

PURCHASE & SERVICING AGREEMENTS

Issuer, Originator, Seller & Servicer Considerations

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- State of Market---Fall 2005
- ASF RMBS Issuers Subforum
- Goals of Model Provision Development:
 - Standardize Contractual Terminology
 - Efficient Base Framework for Negotiations
 - Negotiate Individual Provisions
 - Reasonable Request Standard
- Approval & Future Developments

- MBA Regulation AB Working Group: Participants, Goals, Issues
- Process: Assessing Views of ASF Model and Actual PSA's
- Concerns About Model Provisions/New PSA Language
 - Goes beyond the requirements of Reg AB
 - Issuer is protected/no indemnification for servicer
 - Turnaround times
 - Burden for regulatory interpretation and compliance on seller/servicer that lacks process control
 - Performance data sometimes impossible to provide
 - Liability for performance of parties not in contractual relationship with seller
 - No control of data usage or presentation
 - Liability provisions are punitive: servicing could be forfeited without compensation even where default is not of comparable magnitude
- Next Steps