by the Insured to the Insurer for the coverage afforded by this Policy, as specified on the Declarations Page of this Policy.

Monthly Servicing Report - means an electronic file, substantially in the form of Exhibit C unless otherwise mutually agreed, containing all active Covered Loans and Liquidated Covered Loans, including information on the status of Covered Loans in Default. The Monthly Servicing Report shall be the sole means by which the Insured shall notify the Insurer of Defaults on Covered Loans under this Policy. The Monthly Servicing Report shall be delivered to the Insurer in the format and manner that the Insured uses for its other insurance providers, which shall include notice of any Default on a Covered Loan if, within the month to which the Monthly Servicing Report relates: (i) the Borrower was in Default on the Covered Loan; or (ii) any proceeding was commenced, including but not limited to foreclosure, which may affect the Covered Loan or the Property or the Insured's or Borrower's interest in the Covered Loan or the Property.

Multifamily - means a residential property having five (5) or more dwelling units including, but not limited to, conventional, affordable, seniors, cooperatives, student, military and manufactured housing projects.

Net Proceeds of Disposition - means the gross sales price less all customary and necessary costs (including, but not limited to, brokerage fees, legal costs, third-party vendor disposition fees, title/escrow fees, transfer or recordation fees, prorations, etc.) incurred in obtaining and closing the Disposition.

Non-Public Personally Identifiable Information - means such term or similar term as defined under Applicable Law.

Notice of Claim - means the Claim submission form specified in Exhibit A of this Policy.

Optional Policy Cancellation - means the basis for cancellation of this Policy as specified on the Declarations Page.

Other Pre- and Post-Disposition Costs - means the following:

all "out of pocket" costs and expenses incurred by Insured or its designee in the performance of its servicing obligations related to a Disposition, including, but not limited to, costs and expenses incurred for or related to preservation and protection of the Property, delinquency resolution costs, repairs or replacements at the Property, the payment of taxes and insurance, the enforcement of judicial proceedings, and the management and disposition of acquired Properties;

less

the amount of any remaining cash or funds held by Insured or its designee in connection with the Property, including, but not limited to, any hazard or other insurance loss proceeds, net operating income, or Property tax or insurance premium refunds; related to the Property, and

any amount recovered on or prior to the Disposition from a guaranty, indemnification or similar obligation made with respect to the Covered Loan that benefits the Insured.

Person - means any natural person, or any corporation, partnership, association or other legally-recognized entity.

Policy - means this contract of insurance together with the Exhibits and the Declarations Page, which are incorporated herein and made part of this Policy with respect to the Covered Loans to which they relate.

Policy Period - means the period specified as such on the Declarations Page of this Policy.

Property - means a Multifamily residential property which consists of five or more dwelling units. Property includes the land (or, where applicable leasehold interest in land) and the improvements, together with fixtures, equipment, and furniture affixed or attached to or located on the land, that secure the Multifamily mortgage loan.

Quota Share Contract - means the quota share reinsurance contract entered into by and between the Insurer and the Reinsurers.

Quota Share Reduction - means a reduction in the liability reinsured under the Quota Share Contract.

Reinsurers - means, collectively, all duly licensed reinsurance entities accepting liability under the Quota Share Contract by signing an Interests and Liabilities Agreement attached thereto.

Reinsurer Reduction Date - means the effective date of a Quota Share Reduction under the Quota Share Contract.

Remaining Aggregate Retention - means, the Aggregate Retention reduced by Aggregate Losses and as adjusted by any applicable Quota Share Reduction. In the event of a Quota Share Reduction, the Remaining Aggregate Retention shall equal the remainder of the Aggregate Retention resulting from subtraction of Aggregate Losses determined on the date prior to the Reinsurer Reduction Date, as such remainder is reduced in the same proportion as the Quota Share Reduction. For avoidance of doubt, as an example, where the Aggregate Retention is \$50,000,000, Aggregate Losses totaled \$30,000,000, and the Quota Share Reduction results in the Aggregate Retention being reduced to seventy-five percent (75%), the Remaining Aggregate Retention as of the Reinsurer Reduction Date would be \$15,000,000 ($[\$50,000,000 - \$30,000,000] \times 0.75$).

Remaining Limit of Liability - means, as of any particular date, the Limit of Liability as reduced by Aggregate Losses, in excess of the Aggregate Retention and as adjusted by any applicable Quota Share Reduction. In the event of a Quota Share Reduction, the Remaining Limit of Liability shall equal the remainder of the Limit of Liability resulting from subtraction of Aggregate Losses in excess of the Aggregate Retention, determined on the date prior to the Reinsurer Reduction Date, as such remainder is reduced in the same proportion as the Quota Share Reduction. For avoidance of doubt, as examples, (i) where the Limit of Liability is \$300,000,000, Aggregate Retention is zero, Aggregate Losses totaled \$30,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), the Remaining Limit of Liability as of the Reinsurer Reduction Date would be \$202,500,000 ($[\$300,000,000 - \$30,000,000] \times 0.75$), and (ii)

where the Limit of Liability is \$300,000,000, Aggregate Retention is \$50,000,000, and Aggregate Losses totaled \$80,000,000, and the Quota Share Reduction results in the Limit of Liability being reduced to seventy-five percent (75%), the Remaining Aggregate Retention as of the Reinsurer Reduction Date would be \$0, and the Remaining Limit of Liability as of the Reinsurer Reduction Date would be \$202,500,000 $([\$300,000,000 - \$30,000,000] \times 0.75)$.

Servicer - means that primary Person, other than a natural Person, responsible for servicing a Covered Loan whether such Person is the originator of the Covered Loan, the selling Designated Lender, or a third-party servicer. The Servicer acts on behalf of the Insured and pursuant to the Guide and any applicable delegation of authority that the Insured may have made to the Servicer to perform loss mitigation without the prior approval of the Insured. Actions required by this Policy to be performed by the Insured may, at the option of the Insured, be performed by a Servicer. The Servicer acts on behalf of the Insured in performing acts under this Policy.

Set-up File - means the electronic data submission from the Insured to the Insurer that provides loan level information regarding the initial population of Covered Loans insured under this Policy. The Set-up File shall be delivered to the Insurer between the tenth (10th) and twenty-fifth (25th) day of the month following the month in which the Effective Date occurs.

Termination Date - means the date on which this Policy terminates as specified on the Declarations Page of this Policy, or as effected in Article VIII.

Total Current Principal Balance - means the sum of the unpaid principal balance of all Covered Loans as reported in the applicable Monthly Servicing Report.

Total Initial Principal Balance - means the sum of the Initial Principal Balance of all Covered Loans, as stated on the Declarations Page of this Policy.

Pronouns, when used in this Policy, shall mean the singular or plural, masculine or feminine, as the context requires.

EXHIBIT B

Loss Calculation Example

Lenders who elect Loss Sharing @ Foreclosure		Lenders who elect Loss Sharing @ Disposition	
\$ 7,500,000	UPB	\$ 7,500,000	UPB
\$ 5,000,000	Appraisal	\$ 5,250,000	Disposition value*
\$ 2,500,000	Loss	\$ 2,250,000	Loss
\$ 825,000	Lender Loss Share**	\$ 742,500	Lender Loss Share**
\$ 1,675,000	FNM Loss Share	\$ 1,507,500	Total Fannie Mae Loss
\$ 4,175,000	Value on ROE books		
\$ 5,250,000	Disposition value*		
\$ 1,425,000	Total Fannie Mae Loss		

* Assumes FNMA invests in the property and have a 5% gain from appraisal value

** Pari Passu Loss Sharing example used above for simplicity. Share amount could be slightly different under Standard DUS Loss Sharing.

EXHIBIT C

Form of Monthly Servicing Report

- Policy ID
- Fannie Mae Loan Number
- Current UPB
- LPI Date
- Number of Days Delinquent
- Liquidation Date
- REO Date
- Disposition Date
- Cumulative-to-Date Credit Losses (reported at Disposition only)

SCHEDULE A

Exceptions to Declarations Page Eligibility Criteria

Covered Loans with an original term more than thirty (30) years:

[REDACTED]

Covered Loans with an original loan-to-value ratio more than eighty percent (80%):

[REDACTED]